



**Nottingham Repairs and Maintenance
Annual Report 2009/10**

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1) Directors Report

This is the second Annual Report concerning the delivery and performance of the Nottingham Repairs and Maintenance Contract, awarded in open competition to the Nottingham City Homes Direct Labour Organisation in April 2008.

The contract started on July 7th 2008 and that date will be recognised as the start of the change process leading to better satisfaction and a more efficient repairs and maintenance service for the tenants of Nottingham City Homes.

During the second year of the Contract, we have remained firmly committed to our goal of providing the people of Nottingham with the best housing repairs service in the country. The foundations for service improvements were made during the first 9 months of the Contract, through the delivery of Contract Method Statements, and implementing recommendations made at the Audit Inspection. The second year has focussed on our operational structures and working practices and procedures.

Our key achievements are enclosed within this report and I think it is worth noting the significant improvements in the control of financial administration of the Contract, and the general improvement in performance from the 2008/09 report during a time of significant change.

In doing this we recognise that the change programme we have commenced must continue to deliver further improvements if we are to move the service forward into a modern, high performing division which is the envy of organisations within the UK. Customer focus and involvement will play a key role in this, and we remain totally committed to working with our customers, listening to them and involving them in all aspects of the services delivered.

Implementing a new payment system and mobile working will be the biggest changes to the Repairs and Maintenance service in Nottingham for many years and it is essential that we continue with the progress made so far. I now have a management team which I believe has the required experience, knowledge, commitment and drive to make those changes happen and to ensure that service delivery provided through the Repairs and Maintenance Contract will not only continue to meet, but exceed the expectations of our customers.

Mark Johnson
Director of Property Services

2) Key Achievements

The Annual Contract for 2008/09 listed many achievements, most of which were as a result of the introduction of commitments made within the submitted Contract Method Statements, and recommendations made in the Audit Commission inspection report in which Nottingham City Homes were awarded 2 stars with excellent prospects for improvement.

Building on these, this second operating year has continued to delivered further achievements and improvements for the Repairs and Maintenance services provided to residents in Nottingham. A summary of the key achievements are listed below.

√ **Improved budgetary management within Voids**

The re-alignment of managerial responsibilities within the Vacant Property process enabled the early indication of projected budget overspends, and enabled a recovery plan to be developed and introduced which limited the impact of both HRA and Capital budgets.

√ **Rising Customer Involvement**

During the 2009/10 operating year the level of customer involvement in the delivery of repair services has increased through their inclusion in specific events such as the Equality Impact Assessment and Method Statement Review workshops. Customers also dictate their forward plan at the monthly Repairs and Maintenance Forum and attend bi-monthly tool box talks meetings which take place with the workforce. A further new initiative involving customers during 2009/10 was their involvement and placement on the Apprentice interview panels.

√ **Shift from responsive to planned**

The continued delivery of the Planned Fencing Programme and the inclusion of guttering works has enabled the shift from responsive to a more planned approach to be maintained.

√ **Reduction in the number of lettable voids**

Changes to working practices and procedures and closer budgetary control of void works commitment, enabled NCH to reduce the number of lettable Voids from 550 in August 2009 to 276 at 31st March 2010.

√ **Improved Variation Control**

Further enhancements to the variation management process and procedures has enabled a more robust, focused approach to be delivered in the management and processing of Contract work variations.

√ **Major push on Equality and Diversity**

During the 2009/10 operating year, a series of training events for Managers and workshops involving customers has enabled draft EIA to be completed for each of the Contract Workstreams. These will be included in the Area Service Plans for 2010/11.

√ **Completed and delivered VFM service / process reviews**

- Completed an efficiency and rationalisation review of the current stores provision resulting in the service being maintained in-house.
- Completed a tendering exercise in relation to the preferred energy supplier within Void Repairs.

√ **Better Practice Review – Mobile Working**

Significant progress has been achieved in preparation for the introduction of hand held technology within the workforce through the tendering and appointment of our approved supplier (Vodafone) and the upgrading of the repairs diagnostic tool in the Repairs Call Centre.

√ **Continued commitment to Apprentice Scheme**

During 2009/10 NCH once again committed to appointing 10 trade apprentices into its award winning apprentice scheme and was successful with one of its electrical apprentices who was named 2nd runner up at the SkilleLECTRIC national apprentice awards held at the NEC, Birmingham.

3) The Contract

Nottingham City Council Aims and Objectives for the Contract

The Employer has a number of aims and objectives for the works the subject of the Employer's tender document. These address issues that will have a significant impact on the quality of the service to customers and also wider agenda objectives that benefit and support the strategic objectives of the Employer, and include:

- **Putting residents first.**

The continued commitment to "putting residents first" in the planning and delivery of the Repairs Contract was again clearly evident during the 09/10 operating year. Continued attendance and involvement of Contract Administration and Contractor Officers at the monthly Repairs Forums has enabled customers to question and scrutinise elements of the services delivered through the Contract. This together with the customers dictating the forward plan and agenda items for the Repairs meeting has not only enabled customers to "own" their Forum but has enabled them to play a more active role in service improvements proposed.

During 2009/10, customers have also been further involved through the work undertaken by the Tenant Inspection Team and the customer involvement at specific events for repairs such as the Method Statement review, and Equality Impact Assessment workshops. Customers have also sat on the interview panels for appointing new apprentices and been invited, and attended, tool box talks with the workforce.

- **Reducing the amount spent on Responsive Repairs and to shift the emphasis to Planned Maintenance Work to achieve improved value for money.**

As reported in the 2009/10 annual report, a planned fencing programme was introduced which enabled area working to be planned and undertaken delivering efficiencies when such planned works are commissioned. This has been extended during the last operating year with the inclusion of guttering works, and it is proposed that all path and concreting works will be completed through a planned process during the 2010/11 operating year.

- **Embracing equality and diversity.**

With a “major push” on Equality and Diversity being one of the key themes within Nottingham City Homes, services delivered through the Contract all now have draft Equality Impact Assessments completed. These EIA’s were developed and produced through training provided by the internal Equality Team and specific focussed workshops held with customers. The updating of Customer Profile information continues to be an essential element in providing services which meet individual needs. To ensure this information and held detail is accurate, NCH has been targeting properties and individuals where information is lacking.

- **Addressing environmental and sustainability matters.**

The introduction of the new vehicle fleet as part of the mobilisation of the Contract continues to enable considerable reductions in emissions to be realised when compared to the old fleet evident pre July 08. Further reductions in fuel usage is anticipated with the introduction of hand held technology, which will locate the nearest vehicle to properties where repairs are requested. Waste management also continues to improve as further recommendations and targets are built into the Site Waste Management Plan.

- **Sustaining the local economy to the extent permitted by law.**

To support sustaining the local economy, any Contracts which are to be procured for goods, services or materials to assist in the delivery of the Contract are advertised through source Nottingham. The award winning apprentice scheme also encouraged applicants from the Nottingham area with a further 10 being appointed during the 09/10 operating year.

- **Securing value for money.**

Value for money for repairs and maintenance was secured for Nottingham City through the tendering exercise completed during 07/08. This exercise also had a value for money impact during the 2008 NCH Audit Commission Inspection at which 2 stars with excellent prospects were gained.

Further VFM initiatives have been delivered and are planned for the length of the Contract. Examples of these initiatives are the efficiency and rationalisation review of the current stores provision which resulted in the service being maintained in-house and the material e-auctions which have enabled material cost in certain areas to be significantly reduced.

Contract Context

The works were the subject of the Employer's tender document were the subject of a Contract Notice in the Official Journal of the European Union dispatched on 7th June 2007 (reference number 2007/S 109-134368). These works were previously the subject of a Contract Notice in the Official Journal of the European Union dispatched on 27th September 2005 (reference number 2005/S 186-183308).

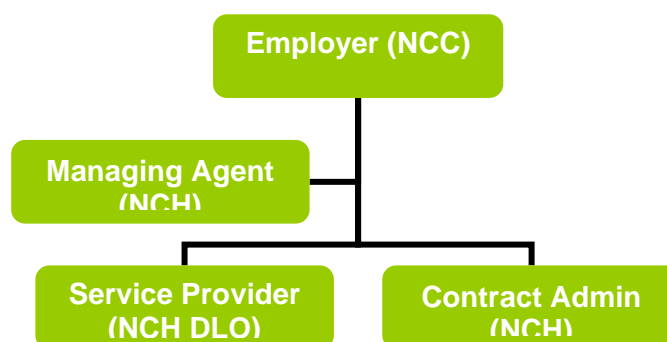
For the purposes of the Contract, the Employer will be Nottingham City Council and the Contract will be managed by Nottingham City Homes Limited (an arms length management organisation set-up by the Employer) on behalf of the Employer under the terms of a management agreement made between those parties and in accordance with the terms of the form of contract referred to below. The Contract will be for the entirety of the works the subject of the Employer's tender document.

Governance and Contract Structure

The contract is an arrangement between Nottingham City Council and two areas of Nottingham City Homes.

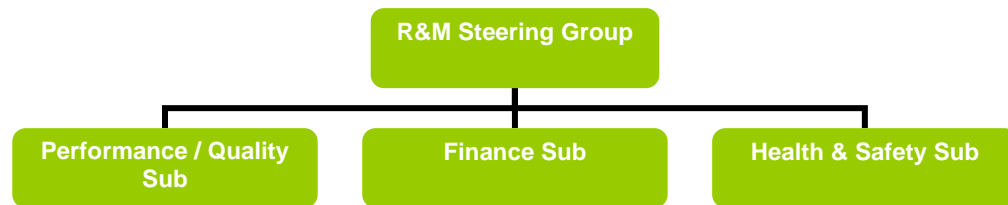
- Nottingham City Council is the **Employer**.
- Nottingham City Homes Property Services deals with the **Managing Agent (Relationship Management) and Contract Administrator (Contract Management)**
- Nottingham City Homes Direct Labour Organisation is the **Service Provider (Service Delivery management)**.

Contract Management Structure



Contract Governance Structure

To ensure that there are appropriate channels of communication to enable effective decision making by all stakeholders, the Contract Governance Structure and associated meeting framework and attendees list (appendix1) has been developed.



Audit and Risk

The contract is audited by Nottingham City Homes internal auditors (TIAA) as part of their audit plan with an audit of the Vacant Property process and procedures being undertaken in 2009. An audit by Nottingham City Council auditors was also completed in March / April of 2010 and our ISO Auditors also undertook assessments against our provision and delivery of services with regard to ISO 9001 and ISO 14001. The Contract Manager will continue to work closely with NCC colleagues to ensure that audit needs and requirements of the Employer are met.

Risk management and associated frameworks will be reviewed as part of the Company requirements and reported through the Steering Committee.

4) Contract Administrators Report

Budgetary Statement

Whilst the 2009/10 operating period indicates an increased HRA overspend on budget and an increased variance when compared to 2008/09, it should be noted that overspends were in “demand driven” areas such as responsive repairs and day to day electrical repairs. This overspend was absorbed within the NCC HRA out-turn.

During the course of the year we were presented with various challenges especially in the area of vacant property management, which at one point was indicating significant overspends. Changes to the method of budgetary control in the area of voids where commitments were closely monitored and managed enabled a recovery to occur. This method of closer monitoring of commitments is to be utilised across all areas of the Contract in 2010/11.

Contract Administration Budgets

2008/09 – HRA		
Budget	Spend	Variance
£17,097,450	£17,076,846	(20,603)
2009/10 – HRA		
Budget	Spend	Variance
£ 17,567,630	£ 18,303,397	£735,767

2008/09 – Management Fee		
Budget	Spend	Variance
£5,154,310	£5,242,133	£87,822
2009/10 – Management Fee		
Budget	Spend	Variance
£5,854,310	£5,651,210	(£203,099)

2008/09 – Combined		
Budget	Spend	Variance
£22,251,760	£22,318,980	£67,220
2009/10 – Combined		
Budget	Spend	Variance
£23,421,940	£23,954,607	£532,668

As elements of the Contract are delivered through Capital funding, the NCC / NCH Capital programme financial out turns for 2009/10 should also be considered.

Variations/Summary of Refunds

Period	Refund to Contract related budgets
2008/09	£1,735,970.35
2009/10	£1,902,664.66

Variation processing and management during the 2009/10 operating year significantly improved when compared with previous periods due to “targeted” investigations and links developed with the internal Quality Assurance Team.

Performance Statement

Contract performance out turns for 2009/10 (cumulative) in general, indicate an improvement when compared to performance achieved during the first 9 months of the Contract. However, in noting this improvement the an evaluation of monthly trends indicate that performance deteriorated for the majority of responsive repair indicators for the last 2 quarters of the 2009/10 operating year.

Whilst we as the Contract Administrator welcome the improvement in performance and progress made since the commencement of the Contract, concerns remain around the trend deterioration in responsive repairs and the number of indicators which are not meeting the agreed Contract targets.

During 2009/10 there were issues and problems associated with the submission of satisfaction data to the Contract Administrator in a timely manner, and a series of default notices were noted in the last Annual Report. We can report that progress has been achieved in data submission and all required satisfaction data and other data required to compile monthly performance statistics have been received.

Customer Satisfaction

Customer Satisfaction out turn measures for 2009/10 were gained through the Vision Management System (VMS). Due to data submission not being evident during the latter stages of the 2008/09 operating year accurate comparisons cannot be made. However, taking the data received for 2008/09 and comparing it to data collected for 2009/10 of the 9 customer satisfaction related indicators:-

5 state performance improvement
3 state performance deterioration
1 not able to compare due to no data in 2008/09

Of the 9 satisfaction measures utilised to manage and administer the Contract, 6 achieved the agreed cumulative targets for the 2009/10 operating year.

Detailed comparison against each indicator is contained within the March Performance and Quality Contract Report and summarised in appendix 2.

Recommendations

- 1) Contract Administrator to request that the Contract Managing Agent issue 3 minor default notice's to the Contractor for failing to achieve 3 agreed performance targets for the 2009/10 operating year.

Operational Performance Indicators

Operational performance indicator cumulative out turns for the majority of the operational performance measures indicate that performance has improved during the second year of the Contract when compared to the first 9 months. However, this improvement has not been significant enough or maintained throughout the measurement period for long enough to enable all Contract targets to be achieved.

Whilst Gas servicing performance remains excellent and progress has been made in the completion of works to 10 day voids, the in month deterioration trend for responsive repair indicators remains an area of concern. A further area of concern identified in supporting performance documentation is the decline in performance relating to Planned works.

It should also be noted that in reporting performance against the predetermined Contract indicators, data accuracy submitted in some areas requires further evaluation.

Taking data stated for 2008/09 and comparing it to data collected for 2009/10 of the 24 operational indicators:-

18 state performance improvement
6 state performance deterioration

Of the 24 operational measures utilised to manage and administer the Contract, 11 achieved the agreed cumulative targets for the 2009/10 operating year (gas servicing at 99.88% included as within target).

Detailed comparison against each indicator is contained within the March Performance and Quality Contract Report and summarised in appendix 2.

Recommendations

- 1) Contract Manager to request that the Contract Managing Agent issue 13 minor default notice's to the Contractor for failing to achieve 13 agreed performance targets for the 09/10 operating period.

- 2) Contractor to complete a detailed action plan on how and what improvements are intended to improve on 09/10 performance out turns throughout the 10/11 operating period – specifically in the area of responsive repairs.
- 3) Contract Administrator to complete a review of indicator “build” in areas where data is identified as requiring further evaluation.

Quality

Quality Assurance measures evident within the suite of indicators utilised to monitor the quality of repairs / maintenance completed, indicate an improvement in performance when compared to the 08/09 for 2 of the 3 indicators. However all 3 indicators were below the agreed targets established for 2009/10 operation year.

Recommendations

- 1) Contract Manager to request that the Contract Managing Agent issue 2 minor default notice's to the Contractor for failing to achieve 2 agreed performance targets for the 09/10 operating year.
- 2) The Contract Administrator to assess structure and processes within the QA team and report back to a future Performance and Quality meeting.

5) 2010 / 2011 Forecast

Looking forward to the third year of the Contract and the delivery of further Contract Administration and Contractor initiatives, NCH is confident that it can continue to improve against related performance measures and enhance the service delivered to its customers.

We are therefore confident that the Repairs Contract will achieve:-

- An improvement in performance when compared to the 09/10 operating year with more targets being achieved.
- Improved budgetary and variation control through the implementation of budget commitment profiling within Contract Administration and Contract Delivery.
- Performance and efficiency savings through the introduction of hand held technology within the work force.
- Continued high levels of customer involvement and satisfaction ratings for the services delivered through the Contract.
- A further shift from responsive work to that of a planned nature and the financial benefits this delivers.
- Improved quality in terms of product use, product specification and product installation.

Supporting Documentation

This report has been compiled from various sources of data and information. Where reports / statements exist they have been / are included as electronic appendices.

- Performance and Quality Report – April 2009 – March 2010
- Performance and Quality Report – March 2010
- Contract Management Framework
- 2009/10 Service Improvement Plan

Appendix 1



Nottingham Repairs & Maintenance Contract 2008-2013
Contract Management Meeting Dates 2010/11

Contract Management Governance Structure

The R&M Partnership Steering Committee



Stakeholder	Title	Name
NCH	Director of Property Services	Mark Johnson (Chair)
NCH	Contract Manager	Chris Raynor
NCH	Contractor	Gary Whitaker
NCH	Board Member	TBE
NCH	Resident Reps	Jackie Brown Jean England Roy Lawson
NCH	Director of Finance	Julie Crook
NCH	Finance	Simon Martin
NCH	Health & Safety	Ian Rabett
NCH	Managing Agent	Steve Edlin
NCC	Finance	Bev Angell
NCC	Legal	A Representative
NCC	Housing	Masaud Subedar
Trowers & Hamlin	Legal	Andrew Vickery

Meeting dates and times:	10.00am Tuesday 25th May 2010	11.00am Tuesday 24th August 2010	10.00am Tuesday 23rd November 2010	11.00am Tuesday 22nd February 2011
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Finance Management



Stk	Title	Name
NCH	Director of Finance Services	Julie Crook (Chair)
NCH	Finance	Simon Martin
NCH	Finance	Tracey Martin
NCH	Finance	Jason Straw
NCH	Contract Manager	Chris Raynor
NCH	Contractor	Trevor Burden
NCH	Resident Reps	Ennis Peck
NCH	Finance - Client	Jason Straw
NCC	Finance	Bev Angell

Meeting dates and times.	2.00pm Wednesday 23rd June 2010	10.00am Friday 20th August 2010	2.00pm Wednesday 27th October 2010	2.00pm Wednesday 22nd December 2010	10.00am Friday 18th February 2011
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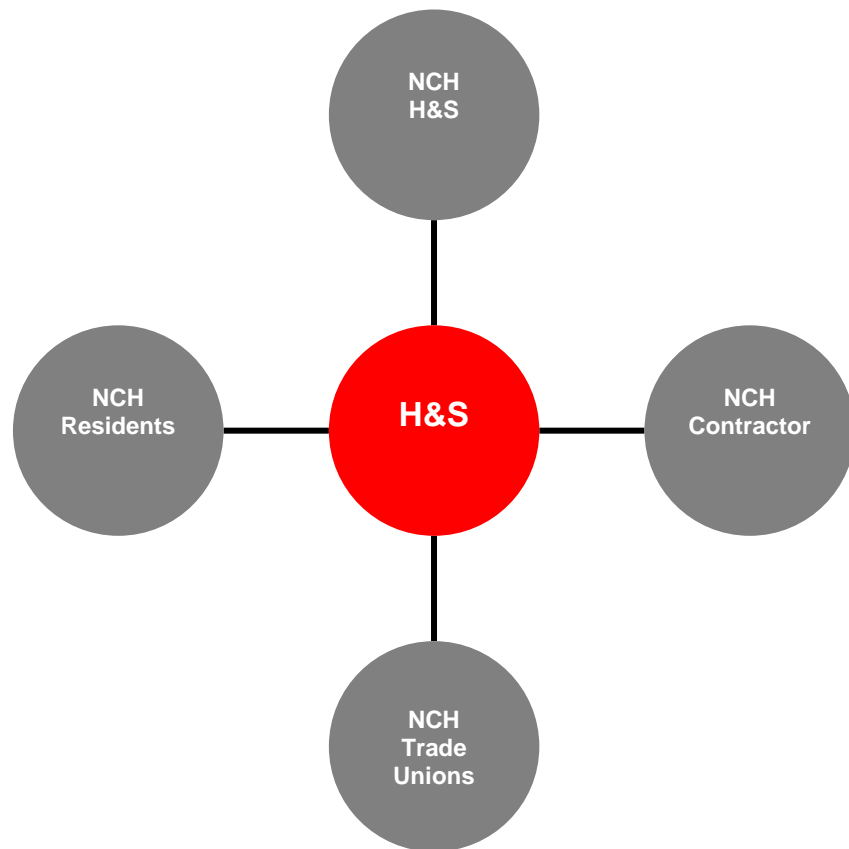
Performance/Quality



Stk	Title	Name
NCH	Contract Manager	Chris Raynor (Chair)
NCH	Performance	Trisha Quinn
NCH	Equality & Diversity	Constance Hall
NCH	Environmental	Richard Davison
NCH	Service Improvement	Simon Marlow
NCH	Resident Reps	Mohammad Amin Phil England Roy Lawson Ennis Peck
NCH	Housing Managers	Ian Perry
NCH	Contractor	Trevor Burden
NCH	Contact Centre	Kate Watret
NCH	Procurement	Pete Smith
NCC	Housing	Masaud Subedar

Meeting dates and times	2.30pm Wednesday May 26 th	2.30pm Thursday July 29 th	2.30pm Thursday Sept 23 rd	2.30pm Thursday Nov 25 th	2.30pm Thursday Jan 27 th	2.30pm Thursday March 24 th

Health & Safety



Stk	Title	Name
NCH	Health & Safety	Ian Rabert/ Glen Langham (Chair)
NCH	Contractor	Trevor Burden
NCH	Trade Unions	Senior Shop Steward & John Leggitt
NCH	Resident Reps	Jean England Clive Thorpe

Meeting dates and times	1.00pm Wednesday May 2010	1.00pm Thursday July 2010	1.00pm Thursday Sept 23rd	1.00pm Thursday Nov 25th	1.00pm Thursday Jan 27th 2011	1.00pm Thursday March 24th 2011
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Appendix 2

Responsive Repairs

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
R1	The % of routine repairs for which the Contractor kept an appointment.	97.0%	94.34%	95.02%	↑	↓
R2	The % of emergency during hour's repairs and routine repairs completed within target.	97.75%	92.03%	95.86%	↑	↓
R4	The % of emergency during hour's repairs and routine repairs completed on the first visit.	85.0%	95.44%	93.89%	↓	↑
R5	Average number of days taken to complete routine repairs	10	14.3	8.8	↑	↑
R6	The % of emergency during hour's repairs attended to and made safe within 4 hours	85.0%	52.58%	66.92%	↑	↓
R7	The % of emergency out of hour's repairs attended to and made safe within 4 hours	85.0%	79.20%	78.71%	↓	↓
R8	The % of emergency during hour's repairs completed within 3 days.	98.0%	99.08%	99.20%	↑	↑
R9	The % of routine repairs completed within 15 days	97.0%	88.84%	94.41%	↑	↓
R15	The % of emergency during hour's repairs or routine repairs defects rectified on the appointment date and within the pre-defined time slot agreed with the Resident.	95.0%	94.04%	77.03%	↓	↓

Planned Maintenance

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
P1	The % of planned repairs completed within agreed timescales	90.0%	79.36%	34.43%	↓	↓
P3	The % of appointments made and kept for: <ul style="list-style-type: none"> Pre-commencement requirements Any rectification requirements 	90.0%	85.67%	97.77%	↑	↑
H1	The % of Home Watch alarms annual servicing completed within agreed timescale	95.0%	88.22%	86.81%	↓	↓
H2	The % of Home Watch alarms annual servicing for which the Contractor both made and kept an appointment	95.0%	99.56%	100%	↑	↑

Void Repairs

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
V1	Average number of days taken to complete 10 day voids (up to £5,000) repairs	10.0	14.9	11.2	↑	↓
V2	Average number of days taken to complete 25 day voids (over £5,000) repairs	25.0	22.1	25.4	↓	↓
V3	The % of void properties accepted at handover inspection	95.0%	98.73%	100%	↑	↑
V4	The % of defects rectified within 3 days of notification following handover inspection	97.0%	47.4%	100%	↑	↑

Gas Works

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
G1	The number and % of properties for which there is either a valid annual gas servicing certificate or are capped	100%	99.82%	99.88%	↑	↑
G2	The % of annual gas servicing for which the Contractor both made and kept an appointment	99.25%	99.64%	100%	↑	↑
G3	The % of Orders for gas boiler/appliance installations completed within 5 days	99.0%	88.15%	88.50%	↑	↓
G4	The % of gas boiler/appliance installations for which the Contractor both made and kept an appointment	95.0%	100%	100%	↑	↑

Aids and Adaptations

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
A1	The % of aids and adaptations Orders completed within 20 days	90.0%	89.91%	91.60%	↑	↑
A2	Average number of days taken to complete aids and adaptations	15	23.2%	18.56	↑	↓
A4	The % of aids and adaptations Orders for which the Contractor both made and kept an appointment	95.0%	100%	60.61%	↑	↓

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Quality

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
QA 1	The % of completed repair / maintenance orders which are post inspected	10.0%	8.14%	9.67%	↑	↓
QA 2	The % of post inspections which indicate that the work completed was to a satisfactory standard	98.0%	92.24%	86.59%	↓	↓
QA 3	The % of recall appointments attended by the Contractor	95.0%	64.04%	77.03%	↑	↓

Customer Satisfaction

KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
R3	Measure of Residents indicating that they were satisfied with the completion of the last emergency during hours repair or routine repair reported (VMS).	8.2	8.0	8.1	↑	↓
R10	The % of Residents indicating that the operatives showed their ID badge when attending to and completing an emergency during hours repair or routine repair (VMS)	85.0%	81.41%	85.88%	↑	↑
R11	Measure of Residents indicating that they were satisfied with the quality of the completed emergency during hours repair or routine repair (VMS)	8.0	8.0	7.98	↓	↓
R12	Measure of Residents indicating that the operatives were polite and helpful when attending to and completing an emergency during hours repair or routine repair.	8.0	8.5	8.62	↑	↑
R13	Measure of Residents indicating that the operatives took suitable precautions to protect carpets, curtains, etc. when attending to and completing an emergency during hours repair or routine repair.	8.0	8.5	8.39	↓	↑
R14	Measure of Residents indicating that the operatives removed all rubbish and unused materials upon completion of an emergency during hours repair or routine repair.	8.0	8.4	8.33	↓	↑
P2	Measure of Residents indicating that they were satisfied with the quality of the completed planned repair / maintenance.	8.0	N/A	6.6	↓	↓

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KPI Ref	Performance Indicator	Target	Actual 08/09	Actual 09/10	Annual Trend	On Target
G5	Measure of Residents indicating that they were satisfied with the completion of the last annual gas service reported	8.0	8.6	8.73		
A3	Measure of Residents indicating that they were satisfied with the quality of the completed work	8.0	8.9	8.81	