

Welcome

Susmita Sen
Corporate director of housing

About me

- 30 years in housing, in London at Ealing, Hackney and Hillingdon.
- Experience in housing and public sector ranging from landlord services to emergency housing
- Pre Croydon, chief executive at Tower Hamlets Homes for 6.5 years, responsible for 22,000 council homes
- Tower Hamlet Homes Landlord of the Year, 2019
- Join Croydon as permanent corporate director of housing
- Passionate about partnering with residents to co-create services

External Landscape

- Financial pressures facing the Council
- Regulator for Social Housing
- Social Housing Bill
- Consumer Standards
- Housing Ombudsman
- Building Safety/ Fire Safety
- TPAS/ HouseMark
- Cost of Living Crisis – Croydon residents
- Our Role

Croydon's housing improvement journey...

Deliver the Mayor's priorities

Enhance Housing Improvement Plan

Engage with residents to adopt Residents' Charter

Embed resident voice at heart of repairs re-procurement and monitoring performance



Croydon's housing improvement journey:

Listen to residents, **rebuild** trust,
act on feedback and **learn** from
complaints

Co-create a vision for housing
with our residents

Engage with staff, contractors to
deliver the vision



Also:

Developing a 30 year strategy for the Housing Revenue Account

Gaining pace on immediate and medium term improvements at Regina Road and looking ahead to the future



Voids

Void performance

- Voids performance not up to standard
- High number of voids
- Poor turnaround times
- Driven by previously poor contractor performance low costing within price per void.
- Full review currently being scoped to start in July (led by Tony Lewis)
- Supported by back-up contractors, currently being procured through a framework
- Additional officer resources from July to support work required
- End-to-end review of the voids process including tenancy, allocations and lettings.

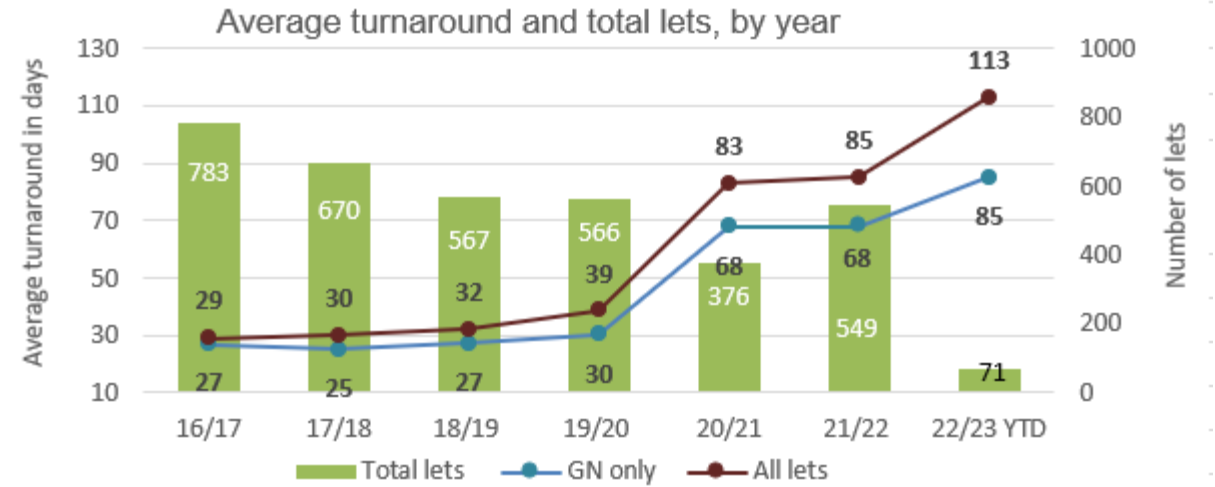
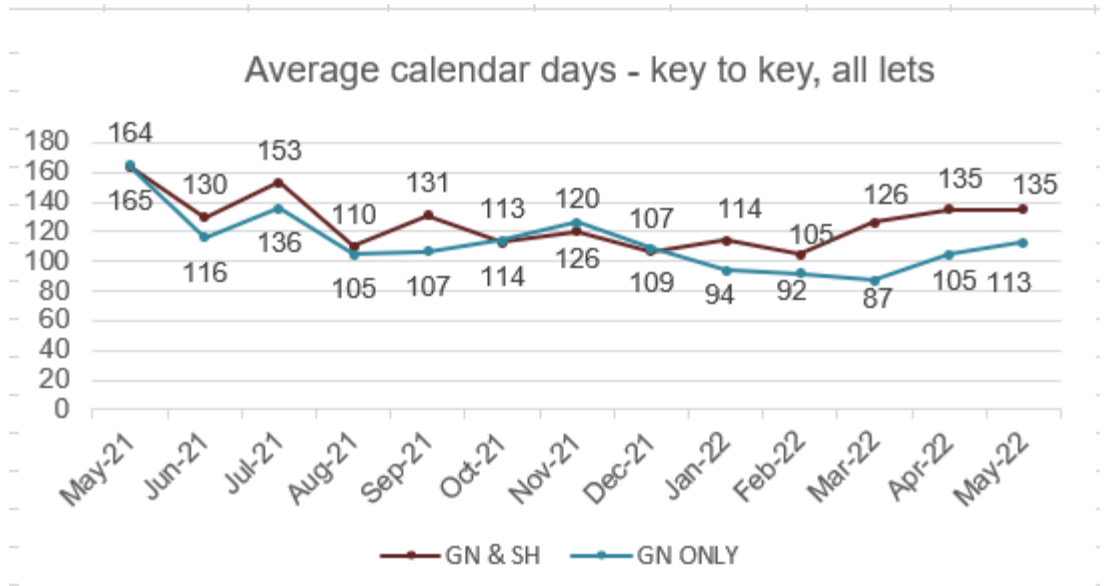
Voids – next steps

- Voids review starts in July
- Working with residents, a review of the lettable standard linked to the procurement of the repairs and voids contractor
- 49 new build voids to be let next week
- Planning restrictions have been addressed by Brick By Brick.
- The long standing Extra Care voids have reduced from 30 to 22 with further reductions anticipated.
- Establish a focus group of residents to review the void process and void standard to report to the next TLP meeting.

Void action plan

| Month | May-21 | Jun-21 | Jul-21 | Aug-21 | Sep-21 | Oct-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Total current voids (6th June) | | | | | | | | | | | 208 | 302 | 310* |
| Under repair | | | | | | | | | | | 140 | 160 | 173 |
| Ready to let | | | | | | | | | | | 68 | 142 | 137 |
| Total number of lets | 77 | 64 | 57 | 34 | 30 | 60 | 67 | 34 | 42 | 33 | 30 | 29 | 42 |
| No. major works lets | 31 | 26 | 15 | 14 | 7 | 26 | 22 | 14 | 14 | 6 | 7 | 7 | 8 |
| No. sheltered lets | 19 | 17 | 14 | 6 | 13 | 15 | 18 | 8 | 10 | 8 | 9 | 8 | 10 |
| Let in under 3 weeks | 0% | 0% | 0% | 0% | 3% | 0% | 0% | 0% | 2% | 3% | 0% | 0% | 0% |
| Average turnaround (BV212) | 90.2 | 82.3 | 92.7 | 68.3 | 113.0 | 75.4 | 74.3 | 57.4 | 86.5 | 95.3 | 101.5 | 107.6 | 116.6 |
| Year to date - (Apr - Mar) | 95.1 | 90.0 | 90.7 | 87.7 | 90.4 | 87.8 | 85.6 | 83.4 | 83.7 | 84.4 | 85.3 | 107.6 | 113.0 |
| Average general needs (GN) | 81.0 | 68.2 | 62.7 | 53.8 | 77.1 | 63.6 | 68.7 | 48.0 | 72.9 | 86.3 | 54.5 | 68.1 | 96.1 |
| Year to date - GN only | 80.8 | 75.7 | 72.2 | 69.5 | 70.1 | 68.9 | 68.9 | 67.2 | 67.7 | 69.0 | 68.2 | 68.1 | 85.0 |
| Key to Key - all lets | 163.6 | 129.8 | 152.9 | 110.1 | 131.4 | 112.8 | 120.1 | 107.4 | 114.1 | 105.4 | 126.1 | 135.4 | 135.2 |
| Year to date - Key to Key | 163.1 | 149.9 | 150.7 | 145.2 | 143.8 | 138.4 | 135.4 | 133.2 | 131.6 | 129.9 | 129.7 | 135.4 | 135.3 |

Void Performance



Current void numbers

Report updated: 28/06/22

| | Less than 1 month | 1 - 3 months | 3-6 months | 6 months - 1 year | 1 – 2 years | 2 - 5 years | 5 years plus | Total |
|--------------|-------------------|--------------|------------|-------------------|-------------|-------------|--------------|-------|
| Under repair | 78 | 51 | 25 | 11 | 17 | 12 | 6 | 200 |
| Ready to let | 2 | 31 | 62 | 15 | 3 | 3 | 0 | 116 |
| Total | 80 | 82 | 87 | 26 | 20 | 15 | 6 | 316 |

Voids improvement plan

- A review of the process starts in July
- Work with residents to review and revised lettable standards, linked to the procurement of the repairs and voids contractor
- 49 new build voids recently let
- Planning restrictions have been addressed by Brick By Brick.
- Long standing Extra Care voids have reduced from 30 to 22 with further reductions anticipated.
- Establish a focus group of residents to review the voids process and voids standard to report to members of TLP at the next meeting.

Repairs procurement update

What we will cover

How we got here and about the service – the story so far and the current service

The research that informed the direction – resident engagement

What were our options – the contact centre and contract structure,

Delivering the wider council outcomes – making the contract work harder for the council

Costs and timeline

Story so far

- Spring/Summer 2021 Resident engagement post Regina Road – focus on repairs performance
- Summer 2021 reviewed responsive repairs contract
- Autumn 2021 – Commenced option appraisal for different responsive repairs approach
- December 2021 – Improvement plan with Axis developed and tighter contract management implemented.
- Jan 2022 – Axis served notice – terminates in July 2023
- February/March – Resident engagement workshops
- February/March – Labour administration workshops and option sign off
- March – Soft market testing undertake
- April/May – bringing together options
- May – options presented to Mayor
- June – scrutiny sessions
- June – cabinet decision

Learning from the current contract

Key lessons learnt from the current contract has been developed following discussion with residents, members, staff and from our market advisor, Echelon. These have helped shape this procurement and will influence how the contract is managed. Key areas are:

- **Resident contact** — all contact currently is managed through Axis, meaning the Council isn't sighted immediately of any issues.
- **Contract number** — there are pros and cons to having a single or multiple contracts. Having more than one contract can provide additional resilience
- **Contract pricing model** — all pricing models can drive different types of contractor behaviour that needs to be managed through effective contract management. The PPP/PPV should incentivise first time fix but also can incentivise spending less per property
- **Stronger contract management** — contract management needs to be tightened
- **Better use of data** — better use of data drives delivery of the responsive repairs contact, informs future cyclical and capital programs
- **Review of the back office** — the last restructure in the back office was undertaken in 2013 and is now out of date and not up to date with current best practise.

Research to inform our approach

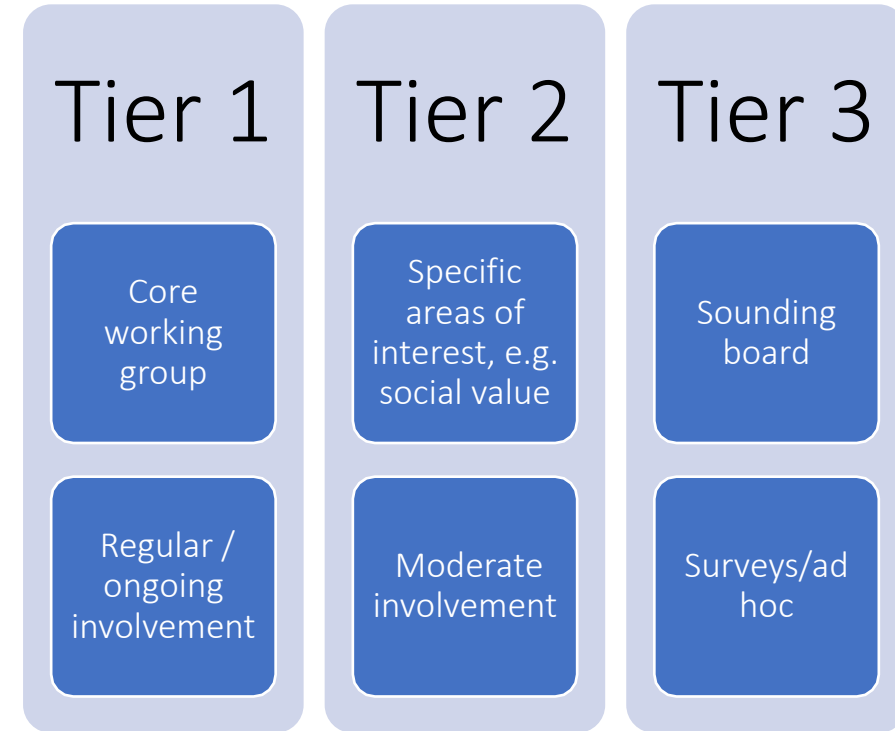
Resident engagement- Approach

Listening to residents is at the heart of our approach to procuring a new provider. Engagement has already taken place to establish residents' views on the council's current service and what's important to them in procuring a new provider.

| Name | Type of engagement | Number | When? |
|------------------------------------|--|-----------------------------|---------------------|
| STAR survey | Part of a tracker survey. Telephone calls to tenants (only) from <u>large randomised sample</u> | 496 | Oct/Nov 21 |
| Repairs surveys | Transactional phone surveys to residents who have had recent repair work completed | 1010 responses | Nov 21 – Mar 22 |
| RI engagement | Door knocking exercise – focussing on flats. Short surveys conducted | 664 | June – Oct 21 |
| Gas service surveys | Phone surveys to tenants who have had gas servicing carried out the previous month | 100 per month | Autumn 21 onwards |
| 1 st Resident Workshops | Meeting with residents to gather feedback | 2 workshops (15 residents) | Feb 22 – Mar 22 |
| Resident Scrutiny | Scrutiny session: Workshop session organised by overview and scrutiny involving residents from a different | 1 workshop (c.50 residents) | June 22 |
| 2 nd Resident Workshops | Commenced 2 nd phase of workshops focusing on | Ongoing (15 residents) | June 22 and ongoing |

Resident engagement – the start, not the end

- Ongoing resident involvement from a tier of involvement options.
- Wider group of residents invited to support evaluation process and ongoing monitoring to ensure contracted provider offers an inclusive service.
- Resident Working Group becomes Resident Repairs Monitoring Group (once new contractor appointed) to scrutinise performance of new provider throughout lifetime of contract.
- Residents will be supported throughout the process.
- Training will be provided as necessary for level of involvement.



Main themes from resident engagement

The key themes from the resident engagement activities are as follows:

- To be part of procurement exercise and involved in contract management of the new contractor
- Residents would prefer to make repairs requests to the Council rather than a contractor.
- Not to put 'all eggs into one basket' to have more than one contractor
- To encourage local labour and local supply chains
- Residents understood the pricing model and the rational

Residents also raised:

- To be able to make an appointment at first point of contact at a time that suits the resident.
- A contractor that arrives at the appointed time or if there is going to be a delay to inform the resident and provide an alternative appointment.
- Contractors to be skilled, competent, polite and professional operatives.
- To fix the problem on the first visit but accept this cannot always be achieved and where this is not possible to expedite the repair in a reasonable time.
- To provide a good quality, value for money service.

Soft Market Testing and benchmarking

- We have tested the options with the market through soft market testing
- No issues have been raised through this
- We are also using benchmarking with other organisations to test our approach
- This is important to ensure we adopt best practise

What were our options

Contact centre – bringing back into the council

- First contact is a theme from the surveys and face to face discussions
- A key priority is listening to residents and getting it right first time
- It means that the Council maintains first point of contact with residents
- Residents preferred that the council operate the contact centre.
- Council has access to 'mood' of residents
- Council can use service to address other issues e.g., tenancy issues (has cost/resource implications)
- Performance measures for contact centre available directly.
- Works better in a model with multiple contractors

Contract options considered

- **Option 1** — Single cross borough contract covering all services
- **Option 2** — two contract areas covering all services
- **Option 3** — two service based contracts, one covering gas related services and the other all other services
- **Option 4** — one cross borough contract providing gas related services and two contract areas for repairs and voids contracts

Delivering the wider council outcomes

The wider benefits

The total costs of the repairs contract over the 10 years life of the contract is significant. With this brings the opportunity to use this value to deliver not only the benefits of the contracts but wider benefits for the borough.

Through social value we can:

- Promote Local Skills and Employment – *providing apprenticeships, a focus on local employment, skills and development.*
- Support local businesses particularly SMEs – *supporting local businesses through prioritising local supply chains.*
- Support communities to be more resilient – *supporting community initiatives and promoting wellbeing*
- Deliver climate change outcomes – *supporting the Council drive to rapid reductions in carbon emissions to become a carbon neutral council by 2030*

Council policy applies a weighting 10% at contract evaluation.

Social value offers will be incorporated into the contract as firm commitment and included as part of their contract monitoring, KPIs and reviews to make sure that the contractor delivers.

Costs and timelines

Estimated costs

Contract Length: 10 years 8 months

Total contract cost: £198.9m

Made up of:

Gas contract: £41.9m

2 area contracts: £157m

Contract includes an opportunity to deliver capital programs up to a value of £64m. This additionality can only be access following a Mayoral decision.

Procurement Timetable

It is essential that new contractors are operating the service by August 2023.

In order to hit this deadline the procurement timetable below has been scheduled.

1. Repairs:

- Scrutiny Meeting - 14/ 06/22
- Cabinet Meeting - 22/06/22
- Contract Notice Issued - 29/06/22
- Procurement: 29/06/22
- Negotiation Stage: 15/11/22 - 06/12/22
- Decision for Award - 22/02/23 - 08/03/23
- Mobilisation Period – from 09/05/22.

2. Gas Services:

- Scrutiny Meeting - 14/ 06/22
- Cabinet Meeting – 22/06/22
- Contract Notice Issued – 20/07/22
- Decision for Award – 13/12/22 – 10/01/23
- Mobilisation Period – from 01/05/23

Capital delivery

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