

Finance and Resources Committee

2pm, Thursday, 18 August 2016

Property Repairs and Maintenance Contract Update

Item number	7.21
Report number	
Executive/routine	
Wards	

Executive Summary

On 9 June 2016, a report was submitted to Committee setting out the contract arrangements in place with regard to the Repairs and Maintenance Contract Framework. Committee requested that an updated report be brought back to Committee in August 2016.

This report sets out the current Repairs and Maintenance framework in place and sets out the reasoning behind the timescales for the new procurement work stream.

Housing Property is a newly formed, joined up delivery model, combining the responsive repairs and capital programme services. The benefits of this service to our customers are set out within this report.

Links

Coalition Pledges	P41
Council Priorities	CO16
Single Outcome Agreement	SO4

Property Repairs and Maintenance Contract Update

1. Recommendations

- 1.1 Finance and Resources Committee is asked to:
 - 1.1.1 note the contents of this report and that the results of the internal audit will be reported to Governance, Risk and Best Value Committee; and
 - 1.1.2 agree that this report discharges the remit requested by Committee in June 2016.

2. Background

- 1.2 In June 2016, Committee requested that:
 - 2.1.1 an update report on the Property Repairs and Maintenance contracts would be brought to the Finance and Resources Committee in August 2016.
- 2.2 This report discharges this remit.

3. Main report

Background

- 3.1 Edinburgh Building Services (EBS) is the Council's in-house building repairs and maintenance service. The services delivered include:
 - 3.1.1 Emergency repairs to Council houses;
 - 3.1.2 Planned maintenance and renewals;
 - 3.1.3 Repairs requested by tenants and repairs to empty homes;
 - 3.1.4 Cyclical inspections including gas and lifts; and
 - 3.1.5 Stair lighting repairs and maintenance in communal stairs.
- 3.2 EBS has an internal workforce which is supplemented by procured external contractors.

Current Contracts

- 3.3 In 2013, Commercial and Procurement Services (CPS) took forward a compliant procurement process to secure suitable qualified and experienced contractors to carry out repairs and maintenance works to council owned domestic properties.

- 3.4 The contracts were approved in compliance with the Council's Contract Standing Orders (CSO) and Scheme of Delegation in place in 2013 and were therefore approved by the previous Director of Services for Communities and signed formally by the previous Head of Service. Due to the value of the roofing and rainwater contract, this was approved by the Finance and Resources Committee.
- 3.5 The contracts were set up to operate for a period of two years, with the option to extend annually for a maximum of two further years, subject to a review focused on compliance with service specification, performance standards and a best value assessment undertaken by CPS with input from EBS.
- 3.6 Corporate Procurement Service (CPS) and Legal Services agreed the option to extend the current contracts to March 2017. Again, this was carried out in line with CSOs.
- 3.7 The decision to extend the framework contracts was identified by all parties to be the best approach as EBS were going through the Transformation Review which would not be fully complete by the time the tenders were initially due to be returned June 2016.

2016/17 Procurement

- 3.8 Following the decision to extend the existing framework a timetable has been set out by Corporate Procurement Services for the procurement of a new framework for repairs and maintenance contracts for Council homes.
- 3.9 The timetable for the procurement of all 13 lots is set out below:
 - 3.9.1 ITTs published 2 March 2016;
 - 3.9.2 Returned 31 May 2016;
 - 3.9.3 Consensus meetings 6 June to 4 July 2016;
 - 3.9.4 Award approved by Finance and Resources Committee 3 November 2016;
and
 - 3.9.5 Contact start 1 April 2017.

New Service – Housing Property

- 1.3 The Housing service is undergoing a full transformation, via the Transformation Programme, and the way that housing services are delivered to our customers has been reviewed and improved.
- 3.10 Edinburgh Building Services and Housing Asset Management, the Council's capital programme service for housing, have merged to form Housing Property.
- 3.11 Working as one stream lined service, Housing Property will deliver all the responsive repairs and capital works to Council homes in Edinburgh. This will enable officers leading the procurement work streams to have a clear view of current spend across housing works for each contractor.
- 3.12 This joined up working will also enable a clear view of repairs issues and trends across the city which will inform the programming of capital works in future years.

Joined up working will also provide a flexible and dynamic workforce working strategically to improve Council housing across the city.

- 3.13 Strong links are being forged between Locality Housing Operations Managers and Housing Property Operations Managers to work together, ensuring that their teams, both operatives and Housing Officers, deliver a linked up service to our customers.
- 3.14 With such a joined up approach, and strong communication channels, vulnerable tenants requiring specific assistance, will be visible to operational areas as well as Locality staff. This will allow managers whose teams are undertaking a repair or improvement works within homes to be aware and accommodate tenants' needs appropriately.
- 3.15 Posts within Housing Property have been reviewed with the customer at the forefront of considerations. Posts such as Tenant Liaison Officer have been created. These post holders will be the key contact in the run up to capital programmes, consulting and informing tenants and owners of upcoming works, working with Locality Housing Officers, to ensure specific tenant needs are taken into consideration.
- 3.16 The Tenant Workshops that take place quarterly for tenants who have had cause to complain about a repair, will be expanded to include tenants who have had capital works carried out. All with a view of pin pointing common issues and putting in place solutions or improvements.

Internal Audit

- 3.17 Internal Audit has undertaken a review of the contract management; monitoring and quality assurance within property repairs and the findings of this audit are still being collated. This audit will be reported back to Governance, Risk and Best Value Committee.
- 3.18 This audit has given the newly formed Housing Property an opportunity to review in detail all quality control and assurance processes in place, take stock of duplicated procedures in both the responsive repairs and capital works and put in combined, robust systems across Housing Property.
- 3.19 As a result, an improvement plan has been drafted and will be finalised in line with the final audit findings.

4. Measures of success

- 4.1 The success of the repairs and maintenance contracts is measured by Key Performance Indicators to ensure strict contract management and performance monitoring is undertaken for all repairs and maintenance works carried out on behalf of the Council.

5. Financial impact

5.1 There are no direct financial impacts related to this report.

6. Risk, policy, compliance and governance impact

6.1 Failure to follow Contract Standing Orders would result in a serious risk to the Council's reputation.

7. Equalities impact

7.1 There is no relationship to the public sector general equality duty to the matters described in this report and no direct equalities impact arising from this report.

8. Sustainability impact

8.1 Works from this framework will be allocated by area allowing contractors to travel within a smaller geographical area, reducing the amount of carbon emissions from vehicles. This will be further reviewed as the Council moves towards the four localities model.


8.2 The contractors procure timber from legal and well managed forests which are certified under the third party certification schemes which are in compliance with the criteria set out in the "UK Government Timber Procurement Policy: Criteria for Evaluating Category A Evidence". Schemes in compliance include the Forestry Stewardship Council (FSC) and the Programme for Endorsement of Forest Certification scheme (PEFC).

9. Consultation and engagement

9.1 N/A.

10. Background reading/external references

10.1 [Property Repairs and Maintenance Contract Update, F&R Committee, 9 June 2016.](#)



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11. Links

Coalition Pledges	P41 - Take firm action to resolve issues surrounding the Council's property services.
Council Priorities	CO16 – Well-housed – People live in a good quality home that is affordable and meets their needs in a well managed Neighbourhood.
Single Outcome Agreement	SO4 – Edinburgh’s communities are safer and have improved physical and social fabric.
Appendices	None