

Cabinet Supplementary Agenda



2. Minutes of Previous Meetings (Pages 3 - 14)

The minutes of the meeting of the Cabinet held on 21 March 2022.

7. Re-procurement of Responsive Repairs Contract (Pages 15 - 24)

Prior to the report being included on the Cabinet agenda for a decision by Executive Mayor Perry on 22 June 2022, the Scrutiny and Overview Committee was given the opportunity to review the work undertaken to date by the Council in preparation for re-procuring the responsive repairs contract. In doing so the Committee was asked to evaluate whether there was assurance that a robust process was being used and that the process was open, transparent and informed by residents

This report is presented for the consideration of the Executive Mayor to inform his decision-making on the responsive repairs contract report.

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Agenda Item 2

MINUTES of the Meeting of the **CABINET**, held on Monday, 21 March 2022 at 6.30 pm in the Council Chamber, Town Hall, Katharine Street, CR0 1NX.

To view the meeting webcast, please visit <https://webcasting.croydon.gov.uk/14940-Cabinet>

Present: In the Chamber

Councillor Hamida Ali (Leader of the Council); Councillor Muhammad Ali (Cabinet Member for Sustainable Croydon); Councillor Janet Campbell (Cabinet Member for Families, Health and Social Care); Councillor Alisa Flemming (Cabinet Member for Children, Young People and Learning); Councillor Patricia Hay-Justice (Cabinet Member for Homes); Councillor Stuart King (Deputy Leader (Statutory) and Cabinet Member for Croydon Renewal); Councillor Oliver Lewis (Cabinet Member for Culture and Regeneration); Councillor Manju Shahul-Hameed (Cabinet Member for Communities, Safety and Business Recovery) and Councillor Callton Young OBE (Resources and Financial Governance)

Also Present: In the Chamber

Councillors Jason Cummings, Clive Fraser, Lynne Hale, Bernadette Khan, Ola Kolade, Jason Perry, Andy Stranack and Robert Ward.

Les Parry (Guest); Martin Wheatley (Guest) and Ishia Neziah (Guest)

On MS Teams (in attendance remotely)

Councillors Leila Ben-Hassel, Patsy Cummings, Sean Fitzsimons and Louisa Woodley.

Phil Brooks (IAP); Carolyn ML Forsyth (Guest) and Dan Winder (Guest).

PART A

30/22 **Apologies of Absence**

There were no apologies for absence received from Members.

31/22 **Disclosure of Interests**

There were none.

32/22 **Urgent Business (If any)**

There were no items of urgent business.

33/22 **London Borough of Culture 2023**

Cabinet considered a report, which outlined the proposed progress and programme to date in readiness for Croydon to celebrate as the Borough of Culture 2023 and sought Cabinet's endorsement of the approach being undertaken at this stage.

The report was a highlight of the main events, with many more activities to be planned over the next 12 months in the lead up to the commencement of the year-long programme that would run from April 2023 to March 2024.

Members raised several questions in relation to:

- Making Croydon, "the place", work
- Promoting the north of the Borough
- Ensuring a legacy and enhanced life opportunities

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the programme outline for London Borough of Culture 2023, be endorsed;
2. the establishment of a Borough of Culture Executive Board and Steering Group be agreed, the membership and responsibilities of which, as set out in paragraph 5 to the report, to enable the delivery of the London Borough of Culture;
3. authority be delegated to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery, in consultation with the relevant Member or Members of the Executive carrying portfolio responsibilities which covered those currently performed by the Cabinet Member for Culture and Regeneration, to agree the final

membership, constitution and Terms of Reference of both the Executive Board and Steering Group.

4. regular reports be provided to the Executive on the work of the Executive Board and Steering Group.

34/22

Update on the Housing Improvement Board and the Development of the Croydon Housing Improvement Plan

Cabinet considered a report and the Housing Improvement Plan, which had been developed to improve the housing service, with regard to the Council's landlord responsibilities. The Plan addressed the following five areas of focus:

- Vision and Governance
- Customer Service and Resident Engagement
- Repairs and Safety
- Improving Residents' Homes
- The Council's Workforce

Members of the Croydon Housing Improvement Board, which was independent of both Council Members and Officers, addressed Cabinet and raised several points, including:

- Recognising the Council for its efforts in establishing the Board, with resident participation.
- There was not an improvement in service.
- There was evidence of a start of work in progress and not an end result.
- All tenants were affected and needed to see the results now.
- The Board's support for Recommendations 1 to 4 subject to further revision and a much-strengthened plan.
- The Board urged Cabinet not to support Recommendation 5.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the feedback from the Housing Improvement Board (which had been established by Cabinet on 17 May 2021), as set out in the report and the presentation from the Chair, be noted;
2. the final membership, constitution and Terms of Reference of the Housing Improvement Board, agreed under exercise of the delegation given to the former Corporate Director of Place, in consultation with the Cabinet Member for Homes and as set out in Appendix 2 to the report, be noted;

3. the delegation given on 17 May 2022 to the interim Executive Director of Place be updated as follows:

“Delegate authority to the Corporate Director for Housing, in consultation with the Cabinet Member for Housing or such other Member as has portfolio responsibility for Housing, to revise as necessary the Membership, constitution and Terms of Reference of the Housing Improvement Board”
4. the content of the Croydon Housing Improvement Plan, as set out in Appendix 1 to the report, be agreed;
5. authority be delegated to further amend the Croydon Housing Improvement Plan, to the Corporate Director for Housing, in consultation with the Cabinet Member for Housing or such other Member as has portfolio responsibility for Housing;
6. an updated version of the Housing improvement Plan be presented for approval in June 2022 that responded to the feedback provided by the Housing Improvement Board; and
7. Cabinet receives quarterly updates on implementation of the improvement plan and that those updates include commentary from the Housing Improvement Board.

35/22

Housing Revenue Account (HRA) 30-Year Business Plan 2021-2051 and HRA Capital Programme 2022/23

Cabinet considered a report, which presented a new 30-year Business Plan for the Housing Revenue Account (HRA) with consideration to both capital and revenue investments required for the management and maintenance of Croydon Council’s housing stock.

Members raised several questions in relation to:

- From a scrutiny and overview perspective, it was felt that the document did not address the fit for purpose criteria.
- Asset and risk management were not robust enough.
- The Plan being brought back to Cabinet during the budget-setting process i.e., September at the latest.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the HRA 30-year Business Plan 2021-2051, as set out at Appendix 1 and detailed in the report, which was based on the HRA revenue budget for 2022-23 agreed by Full Council on 8 March 2022, be agreed;

2. the HRA Capital Programme for 2022/23, as set out in Appendix 6 to the report, be recommended to full Council for approval;
3. the assumptions the Plan were based upon, and the risks associated with these assumptions, be noted; and
4. the proposals for the ongoing development of the HRA Business Plan be noted and agree that the Plan be updated annually with a full review every third year.

36/22

Equality Annual Report 2022

Cabinet considered a report, which outlined the progress regarding Equality Strategy 2020-2024. It also highlighted achievements that the Council had made towards equality along with its new governance arrangements and future plans.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the Annual Equality Report 2022, be noted;
2. Cabinet call on all the organisations in Croydon, including individual schools, police and anyone else that worked with young people, to sign up to the Croydon Equalities Pledge, which launched on International Women's Day, and the George Floyd Race Matters Pledge, which would launch on 25 May 2022; and
3. That all councillors be asked to promote the pledges among their communities, local groups and organisations to sign up to these pledges.

37/22

Financial Performance Report (Month 10) – January 2022

Cabinet considered a report, which provided the Council's annual forecast as at Month 10 (December 2021) for the Council's General Fund (GF), Housing Revenue Account (HRA) and the capital programme. The report also formed part of the Council's financial management process of publicly reporting financial performance against its budgets on a monthly basis.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED to note:

1. the General Fund was projecting a net adverse movement of £0.244m from Month 9 (*Service directorates were indicating a net £1.480m overspend (Month 9 £1.236m) but this was projected to be netted off against £3.050m underspend within the corporate budget.*
2. that a further number of risks and compensating opportunities may materialise which would see the forecast year-end variance change, and these were reported within Section 3 of the report.
3. the Housing Revenue Account (HRA) was projecting a £1.281m (Month 9 £1.725m) overspend for 2021/22 (*if no further mitigations were found to reduce this overspend, the HRA would need to drawdown reserves from HRA balances. There were sufficient balances to cover this expenditure.*).
4. the capital spend to date for the General Fund of £58.323m (against a budget of £131.897m) and for the HRA of £12.075m (against a budget of £183.209m), with a projected forecast variance of £5.362m on the General Fund against budget and £121.002m forecast variance against budget for the Housing Revenue Account. (*All variances were projected to be slipped into future years, but this would be reviewed once the outturn position had been confirmed.*).
5. the above figures were predicated on forecasts from Month 10 to the year end and therefore could be subject to change as forecasts were refined and new and updated information was provided on a monthly basis. (*Forecasts are made based on the best available information at this time*); and
6. that whilst the Section 114 Notice had formally been lifted, the internal controls established as part of the S114, such as the Spend Control Panel and Social Care Placement Panels remained. (*Restrictions had been lifted for ring-fenced accounts such as the Pension Fund, Housing Revenue Account and Coroner's Expenditure as these were directly outside of the General Fund's control. The Spending Control Panel, which was set up at the beginning of November 2020, continued to meet on a twice daily basis.*)

38/22

Fairfield Halls – RIPI Action Plan

Cabinet considered a report, which addressed recommendations 1.8 and 1.9 in the report to the Extraordinary Council meeting of 3 February 2022 in response to the Report in the Public Interest (RIPI). The Improvement Action Plan had been considered and reviewed by both the Scrutiny and Overview Committee and the General Purposes and Audit Committee and both committees had supported the action plan and had made recommendations for improvements.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. having considered the amendments to the RIPI action plan recommended by the Scrutiny and Overview Committee, as detailed in paragraph 2.4 of the report, and the amendments to the RIPI action plan recommended by the General Purposes and Audit Committee, as detailed in paragraph 2.6 of the report, the action plan (Appendix 1) be updated; accordingly, and
2. in accordance with the resolution of Council on 3 February 2022, note that progress on the implementation of the external auditor's recommendations would be reported to Cabinet, alongside the General Purposes and Audit Committee, the Scrutiny and Overview Committee and Council, as part of the existing quarterly Croydon Renewal Improvement Plan update reports.

39/22

Report in the Public Interest October 2020 – Quarter 4 Update

Cabinet considered a report, which provided an update in response to the Council's Report in the Public Interest October 2020. Of 41 (34 in-progress and 7 returned by internal audit) recommendations that remained open at quarter three, 19 had moved to complete, pending evidence, as set out in Appendix 1A to the report.

Members asked a number of questions in relation to:

- The number of recommendations that had been completed in the last quarter.
- Which of these had been most significant.
- The completion date(s) in respect of those actions which were still incomplete.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the progress the Council had made in regard to achieving the recommendations set out by the external auditor in the Report in the Public Interest October 2020, with 77 out of 99 actions complete, be noted and agreed;
2. the outcome of internal audit of actions delivered to properly evidence what had been achieved so far, in order to provide full assurance to members and residents on the changes achieved, be noted; and

3. the refreshed Action Plan, including actions marked complete, progress updates against open actions and identification of actions to be embedded going forward as business as usual, be agreed.

40/22

Quarterly Update on Progress of Performance for Brick-by-Brick Croydon Ltd.

Cabinet considered a report, which provided it with a progress update on Brick-by-Brick Croydon Ltd (BBB) and the key areas of update, which were progress on disposal of six sites; progress on delivery of the 23 sites; an update on sales generally and an update on the Council's acquisition of 104 residential units from Brick-by-Brick and bulk sales to other registered providers.

RESOLVED that the following key areas (acting, where relevant, on behalf of the Council exercising its functions as sole shareholder of Brick-by-Brick Croydon Ltd) be noted:

1. The Brick-by-Brick Shareholder Cabinet Advisory Board had met on several occasions with representatives of the Board since the last update in November 2021; and
2. That Brick-by-Brick Croydon Ltd had not needed to call upon the additional £10m working capital facility that had been requested within July 2021 Cabinet Report.

41/22

Finance, Performance and Risk Performance Report (Croydon Renewal and Improvement Plan)

Cabinet considered a report and the Finance Performance and Risk report in Appendix A, which provided timely and accurate performance data on programme and project status; performance against Corporate Renewal Plan measures; progress against the delivery of financial savings and any risks associated with these deliverables, as well as the impact to corporate risks.

In addition, it reported progress and issues that related to the delivery of the Croydon Renewal Plan, and associated performance reports as agreed at Cabinet on 12 April 2021. The report, in Appendix A, reviewed performance based on latest available data as of 31 December 2021.

It was reported that 31 December 2021 was a snapshot in time and that not all data would relate to this time period due to time lags on data availability etc.

The report was produced and presented on a monthly basis to Departmental and Corporate Management Teams, and Cabinet Members on a bi-monthly basis to allow check and challenge of performance and year-end performance would be reported at the 8 June meeting together

with the refreshed measures for 2022/23 based around the corporate priorities and refreshed Corporate Renewal Plan.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED that:

1. the areas of good performance and those of concern in the Finance, Performance and Risk report (appendix A) as of 31 December 2021 (unless otherwise stated) with regard to overall performance against the Croydon Renewal Plan, be reviewed;
2. plans in place to address current and future performance for Freedom of Information and Subject Access Requests (section5), be noted;
3. the progress made, and areas of concern, against programmes and projects in relation to milestones, deliverables and issues, be noted;
4. the progress made, and areas of concern against savings and growth targets, as identified in the Croydon Renewal Plan, be noted (More detail on this area could be found in Table 2a of the Financial Monitoring Report, which was also presented at this Cabinet meeting.).
5. Cabinet identify areas of performance within the FPR report (appendix A) where it required deeper analysis to be presented at a future meeting of Cabinet for discussion and action.

42/22

Investing in Our Borough

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

RESOLVED to note:

1. The request for approval of the award for Children with Disabilities Care Provider Register (CPR), as set out in agenda item 13b and section 5.1.1.
2. The request for approval of the contract variation for Residual Waste Treatment Contract Variation, as set out in agenda item 13a and section 5.1.1.
3. Contract award decisions to be made between £500,000 and £5,000,000 by the nominated Cabinet Member, or where the nominated Cabinet Member was in consultation with the Leader, as set out in Section 5.3.1.

4. Delegated award decisions made by the Director of Commercial Investment since the last meeting of Cabinet, as set out in section 5.4.1
5. Property lettings, acquisitions and disposals to be agreed by the Cabinet Member for Resources and Financial Governance, in consultation with the Leader, since the last meeting of Cabinet, as set out in section 5.5.1
6. That Cabinet recommends to the Leader of the Council, that prior to the next meeting of Cabinet in June, in respect of decisions requiring Cabinet's approval, or prior reporting to Cabinet, concerning the acquisition or disposal of property, procurement strategies and contract awards and variations:
 - (i) The Cabinet Member for Resources and Financial Governance*, in consultation with the Leader*, be authorised to agree such decisions concerning the disposal or acquisition of properties;
 - (ii) The nominated Cabinet Member*, in consultation with the Cabinet Member for Resources and Financial Governance* or, where the nominated member is the Cabinet Member for Resources and Financial Governance, in consultation with the Leader*, be authorised to agree such decisions concerning procurement strategies and the award and/or variation of contracts.

Note that any awards made under this delegation would be notified in the standard contracts report to the next meeting for Cabinet.

*Following the Local Government and Mayoral Elections on 5 May 2022, the relevant member of the Executive carrying the appropriate and relevant function/portfolio as the Leader/nominated Cabinet Member/ Cabinet Member for Resources and Financial Governance as the case may be.

43/22 **Exclusion of the Press and Public**

Not required..

44/22 **Residual Waste Treatment Contract**

The Leader of the Council has delegated to the *Cabinet* the power to make the decision set out below:

RESOLVED that, in accordance with Regulation 30 of the Council's Contracts and Tenders Regulations, a variation to implement the removal of the Villiers Road waste transfer station operations from the scope of the Residual Waste Treatment Contract with Viridor South London Ltd,

resulting in an annual contract reduction of £989,000, and an annual reduction in residual waste treatment cost to Croydon Council of £448,000 per annum, be approved.

45/22 **Children with Disabilities – Care Provider Register**

The Leader of the Council has delegated to the Cabinet the power to make the decision set out below:

RESOLVED that, in accordance with Regulation 28c of the Council's Tenders and Contracts Regulations, and on the recommendation of the Contracts and Commissioning Board, the award of *the Care Provider Panel Agreement* to the providers listed in Part B of this report for a period of up to 4 years from 01/04/2022 to 31/03/2026 for a maximum contract value of **£5,846,813**, be approved.

46/22 **Asset Disposals**

The Cabinet Member for Resources and Financial Governance, in consultation with the Leader, agreed the following:

RESOLVED that:

1. The disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington, be approved; and
2. A downward price variation, of up to a maximum of 10%, and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet, to allow for some minor changes during the disposal process, as further due diligence was undertaken, be approved.

Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer.

47/22 **Housing Acquisitions**

The Cabinet Member for Resources and Financial Governance, in consultation with the Leader, agreed the following:

RESOLVED that:

1. The borrowing facility of up to £5.1m (£3.6m net of Right to Buy Receipts) to enable the investment in the acquisition of 10 new 3 bed houses from Brick-by-Brick Croydon Ltd, be approved;
2. The use of up to £1.5m Right to Buy Receipts to reduce the level of borrowing required, be approved; and

3. The proposed rent levels for the properties to be at London Affordable Rent, be agreed.

The meeting was declared closed at 9.48pm.

REPORT TO:	Cabinet 22 June 2022
SUBJECT:	REPORT FROM SCRUTINY & OVERVIEW COMMITTEE ON THE RE-PROCUREMENT OF THE RESPONSIVE REPAIRS CONTRACT
PUBLIC/EXEMPT:	Public

1. EXECUTIVE SUMMARY

- 1.1. Prior to the report being included on the Cabinet agenda for a decision by Executive Mayor Perry on 22 June 2022, the Scrutiny and Overview Committee was given the opportunity to review the work undertaken to date by the Council in preparation for re-procuring the responsive repairs contract. In doing so the Committee was asked to evaluate whether there was assurance that a robust process was being used and that the process was open, transparent and informed by residents
- 1.2. This report is presented for the consideration of the Executive Mayor to inform his decision-making on the responsive repairs contract report. In doing so, it will set out work of the Committee in advance of its meeting to engage with residents to ensure that their experience and views informed the questioning at the meeting. Following its discussion of the responsive repairs contract at its meeting on 14 June 2022, the Committee agreed to put forward recommendations for the consideration of Executive Mayor Perry, and these are set out, along with the conclusions from the meeting for additional context, in section 3 of this report.

2. SCRUTINY OF THE RE-PROCUREMENT OF THE RESPONSIVE REPAIRS CONTRACT

- 2.1. One of the underlying principles for Scrutiny in the forthcoming year is to increase the level of community engagement in the scrutiny process, to ensure there is an opportunity for the experience of residents and businesses to inform the decision-making process. When it was agreed that the Scrutiny & Overview Committee would review the work completed to date on the re-procurement of the responsive repairs contract and the proposed way forward, it was immediately identified that it would not be possible to scrutinise the report effectively without first engaging with residents, whose lives had been directly impacted by the poor performance of the Housing Repairs Service.
- 2.2. The first opportunity to listen to residents came from visits to three separate housing blocks across the borough, which also gave Members the opportunity to view repairs first hand. The housing blocks visited were 1-87 Regina Road in South Norwood, Cedar & Beech House in New Addington and Cromwell House in Waddon. During these visits, Committee Members heard the frustrations of residents with the repairs service and witnessed housing conditions which were still of significant concern, even though it is over twelve months since the conditions

at Regina Road were first reported. These individual concerns have been reported to the Housing Service to follow up directly.

- 2.3. The second opportunity to engage with residents was at an online meeting organised for 13 June. Over forty residents joined the meeting, and the Committee would like to give thanks to the attendees for honest and constructive feedback on their experience of the repairs service as council tenants. To maximise the opportunity for residents to speak at the meeting, ten breakout groups were set up, chaired by councillors, which asked for feedback on what needs to change in the housing service, what they were pleased to see in the plans for the new contracts, and what needed to be included. A summary of the feedback from residents at the meeting is provided for the information of the Mayor and the Cabinet in Appendix A.
- 2.4. As well as community engagement, the Committee also spoke with Councillor David Renard, Leader of the Conservative led Swindon Council and an LGA spokesman on housing, who recommended in-house provision as a great way forward given the level of control it gave his council over the service it provided. As did Calum Davidson at the LGA, citing Lambeth's new Direct Labour Organisation called 'Community Works', which offered value for money and higher degrees of social responsibility.
- 2.5. Finally, the Committee also received a briefing from the Council's Director of Housing, Stephen Tate, in the lead up to the meeting. This ensured that Members understood what was being proposed and afforded the opportunity to seek clarification where needed. The Committee would like to thank Mr Tate and his team for their support and engagement with the scrutiny process both in the lead up to and at the meeting.
- 2.6. The Committee would also like to thank the residents who attended the meeting on 13 June, the Chair of the Housing Improvement Board, Martin Wheatley, the Vice-Chair of the Tenant and Leaseholder Panel, Leslie Parry and a resident representative from the meeting held on 13 June, Ramona Beckford, who attended the meeting to provide their own insight on the re-procurement process. Their insight along with the responses received to the questions of the Committee helped to shape the conclusions and recommendations set out below.

3. CONCLUSIONS OF THE SCRUTINY & OVERVIEW COMMITTEE ON THE RE-PROCUREMENT OF THE RESPONSIVE REPAIRS CONTRACT

- 3.1. In preparing for the meeting, the Committee identified four key areas within the report, which were: -
 - Contract Options,
 - Tenant Services,
 - Risk
 - Social Value

The following conclusions and recommendations from the Committee have been grouped under these four headings.

Contract Options

- 3.2. From all the evidence heard, the Committee agreed that it would be reasonable to conclude that the Council has done a competent and professional job at assessing the options available when notice was given on the current responsive repairs contract. Officers demonstrated an understanding of the risks presented by the short timeframe to reprocure the present service, which it was proposed would be split across three contracts (one for gas related services and two geographically split contracts for responsive repairs) and an insourced contact centre.
- 3.3. It was accepted that given the need to ensure there was a responsive repairs service in place beyond the end of the current contract in July 2022, that the immediate focus needed to be on the re-procurement process. Although it was advised that the contract left scope for potentially insourcing parts of the service at a later date, the Committee agreed that options for insourcing should be evaluated now, informed by best practice at other local authorities, to ensure the Council had the best delivery model in place for residents. This was supported from evidence from the LGA, Swindon and Lambeth, which indicated that insourcing the responsive repairs service could deliver significant benefits, not least placing the Council in full control of the service it provided to residents.

RECOMMENDATION 1: That the scope for bringing all or part of the current responsive repairs service inhouse is evaluated as a priority to ensure that the outsourcing delivery model proposed by the Council offers the best outcomes for residents.

RECOMMENDATION 2: That there should be periodic reviews of the delivery model, including an options appraisal on the benefits of insourcing either all or part of the service, to ensure the optimal structure is in place.

RECOMMENDATION 3: That the current re-procurement and delivery of the new responsive repairs' contracts should be informed by best practice and experience from other local authorities.

- 3.4. Given the challenges experienced with the present contractor, the rationale provided for splitting the contracts and bringing the call centre in-house seemed to be logical, given that this option should improve the service for residents. These plans were clearly popular amongst those tenants who had been consulted by the council officers and the Scrutiny and Overview Committee.
- 3.5. The Committee recognised that insourcing the contact centre would ensure that the Council maintained direct communication with its residents, which was lost under the present arrangement with the contact centre delivered by the contractor. It would also enable to Council to have greater ownership of the data needed to performance manage the new contracts, which was seen as a significant benefit. Given the poor performance of the Council's current telephony

system, it was essential for the new contact centre that the installation of the new telephony system was successfully delivered.

- 3.6. The Committee welcomed the commitment to upholding the living wage in the contract. The confirmation that break-clauses and no-fault termination clauses would be included in the contract was also reassuring given the length of the contract sought.

Tenant Services

- 3.7. The Committee welcomed confirmation that the performance criteria for the new contracts would be designed in cooperation with residents to ensure that these new contracts delivered a significantly better service than the previous one. The Committee would also request the opportunity for Scrutiny to review the performance indicators prepared for the contract, before they are finalised, to bring an additional level of rigour.

RECOMMENDATION 4: That the key performance indicators created to performance manage the new contracts are reviewed by Scrutiny before they are signed off.

- 3.8. It was highlighted that the satisfaction rate for the current service was lower amongst BAME groups, which was concerning and would need to continue to be tracked under the new contract. A greater level of analysis was a needed to understand the reasons why there was a lower satisfaction rate in BAME groups, which may be helped under the new contracts, as the Council would retain control of the data collected. Similarly tracking the service satisfaction for other vulnerable groups such as those who are elderly or with disabilities is essential.
- 3.9. Given residents had endured poor performance and sub-standard housing conditions under the current contractor, it was likely to be a long journey for the Council to rebuild trust. The Committee agreed that that the inclusion of a compensation scheme for residents would go some way to demonstrating the Council's commitment to a new start for the service. Although it was likely that bidders would build the cost of a compensation scheme into their pricing, it was agreed that it would also provide the contractor with a financial incentive to ensure appointments are kept, repairs are made promptly and are completed thoroughly.

RECOMMENDATION 5: That provision for a compensation scheme for residents who experience poor performance, and paid for by the contractor, is included in the contracts for the new services . The Committee would ask to be kept updated on the outcome of this work.

- 3.10. The Committee welcomed confirmation that there would be an expectation that new technology would be used to keep residents informed on the progress of their repairs. Not only would this help to improve communication with residents, but it would also help to manage the capacity of the contact centre to ensure those residents who were unable to use these options, found it easier to speak directly to the Council.

RECOMMENDATION 6: That the of use technology to improve the level of communication with residents needs to be set as a minimum expectation in the tender specification.

- 3.11. The responsibility for and the tracking of communal repairs was a reoccurring concern for residents which needed clarification. It also chimed with other concerns raised that many tenants did not know what their rights were or the complaints process. As part of rebuilding trust with residents, basic information such as responsibility for services and the complaints process should be communicated to all residents as a priority.

RECOMMENDATION 7: That Housing Services commits to ensuring that the Tenants Handbook is updated and distributed to all residents to ensure they are aware of the level of service they can expect, how to access these services, how to complain when the expected service is not delivered along with confirmation of their dedicated Housing Officer.

- 3.12. Another reoccurring issue for residents was the management of legitimate concerns about damp and condensation in Council properties, particularly those of non-standard construction. The Committee agreed that there needed to be a better understanding of the condition of the Council's housing stock and welcomed confirmation that a system of rolling stock surveys would start in early 2023. In doing so, it would inform the Council's asset improvement strategy, which would be used to prioritise improvement work on properties with significant damp issues.
- 3.13. Many residents echoed the benefit of having a caretaker either onsite or shared between a number of blocks to repair simple issues. At present this service was understaffed and the Committee agreed that it would create considerable goodwill if the Administration gave a commitment to ensure this service was fully resourced with staff who were provided with regular training.

RECOMMENDATION 8: That a political commitment is given to ensuring the Caretaker/Handyman Service for Council housing is fully resourced and trained.

Risk

- 3.14. The Committee was reasonably reassured that there was mitigation in place for most risks, although it would request that the full risk register is shared with the members of the Committee to provide an extra level of reassurance. It was also requested that a map of the customer journey through the Housing Service is provided.
- 3.15. The integration of the new software in the Housing Service and the new telephony system in the Council, with the systems of the three new contractors was identified as a significant risk, which needed to be resource appropriately to ensure that it could be delivered.

3.16. Although the performance of the current contractor had not been at the level expected by either the Council or residents, the Committee agreed with residents that the culture within the Housing Service was equally poor and needed to be addressed if the service was to be improved. Given that many of the existing Axis staff would transfer across to the new providers through TUPE, there was significant concern about whether the Council had the capacity to change the behavioural culture that contributed to the poor performance. Further evidence was needed to provide reassurance that there was a robust plan in place to change the culture of the service and ensure that the new contract required the contractors to deliver similar culture change amongst staff transferred under TUPE. The Committee agreed that monitoring the change in culture would need to be a priority for the Streets, Environment & Homes Sub-Committee.

RECOMMENDATION 9: The expectations of the Council on the contractors to improve the culture of the staff transferred through TUPE needs to be clearly set out in the contract, with accompanying performance measures to track progress.

3.17. Reassurance was given that senior management recognised that the culture within certain parts of the Housing Service needed to change, and work was underway to ensure this was delivered. The Committee was concerned about whether there was sufficient capacity within the service to deliver a cultural change programme at the same time as a large procurement process and agreed that additional support may need to be allocated to ensure that any culture change programme could be well advanced by the time the new contracts were awarded. This would help to ensure the new contractors were being effectively supported and managed by the Council.

RECOMMENDATION 10: That sufficient capacity is allocated to ensure the delivery of the culture change programme within the Housing Service can be progress as far as possible by the time the new contracts are awarded.

3.18. The Committee agreed that the figures provided for the cost of the new contracts needed to make clear that they were a prediction based upon current known factors. Given the potential risk from high inflation and supply chain issues, the Committee would recommend that a cost range is provided rather than a specific figure.

RECOMMENDATION 11: That the estimated figures provided for the cost of the contract are reviewed and replaced with a cost range, to take account of the uncertainty in both the national and world economy.

Social Value

3.19. Both residents and the Committee welcomed the commitment to social value being included in the weighting of the contract, particularly the emphasis on local employment, apprenticeships and delivering climate change targets. It was recognised that to ensure delivery of these commitments would require careful

wording in the final contract to ensure that outcomes were both deliverable and could be tangibly measured.

RECOMMENDATION 12: That the tender documents explicitly set out the Council's social value priorities it expects bidders to help deliver, particularly in terms of local employment, supporting the local suppliers and climate change commitments.

RECOMMENDATION 13: That the measure to track the delivery of the social value aspect within the new contracts are reviewed by Scrutiny before they are signed off.

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APPENDICES: Appendix A – Feedback Summary from Residents Meeting

BACKGROUND DOCUMENTS: None

APPENDIX A: SCRUTINY & OVERVIEW COMMITTEE

RESIDENTS MEETING ON HOUSING REPAIRS SERVICE – 13 JUNE 2022

Feedback Summary

To inform its consideration of the Housing Repairs report on the agenda for its meeting on 14 June 2022, the Scrutiny and Overview Committee arranged a meeting for Council tenants to attend and provide their views on the service. This meeting was held online on the evening of 13 June.

The meeting was structured around two breakout sessions to ensure residents the maximum amount of time to provide their views on the Housing Repairs Service. The first session focussed on the question 'What needs to change in our housing repairs service'. This was followed by a presentation by the Council's Director of Housing, Stephen Tate, on the proposals for the new contract. A second breakout session was then held to discuss 'What are you pleased to see in these plans? What is missing or needs changing?'

What follows is a summary of the feedback provided by residents during the breakout sessions.

BREAKOUT 1: What needs to change in our housing repairs service?

From the feedback provided by residents, the following common themes have been identified: -

1. Communication with tenants is a key issue that needs to be addressed throughout the Housing Service. Residents advised that there is a lack of communication around repair requests and appointments, particularly not being notified of cancellations. There also needed to be clear ownership between the Council and contractor over repairs.
2. There is also a need for greater transparency over the performance of the Service and communication with residents over their rights and how they can help to inform the process. This should also include communication on how the Council was managing performance when it was not at the level expected.
3. Similarly, being able to contact either the contractor or the Council about repairs needed to be made easier, with long waiting times when calling and the complaints process not being clear.
4. Another key issue was the need to increase the number of repairs being completed at the first visit. At present, repairs could often take multiple visits and examples were given of staff being sent who were not trained for the repairs required.
5. The quality of the repairs was often not at the standard expected and additional work was needed to provide a quality check.
6. Contractors do not understand those buildings of non-standard construction. They also do not have plans or knowledge of the building in terms of pipes and services, which results in repairs not being completed.

7. There was a concern that the needs of those with disabilities are ignored or not prioritised appropriately.
8. Given the long history of poor performance, there was clear lack of trust in the Council, which would need significant time and effort to rebuild. It was also felt that the views of residents could often be dismissed by the contractor and Council, which added to the lack of trust.
9. How the council deals with mould is an issue. Many residents live in homes with poor or no insulation, especially those who live in homes of non-standard construction. Residents are blamed for condensation when it is the lack of insulation that is the cause.
10. The Housing Service is understaffed, particularly block caretakers. Action needed to be taken to address this as soon as possible

BREAKOUT 2: What are you pleased to see in these plans? What is missing or needs changing?

From the feedback provided by residents, the following common themes have been identified: -

What are you pleased to see in the proposals?

1. The residents supported the proposal to split the contract, particularly for gas servicing. The acknowledgement that the procurement of the new contract would not stop the Council in-sourcing parts of the service in the future was also welcomed.
2. There was unanimous support for bring the contact centre in house, as it was hoped this would improve some of the issues around communication experienced by residents with the contractor.
3. The proposal to prioritise local recruitment was welcomed, with agreement that the contract should include incentives for the creation of local apprenticeships and employment.

What should be included or changed in the proposal

1. There was a need to ensure that any potential contractor had specialist teams available for work on non-standard constructions. They also needed to have the plans for the buildings.
2. It would be good to provide residents with the ability to track the status of repairs on the phones or computer.
3. Whether in or out house, must have good communication and accountability.
4. Compensation: If an appointment is broken by the contractors, especially 3 or 4 times, contractor should pay a financial penalty to pay to the tenants.
5. Repairs should always be completed within a stated timescale, which will meet a performance matrix. Compensation should be paid if the timescale is not met.
6. Repairs should be completed properly by competent staff who are appropriately trained.

7. Appointments should always be kept wherever possible. If the chosen repair staff cannot attend because of a vehicle problem or sudden sickness, residents should be notified, and the repair rearranged as soon as possible
8. A hybrid model between in-house contractors and outsourced contractors should be investigated.
9. The means of obtaining feedback from residents needs to be rethought to ensure that the response rate is as wide as possible.
10. As there is 20% frontline vacancies in the Housing Service at the moment including caretakers needs to be prioritised immediately.
11. Inspection of empty property before new tenants move in and work by axis is poor needs addressing
12. There needs to be clearer communication, so all tenants know who their housing officer is.
13. There needs to be better prioritisation of jobs to ensure urgent repairs are dealt with quickly.
14. There needs to be incentives and penalties in the contract to reward good performance and penalise where the contractor is not performing as expected.
15. Council staff need to be checking and following up complaints.
16. There needs to be a greater level of transparency with tenants throughout the housing service
17. There needs to be a greater use of technology to efficiently track and log repairs
18. The Council needs to invest in its own staff to build trust with residents. Not all the current issues were down to the contractor. Who holds the Council to account for their own performance?
19. A publicly available comms plan was needed to ensure tenants are aware how they can participate in the process.
20. There needs to be a dedicated Housing Complaints Team, which was separate from the existing Corporate Complaints Team.