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| <b>Subject:</b>          | <b>Options programme for the future delivery of housing repairs, planned maintenance and capital works</b>                                  |  |  |
| <b>Date of Meeting:</b>  | <b>14<sup>th</sup> March 2018 – Housing &amp; New Homes Committee</b><br>29 <sup>th</sup> March 2018 – Policy, Resources & Growth Committee |  |  |
| <b>Report of:</b>        | <b>Executive Director for Neighbourhoods, Communities &amp; Housing</b>   |  |  |
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| <b>Ward(s) affected:</b> | <b>All</b>  |  |  |

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 This report is intended to update members on the commencement of an options programme in relation to the future delivery of repairs, maintenance, improvements and capital works for the council's housing stock.
- 1.2 Brighton & Hove City Council (Housing) operates a ten year partnering contract with Mears Limited under which the following services and works are provided for the council's housing stock:
- Responsive repairs and empty properties maintenance
  - Planned maintenance and improvement programmes
  - Major capital works projects
- 1.3 This contract expires on 31st March 2020 and therefore the options for the future delivery of the services and works that are currently covered under this contract now need to be assessed.
- 1.4 The spend under the current contract is approximately £28.00m per annum.

**2. RECOMMENDATIONS:**

- 2.1 That committee notes the commencement of an options programme in relation to the future delivery of repairs, planned maintenance and capital works for the council's housing stock, as detailed in the body of this report.

### 3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The council entered into a ten year partnering contract with Mears Limited in March 2010. The contract covers the majority of repairs, planned maintenance and capital works undertaken to the council owned housing stock.
- 3.2 The expiry of the current contract provides an opportunity to deliver substantial change in relation to these services and works for our residents, stakeholders and the council as a whole.
- 3.3 At this stage decisions have not been made about how the services and works will be delivered following the expiry of the contract. Over the coming months officers will work with residents and members to shape options for the future delivery of these important services. Proposals will then move forward through the council's governance process including Housing Area Panels and the appropriate committees.
- 3.4 The options programme will be managed by a programme board led by the Executive Director for Neighbourhoods, Community and Housing. Regular update reporting will be delivered to the Procurement Advisory Board (with Housing lead members in attendance).
- 3.5 Reports will be presented to committees in line with the table at paragraph 3.7. Regular briefing will be delivered to members and other stakeholders alongside the progression of the options programme.
- 3.6 Specialist consultants have been engaged to deliver an initial options and market research report for consideration by the programme board. This will provide an indication of the options available for the delivery of the services and works and the associated risks and opportunities.
- 3.7 The indicative timetable below indicates the high level process for this programme and committee reporting to Housing and New Homes Committee and Policy, Resources and Growth Committee. Consultation with the Housing Area Panels is also integral to this process:

| <b>Date</b>         | <b>Actions</b>   |
|---------------------|--|
| February 2018       | Initial briefing to Area Panels  |
| March 2018          | Initial report to Housing & New Homes Committee  |
| April 2018          | Start of resident engagement activities  |
| April – August 2018 | Continued development of procurement/other options strategy and specification with residents, members and officers.                                |
| June – October 2018 | Approval of preferred options, delivery scope and any authority to tender required through Housing & New Homes Committee and Policy, Resources and |

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|                          | Growth Committee                                    |
| November 2018 – May 2019 | Tender process and evaluation                       |
| June – July 2019         | Award reports through committees and contract award |
| July 2019 – April 2020   | Mobilisation phase                                  |
| April 2020               | Programme complete                                  |

- 3.8 Alongside committee reporting, members, residents and staff will receive regular updates on key decisions and progress.
- 3.9 The programme board will develop a communication plan that uses a range of methods to provide information for residents. This may include briefings to Area Panels, updates in “Homing In”, mail-outs and social media updates.
- 3.10 In addition, officers anticipate there will be a number of workshop sessions with members, residents and staff to develop options proposals.
- 3.11 In order for the council to effectively deliver and implement an effective future solution it is essential that the programme board collects residents’ views and feedback on the options for the service moving forward. The programme board proposes to engage with a wide range of residents (both tenants and leaseholders) to inform this process. This will be supported by a member of the programme team and will include a number of workshops for residents, surveys, consultation and work with existing resident groups. Officers anticipate providing a number of ways for residents to share their experience of the current service and what they would like to see in the future.
- 3.12 Alongside resident engagement in the programme the council will undertake any required statutory consultation with leaseholders.
- 3.13 The following high level risks are of note for the options programme. A detailed risk management plan and register will be maintained throughout the programme.
- Other large procurement activity for various Housing ICT systems taking place during programme period and the ICT solutions could have an impact on cost and delivery models
  - National economic, environmental, health and safety and political agenda to have impact on delivery of social housing
  - Potential cost increases as a result of changing delivery models and economic changes since the previous procurement exercise
- 3.14 For context it is worth noting that as well as its partnering contract with Mears Limited, the council also directly operates a number of separate contracts for delivery of works and services to the council’s social housing stock as set out below:

- K&T Heating – Gas servicing, maintenance, repairs, installations to communal and domestic properties.
- Liftec – Lifts, stair lifts and mobility hoists. Repairs, maintenance, servicing and installation
- Knightguard – Door entry systems and CCTV. Repairs and installation.
- Hertel – Legionella checks and monitoring through risk assessment.
- Allied – Fire alarms. Repair, maintain, service and installation.
- Abbamechatronics – Warden call in older persons accommodation. Repair, maintain, service and installation.
- SCCI – Digital communal aerials. Repair, maintain, service and installation.
- ONYX – Ventilation. Repair, maintain, service and installation.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

- 4.1 No alternative options to the establishment of the options programme are available. The provision of repairs and maintenance to council owned housing stock is a core landlord responsibility under housing legislation.
- 4.2 All options for the future delivery of the services and works established as within the scope of this programme will be considered. The options will be presented in a future report to committee as set out in paragraph 3.7.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

- 5.1 Initial engagement with residents has been through the Housing Area Panels. This item was considered at the following meetings:

- 20<sup>th</sup> February – West Area Panel
- 21<sup>st</sup> February – Central Area Panel
- 26<sup>th</sup> February – East Area Panel
- 1<sup>st</sup> March – North Area Panel (meeting cancelled due to weather)

- 5.2 In addition officers have provided initial information on the programme to residents at the Home Service Improvement Group meeting on the 6<sup>th</sup> March 2018.

- 5.3 Feedback from Area Panels has included:

- General questions about process and procurement
- Importance of ensuring the council is delivering value for money
- The programme should consider who has responsibility for diagnosing repairs
- Request to share resident engagement process
- Engagement with ward councillors at key times
- Acknowledgement that there is a local election within the timeline of this programme.
- The council should consider how to incentivise repairs rather than replacing individual components. An example was given of where a tap was replaced

rather than repaired. It was noted that this was a balance and that sometimes replacement is better value for money.

- Committee papers should be shared with residents as well as members.
- The programme should consider the use of a price per property model for responsive repairs.
- Invitation to attend the next tenants City Conference in September 2018 to update on the programme.
- Engage with residents from early stages of programme and build resident understanding

5.4 As set out in paragraph 3.11 the programme will be supported by broad engagement of residents (both tenants and leaseholders) across the city.

## 6. CONCLUSION

6.1 The programme will cover the options for future delivery of a significant proportion of the council's investment in its housing stock. Future reports to committee will enable members to make decisions on the options and delivery strategy for 2020 onwards.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

7.1 The Housing Revenue Account (HRA) budget for 2017/18 includes £0.150m for the preparation of the future delivery of housing repairs, planned maintenance and capital works once the current contract with Mears Limited ends in March 2020. The proposed HRA budget for 2018/19 includes a further 0.100m for this purpose

*Finance Officer Consulted: Monica Brooks*

*Date: 19/02/18*

### Legal Implications:

7.2 There are no direct legal implications arising out of this report which sets out a recommendation for noting.

*Lawyer Consulted: Isabella Sidoli*

*Date: 19/02/18*

### Equalities Implications:

7.3 An equalities impact assessment has not been carried out for this programme at this stage. Assessments are in place for any work carried out under the current contract arrangements. It is anticipated that a similar process will be appropriate here.

7.4 It is possible that options identified as a result of this programme will involve transfer of staff from the existing contractor.

### Sustainability Implications:

- 7.5 The work carried out under the existing contract arrangements in this area contribute significantly to the council owned stocks energy performance. Future arrangements will need to assess any potential providers ability to deliver services in a sustainable and energy efficient manner in line with the council's HRA energy strategy.

Any Other Significant Implications:

- 7.6 Risk and opportunity management implications

These are set out in brief in the body of the report (paragraph 3.13). A detailed risk management plan and register will be maintained throughout the programme.

- 7.7 Corporate/Citywide implications:

There are a number of Corporate, Citywide and Housing strategies that are relevant to this programme.

Key priorities within these strategies which will need to be taken into account as part of the options programme set out in this report are detailed below:

**The Housing Strategy**

This strategy details the vision and priorities for the housing service across the council.

- Priority 2 - Improving Housing Quality  
Continue to improve council housing sustainability standards.

**The Housing Asset Management Strategy**

This strategy details how we ensure that we align our assets with the current and future needs of residents.

- Priority 1 – Investing in Homes and Neighbourhoods  
Commitment to a high quality and affordable Repairs and Maintenance Service  
Ensuring health and safety for residents, visitors and staff  
Commitment to improving energy efficiency, health and wellbeing  
Adapting homes to help enable residents to continue to enjoy them  
Achieving value for money and social value  
Reviewing assets to ensure long term viability

**The HRA Energy Strategy**

This strategy details our commitment to improving energy efficiency, health and wellbeing for residents and staff.

## **SUPPORTING DOCUMENTATION**

### **Appendices**

None

### **Documents in Members' Rooms**

None

### **Background Documents**

None

