

MINUTES

HOUSING AND COMMUNITY OVERVIEW AND SCRUTINY COMMITTEE

WEDNESDAY 02 March 2022

Councillors

Isy Imarni (Chair)	(Cllr Imarni)
Gbola Adeleke	(Cllr Adeleke)
Suqlain Mahmood	(Cllr Mahmood)
Alan Johnson	(Cllr Johnson)
Peal Oguchi	(Cllr Oguchi)
Nick Hollinghurst	(Cllr Hollinghurst)
Rick Freedman	(Cllr Freedman)
Frances Arslan	(Cllr Arslan)
Alan Anderson	(Cllr Anderson)

Portfolio Holders

Julie Banks	(Cllr Banks)
Margaret Griffiths	(Cllr Griffiths)

Officers

Sarah Turner	(STurner)
Fiona Williamson	(FWilliamson)
Layna Warden	(LWarden)
Robin Barton	(RBarton)
James Doe	(JDoe)
Sara Whelan	(SWhelan)

APOLOGIES:

Cllr Harden
Cllr Durrant
Cllr Bassadone

HC/009/22 MINUTES

The minutes from the last meeting were approved.

HC/010/22 APOLOGIES FOR ABSENCE

Cllr Durrant, Bassadone, and Cllr Harden for whom Cllr Arslan was substituting, gave apologies for absence.

HC/011/22 DECLARATIONS OF INTEREST

There were no declarations of interest.

HC/012/22 PUBLIC PARTICIPATION

There was no public participation.

HC/013/22 CONSIDERATION OF ANY MATTER REFERRED TO THE COMMITTEE IN RELATION TO A CALL-IN

There were no call-ins.

HC/014/22 Q3 PEOPLE AND COMMUNITIES PERFORMANCE REPORT

LWarden and SWhelan presented the People and Communities Performance Report with apologies from Matt. They highlighted the following:

- There were consistent safeguarding reports, and the team were continuing to carry out training
- Q3 income at Adventure Playgrounds continued to increase with bookings and young people's attendance
- The Fun Palace event received excellent feedback from the Marlowes Shopping Centre noting the best footfall since the pandemic. The team's next calendar of events would be updated Q4. Meanwhile weekend usage would be reported.
- SWhelan highlighted a new ping-pong parlour opening in the Marlowes Shopping Centre, part of the Physical and Sports programme with Hemel Hempstead and Sports England, open for bookings Sunday July 17th.
- The Health Hub was extended, and a memorandum of understanding had been signed.

- The next round of grants opens April 1st 2022, which was linked in the paper to the council webpage.

Q&A

Cllr Mahmood was concerned about the 50% Town Hall attendances and asked what they were doing to bring people back. He asked how queries such as collection days were dealt with, and the breakdown of bin issues. The officer explained these questions were for Matt Rowden (ph), which she would feed back. The officer confirmed bin collections were the highest hit on the website and resolved to gather further analytics. Regards the Town Hall, the officer felt the response positive, with 2 sell-out shows over 50% capacity. The officer confirmed there was a full programme but it was reliant on residents feeling comfortable and confident to come out. She relayed there were on-going reviews to understand how to encourage more people to attend and resolved to gather further feedback. The officer was hopeful the new Town Hall website launch would attract residents and promote services and entertainment on offer.

Noting assistance given to Afghan families, Cllr Adeleke asked if they were making preparations for the possible influx of refugees from the Ukraine. The officer explained she attended a Strategic Migration Partnership Meeting this morning across Hertfordshire County Council. She noted currently there were visa schemes relating to Ukraine residents living in the UK to bring families, and support those British nationals living in Ukraine. She relayed that countries around Ukraine were receiving the majority of refugees but they would monitor resettlement schemes. Currently they were not encouraging donations but many residents wished to provide this. Cllr Adeleke asked if they would put out a statement as to their intentions should the situation arise. The officer replied they would highlight their links with partners but as per Home Office guidance did not foresee direct work other than ensure residents with friends and family in Ukraine were supported, and supporting fundraising. She felt they had a good network because of their experience resettling Afghan and Syrian refugees.

Cllr Johnson referred to paragraph 6.4 in the Herts Cultural Education Partnership and asked for feedback regards gaps identified in delivery and timescales. The officer did not have timescales for feedback but would include this on the next update.

Cllr Imarni requested background on the grant applications that were funded. The officer did not have a list of who was awarded, but detailed previous organisations were local choirs, theatre groups, Meditation Hertfordshire, etc. She resolved to send details.

Cllr Griffiths noted this was LWarden's last meeting and thanked her for her role in Housing and Communities. The Committee wished LWarden best of luck in the future and were sad to see her go. LWarden reported she loved working for Dacorum and knew there was positive work in Housing and Communities going forward.

Action:

- SWhelan to acquire further analytics around bin collections.
- SWhelan to gather further feedback around Town Hall attendance.
- Officer to provide timescale on Herts Cultural Education Partnership for feedback.

- **HC/015/22 GARAGE STRATEGY**

RBarton, Strategic Director for Corporate and Commercial, outlined the update on improvement work and setting out proposals for strengthening the service over the next 3 years.

- RBarton acknowledged everyone's patience as this item had taken some time in preparation
- Regards this financial year, there was significant investment in the service in terms of staffing, refurbishment of around 350 garages across the borough, and a net increase in lettings overall.
- The service was operating at a 30% void whereas other councils were operating around 10-20%. It was difficult to gauge medium-term demand because systems did not yet track and manage the service.
- Stock condition was limited so the team had to send a surveyor out when requests were made to let garages, bottlenecking capacity.
- The service was on track to achieve its £3.1 million income, with net surplus £1.1 million, the variance being additional investment and staffing for the year.
- Medium term financial strategy required significant work to achieve and surpass targets. There was an expectation in MTFS that it would continue to grow beyond the £1.1 net surplus. This was not currently achievable without more investment in the service.
- Figure 4 showed current projections of a standstill next financial year and growing the net surplus to £1.8 million in 3 years' time. Enhancing the focus of the service, giving the team clear objectives to develop the service as a core commercial activity, and strengthening relationships with other parts of the Council would achieve this.
- They proposed to invest in a comprehensive stock condition survey over the next financial year enabling strategic decisions and make the service more operationally agile by removing physical site visits. This was alongside investment in data systems so they could capture medium-term demand.
- There was significant potential to develop the service regards the neighbourhood role and developing the service in its commercial role.

Q&A

Cllr Hollinghurst asked the scope of the 300 garage refurbishments per year, asking if this would drop, and noting that some garages were too small for cars, and asking the budget for surveying. RBarton responded the repairs were regarding new roofs, leaks, doors, and locks, and keeping garages watertight and he would circulate the full list. Regards inspections, RBarton noted the service paid a full-time surveyor out of the Service Budget and were profiling a slight reduction in operation costs because they hoped to reduce this activity once they had better

data. The size of garages versus cars was acknowledged and they had to raise the profile of capital investment alongside stock condition data to undertake more strategic decisions about expansion. Cllr Hollinghurst doubted it was within their remit to provide low-grade storage for miscellaneous items and suggested garages should be only for cars. Cllr Imarni asked whether built structures should remain empty.

Referring to small industrial use for the garages, Cllr Mahmood asked if there was any restriction on use and whether they were marketed as garages or small storage usage, suggesting they expand use. RBarton noted the focus was marketing them as garages for cars but they could take a more holistic view as the anecdotal evidence was decreasing numbers were rented for cars due to size. RBarton was open to marketing for other use and they requested additional capital investment from Reserves to start this. They were pursuing this agenda in the Commercial Strategy to develop a business case for more comprehensive use of underutilised garage sites for light industrial units, which would help with economic fulfilment of the borough. Cllr Mahmood raised environmental health issues, which would give them more things to police, but encouraged the move to expand garage use.

Cllr Mahmood asked for more information on the 3-month moratorium on garage applications. RBarton explained the moratorium was due to challenges with data systems and a fluctuating wait list of 7-800, although not all unique applications. The moratorium gave the officers a chance to work through the waiting list. Cllr Mahmood suggested they let residents reply and give a 3-month response time. RBarton would take this back and talk to the team. Cllr Mahmood asked if the money that came from the garage could be used to spend instead of going to Reserves. RBarton explained the significant restrictions on Capital Receipts for revenue funding, which meant they had to use Reserves.

Cllr Johnson wondered how they decided which garages to be disposed of. RBarton explained it was a mixture of sustained low demand, need for significant capital investment, and local neighbourhood context. RBarton explained competing factors would be taken into account.

Cllr Adeleke thanked RBarton for the report and noted the positive direction. Cllr Adeleke asked how many garages were beyond repair. RBarton explained the stock condition data was patchy and unreliable, hence the requirement for physical inspections. The stock condition survey should give them a better picture by the end of the next financial year. Cllr Adeleke gave examples of garages that were leading to a social crisis and asked how to secure some garages to prevent antisocial crimes taking place in them. RBarton asked for examples of units so he could approach the team and make decisions about priority lists for disposal or investment.

Cllr Adeleke asked if there would be a future possibility for some people with smaller electric cars to charge their cars in the garage. RBarton confirmed charging structures were being examined currently, with complexity in the cost of investing and reliance on power networks. An initial first step was charging points in Council car parks. Cllr Mahmood highlighted the upcoming electrical charging report in the Finance and Resources Meeting on Tuesday.

Cllr Mahmood highlighted the graph in Figure 1, page 15, the increase in terminations September-October, and the voids reducing to 30%. RBarton resolved to present an answer on the increase in terminations at the Finance and Resources Committee Meeting next week. He confirmed the voids were starting to level off but had to be monitored closely via biannual reporting to keep members appraised.

Action:

- RBarton to circulate full list of refurbishments carried out last year.
- RBarton to take Cllr Mahmood's suggestion of a 3-month response time instead of moratorium back to the team.
- Cllr Adeleke to send RBarton a list of garages at risk for antisocial crimes, and RBarton to approach the team to make decisions about them.
- RBarton to present on increase in terminations at next Committee.

• **HC/016/22 Q3 HOUSING PERFORMANCE REPORT**

F Williamson noted 2 appendices, the Performance Report, and Housing Risk Register, and presented the report:

- Gas Servicing Compliance was at 100% at end of Q3.
- The number of emergency repairs increased substantially Q2-Q3, with only 2 failures to complete within the 4-hour target.
- The Income Team provided intensive support to tenants in Q3 and despite challenging external economic conditions, increased the amount of rent collected by 3.9%.
- The Tenancy Sustainment Team had a busy quarter. The team supported 2 families from the Afghan Locally Employed Persons Scheme who had been resettled very successfully.
- The number of cases of homelessness prevention increased with 44 successful preventions, an increase of 8 on the previous quarter.
- The team received central government funding of £125,000 to assist with preventing homelessness after the moratorium on evictions ended.
- The percentage of non-urgent repairs had declined alongside an increase of 69% from Q2-Q3 in number of repairs reported. There were increasing pressures regards labour and material, with subcontractors moving to contracts in London for higher rates of pay.
- The return rate of Tenancy Enforcement satisfaction surveys to understand ASB solutions was very low, skewing the outcome figures. Survey responses focused on the time to progress to a satisfactory outcome, especially if the expectation were to evict a tenant with limited evidence base to enforce or demote tenancy.
- There were still difficulties with key-to-key times, some in relation to Works, others due to a backlog of sheltered accommodation. There was an

increase in demand for sheltered accommodation, an improvement on August last year where schemes were advertised. There were also higher levels of bidding on sheltered properties. There were still delays in getting properties let and a backlog.

- The Lifeline Call Service showed a decline in performance in Q3 with 90.1% of calls answered within 60 seconds. It was important to maintain a high level of service, key to older and vulnerable tenants. The contract comes to an end June 2022 so they must work with Tunstall to transition to another provider. In February, there was an increase in calls answered within 60 seconds to 97.8%, resulting from intensive work with Tunstall.
- Operational Risk Register had been updated showing key operational areas monitored.

Q&A

Cllr Hollinghurst asked how to reassure residents whose complaints had been unlogged. Cllr Hollinghurst suggested they move the prioritisation of some calls directly to the Council as a number of residents were dissatisfied with Osborne's decision that a particular repair was not a priority repair. FWilliamson noted that during the pandemic only urgent jobs were carried out, and Osborne had been asked to provide a full inventory of any cancelled jobs and a proposal of how to re-log the jobs, contact the tenants, and triage them. The 2 back-to-back storms had compounded the need. They tried to use the storm damage as a separate element of work so it did not impact the backlog of repairs in the system. Osborne were experiencing labour shortages. FWilliamson noted 2 officers were working with Osborne's Scheduling Team to understand why some repairs took longer than the statutory repair timelines, mapping the backlog, and setting robust targets for Osborne. This would be discussed in more detail with the Total Asset Management Contract.

Cllr Adeleke noted item 4.7, thanking FWilliamson and the team of the employment of 2 additional officers to support tenants during this difficult time. Cllr Adeleke felt Osborne's reputation was poor and suggested tenants would get more comfort if apology letters came from the Council instead. FWilliamson appreciated this concern and noted they were corresponding with Osborne on a number of performance issues, involving the Legal Team and the Corporate Housing Working Group to review specific issues. FWilliamson explained there was a need to continue to supply a repairs service. She felt they would be in a stronger position in several months' time to send letters to residents in respect of measures that demonstrated Osborne had improved their service. FWilliamson noted the construction industry was experiencing challenges as a whole. It was imperative that residents were able to have repairs undertaken in a timely manner, and professionally. The Corporate Working Housing Group and Managing Director of Osborne were all involved.

Cllr Mahmood confirmed the shortage of skilled workers in the construction industry. Cllr Mahmood asserted the Council's reputation was affected by Osborne's underperformance, and suggested some of the sheltered properties could be converted to single person tenancies rather than leave them void whilst the demand had decreased. FWilliamson answered that the Transformation Board

was looking at key-to-key performance. First stage workshops had been undertaken to map issues around capacity and number of voids in the system. The second stage of the workshop was about increasing capacity in certain areas, understanding the void profile. Regards re-designation, FWilliamson did not think this would address the current issues because it was across general need and sheltered. They had to increase the capacity in the Lettings Team to get the backlog re-met to bring them to a closer target. FWilliamson promised to provide an update once the workshop was concluded to address bottlenecks identified.

Cllr Hollinghurst noted Ernst & Young had been commissioned and asked if a manager in this Authority could have covered this. FWilliamson explained the purpose was to use an external organisation who would be able to provide an impartial view and expert oversight. Cllr Hollinghurst accepted the value of having an independent organisation and asked why they went with a group as expensive as Ernst & Young. FWilliamson explained she was not responsible for commissioning Ernst & Young as this was undertaken by Corporate. Cllr Hollinghurst asked this question be passed on. Cllr Imarni noted Ernst & Young were a longstanding partner of the Council so she did not find it unusual they were commissioned to undertake this work. Cllr Griffiths explained the work was done quickly due to the challenges with Osborne. Cllr Griffiths noted Ernst & Young were reputable with great expertise in this field. Her understanding was they were comparable in the marketplace with other organisations. Cllr Imarni impressed the partnership was longstanding and that consultants on the whole were not cheap. Cllr Friedman asked if they did market testing. Cllr Imarni expected they did in line with the protocol of the Council.

HC/017/22 HOUSING BUSINESS PLAN

FWilliamson presented the HRA Business Plan:

- The objectives of the Council were to invest in existing stock, invest in a new build programme, and explore external factors that could influence the viability of the business plan.
- The report set out the work currently underway to provide improved asset management data to inform the Investment Strategy in existing stock.
- They were examining investment levels required to address Climate Emergency, and on-going investment in the new build programmes, the 3 major areas of expenditure within Housing Revenue.
- Regards monitoring of the Housing Business Plan, monitoring through the SLT and Cabinet and Scrutiny Committees was annual and should reflect any changes in external, commercial, and economic factors, and impact of the pandemic and subsequent reduction in kitchens and bathrooms and other components on hold to reduce infection risk.
- Regards the current iteration of the Business Plan, there was a 1% rent reduction over 4 years. They were now on the rent formula of CPI+1%, which had seen rents rise by 1.4%. Lifting the debt cap in October 2015 provided the Council with the opportunity to borrow to extend the new build programme or make additional investment in existing stock. There was now a cap set on the affordability of borrowing although there was no cap in Central Government.

- Currently Central Government were looking at successes of Decent Home Standard. They were looking at the work undertaken by the Energy Savings Trust and the data on Energy Performance Certificates on their stock. They signed up to a Climate Emergency Declaration and the proposal in the HRA Business Plan was to move Council owned housing stock to Band C by 2030. This target was stipulated in the Government White Paper in respect of climate change.
- A document appended to the Business Plan set out the investment the Council made in respect of moving properties to the Energy Performance Rating of C. Members might note they recently obtained funding from the Social Housing Decarbonisation Fund to invest in a block of flats to improve the rating from D to B.
- 2022 Business Plan anticipated the arrears levels increasing because of the pandemic and subsequent furlough and redundancies. They increased the bad debt provision but the work of the Income Team and the support service managed to bring the rent arrears in January 2022 to 4.1%, lower than the same period in the previous year. This was the result of additional Income Officers who supported residents falling into arrears.
- Some assumptions were made in respect of Right to Buy. Historically Right to Buy was 90-100 properties per year. In the last several years, there was a decline to 30-35 properties annually. An assumption in the Business Plan of 30 per annum from 2022 onwards.
- They were investor partners so they could obtain a Homes England Affordable Homes Grant to supplement the investment in the new build programmes. They bid on a scheme-by-scheme basis. Homes England's top criteria were that properties were let at social, not affordable, rent, and modern construction methods allowing the use of MMC products.
- The stock condition survey was being undertaken, with 20% of properties concluded by the beginning of July. This stock data would further inform investment programmes. There was some delay because it coincided with the omicron variant but there was now a better access rate.
- Another area for investment was the Building Safety Bill, which would come with requirements of all properties of over 18m in height to be certified by the Buildings Regulator. They were working to be prepared for that bill and the requirement to provide sufficient physical data and information on the original construction and compartmentalisation, which was key to internal safety of occupants in the event of fire spread.
- Investment profile was set out in investment capital programmes with improvement works and the Council's new build programme from 2026-2027. Properties currently under construction and in the development pipeline had been examined.
- There was an increasing risk regards a pipeline of land availability for new build programmes. There was on-going work to look at assets the Council owned and private disposals of land available on the open market. Over the next 3 years they would get 100% stock condition data to have a reliable dataset to ensure investment programmes were targeting areas most in need.
- Strategic Housing Function was a proposal within Tier 3 Restructure to create a new HRH Strategic Housing Function, focused on investment in investment stock and the wider place making strategy, and on-going supply

of affordable homes. It would examine evidence of current affordable housing supply, and properties developed for social rent to ensure an affordable housing supply across the borough. This would involve research, policy, and strategic approaches. There was additional capacity required to deliver this function.

- Investment and Asset Management Strategy linked to the Stock Condition Survey, Energy Savings Trust, and Stock Review. The proposal was to get 100% stock condition survey data on schemes that had communal areas in Category 2. Once data was acquired, they would undertake robust analysis to assist with the Investment Programmes. This would overlay any requirements.
- FWilliamson noted this was a paving report and when further information was available, another report would be brought to Scrutiny in the autumn to ascertain the impact and borrowing strategy.

Q&A

Cllr Hollinghurst thanked FWilliamson for the full and encouraging report. Cllr Hollinghurst asked that they consider energy generation and energy saving together. Cllr Hollinghurst asked FWilliamson to comment on strategy for income generation through solar panels as open spaces were huge resources to extract low-grade heat for background heating or electricity generated from roofs of public buildings. Cllr Griffiths noted the housing report did not go into the Council's corporate plan, which would be part of Environment. An officer in the Housing Department could not speak to the corporate issues.

Cllr Mahmood noted the report's Decent Home Standards and Carbon Targets by 2050. Cllr Mahmood asked how well they were prepared to achieve these goals with their older housing stock and if this could become a liability. FWilliamson commented the majority of their stock was Energy Performance D or above. It was difficult to obtain some grant funding targeting properties an E, F, or G. Their biggest challenge was understanding the future technology as the preferred long-term solution as a switch to gas to air source heat pumps or hydrogen. In respect of the journey to net carbon 0, they had to use the Fabric First approach, and there were opportunities around south facing roofs and PV. Looking at the heat switchover, whole-house approach to retrofit started with Fabric First, air source heat pumps which were higher than gas boilers with energy loading. A combination of PV to provide supplementary electrical generation would assist the running of the air source heat pumps which would be adopted. In respect of feed-in tariffs, these had been substantially reduced. A raise of PV had been put on 7 of the schemes. Regards the long-term proposal to get to 2050, there were challenges, the biggest being around alternative heat. The approach currently was prudent and aligned with recommendations from the Energy Saving Trust regards investment. There was some poorer performing stock. They were looking to raise these to Energy Performance C, their initial 2030 target.

Cllr Mahmood asked about the zero carbon map in respect of new builds. FWilliamson explained the Development Team set out criteria to ensure new build properties were future-proofed. Heat source was still a question but regards design specs and Energy Performance Rating, all new builds were B rating. Cllr Mahmood

suggested they use battery power and district heating for flats and big units so it could be charged at off-peak time. FWilliamson confirmed they were exploring this for high concentrations of flat blocks and for Summer Court they rolled out a biomass district heating system. They also increased insulation, put PV on the roofs, and installed biomass boilers. Regards battery storage for micro generation, FWilliamson explained this was out of her remit but they were working with Energy Savings Trust to look at all available options and opportunities for reducing carbon loading.

Cllr Adeleke cited the Right to Buy decrease and asked how this affected the Council. FWilliamson explained that out of properties sold under Right to Buy, 30% became one-for-one receipt to be invested in the new build programme. Cllr Adeleke asked how this impacted the Council. FWilliamson explained it had not impacted the Business Plan because this was reviewed on an annual basis and it was in line with prior years. One-for-one could not be mixed with Affordable Homes, but it was hoped the Affordable Homes grant could be accessed through Homes England, reducing reliance on Right to Buy.

Cllr Friedman noted the impressive rent collections numbers given the pandemic and congratulated the team. He suggested they take advantage of remote working and get officers from other councils to second with them for 1-2 days a week to learn best practice, which may build relationships useful in future economic crises. Cllr Friedman suggested a policy on annual cap on service charges. Cllr Friedman noted no mention of leaseholders in the properties, and there were examples of leaseholders feeling they underwent unfair treatment from Councils, with leaseholders charged for the full amount of a repair rather than their share of a building. Cllr Friedman suggested detailing their approach to leaseholders in this policy.

FWilliamson passed on Cllr Friedman's appreciation to the Income Team. FWilliamson agreed there was a good opportunity to showcase their work with respect of income levels. Regards cost recovery, some of the more intensive work undertaken in the last year showed data gaps in how apportionment in blocks was undertaken. There was a decision to cap charges this year so leaseholders and tenants were not unfairly charged. The aim was just to recover costs, rather than make money. This was capped on the basis of last year's energy prices.

Regards leaseholders, FWilliamson noted the business Plan allowed for ground rent income at £10 per annum, with no increase recently. Regards the approach, and concerns about unfair charging for repairs, FWilliamson invited Cllr Friedman to share any cases. The officer assigned to this had left and they wished to understand the service leaseholders got.

Action:

- Cllr Friedman to share incidents of leaseholders being unfairly charged.

• **HC/018/22 HOUSING ASSET MANAGEMENT CONTRACT**

FWilliamson noted some questions had been covered already by member questions.

- The report outlined the contract performance update and some areas where performance showed a downward trajectory. FWilliamson highlighted they were in the 8th year of a 10-year key contract. Day to day repairs, adaptations, void work, and component repairs were covered.
- Monitoring was carried out monthly with a suite of key performance indicators reviewed. Performance in January 2022 saw an on-going decline especially in non-urgent repairs.
- Prior to the pandemic, Osborne completed non-urgent repairs in 11 days, just below the median benchmark.
- Since the pandemic Osborne's performance showed an increase of 6.5 days for non-urgent repairs, against a social housing provider's national average 2-day increase. They had to understand the contributing factors and what Osborne were doing to get back on target.
- Regards the work undertaken, Table 2 provided January's performance against targets linked to performance related pay.
- 6 out of 18 indicators below target included satisfaction with repairs, in target repairs, right first time, and Empty Homes Category 2, 3, and 4 targets.
- Macroeconomic conditions created problems with Osborne attracting and retaining suitably skilled operatives.
- External market conditions were looked at alongside Osborne's analysis of charging structure within National Housing Federation charging of rates. Some costs within the rates currently charged were between 14-30% higher than the rates Osborne charged.
- With respect to actions and governance to oversee actions, the Housing Working Group was attended by members of SLT, with colleagues from Procurement, Legal, and Finance. This was to provide a focused resource to undertake appropriate interventions against performance levels experience. Ernst & Young undertook an audit, the results of which will be presented to SLT at the next Housing Working Group. A number of staff worked at Osborne's offices to understand how they scheduled the backlog of repairs and if they had sufficient resource available for this work.
- The Council corresponded directly with the Managing Director of Osborne Property Services and the Account Director to discuss contractual remedies that could be invoked should performance not improve.
- Osborne had developed an Improvement Plan in Appendix A to address the backlog, the communication with residents, and make demonstrable improvements in current targets.
- There was an additional resource starting in February and March and 3 additional subcontractors to assist with the voids backlog. They worked through a target operating model to reduce the voids backlog to weekly turnover.
- Strategy Improvement and Engagement Team were trying to understand the impact on the customer, by undertaking analysis of complaints and separating key areas of themes. Stage 1 complaints was 22 complaints. Areas of concern included time taken to complete outstanding repairs, and poor communication ranging from no contact to advise of delays to missed appointments and no communication. A Customer Journey Working Group with representatives from the Council and Osborne to understand how to improve the customer experience understood the majority of tenants just

wanted repairs done as soon as possible. There was still a demand for good communication in cases of unavoidable cancellations or postponements.

- Osborne continued to work on social value to provide support to residents who needed assistance drafting CVs and wider community initiatives.
- They met with the Corporate Housing Working Group and another letter would go back to Osborne to meet deadlines. Next steps included a report presented to Cabinet in June to ensure these improvement measures had brought them under target and a reduction in aids and adaptations cases and a reduction in void turnaround time.

Q&A

Cllr Mahmood thanked FWilliamson for the informative report. Cllr Mahmood noted December's 3 complaints within 23 working days. Cllr Mahmood regarded resource and asked if there was anything else they could do except wait and see. FWilliamson confirmed they were working closely with Osborne's team to identify the Council's historical suppliers who could provide additional support on a temporary basis. Contractors currently wanted guarantees of pipeline but some smaller suppliers had been contacted. Cllr Mahmood warned against going with a big contractor and limiting their other options in the future. FWilliamson confirmed they were considering learnings. Monitoring and data collection were key to transparency regards the information exchange when working with external service providers. This would be addressed in the Procurement Strategy.

Cllr Adeleke asked whether other services were experiencing the same problems. FWilliamson explained Osborne had a limited number of contracts with one in Slough, whom they had contacted. FWilliamson concluded Slough had issues with various areas of the contract with responsive repairs being a particular challenge. Some tenants had been reluctant to log repairs because of the pandemic. Jason Grace, Group Manager for Property and Place, had researched other authorities and their contractual relationships with other contractors. Findings showed pressures throughout the whole of the sector. With 2 years' remaining, there were risks of attempting to continue to work with Osborne. They could remove the final year due to failure to perform, which would mean re-procurement of contract. Osborne were making good progress on clearing backlog on aids and adaptations.

Cllr Johnson noted Section 3, estimates of workforce and the increasing cost of materials. He suggested this be addressed by enforcing the contract but asked if this would be a continual problem with increasing prices and contract KPIs unable to be met. FWilliamson commented it was a Catch-22 because the rates Osborne's supply chain were requesting were higher than in the chain mechanism. They wanted improved performance but at current rates, and Osborne were holding current rates at their risk, with the challenge of supplying at an increased rate with the same compensation. This would erode their current margin but they had to exhaust all possible endeavours for Osborne to improve before they looked to more contractual sanctions. They were seeing an increase in prices in works they were currently tendering. The report to Cabinet in June should look at what extent Osborne were able to make inroads into performance improvement and look at an adjustment of the rates to reflect current market conditions.

Cllr Imarni wanted the Committee to understand the number of cancelled repairs in addition to delays, which put tenants back at the bottom of the queue. FWilliamson noted Osborne were asked to send a Cancelled Jobs Report weekly. There were further questions in respect of categorisation of cancellations. Some were cancelled by the tenant, some by the contractor, and an opaque category, which FWilliamson had requested further detail on. One concern was that jobs were being cancelled and re-raised as a new job as they were getting closer to the expected completion date to improve figures.

Cllr Imarni understood Nationwide were only one of 3 total asset management organisations. She asked about bringing everything back in-house. FWilliamson confirmed there were in-house and out-house models, including management contracting where the Council acted as a client, joint venture or wholly owned company. These would be explored as part of the Procurement Strategy along with investigation of current market conditions. Responsive repairs were high volume lower value work meaning inefficiencies were unlikely to result in a reasonable margin for contractors. Planned Works Programmes were more straightforward. Tier 1 contractors delivered total solutions but it was unclear if the market could sustain these now or in 2 years' time.

HC/019/22 WORK PROGRAMME

Cllr Imarni noted the Works Programme would be populated in time for the next meeting.

HC/020/22 ACTION PLAN

Actions all completed.

Cllr Imarni closed the meeting, after noting an action from February.

Meeting close.