

ABERDEEN CITY COUNCIL

COMMITTEE	HOUSING AND ENVIRONMENT
DATE	28 Jan 2014
DIRECTOR	PETE LEONARD
TITLE OF REPORT	REVIEW OF REPAIR PRIORITIES
REPORT NUMBER:	H&E/14/017

1. PURPOSE OF REPORT

The purpose of this report is to provide members with information in relation to the review of priorities for Response Repairs

2. RECOMMENDATION(S)

To approve the proposed changes to the priorities for Response Repairs as set out in the Review of Priorities for Response Repairs (at Appendix A) and allow allocation of each priority to corresponding repair categories

- Amendment of the repair priorities as follows
 - Emergency (4 hours)
 - Urgent (24 hours) - New
 - High (3 days)
 - Non-Emergency (5 days) - New
 - Routine (10 days)
- Allocate relevant repair categories to each of the priorities listed above to ensure each priority reflects the level of priority required i.e. Emergency means anything which may affect tenants safety or cause significant damage to the fabric of the building.

3. FINANCIAL IMPLICATIONS

It is anticipated that a review of the priorities for Response Repairs would mean a potential saving to the Housing Revenue Account estimated at approx. £143,000.00. This will result from the lack of "premium" charged to cover the overtime element of out of hours work.

4. OTHER IMPLICATIONS

Resources within the Repairs and Maintenance Team can be re-distributed with a view to more emphasis being given to the planned maintenance programme thereby increasing the sustainability of our property portfolio.

Discussion is ongoing with Union Representatives on potential impact this has on Trade Operatives who work overtime.

5. BACKGROUND/MAIN ISSUES

The Building Services Team has been reviewing its costs and performance to look for ways of improving the repairs and maintenance service we provide to council tenants.

This has been prompted by a number of things

- The introduction of the Scottish Social Housing Charter which commits us to providing a high quality repairs service focused on outcomes for tenants
- Feedback as a result of Customer Engagement
- The requirement for us to demonstrate Best Value in providing services to our tenants
- The high level of emergency jobs carried out
- A comparison of our service with that of other housing providers (“benchmarking”)

In order for us to provide a better service which meets (or exceeds) the expectations of our customers there is a requirement to review the delivery of our repairs and maintenance service so that we can deliver on time and be cost effective.

At the moment we are recording the majority of reported repairs as Emergency Works which need to be attended to within 4 hours. Our experience, performance reports and benchmarking has shown that this is not sustainable in the long term and does not meet the needs of our tenants. Although we are able to attend to Emergency Works within 4 hours we have been unable to “first-time fix” the reported problem, primarily because of the volume of repairs being categorised as Emergency. The result of this is that we have to attend to the repair on more than one occasion, which is inconvenient for the tenant and is not the most efficient use of our resources.

We require to make changes to the repairs and maintenance process and to use the resources and technology we have at our disposal to offer the tenants of Aberdeen City Council a more effective and efficient service. The proposed changes are set out in the Review of Priorities for Response Repairs at Appendix A.

The changes will allow us to

- Programme works more effectively
- Understand the needs of our tenants more effectively and develop a more consistent approach to their expectations

- Ensure more work is done as a “First Time Fix”
- Improve the use of our scheduling tool to allow more convenient appointments for customers
- Use our resources more effectively to ensure a structured asset management approach to our planned maintenance regime
- Improve customer satisfaction with the repairs service

See attached full report on the Review of Priorities for Response Repairs at Appendix A for further information

6. IMPACT

The Housing and Environment Business Plan 2011-2016 sets out our vision for the future of the service – we will retain a large stock of quality, well maintained affordable housing matching the highest of standards.

It also meets the objectives in the policy document “Aberdeen – the Smarter City” - we will provide quality services to our council tenants to enable them to have a dry, warm home in a safe and enjoyable environment.

We have consulted with Tenants’ representatives, other Heads of Service, Housing Officers and some Councillors in connection with these changes.

Although these changes may not be obvious for tenants as they involve amending our IT systems and processes they will reflect the need for a more effective and efficient Repairs and Maintenance service which meet the needs and expectations of our customers.

Of note, we have engaged with approx. 300 tenants, and the overwhelming response has been in support of this proposal.

7. MANAGEMENT OF RISK

We currently carry out an extraordinarily high number of emergency repairs and this level of work is unsustainable in the long term. With these current work levels we have not been able to fully implement a planned maintenance regime as we have not had resources to do so. This has an impact upon our asset management strategy and the sustainability of our properties.

8. BACKGROUND PAPERS

- Scottish Social Housing Charter
- PWC Audit Report – July 2013

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Review of Priorities for Response Repairs

Taking into account Scheduling, Diagnostic Repairs and Right To Repair

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PREFACE

Building Services – Review of Repairs

During the last 6-12 months the Building Services team has been reviewing its costs and performance to look for ways of improving the core service we currently provide for Housing tenants.

The review has been prompted and supported by a number of factors:

- **External Tendering:** Building Services bidding for external maintenance work with other public sector bodies such as Aberdeenshire Council, housing associations and University of Aberdeen.
- **Performance Management:** The introduction of a new national performance management regime based to support the Scottish Government's Social Housing Charter.
- **ISO 9001:2009 Certification:** Building Services are currently working towards gaining ISO 9001:2009.
- **Customer Callbacks:** The introduction of 'customer callbacks' to test tenant satisfaction with our service and identify potential improvements.
- **Factoring:** The introduction of factoring and the requirement to demonstrate best value for owners and to produce more accurate and timely billing information.
- **Internal Audit Report:** Internal audit report on Building Services processes.
- **Benchmarking:** Building Services is a member of a benchmarking organisation, which has compared our performance against around 150 other UK social housing response repair organisations.

The benchmarking exercise, in particular, raised a number of issues about the way that our services are organised and pointed to some improvements that we can make if we are to be compared with 'best in class' organisations across the UK.

Key messages from the benchmarking exercise

There are a number of areas where we compare well:

- We do a high percentage of non-emergency jobs on time
- Our responsive repairs spend per property is at or just below the average and the average cost of a responsive repair job is relatively low
- We have a very high number of apprentices compared to other social housing organisations
- Our turnover per skilled operative is relatively high.

On the other hand there are a number of areas for improvement:

We do far too many jobs as emergencies – more than double the average of other organisations.

- We complete fewer emergency jobs within target
- Most organisations measure their time taken to complete an emergency job whereas we measure our time to attend
- We do too many out of hours jobs – again more than double the average of other organisations

- Although we undertake most routine jobs within target we tend to do them towards the end of the available time slot, so our average time to complete is relatively high
- This may also contribute to us having a relatively high number of aborted jobs. (If the appointment is booked for four week's time there is more chance of the tenant forgetting than if it is in one week's time)
- We are slightly below average in the percentage of appointments kept
- The cost of an average void and the time each void is with the contractor are slightly higher than average.

The exercise of collating the data to complete the benchmarking also told us that we:

- We don't categorise and record work as responsive, planned or cyclical as well as we could
- We could improve the accuracy of data collection in relation to the detailed costs of individual jobs
- We have difficulty in accurately reporting performance where operatives don't use hand held devices
- We need to improve the timeliness of data recording and collation for both reporting and invoicing purposes.

From this analysis we have built a picture of the model responsive repairs service which we are aspiring to provide. It is one in which:

- We have a proactive and analytically designed programme of cyclical inspections/work and planned work to try to minimise the amount of reactive work required
- We minimise pre-inspections
- Only real emergencies' which threaten tenant safety or have the potential to cause significant property damage are dealt with immediately - i.e. within 4 hours
- It enables us to get to all of the 'real' emergencies promptly and attempt to complete the repair in one visit
- All other 'one day' repairs are undertaken by the end of the next working day - again with the vast majority completed in one visit
- All non-emergency repairs are undertaken by appointment with a view to over 95% of tenants getting a 'first time fix'
- Appointments are arranged at the point of contact and reminders sent by text the evening before the appointment - appointments will normally be within 5-7 days of making the call, but driven by the convenience of tenants
- Appointments, once made, will not be changed without the tenants consent
- Tenants are increasingly enabled to order repairs on line
- Major works e.g. full window replacements, new ceilings, full redecoration etc will be carried out as part of the planned programme and will be carried out by appointment within one month or within three months depending on the specific nature and volume of the work to be done and the time needed to take delivery of any materials

One of the key changes we will need to make in order to work towards this model service is an overhaul of our priority response time targets.

CURRENT PRIORITIES AND DEFINITIONS

Current priorities and their definitions for response repairs are as follows:

- **Emergency** (P1) - ATTEND Within 4 hours during normal working day
- **Urgent** (P2) - COMPLETE Within 10 working days
- **Communal Urgent** (P2F) - COMPLETE within 10 working days
- **Routine** (P3) - COMPLETE within 24 working days
- **Communal Routine** (P3F) - COMPLETE within 24 working days
- **Inspection** (P7) - COMPLETE Within 3 working days
- **Irregular** (P8) - COMPLETE Within 3 calendar months
- **High priority** (P12) - COMPLETE Within 3 working days: (*Introduced in Aug 2001*)
- **Emergency** (P99) - ATTEND Within 4 hours out-with normal working hours

These priorities have been in existence, in the main for over 20 years and during this time have remained unaltered. To our knowledge they have not been subjected to review or challenged in terms of comparison with other social housing organisations. Our recent involvement with Benchmarking and Tendering etc. has exposed their limitations and restrictiveness in developing the response repairs service into a class leading service.

Our Benchmarking submission allowed us to compare our performance/service delivery with similar sized organisations within our sector.

What has become apparent is that we currently have Priorities, which are outdated in terms of definition and application e.g. "ATTEND" as defined for P1 & 99 is not a parameter utilised for benchmarking purposes. Benchmarking of response jobs is primarily based upon "COMPLETE" within a defined timescale. The main objective referred to as "First Time Fix".

Examination of Priority Usage

Currently all Emergency work (P1 and P99s) account for **36.66%** of all repairs allocated to our tradesmen. In job terms this amounts to 30,175 out of a total completed of 82,399.

The Priorities, which exist in our repairs system hold no meaning or familiarity in terms of their codes and are outmoded, as they have lain unaltered by Housing and Building Services for over 20 years. Priority 12 (3 working days) has been the only significant introduction to the pool of priorities in August 2001 in an attempt to close the gap between P1- 4hrs and P2 - 10 days.

Our experience with systems containing parameters, which have not been subject to regular review, is that stagnation creates inconsistencies, with an outdated approach and unrealistic expectation regarding performance.

All Emergencies are defined by "Attending within 4 hours" the level of jobs reported and logged with this priority is approximately 27% higher than businesses having similar housing stocks to maintain, thus making benchmarking extremely difficult and Building Services unable to realise the full potential of their dynamic scheduling tool.

The shortest timescales available leave a gap between 4 hours and 3 days. This naturally results in far too many repairs (36.66%) being generated by tenant's responses designating repairs as "Emergency".

We have analysed the type of jobs reported through the Keyfax diagnostic scripts and assessed whether the emergency priority allocated to some repair category scripts are actually warranted by type of repair reported.

The current repairs system: Totalmobile + Xmbrace (scheduling) + Keyfax (script diagnostic) were introduced in February 2008. However, although we are employing a dynamic scheduling tool, we are unable to realise its full potential which results in less appointment slots being available for tenants to book their repair.

It was felt appropriate to review priorities and their definitions and look to not only enhance service delivery but to also increase tenant satisfaction. Having reviewed repairs reported we are proposing to apply new priorities, in particular - 24 hours (U24) and also 5 (D5) working days.

These revised priority categories and timescales will help us realise the potential of our scheduling tool and will allow far greater flexibility for tenants to report their repair and choose a convenient appointment.

Proposed Modifications to Priorities

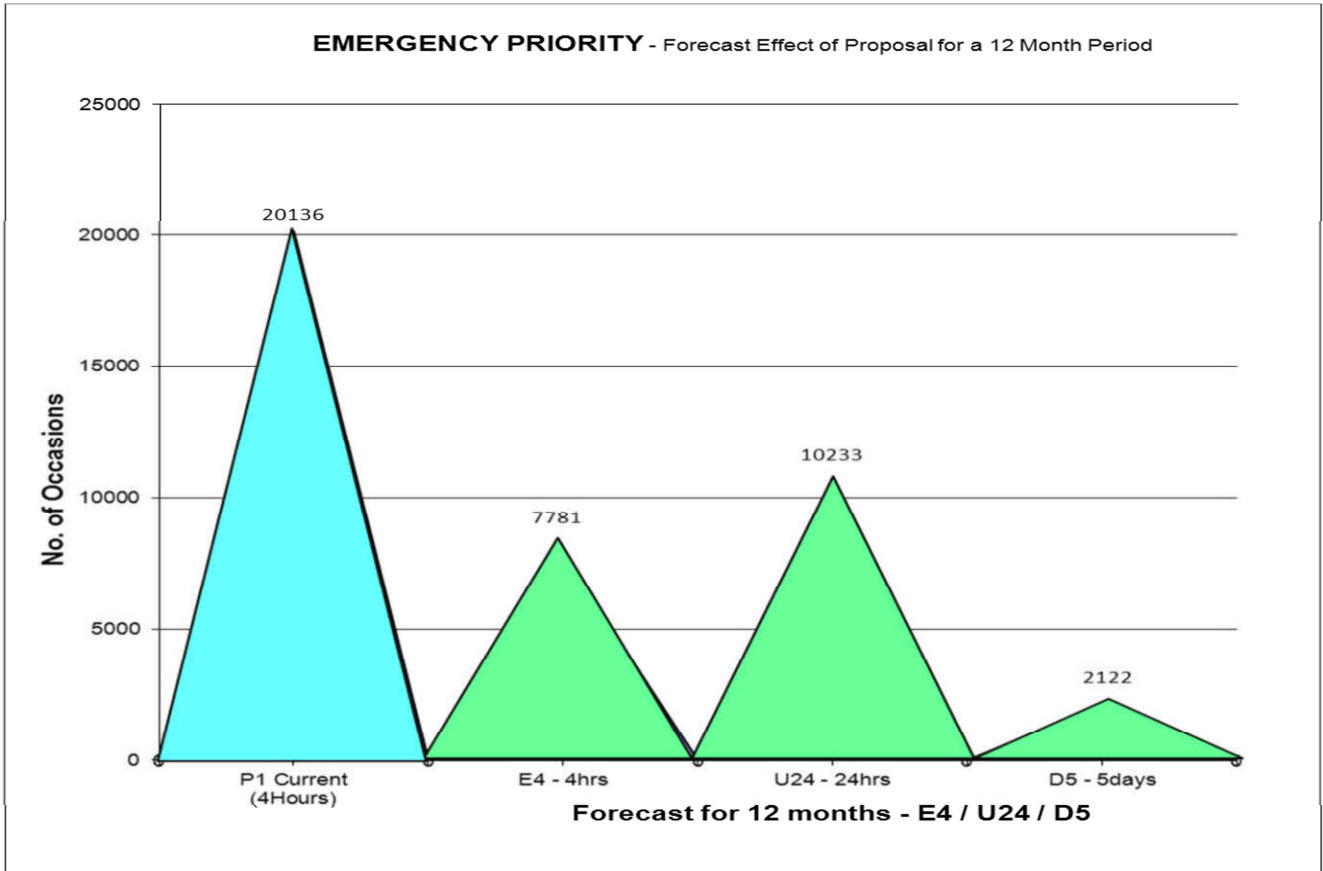
	NON EMERGENCY PRIORITIES					EMERGENCY PRIORITIES		
	3 working days	10 working days	24 working days	3 calendar months	3 working days	4 hours	4 hours	24 hours
CURRENT PRIORITIES (P)	7 – Inspection	2	3	8	12	1	99	
PROPOSED	I3	D10	PL24	PL90	D5-ACC Tradesman D3- Contractor	E4	E4 (OOH)	U24

Proposal to complete work for these priorities in given timescales. Aim for "First Time Fix" and rename/ redefine priorities to allow for greater familiarity with applicable timescales.

In 2012/2013 we experienced **20,136 Jobs** attracting a Priority 1 through tenants' responses to reporting repairs through the Contact Centre (Keyfax Diagnostics).

Progressive Approach: The graph below shows that by simply adding two additional Priorities - 24 hours (U24) and 5 working days (D5) and reviewing definitions for Emergency Repairs (P1) for the repairs carried out in the last 6 months, by applying a more balanced rationale in terms of what actually constitutes a true emergency the outcome is a far more balanced approach and will allow an opportunity to realise more first time fixes, together with far greater appointment flexibility for tenants.

Forecasted Effect of Modifications to Priorities



PROPOSED CHANGES

Introduce/ Redefine Response Priorities as follows:

- **Emergency (E4)** - direct replacement for Priority 1 – Make good or make safe within 4 hours - complete within 24 hours
- **Emergency (E4 OOH)** - direct replacement for P99 - Make good or make safe within 4 hours and complete within 24 hours
- **Urgent (U24)** – Introduce - denotes complete within 24 hours
- **Non-Emergency (D3)** – direct replacement for Priority 12 – complete within 3 working days (Term contractors)
- **Non-Emergency (D5)** – Introduce - denotes complete within 5 working days
- **Non-Emergency (D10)** – direct replacement for Priority 2 – complete within 10 working days
- **Inspection (I3)** – direct replacement for Priority 7– Inspection within 3 working days
- **Planned (PL24)** - direct replacement for P3 - complete within 24 working days – redefined as Planned Work.
- **Planned (PL90)** - direct replacement for P8 - complete within 90 working days – redefined as Planned Work.

IMPACT OF PROPOSED CHANGES

Aim of Modifications to Priorities

Assess current application of Emergency jobs and investigate possibility of reducing level experienced so that only “True” Emergency jobs attain this level of attention (Attend in 4 hours).

- Create 24 Hour Emergency priority – Benchmarking and Charter requisite
- Realise Potential Savings – reduction in charges (reduction in P1s containing 5% uplift and also reduction in some P99s containing 55% uplift) made to Housing
- All Emergency Repairs to be completed within 24 hours – subject to availability of material(s).
- Adherence to Tenants “Right to Repair” – 24 hour prioritised response repairs
- Realise full potential of dynamic scheduling tool (Xmbrace)
- Review all Priorities to afford a flexible approach to Service Delivery
- Increase First Time Fix repairs
- Reduce need for follow on repairs
- Examine possibility of increasing repair types reported on-line
- Allow tenants to schedule more of their repairs on-line
- Enhance Tenant’s experience on-line and overall satisfaction with Response Repairs
- Reduce telephone call cost to tenants by enhancing online reporting

Benefits/ Potential Improvements if New Priorities Implemented

Current Emergency (P1) jobs are to be only attended to within 4 hours. We are proposing that all emergencies will be made good/safe within 4 hours and completed within 24 hours. In addition to this the Urgent (U24) and Non-Emergency 5 day repairs (D5) will all achieve first time fix, if material availability allows. The ability to increase first time fix will in itself reduce inconvenience for tenants, as no follow on work should be required.

Benefits and potential improvements should be realised by all concerned parties involved in responsive repairs: Tenant – Contact Centre – Building Services – Housing – (Tenants Participation Groups).

- **Familiarity/Understanding:** New set of Priority References e.g. D5 - within 5 working days - this will allow all who come into contact with these priorities an ease of familiarity/understanding in terms of timescale of delivery. From Tenant through to Tradesman. Consistent approach to definitions and expectations.
- **Ease of Application:** New Priorities – better fit timescales
 - **U24 - 24hour to complete:** This will allow some repairs, which currently attract P1 to be allocated / scheduled in a reasonable manner to allow timescales to be fully realised and repairs completed rather than just attended to. (*Aim would be to complete U24s well within 24 hours*).
 - **D5 - 5working days to complete (ACC tradesmen):** Introduction of this priority is again aimed at ease of scheduling and increase in customer satisfaction. This new priority will in the main replace occurrences of former priority; P2 - 10 working days. (*Most repairs other than those requiring material items with a long delivery period will fall under a 5 day turnaround D5 or better still 24 hours U24*).

- **Financial Savings:** Reduction in P1s raised = reduction in charges to Housing. Some P1s will attract U24 or D5 depending upon severity of repair reported. Therefore reduction in applicable uplift as charged through current P1s. **Potential saving of £143k.**
- **Ease of Scheduling:** Scheduling will be far simpler as we aim to complete the majority of repairs as a “first time fix”. This will increase tenant flexibility in choosing a convenient appointment for the repair to be carried out and has the potential to increase customer satisfaction.
- **Genuine Emergencies still attract 4hr attendance:** Only repairs which are genuinely an emergency or influenced by vulnerable/disabled tenant or are of risk to fabric of building and security of property will attract and Emergency priority (E4 - attend in 4 hours or less – with repair to be effected within 24 hours). Aim is for emergency response repairs to be reduced to 10-15% (*to be reviewed after 6months of operating*).
- **Emergency Repairs to be Completed within 24 Hours:** Emergency Repairs whether made safe or attended to in 4 hours will be completed in 24 hours (subject to availability of material).
- **Tailored Scripts:** Amendments to scripts to allow responses to generate genuine emergencies.
- **Schedule Repairs On-Line:** Development of On-line Repairs to allow tenant’s to schedule repairs.
- **Widen Range of On-Line Repairs:** Reduce or remove restrictions placed on On-Line Repairs Reporting Tool. Allows tenants greater scope of repairs to report.
- **Improved use of the Scheduling tool (Xmbrace):** This will impart greater understanding to work planners, as the tool will be fully utilised for the purpose it was intended, "***Dynamic Scheduling***".
- **Increase First Time Fixes:** Increased flexibility for Building Services with the added benefit of greater realisation of “*First Time Fixes*” and with this a reduction in follow on repairs and inconvenience for tenants.
- **Increase in Tenant Satisfaction** – Scheduling system, which has more even spread of priority timescales thus imparting greater flexibility to tenants’ appointments to have repairs carried out in timescales more in line with their expectations.
- **Reduction in Responsive Repairs:** Therefore reduction in tradesmen dedicated to response repairs. Allows focus to be given to other areas e.g. planned maintenance, Factoring and property MOTs.
- **Tenants Handbook:** Modified Priorities to be outlined within New Tenants and/or Repairs Handbook.

- **Future application of new priorities within Term Contracts:** Extend same prioritised timescales into current term contracts and/or reference in future tenders.

SUMMARY

Building Services are currently carrying out a review of Response Repairs. This amounts to 82,399 Responsive Repairs reported annually - these are the repairs carried out to ACC's council housing stock.

We hope to create a more balanced approach to responsive repairs, which affords tenants greater flexibility with appointments and allows only emergency repairs to be truly classified as such.

Currently 36.66% of response repairs (30,175 per year) generate an Emergency Response (Priorities 1 & 99), which are required to be attended to within 4 hours.

The current Prioritised Timescales are both limiting to the customer and Building Services as provider: These timescales are restrictive for tenants scheduling appointments and for our Service which is now also providing a Factoring service for some owners.

Our objective:

- To create a list of priorities, which meet the demands of the customers' needs.
- Descriptive Priority Timescales which offer a clearer approach in terms of marrying priorities exactly to the nature/urgency of the repairs being reported.

Our aim:

- To increase the level of first time fixes
- Reduce the level of Emergency Priorities
- Improve use of systems employed
- Improve customer experience/ satisfaction.

Any changes to priorities and their implementation, if approved, would be seamless, as they are set directly into Keyfax (Contact Centre's diagnostic reporting tool). There would be no interruption to services provided, merely a better tailored progressive approach to what is a very demanding service.