

# Finance and Resources Committee

10.00am, Friday 6 December 2019

## Edinburgh Shared Repairs Service - Progress Report to 30 September 2019

Executive/routine Wards Council Commitments	Routine All
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### 1. Recommendations

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- 1.1 That Committee:
  - 1.1.1 Notes the update on the progress of Edinburgh Shared Repairs Service (ESRS) to 30 September 2019;
  - 1.1.2 Notes the management information dashboard report to 30 September 2019 in Appendix 1; and
  - 1.1.3 Notes the examples of customer feedback provided in Appendix 2.

**Stephen S. Moir**

Executive Director of Resources

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## Edinburgh Shared Repairs Service Progress Report to 30 September 2019

### 2. Executive Summary

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- 2.1 This report provides details on the operational progress of the Edinburgh Shared Repairs Service (ESRS) to 30 September 2019.

### 3. Background

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- 3.1 ESRS became fully operational in 2017.

### 4. Main report

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#### **Service Operation**

#### **Operational Process and Procedure**

- 4.1 The implementation of a charge for the provision of outstanding debt information in relation to statutory notices is being progressed. This is scheduled within ICT's programme to be implemented early in 2020. The level of the charge is to be assessed following confirmation of ICT implementation costs. The annual income generated is expected to be between £150k and £250k.

#### **Communications**

- 4.2 The autumn 2019 communications plan for the Service is underway. The plan includes 100 lamp post wraps, leaflet drops to 20,000 tenement flats in hot spots of the city, social media posts on Facebook and Twitter, digital ads and radio advertising. We have seen evidence of a significant increase in website downloads while the plan is live.
- 4.3 The ESRS manager attended a conference 'Tenements Today, Tenements tomorrow' in Glasgow arranged by the Scottish Civic Trust and members of the Scottish Parliamentary Working Group (SPWG) on Tenement Maintenance, at which amongst other prominent speakers, the Minister for Housing spoke on the recommendations of the SPWG. The minister has still to provide the detailed

response in Parliament this year. The recommendations are expected to include legislative change which is likely to impact Local Authority enforcement powers.

The event highlighted and linked the 'human element' of this issue with the built environment. This aspect is significant and is why ESRS receive so many positive comments from owners whom we support. A summary of the positive feedback received so far in 2019 is included in Appendix 2.

- 4.4 The Edinburgh Evening News have printed several articles in October on stone falls in Edinburgh. The reports have been very positive and highlight the work of ESRS, particularly the success of the Missing Shares Scheme.

#### **Innovation and development**

- 4.5 As featured in the Finances and Resource Business Bulletin in August, ESRS and Housing are progressing with the Scottish Government Digital Directorates CivTech programme. This programme provides a fast and cost-effective method of procurement for one-off challenges. The aim is to provide a solution to a public sector problem with private sector technical creativity and innovation. The Council's first ever challenge to be accepted by the programme is, 'How can we use technology to manage the property condition of communal areas in privately owned tenements?' This includes mixed tenure, partly Council owned, tenements. The programme is currently just entering the 'accelerator stage' with one company (of 12 who bid for this opportunity) who will develop a Minimum Value Product in consultation with the Council's challenge sponsor team.
- 4.6 It is hoped that tenement owners and the Council will have the opportunity to use a digital web application to assist with all aspects their common repairs and maintenance. With around 20,000 tenement buildings in Edinburgh, there is significant commercial opportunities to make this unique product viable for the successful company. It is expected that this product will be an additional tool to help private owners and the Council as an owner, to create a tenement community in each tenement stair. The vision is that this will create the behaviours and engagement needed between owners to get works arranged and done privately.

#### **ESRS Workload Update**

- 4.7 The total number of cases in ESRS has reached 241. Of the 241 cases, 63 are open and 178 have been closed, with successful intervention on 165 cases and 13 completed projects. Successful intervention represents 68% of the total number of cases. 26 have reached enforcement, representing 11% of all cases.

#### **Panel Decisions**

- 4.8 The Project Panel has taken a total of 63 decisions. Since the last update report, 10 decisions have been made to progress cases to enforcement and approve missing share applications.

#### **Mixed tenure Projects – Place Development**

- 4.9 Consultation is ongoing between ESRS and colleagues in Place Development in relation to the delivery of the Mixed Tenure Improvement Strategy. The ESRS

manager is a member of the Mixed Tenure Improvement Board. ESRS are consulted generally on processes used in relation to engagement with owners on proposed mixed tenure housing projects around the city. ESRS are currently undertaking this role in some of these cases.

### **Missing Share Cases**

- 4.10 The Missing Shares scheme continues to be invaluable to owners when undertaking common repairs privately. There have been 35 missing share applications received by ESRS with many more calls and e-mails for advice and guidance requested from owners. Tenement repairs in these cases have benefitted 349 owners in total. The value of work enabled privately through the scheme amounts to £1,451,699. In half of these cases the missing share owner has paid the monies due prior to the Council making the payment which is a positive outcome of the scheme. To date ESRS has paid and invoiced owner's bills amounting to £47,846, all of which is recoverable.

### **Private work enabled by ESRS**

- 4.11 The total value of works enabled by ESRS amounts to approximately £3.5m.

### **The Enforcement Service**

- 4.12 Of the total 26 projects enforced, 13 projects have been completed on site and billed out. 13 projects are progressing through enforcement at different stages.

### **The Emergency Service**

- 4.13 The number of monthly service requests (SR's) from July to September has been consistent at an average of 61 cases per month. In September alone, 10 SR's related to dangerous masonry or roofs. The service continues to be involved along with other Council services in relation to the major fire incident at Fountainbridge, where there was loss of life.

### **ESRS Finance Update**

- 4.14 Appendix 1 includes charts to demonstrate overall billing and debt outstanding. This shows that 97% of all invoices issued for all recoverable services have been paid, are in instalment plans or have registered inhibition orders. Of the paid enforcement works invoiced, 86% were paid within three months of billing the owners. The two enforced projects billed out since the last report have already achieved a collection rate of 73% within two months of invoicing owners.

## **5. Next Steps**

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- 5.1 The Service will continue to evolve, and processes and procedures are reviewed as business as usual through lessons learnt.

## **6. Financial impact**

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- 6.1 The forecast budget for ESRS has been reduced to £0.77m for 2019/2020 as approved by the ESRS Board in December 2018, which has allowed ESRS to contribute to the wider budget saving proposals for 2019/20.
- 6.2 The bad debt provision for ESRS for 2019/20 will be re-assessed after the year end.

## **7. Stakeholder/Community Impact**

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- 7.1 Customer feedback is an important tool for ESRS, it allows ESRS to reflect on process and procedure. ESRS has had positive feedback in 2019/20, Appendix 2 includes examples of feedback received by the service so far this year.

## **8. Background reading/external references**

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- 8.1 [Report to City of Edinburgh Council, 12 February 2015, Shared Repairs Services -Development of a New Service.](#)
- 8.2 [Report to City of Edinburgh Council 11 December 2014, Shared Repairs Services -Development of a New Service -](#)
- 8.3 [Edinburgh Shared Repairs Service – Missing Share](#) – report to Finance and Resources Committee, 5 September 2017

## **9. Appendices**

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- 9.1 Appendix 1: ESRS Management Information Dashboard
- 9.2 Appendix 2: Customer Feedback examples in 2019/20

# Appendix 1 - Edinburgh Shared Repairs Service Dashboard - September 2019

Monthly progress update (for reporting purposes month end is 30 September)

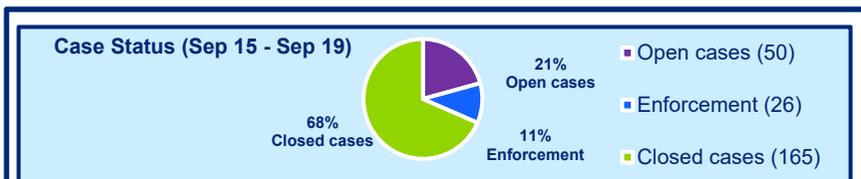
**ESSENTIAL WORKS SERVICE**

Total number of cases has reached **241**. The workload currently consists of 63 open cases with 178 closed with successful intervention or completed projects.

Projects where a S26 Notification letter has been issued = 23

**EMERGENCY SERVICE**

The emergency repairs service recorded **52** requests for service this month. **41** site visits were drainage related. **10** calls were reports of masonry or roof defects and **1** call was received from the fire service. Advice and information was provided to customers who called to report defects which did not result in a contractor instruction.

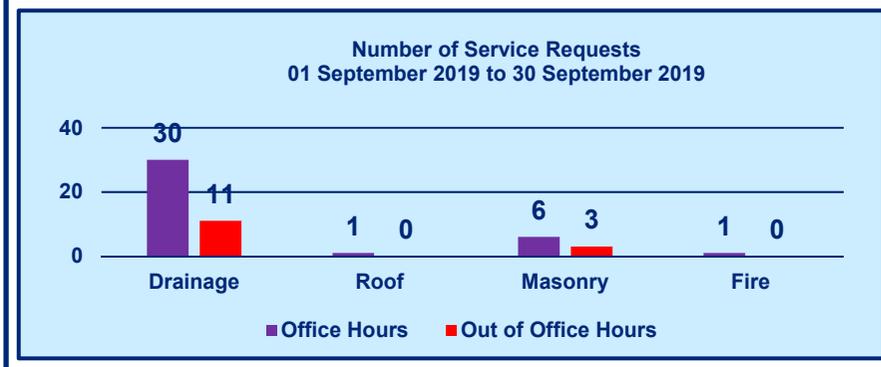


**EMERGENCY SERVICE WORKLOAD**

	Jul 19	Aug 19	Sep 19
No. of service requests (Site Visits)	64	68	52
No. of emergency repair inspections resulting in statutory notices issued 31(4) & 24(2)	51	40	32
No. of drainage repairs resulting in statutory notices issued 31 (1) & (3) - (Complex)	0	1	0

**CASE WORKLOAD PROGRESS**

	NO.
<b>Facilitation:</b>	
• Consultation only	6
<b>Missing Share:</b>	
• Case open	9
• Case closed	26
<b>Surveys:</b>	
• Case open	0
• Case closed	8
<b>Intervention:</b>	
• Pre-Intervention	19
• Intervention	10
• Successful Intervention / Closed cases	131
• Council Share process (pay CS)	6
<b>Enforcement:</b>	
• Open	13
• Projects complete	13
<b>Total Number of Cases</b>	<b>241</b>



**ESRS PANEL DECISIONS RECORD**

	APPROVED	REJECTED	TOTAL
Missing Share	24	1	25
Enforcement	32	5	37
Enforcement – Additional Works During Project	1	0	1
<b>TOTAL</b>	<b>57</b>	<b>6</b>	<b>63</b>

**KEY PLANNED ACTIVITIES**

The 2019 Autumn communication campaign has been planned. An amended Toolkit will be uploaded to the website. The CivTech programme has commenced for the ESRS/Housing Challenge on Tenement maintenance.





## ESRS Essential Works Dashboard

Programme dashboard as at 30 September 2019

### OVERVIEW OF PROGRESS

On 5 September 2017, the Finance and Resource committee approved the Council's use of legislative powers under Section 50 of the Housing (Scotland) Act 2006 to pay funds into owners' maintenance accounts. The table below summarises those cases approved by the ESRS Project Panel.

### MISSING SHARES OVERVIEW

PROJECTS	TOTAL OWNERS	VALUE OF PROJECT	AMOUNT OF MISSING SHARES APPROVED / IN PROGRESS	TOTAL MISISNG SHARE OWNERS	PAID / DUE BY CEC
<b>Projects</b>					
32 Projects	307	£1,350,417	£186,823	42	£101,918
Project 33	18	£8,547	£475	2	£950
Project 34	18	£36,048	£1,479	1	£1,479
Project 35	6	£56,687	£9,448	2	£18,896
<b>TOTAL</b>					
35	349	£1,451,699	£198,225	47	£123,243

### PRIVATE WORKS ENABLED BY THE ESRS

PROJECTS WORKLOAD	VALUE OF WORKS (Inc VAT)	CEC FINANCIAL COMMITMENT
Successful Intervention	£2,062,819	£0
Missing Shares	£1,451,699	£123,243
<b>TOTAL</b>	<b>£3,514,518</b>	<b>£123,243</b>



## Customer Service Dashboard

Programme dashboard as at 30 September 2019

CUSTOMER CONTACT DOWNLOADS from ESRS WEBSITE		NO.
<b>ESRS Toolkits</b>	• Tenement Toolkit downloaded	502
<b>ESRS Missing Shares</b>	• Missing Shares Guidance downloaded	601
<b>Release of Ownership details</b>	• Process for Release of Absent owners details downloaded	151

ALL CUSTOMER CONTACTS	Jul 19	Aug 19	Sep 19
Solicitors Enquiries	457	426	397
Phone Calls	651	691	672
E-Mails	263	185	344
<b>Total Customer Contacts</b>	<b>1371</b>	<b>1302</b>	<b>1413</b>

FORMAL CUSTOMER CONTACTS	Jul 19	Aug 19	Sep 19	ESRS WEBSITE VISITS	
FOI's	3	0	1	September 2019	8,062
SPSO Enquiries	1	0	0		
Stage 1 complaints	2	2	1		
Stage 2 complaints	1	2	0		

## ESRS Risk Register

TOP 5 RISKS	MITIGATION	RAG
1. <b>Alignment with Property and Housing strategies</b>	Risk – SOP's drafted without due consideration for policy and procedures in other areas of P& FM and Housing, leading to conflict with the Council's overall housing strategy. Mitigation - Procedural documents shared with relevant directorate staff. ESRS Board includes Housing colleague. ESRS manager on Mixed Tenure Improvement Strategy Board.	Yellow
2. <b>Contractor Management of Framework KPI's etc</b>	Risk - Lack of Contract Management of Framework Contractors leading to poor performance of contractors and reputational risk to CEC. Mitigation - to be carried out by a staff member now recruited into ESRS structure.	Yellow
3. <b>IT / Systems Admin / Upgrades</b>	Risk - ICT issues and pending server migration could impact service delivery and information fidelity. Mitigation - ESRS pursuing ICT amendments for known issues. Officers in contact with ICT/CGI to identify potential service impacts.	Yellow
4. <b>Release of Ownership Information Procedure</b>	Risk - Implementation of new Release of Ownership Information process presents risk for potential data breaches. Mitigation - Process subject to consideration by IGU prior to approval. New SOP's implemented. Staff training session conducted.	Yellow
5. <b>PEC-R Issues</b>	Risk - System errors within PEC-R database prevent ESRS staff from retrieving Ownership and Statutory Notice information. Mitigation - ESRS are investigating additional IDOX support.	Green



# ESRS Finance Dashboard

Programme dashboard as at 30 September 2019

## Debt Recovery

### OVERVIEW OF PROGRESS

In debt over three months old the collection rate for Enforcement works is at 97%. Of the outstanding balance, £19,979 is currently being collected through instalment plans.

### BILLING AND PAYMENT INFORMATION

	NO OF PROJECTS	BILLED	PAID	INSTALMENT PLANS	INHIBITIONS	BALANCE
Enforcement	13	£604,726	£523,431	£11,843	£46,453	£22,999
Missing Share	13	£47,846	£29,319	£8,136	£0,00	£10,391
Survey Charge	8	£10,429	£10,429	£0,00	£0,00	£0
<b>TOTAL</b>	<b>34</b>	<b>£663,001</b>	<b>£563,179</b>	<b>£19,979</b>	<b>£46,453</b>	<b>£33,390</b>
<b>OVERALL BAD DEBT PROVISION FOR ESRS (2014-19)</b>						<b>£59,955</b>

### EMERGENCY WORKS

Total value of invoices issued for emergency repairs in 2018/19	£578,513 (Current collection Rate is 93%)
Total value of invoices issued for emergency repairs and call out fees in 2019/20 (Apr-Aug 19)	£143,611 (Current collection Rate is 83%)

ENFORCEMENT PROJECTS (not yet billed)	MAJOR	MINOR	ESTIMATED VALUE
1. Under £10,000			
2. Under £50,000		11	£256k
3. Under £250,000	3		£229k
4. Over £250,000			
<b>TOTAL (13 projects)</b>	<b>3</b>	<b>11</b>	<b>£485k</b>

### ESRS - All Projects Overview

Total Billed - £663,001



## Work In Progress (WIP)

### OVERVIEW OF PROGRESS

The WIP this month includes costs for Essential works Projects and includes Consultant costs not yet billed. Invoices are issued within four months of Project completion.

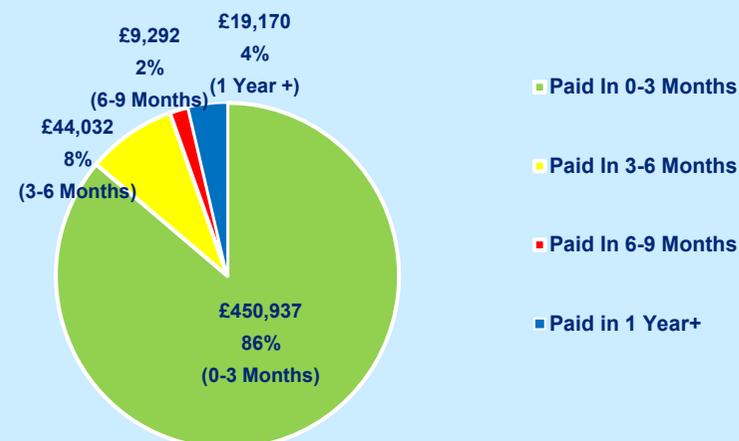
### ESSENTIAL WORKS WIP

Overall position	Jul 19	Aug 19	Sep 19
Value of Payments to Contractors	£26k	£40k	£0k
Value of Invoices issued to Owners (excluding project management fee)	£66k	£0k	£0k
WIP	£23k	£35k	£81k
* Contractors retention cost still to be incurred	£11k	£11k	£11k

## Debt Recovery (Speed of Payments)

### Speed of Payments for Enforced Projects

Total Paid as at 30<sup>th</sup> September 2019 is £523,431





## Appendix 2 (1 of 2)

# Edinburgh Shared Repairs Service Feedback from customers so far in 2019-2020



May 2019

### Drainage job

I can honestly say that I have **never before dealt with someone in public service as diligent, pro-active and efficient as she.**

### Intervention

I am **ever so thankful** for your guidance and support through this difficult neighbour issue. I must say the tenement toolkit was very useful but your **kind offer of support** with an email if it was needed was greatly appreciated.

### Missing Share

**I could never have done this without your help** and nothing I can say will ever express the thanks I owe you.

### Missing Share

I would like to thank you for explaining the scheme to my neighbour in the first instance, and your colleague who I spoke to a few weeks ago **for excellent advise**. Case Officer also spoke with the troublesome neighbour, which I think was important in getting us out of the deadlock.

June 2019

### Training Delivered to A Property Factor Company in Edinburgh by ESRS Case Officers

Hi, **thank you, that was such a massive help**, I think it will make a massive difference with our projects.

September 2019

### Drainage job

Can you please pass on to the service manager our sincere thanks for **how quickly and efficiently this problem has been dealt with**. The property officer is in school just now, sectioned off the area and is trying to locate the appropriate services to address it. **I think this is the quickest response I have encountered**, so many, many thanks.



## Appendix 2 (2 of 2)

July 2019

### **Missing Share application**

I would like to take this opportunity to thank all of you who have played a part in this repair especially those who worked with me in the Shared Repair section to secure those 2 missing payments.

**Thank you so much for all your help.** *(This was a mixed tenure block of 12, 2 x missing shares and where the Council also owned 1 property).*

### **Drainage Job**

We have had problems with drains and a leak in the stair.

One of your property officers, has been dealing with our problems. Right from the start she has been **extremely helpful** and **willing to help** in any way she can. She **always keeps us informed and up to date** with what's going on and replies to emails promptly. I wanted to let you know how hard she has worked to help us. She has gone over and above and I felt she should get some recognition for that. Please let her know that we have really appreciated how helpful she's been.

September 2019

### **Drainage Job**

'The Girl in charge **was Very Good** (underlined 3 times!!).

### **Emergency - Out Of Hours**

This message of appreciation very much extends to you. **You've been brilliant**, and continue to be.

### **Missing Share application**

That's great news, thanks very much, **you have been of great assistance** and that is very much appreciated.