



AGENDA ITEM: 8

SUMMARY

Report for:	Housing & Community Overview & Scrutiny Committee
Date of meeting:	20 July 16
PART:	I
If Part II, reason:	

Title of report:	Performance Review – Total Asset Management Contract & Gas installation and servicing contract
Contact:	Councillor Margaret Griffiths, Portfolio Holder for Housing Responsible Officer – Mark Gaynor, Corporate Director (Housing & Regeneration). Author - Fiona Williamson, Group Manager Property & Place
Purpose of report:	To provide the annual update upon the performance of the Total Asset Management Contract and Gas Servicing and installation Contract.
Recommendations	For members of the Overview and Scrutiny Committee to provide observations and comments on the performance of the two contracts.
Corporate objectives:	To ensure investment in the maintenance and improvement of the housing portfolio is delivered in line with the performance requirements of the contract and provides a high quality, customer focused service that provides value for money. To promote tenant involvement in the management and delivery of the contracts.
Implications:	<u>Financial</u> The tenders were awarded on the basis of the most economically advantageous tender. The volumes of responsive repairs and voids are variable and can impact upon the ability to work within budget. This is monitored on a monthly basis and where viable planned works reduced to limit any

<p>'Value For Money Implications'</p>	<p>overspend.</p> <p><u>Value for Money</u></p> <p>The assessment to determine the optimal way to deliver the work strands, by reducing duplication, efficient management of work in progress and improved planning is designed to reduce waste and ensure that value for money is demonstrated and realised over the term of the contract.</p>
<p>Risk Implications</p>	<p>The Total Asset Management Contract combines a large number of planned work programmes, the management of the call centre and the day to day repairs and empty homes repairs. Performance and financial management is essential as poor performance on this contract would have serious detrimental effects on the tenants and leaseholders and on the reputation of both the Council and the service Provider, Osborne.</p> <p>Gas Servicing and Installation is a high risk area in terms of safety and failure to remain compliant in respect of gas safety is both a risk in terms of statutory compliance and risks to the tenants and adjoining residents.</p>
<p>Equalities Implications</p>	<p>Community Impact Assessments have been undertaken for both of these contracts to ensure they are accessible to all.</p>
<p>Health And Safety Implications</p>	<p>Failure to adequately maintain the properties in a good state of repair and compliant with statutory requirements has health and safety implications.</p>
<p>Consultees:</p>	<p>Councillor Margaret Griffiths, Portfolio Holder Housing</p> <p>Elliott Brookes, Assistant Director Housing Landlord</p> <p>Andrew Vincent, Group Manager Tenants and Leaseholders</p> <p>Natasha Brathwaite, Group Manager Strategic Housing</p>
<p>Background papers:</p>	<p>Cabinet Report 25th March 2014, Award of Total Asset Management Contract and Consultants Contracts.</p> <p>Cabinet Report 23rd July 2013, Award of Gas Servicing and Installation Contract</p> <p>Housing and Community Overview and Scrutiny Committee report 14th October 2015</p>
<p>Historical background <i>(please give a brief background to this report to enable it to be considered in the</i></p>	<p>The Gas Servicing and Installation contract has been delivered by Sun Realm since October 2013 and includes the servicing of existing and installation of new boilers.</p> <p>The Total Asset Management contract has been delivered by Osborne Property Services since July 2014 and includes the provision of repairs, voids, improvement work and services</p>

<i>right context).</i>	<p>including stock surveys and management of the call centre.</p> <p>Both contracts are ACA TPC Partnering contracts and operated using open book accounting and incorporate performance linked profit elements. The contracts both have an initial duration of 5years with the potential to earn extensions based upon satisfactory performance measured by a range of key performance and strategic indicators.</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>HRA - Housing Revenue Account</p> <p>TAM - Total Asset Management</p> <p>(CP12) LGSR Certificate – Landlords Gas Safety Record</p> <p>MEAT – Most Economically Advantageous Tender</p> <p>HMEC – Housing Maintenance and Environment Committee</p> <p>JRP – John Rowan and Partners</p> <p>FFT – Faithorn, Farrell, Timms – Partnering Advisor on the TAM contract.</p> <p>TPC – Term Partnering Contract</p> <p>ACA – Association of Consultant Architects</p> <p>KPI's – Key Performance Indicators</p> <p>OPSL – Osborne Property Services Limited</p> <p>CAT 1 – A breakdown category for boilers that require immediate replacement as they are beyond repair</p>

1.0 BACKGROUND

- 1.1 The Total Asset Management (TAM) Contract with Osborne and the Gas Servicing and installation Contract, with Sun Realm, are two of the most important contracts which the Council deliver to the 10,232 social housing properties. Sun Realm commenced delivery of the contract for work to domestic gas installations, in October 2013 and Osborne commenced the delivery of the Total Asset Management Contract in July 2014, both following robust procurement processes.
- 1.2 Both contracts are being delivered under the ACA TPC 2005, a form of Partnering Contract, amended in 2008 and are based upon a target cost model, whereby the contract and valuations are based upon target costs for various types of work and these are then audited and the actual cost for the delivering the work identified. Open Book Audits are undertaken quarterly to ascertain the actual costs borne by the Service Provider. Any savings (gain) from the Target Cost is shared by the Council and the Service Provider on equal basis. If the total expenditure on the contract exceeds the target costs then the additional costs above target, the pain element, is the responsibility of the Service Provider.
- 1.3 The initial contract duration was 5.5 years, with the option to extend for a further 5 years. Additional 1 year extensions can be earned subject to ongoing annual review of the Service Provider's key strategic indicators, which include compliance, tenant and community engagement, IT development and financial transparency.

2.0 GAS SERVICING AND INSTALLATION CONTRACT UPDATE

2.1 The Gas Servicing and installation contract, delivered by Sun Realm covers both gas and solid fuel boilers and the primary functions are;

- a) Servicing of existing installations and issue of Gas Safety Certificates in compliance with the Gas Safety (Installation and Use) Regulations 1998.
- b) Domestic boiler replacements of both gas and solid fuel.
- c) CAT -1. Break down Service – including a 24hour emergency make safe provision
- d) Miscellaneous Work
 - Power Flushing
 - Additional Radiators
 - Flue Replacement/Upgrade
 - Review of new build installations

3.0 FINANCIAL PERFORMANCE

3.1 The financial model for the contract is administered using target costs for the replacement of boilers and full central heating systems and on a fixed price per service, which includes for any repairs that are required throughout the year.

3.2 The target costs were used to provide cost comparisons at tender stage and to process the monthly valuations, but under the contract financial mechanism using Open Book, there are quarterly audits undertaken of Sun Realm's accounts to identify the actual cost of the boiler installations. If the actual costs exceed the target this is paid by Sun Realm and any saving that is derived from the actual costs being lower than target is shared between the Council and Sun Realm.

3.3 The table below provides details of the audit outturn position from each of quarterly audits undertaken in the financial year 2015-16, which despite some fluctuations in materials costs throughout the period, resulted in £255,673 of savings for the Council to reinvest in additional boiler installations.

Audit Period	Quarter	Total Gain	50% DBC share to reinvest
April – July 2015	Q1 – 2015/16	£180,704.52	£90,352.26
July – January 2016	Q2&3 – 2015/16	£ 236,828.16	£118,414.08
January – April 2016	Q4 – 2015/16	£93,814.60	£46,907.30
Total Saving		£511,347.28	£ 255,673.64

3.4 In all of the audits undertaken to date there have been savings against the target costs. The contract is structured to incentivise the Service Provider to make efficiency savings against the target costs as this is shared equally 50:50 and the savings realised equate to 14.27% of the contract value in 2015-16.

3.5 The Council will need to work closely with Sun Realm to establish any fluctuations in the actual cost of work, following the Brexit referendum vote, to determine if this will change the level of shared savings in future.

4.0 KEY PERFORMANCE INDICATORS

4.1 Sun Realm have constantly maintained a high degree performance, especially in the critical area of boiler servicing compliance, by working closely with the Council's technical and tenancy teams to undertaking a very pro-active approach in obtaining access to properties. Sun Realm provides an incentive to tenants who allow access on the first appointment of going into a draw to receive £100 and this has resulted in 73.76% of first appointments being kept.

The following table, contains the KPI figures and the percentage of the performance related profit that has been achieved for the year is the full 2%.

Item	Description	Target %	% PRP	Achieved %
Compliance Check	Boiler services either completed or in the process.	100	20%	100
Quality	Proportion of QC checks passed	>95	10%	100
Resident Satisfaction with Quality & Service	Proportion of jobs completed to satisfaction of the resident.	>90	20%	100
Appointment kept	Proportion of appointment kept by the service provider	>98	20%	100
Formal Complaints	Projects completed without any complaints from residents	>99	10%	100
Time	Jobs completed with target time scales	>98	5%	99.9
Health & Safety	Number of jobs with no reportable accidents	1	10%	100
Reducing waste	Amount of waste recycle or diverted from landfill	>75	5%	85
	TOTAL		100%	

4.2 In addition to the suite of performance indicators there are additional benefits that have been derived from the partnering relationship with Sun Realm. If Sun Realm cap off a gas supply, following three attempts at gaining access to a property, the information is passed to the tenancy, tenancy sustainment and fraud teams at the Council, as this can be indication of underlying tenancy issues. This reporting began in February this year and to date has revealed the following:

February 2016 = 1 cap off investigation revealed no one living at property

March 2016 = 5 properties capped off of these it was established:

- 2 cases where no one living at property
- 1 case where the tenant does not want to use gas
- 1 case where Sun Realm were unable to carry out the service as debt on meter
- 1 case where the tenant was in prison

4.3 Concern cards have also been introduced, whereby engineers are able to report social and welfare concerns to the Council, who can then carry out further investigations to determine if there is hoarding or potential safeguarding issues within the household. Whilst these have been limited in number, the referrals to the Council have enabled the tenancy sustainment team to proactively support a number of tenants.

5.0 VOLUME OF WORK COMPLETED

5.1 The volume of work Completed, during the Financial Year 2015-16, is summarised below:

SERVICING	10746
CAT - 1 EMERGENCY BOILER REPLACEMENTS	172
PLANNED SYSTEM INSTALLATIONS	617

5.2 The number of CAT – 1 boiler replacements, has reduced by substantially from 522 last in 2014-15, to 172 in 2015-16, which is due to the higher levels of investment in the replacement programme and the partnering approach that enables Sun Realm to identify boilers that are nearing the end of their life through the servicing and repairs history.

5.3 The replacement programmes are now developed jointly, rather than just relying on the stock condition information, which has been beneficial in reducing the number of CAT - 1 boiler replacements. This reduction allows a more reliable programme to be developed and reduces the negative impact for tenants if the heating system breaks down and requires immediate replacement often leaving them without heating and in the case of a combi boiler also hot water, whilst asbestos tests are undertaken.

6.0 TECHNICAL PERFORMANCE

6.1 The servicing and installation work is subject to an independent audit by Sterling Consultants, who undertake sample inspections of the completed work and the findings are reported back to the Council for review and agreed improvements by Sun Realm.

The tables below provide details of the central heating and boiler installations that were included in the audit summarised in the three categories.

6.2 Of those installations that were classed as poor the majority were as a result of the quality of the completion certificates, which were incomplete or in some cases the handwriting was illegible. These issues have been addressed and following the interventions that were implemented by Sun Realm, the volume in the last quarter of the year had reduced.

Heating Installations	Good	Satisfactory	Poor
April	10	2	4
May	4	7	4
June	3	7	4
July	4	4	3
August	11	6	1
September	11	5	1
October	7	3	0
November	15	6	0
December	8	5	4
January	9	5	0
February	15	3	2
March	3	2	0
TOTAL	100	55	23

6.3 The servicing audit only identified 7 poor throughout the whole year and these were mainly as the result of the engineers' completing information on the handheld PDA's, with incomplete sections on the form, rather than any issues with the quality of work undertaken.

Servicing	Good	Satisfactory	Poor
April	12	7	0
May	9	4	1
June	23	7	1
July	12	5	0
August	13	1	3
September	14	2	0
October	11	5	0
November	21	5	0
December	14	3	0
January	10	3	2
February	16	2	0
March	9	1	0
TOTAL	164	45	7

6.4 Overall the audits did not identify any major concerns with the quality of the work that was undertaken and additional toolbox training has been provided to the engineers to ensure the issues identified have been addressed.

7.0 CONCLUSION

7.1 Sun Realm, have continued to provide a consistently high level of service, both in the servicing and installation elements of the contract and this is supported by strong performance against the measured indicators. Additionally there has been a continued willingness to work with the Council to support our more vulnerable tenants and to provide employment opportunities by supporting five apprentices during the year.

7.2 The audit programme has been undertaken with good levels of cooperation and transparency from Sun Realm, which has enabled the work to be concluded in a timely manner. Sun Realm has demonstrated a good understanding of the required detail and format of information that is necessary to complete the Open Book audits and have adhered to the Council's timescales for submission and review.

7.3 The Sun Realm appointment of a planned works supervisor for the installation programmes has enabled better targeting of investment, which is reflected in the reduction in CAT 1 breakdowns.

7.4 In summary, the use of Open Book Accounting, in conjunction with a target cost based contract, had derived some positive outcomes both in terms of financial savings and also good customer satisfaction. It is recognised that, in order to achieve any Value for Money savings, both the Employer and the Service Provider must develop a good working relationship and the transparency demonstrated by Sun Realm has assisted in engendering a good working relationship. Both organisations have been keen to identify and manage any waste in the process and this has led to some good results and tangible savings.

8.0 TOTAL ASSET MANAGEMENT CONTRACT - PERFORMANCE UPDATE

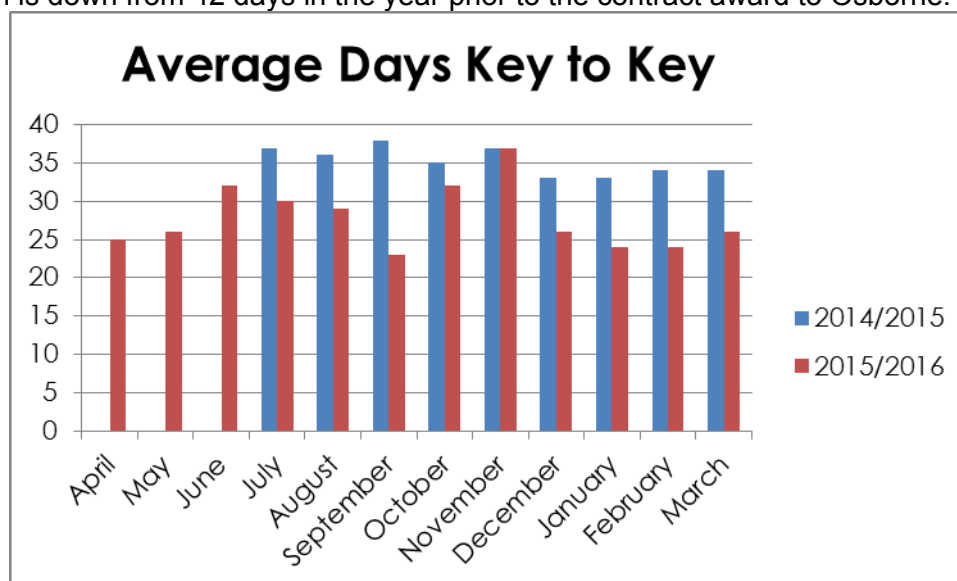
- 8.1 The Total Asset Management Contract has been provided by Osborne Property Services since the 1st July 2014 and has just completed the second full year of delivery.
- 8.2 The Council officers continue to work very closely with Osborne's team and are co-located in the Osborne depot on the Maylands industrial estate, which enables decisions to be made more quickly, problems can be addressed and the teams are able to work more closely on future programmes.
- 8.3 The contract has been structured to enable a percentage of the Service Providers profit (3%), to be linked to satisfactory performance, measured by a number of Key Performance Indicators, designed to incentivise positive behaviours.

9.0 Local Employment and Site Office

- 9.1 The Council continue to monitor the employment of the sub-contractors that are employed by Osborne, to ensure the local supply chain contractors continue to have the opportunity to work within the Borough. Osborne currently employs 67% of sub-contractor firms that are based in and around Dacorum. This is beneficial but has caused some issues with capacity and therefore they continue to engage with local companies in an aim to increase the overall supply chain. Osborne have employed two new multi trade operatives, however there have also been a number of the direct labour force that have resigned following the reintroduction of the productivity based pay scheme, which will need to be replaced.
- 9.2 In order to support the strategic aims of contract another benefit to the local community and the economy has been the creation of 17 new jobs to support the delivery of the contract. Osborne has established 11 apprenticeships and 2 apprentice schemes within their own workforce. To supplement this further a programme is being rolled out for apprentices within the supply chain to continue to increase this benefit further. Currently 98% of Osborne directly employed staff are local, supporting the strategic aim of local jobs for local people and benefiting the economy.

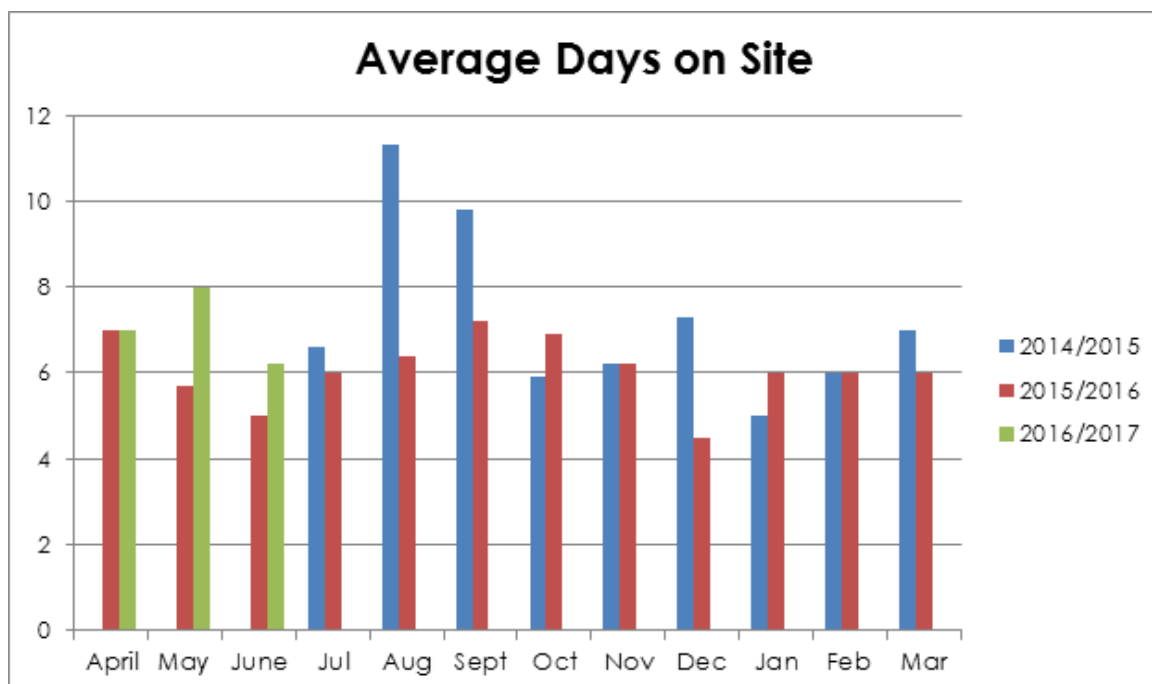
10.0 Empty Homes

- 10.1 The Empty Homes delivery and reduced key to key times continued to deliver very positive performance results. The performance in 2015-16 averaged around 28 days which is down from 42 days in the year prior to the contract award to Osborne.



- 10.2 There has been a reduction in the average time to complete void work on site in 2015-16 and the teams from the Council and Osborne's continue to work closely to reduce

duplication and streamline a number of areas in the process. This is being done with works being carried out to a higher standard than previously, with additional volumes following the use of HRA properties as temporary accommodation, but also with an increased scope of works being completed in properties.



- 10.3 The approach of carrying more works up front result in:-
- Less disruption for tenant during tenancy
 - Reduction in repair costs / disruption during tenancy
 - Better targeting of Aids & Adaptations works for not only immediate incoming tenant but future tenancies
 - Property to higher standard is easier to let

10.4 Osborne has completed 121 zero day jobs since the start of the contract. These are jobs when the key is given to them, works carried out, and the key returned on same day. The aim is to identify the work required during a pre-void inspection, which is carried out in the notice to quit period and enables the team to also reinforce the tenant responsibilities in respect of the condition which they are expected to leave their home.

10.5 The Osborne Empty Homes Team continues to provide a service that is in the upper quartile of peer organisations for performance in the country.

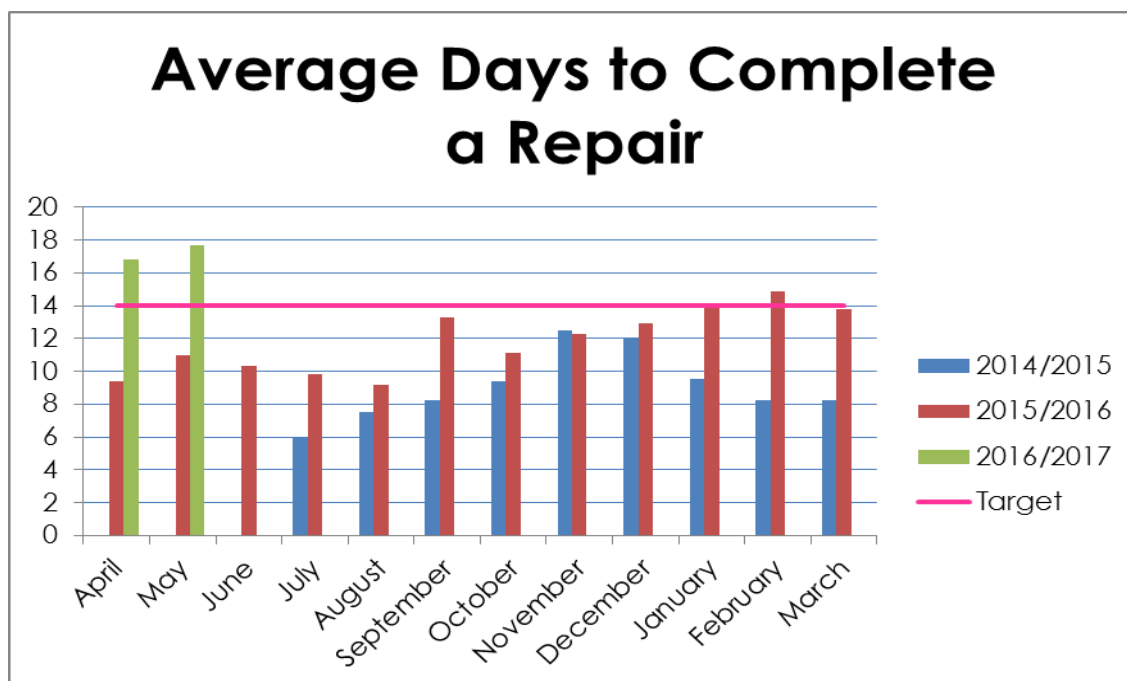
11.0 Repairs & Maintenance

11.1 During 2015-15 the overall performance in responsive repairs has been variable. There was a focus on improving the areas that did not achieve the performance targets in the first year. The performance around appointments made and kept improved and for the majority of the year has been within target.

11.2 There have been a number of changes in personnel and the re-introduction of a productivity based incentive scheme. There is a direct correlation with these changes and an increase in complaints and above target completion times for some of the responsive repairs. Osborne's management teams are working through an action plan to address the root causes of the jobs that were completed above target to ensure there is improvement in performance this year, which will be closely monitored by the Council.

11.3 The average days to complete a job initially performed at or below target. In the last quarter of the year the performance was at or exceeded the target. This was in part due to financial constraints that the Council imposed upon Osborne in an effort to

reduce the projected overspend. Overall the trend was not positive, and the average was considerably higher than in the first year of the contract. The trend has continued into this financial year, in part due to the backlog of repairs, to which Osborne are committing additional resource to address.



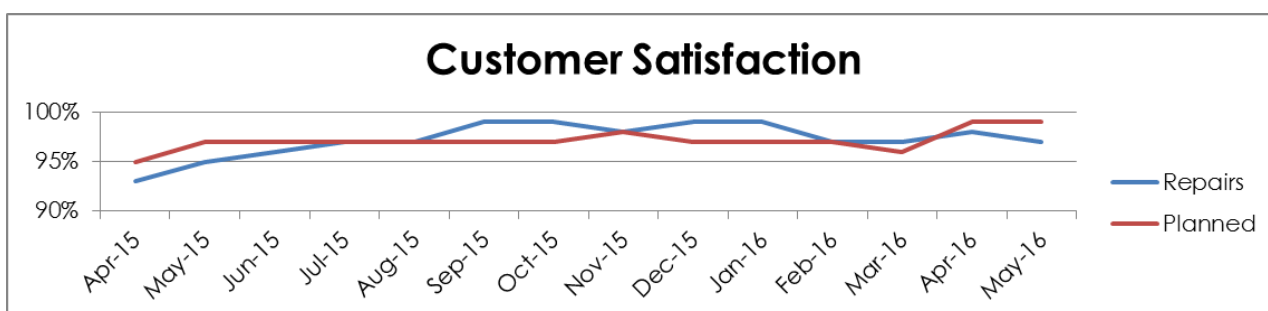
12.0 Planned Works

- 12.1 The programmes in 2015-16 were generated using the stock condition information from the Council's asset database, supplemented by information obtained from the surveys undertaken by surveyors at Osborne.
- 12.3 The planned programme was completed within the financial year, but the external wall insulation project was subject to delays due to the prolonged periods of rainfall. The table below outlines the volumetric completed in 2015-16 by work stream.

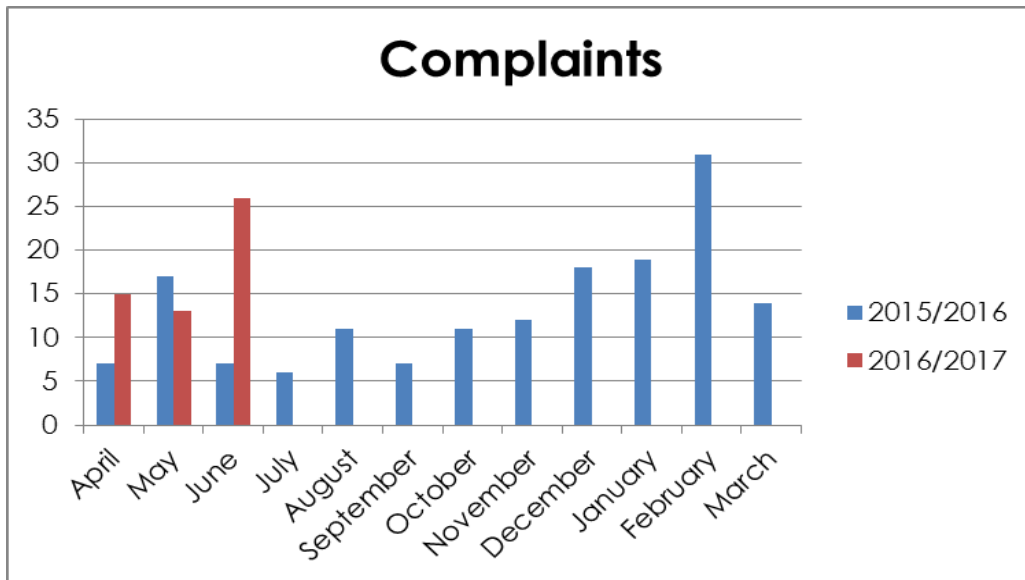
Work Stream	July 15 to June 16
Kitchens and Bathrooms	605
Rewires	471
Aids and Adaptations	499
External Doors	580
Window replacement	77
External redecoration	3
Roof renewal	103
Tarmac projects	0
Garage Block refurbishment	9
2 room internal redecoration	65
Total	2412

13.0 Customer Satisfaction, Complaints and Compliments

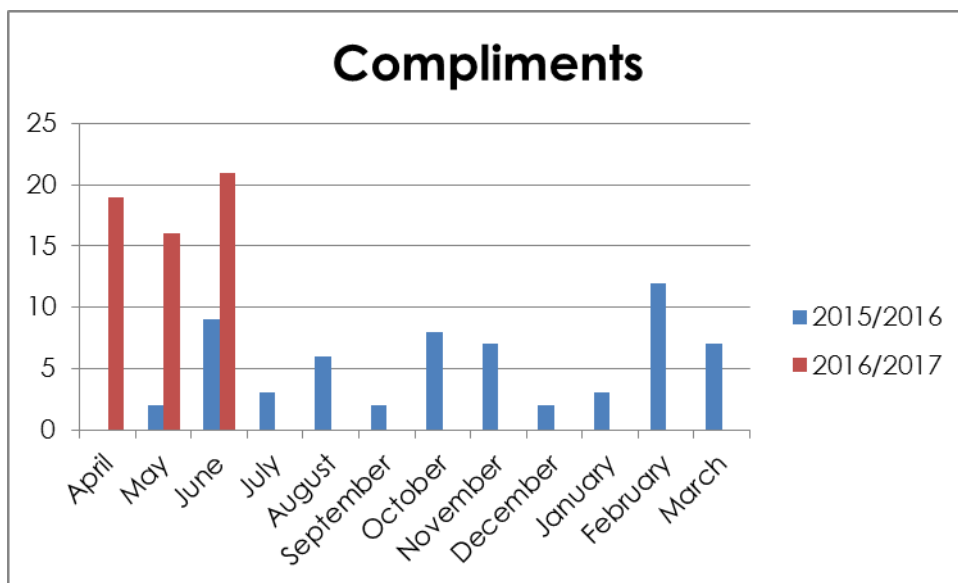
- 13.1 The customer satisfaction levels shown in the graph below demonstrate an improvement in 2015-16 over the levels achieved in the first year of the contract. As well as reviewing the satisfaction levels, analysis of the complaints received, demonstrated a need for improvements in the level and frequency of communication with tenants, both in the planned and responsive areas of work, so that they are fully updated on the scope and timings of works. This was introduced for the 2015-16 programmes and is reflected in the positive impact on the improved customer satisfaction levels.
- 13.2 The results from the STAR survey are currently being analysed by Osborne and the Council to gain a better understanding of reasons behind any poor satisfaction results that were recorded to determine if there are further areas for improvement that can be introduced in this financial year.



- 13.4 The number of complaints received remained well below the 1% of all works undertaken, although there was a spike in February, that coincided with a change in personnel and the commencement of consultation on the productivity incentive remuneration package. The analysis of repairs data requires ongoing review to ensure appropriate action is taken against staff that do not demonstrate the Osborne customer experience focus and to identify areas for improvement.



13.5 Compliments are also recorded whilst relatively low volumes, it does provide further assurances to the Council regarding the positive experiences that exceed the tenants expectations, so that they take time to send or phone in a compliment. The compliments are displayed on a noticeboard in Osborne’s office to assist in motivating members of the team.



14.0 Community Investment

14.1 Osborne continues to work pro-actively with the voluntary sector, schools, community centres and sheltered schemes and have made a significant investment towards its success. Working in Partnership with the Council, Osborne have supported or arranged 78 events in the community, benefitting over 5000 people. The Osborne staff donated 705 volunteer hours to support the projects and 19 community facilities have been improved as a result of the various projects delivered.

14.2 Osborne continue to provide Work Experience programmes through the contract to provide opportunity’s for young adults to directly experience working in the construction industry. In June 2015 Osborne launched a partnership with Youth Connexions for school placements and has had 4 local students join Osborne on placements (office and trades).

14.3 Osborne issues a bi-monthly publication, Community Matters, outlining their Community Investment activities. The publication is designed and developed in-house and provides details of the activities delivered and forthcoming events.

15.0 Financial Performance

15.1 Open Book audits have been concluded for the first three quarters of the financial year 2015-16 and the remaining audit has been concluded and is awaiting the final outcome of the Performance related profit assessment to be concluded. The audits were conducted by the cost consultants JRP, in conjunction with the Council's staff, who provided the following summary findings:

- OPSL have, once again, been co-operative throughout the audits and have endeavoured to submit all of the substantiations we asked for.
- OPSL Head Office at Reigate provided further substantiations (such as staff salaries, vehicle hire charges, credit card purchases, rent recharges, insurance etc.).
- The contract requires OPSL to submit a quarterly financial statement; however due to delay in gathering required information, it was agreed to combine quarter two and three into a single audit.
- OPSL gave us their periodic valuations and a download from their costing system "COINS". As a result, relevant information was abstracted from these documents to assess appropriate target costs and determine actual costs.

15.2 The financial outcome of our audit is given below, showing the target costs, actual costs and pain/gain against each of the work categories (WC). This report shows a gain of £1,310,508.40 has been achieved and OPS have raised credit notes in the sum of £655,254.20 to the Council which equates to 5.37% of the turnover.

Audit Period	Quarter	Total Gain	50% DBC Share
April 15-July 15	Q1	£211,886.84	£105,943.42
July 15-Dec 15	Q2+Q3	£962,126.90	£481,063.45
Jan 16- April 16	Q4	£136,494.66	£68,247.33
TOTAL		£1,310,508.40	£655,254.20

15.3 Despite the achievement of a shared saving, the outturn position at the end of the financial year 2015-16 exceeded the budget, due to increased volumes of voids, arising from the use of HRA properties as temporary accommodation and higher volumes of day to day repairs being undertaken. The impact was a overspend on the revenue budget by £740K (9.6%)

Voids 14-15 - 713 completed

Voids 15-16 - 766 completed

15.4 An improved forecasting model has been developed and financial monitoring process has been amended so that if the demand for responsive repairs and void works remain at the high levels experienced in 2015-16 these will be offset by a reduction in some of the capital works to ensure the contract is delivered within budget.

16.0 Contract Extension

16.1 The contract mechanism enables the Service Provider to earn additional years, up to a maximum of ten, during the initial five year contract period, by the achievement of a number of Key Strategic Indicators, which are detailed in the table below:

Key Strategic Indicators		Target Compliance
1	Performance at or above the target for all KPIs for at least 9 months of the year	100% of the KPI targets met for a minimum of 9 months of the year
2	Transparency and control of costs delivered through the management of Open Book records including sub-contractors information available at Quarterly intervals	Open Book format and protocol to be agreed during dialogue and the information to be presented at quarterly intervals in advance of Core Group meetings. Target in year one 95% - from year 2 onwards 100%
3	Tenant involvement in operational and service improvement activities including meetings, workshops, customer satisfaction surveys and monitoring of corrective action arising from complaints.	Minimum of two tenants involved at operational meetings at least 4 times annually and demonstrable involvement of tenants in other service shaping activities at least 4 times annually.
4	Delivery of community initiatives to support the ambitions of the Councils economic, environmental and social sustainability agenda	The Service Provider is to deliver a range of community initiatives in line with an agreed annual project plan that can achieve tangible benefits to the community.
5	Delivery of integrated Information Technology solutions to ensure that the business intelligence collected through repairs data, component condition information from operatives, tenant preferences, complaints, satisfaction surveys etc. is collated and shared with the client to develop annual programmes for targeted investment and continually develop the asset management strategy	The Service provider is to provide a fully operational IT solution that interfaces with the Council's asset management and/or Housing Management systems to provide real time data regarding the progress of orders from the commencement of the service delivery and develop and agree a protocol for the range and scope of management information that has defined milestones throughout the contract.

16.2 The review of the second year's performance is underway to establish if the key strategic indicators have been achieved. The partnering advisor, Fairthorn, Farrell, Timss, will be conducting the review based upon the content of this report, a review of the performance indicators and consideration of the overall performance of the contract during 2015-16.

16.4 The Strategic Indicators for the period 2015-16 will be considered in line with any development roadmaps and improvement plans, to establish, what other outputs the Council has benefitted from during the second year. The output of the review will be presented to the next Strategic Core group in September.

17.0 Conclusion

- 17.1 It is essential that The Total Asset Management Contract is delivered to the required quality standard, within the prescribed timescales and available budget. The performance throughout the past year, has in the main been satisfactory, but there have been a number of areas that have been subject to delays, primarily in the day to day responsive repairs, but also on some of the planned projects and aids and adaptations, which has impacted upon the ability for Osborne to achieve the full 3% of the performance related profit.
- 17.2 The performance summary for the year is contained in Appendix A. The majority of the indicators met or exceeded target throughout the period. There were four areas where the monthly performance had a failure or in some cases 3 failures; defects following a repair, 2 months failed, repairs completed in target, 3 months failed, appointments made and kept 3 months failed and in February the number of complaints received as a percentage of all jobs completed exceeded the target of 1%. The first Key Strategic Indicator requires at or above performance to be achieved in 9 of the 12 months. This has been achieved against those indicators that were measured, however the target and data for planned work completed within target was delayed and incomplete and the associated performance related profit and impact on this KSI, is currently in dispute.
- 17.3 Various interventions and changes to the structure of the team at Osborne have been implemented to address the areas of failed performance and these will be closely monitored in the current financial year.
- 17.4 Osborne has demonstrated a commitment to the strategic objectives of the Total Asset Management Contract and appointed a TAM manager to undertake the data analysis of the repairs trends and review the stock information on the Council's asset management system, Pimss. Once completed this will assist in informing the Asset Management Strategy and determine the ongoing annual programmes of capital investment
- 17.5 There are a number of areas that have been subject to an action plan during the year, which have provided a focus to develop some of the value added services that formed the final solutions that Osborne provided during the tendering process. There has been concern that the timescales for delivery of some of the solutions has taken longer than indicated at tender stage and this is subject to ongoing review and scrutiny by the Council's contract team.
- 17.6 The approach being undertaken to the contract is clearly in a spirit of Partnering and the Council and Osborne work very closely together to overcome any issues that arise, to ensure the properties remain in good condition, whilst maintaining high levels of customer satisfaction. Through the open book audits and process reviews the Council and Osborne are keen to derive greater efficiencies from the contract and this will be the focus in the current financial year.