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| <p align="center">London Borough of Hammersmith & Fulham</p> <p align="center">CABINET</p> <p align="center">10 JULY 2017</p> | |  |
| MITIE SERVICE REVIEW | | |
| Report of the Cabinet Member for Housing – Councillor Lisa Homan | | |
| <p>Open report A separate report on the exempt part of the Cabinet agenda provides exempt financial information.</p> | | |
| <p>Classification: For decision Key Decision: Yes</p> | | |
| <p>Consultation: Repairs Working Group, Communications Group and Housing Representatives Forum</p> | | |
| <p>Wards Affected: All Wards</p> | | |
| <p>Accountable Director: Jane Martin, Interim Director of Housing Property Services</p> | | |
| <p>Report Author: Keith Lindup, Interim Service Integration and Transformation Manager</p> | <p>Contact Details: Keith.Lindup@lbhf.gov.uk 020 8753 5610</p> | |

1 EXECUTIVE SUMMARY

- 1.1 Following a review of the repairs service, approval is sought for amendments to the expenditure profile of the Mitie repairs contract. This will allow us to continue to use Rant N Rave to measure customer satisfaction and offer a better customer appointment service.

2. RECOMMENDATIONS

- 2.1 To agree a reduction in the frequency of property condition surveys from every year to every two years.
- 2.2 To agree more resources for additional repair appointments.
- 2.3 To agree the continuation of Rant N Rave repairs satisfaction surveys for 22 months including enhancements to the system.

3. PURPOSE AND ISSUES

3.1 The purpose of the repairs review was to:

- Identify opportunities to drive further improvement for customers using the repair service.
- Deliver further efficiency savings from current contractual arrangements.
- Improve contract management arrangement to improve service delivery.

A key principle of the review is to make service improvements this financial year (2017/18) and ensure any additional costs are funded from corresponding savings.

4. BACKGROUND

The review was initiated by the Cabinet Members for Commercial Revenue and Resident Satisfaction and for Housing and commenced in November 2016. A summary of initial findings was reported to both Cabinet Members in December 2016. Since then some improvements have been achieved with proposals to provide continuous improvement in the future.

5 PROPOSALS

Most changes from the review have related to system and procedural improvements. Some potential efficiencies have been identified for the capital works which can be reinvested in additional work and all enhancements set out in this report can be fully funded from savings identified.

5.1 Changes to appointment arrangement

Improvements to the Mitie customer appointment service have been negotiated to deliver a more customer focused service. The proposal below requires additional resources but this cost is offset against savings as a result of the reduction in the frequency of condition surveys.

5.1.2 Current appointment arrangements

The current arrangements require residents to take half a day off to wait for an operative and there are only 2 slots per weekday and one on a Saturday (see below). This is often inconvenient and can mean a loss of earnings for residents who may need to take unpaid leave or may be employed on zero hours contracts.

| | AM | PM |
|-----------------------------|---------------|----------------|
| Weekdays | 8.00 to 13.00 | 13.01 to 17.00 |
| Saturdays (Gas only) | 8.00 to 13.00 | |

5.1.3 Proposed changes

- i It is proposed to have 4 slots per weekday plus an extension to 2pm on Saturdays (see below). We will trial a bespoke appointment system based on a time that suits the customer rather than a time to meet the repair target date. How this will work in practice is being developed with the Repairs Working Group (RWG).

| | AM | Avoid the School run | PM |
|-----------------------------|-----------------------------------|-----------------------------|----------------|
| Weekdays | 8:00-9:00 (arrival) 9:00-13:00 | 10.00 to 14.00 | 13.00 to 18.00 |
| Saturdays (Gas only) | 8.00 to 14.00 | | |

- ii The extra staff resource needed for the first 9 months has been identified by Mitie. Officers and Mitie will monitor demand and resources closely to ensure additional appointment slots are not at the expense of failing to attend appointments.

5.2 Rant N Rave

5.2.1 Discussions in 2015/16 involving Mitie, officers, customers and the Cabinet Member for Commercial Revenue and Resident Satisfaction led to a change of contractor doing customer satisfaction surveys. The information is more useful in driving service improvement.

5.2.2 Mitie commissioned Rant N Rave on our behalf and covered the cost of developing the service and running costs for a 1 year pilot.

5.2.3 From the pilot, it is clear Rant N Rave does offer additional benefits such as:

- real time data – enabling quicker resolution of service issues;
- faster processes – encouraging customers to feedback sooner;
- a feedback model (SMS survey) which can capture and analyse customer sentiment to inform learning and continuous improvement.

5.2.4 The key findings from the pilot are:

- responses tend to be triggered by experiences at either end of the response spectrum – i.e. very satisfied or very dis-satisfied, with less responses from experiences in the middle;
- the system piloted is only available to mobile phone users and applicable to responsive repairs;
- to make the service more accessible we would need to sign up to additional modules to allow people to use their home phones to give feedback and to get feedback on planned work.

5.2.5 This work will be progressed with the RWG who support the continued use of the service and the additional modules.

5.3 Bi-annual condition surveys 2017-2019

5.3.1 Condition surveys inform asset management decisions and we have data from previous inspections. By moving to bi-annual surveys we can save an annual £361k but still ensure we have adequate data to inform our asset management strategy and the development of our capital works programmes.

5.3.2 To remove this service completely would incur risks to both ourselves and Mitie and Mitie could legitimately re-negotiate the price per property, due to potential additional repair demand.

6 CONSULTATION

6.1 The RWP and Communications Group have been involved in helping to develop and drive the initiatives in this report and with officers and Mitie staff will take forward the development work on Rant N Rave.

6.2 The Housing Representatives Forum has received updates on the work being undertaken, and we have taken their comments on board.

7. EQUALITY IMPLICATIONS

7.1 The adoption of additional functionality for Rant N Rave will improve accessibility, by enabling residents such as older people who may not use SMS or mobile phones, to be able to give their feedback on their service experience from their home phones.

8. LEGAL IMPLICATIONS

8.1 The Council's works contract with MITIE Property Services (UK) Limited (MITIE) under which MITIE provides housing repairs and maintenance works to the Council dated 01 November 2013 (the "Contract") commenced on 01 November 2013 for a period of 10 years with an option for the Council to extend the term of the Contract for a further period of five (5) years. The proposed changes to the Contract should comply with Regulation 72 of the Public Contracts Regulations 2015, and formalised by way of a variation agreement. Legal Services will be available to assist with finalising the legal documentation.

Legal implications completed by: Kar-Yee Chan, Acting Principal Solicitor, Shared Legal Services, 020 8753 2772

9. FINANCIAL IMPLICATIONS

9.1 As set out in the exempt report on the exempt Cabinet agenda.

10. IMPLICATIONS FOR BUSINESS

10.1 In terms of the Mitie contract, the implications are as follows:

- Mitie has been involved each year in the council led Meet the Buyer events.
- Mitie spend over £2 million per year with local suppliers.
- In 2015/16 Mitie invested £12,220 in social enterprises within the borough.
- Mitie employs over 40 Hammersmith and Fulham residents on the contract and advertises vacancies locally.
- Mitie engage with local business recommended by the council through their programmes.

11. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.