

## SCRUTINY PANEL REPORT JANUARY 2013: BSW HEATING LIMITED

### 1. INTRODUCTION

- 1.1 The Scrutiny Panel is a group of residents who meet to discuss the performance of specific areas of Newlon's activities. Currently it is looking at the responsive repairs contracts but it is hoped that it will widen its remit to consider other areas of Newlon's activities and become more self determining in how it operates and what it looks at.
- 1.2 The aim of the group is to scrutinise the contractor's delivery, and Newlon's management of the contract; to establish if it is effective and meeting the agreed standards. The Panel receives an extensive range of information which they consider at an initial meeting. This covers job completion rates, the budget & spend, complaints, resident satisfaction and benchmarking information from which they identify areas of concern or where they need further information. Three of the Panel members then attend the face-to-face meeting with BSW to discuss these issues and the delivery of the contract.
- 1.3 The 3 Panel members met with Jackie Glynn, Contracts Manager; Olly Dracup Contracts Director, from BSW and Duncan Lee, Assistant Director Property Services for Newlon. The full notes from the meeting are attached as appendix A.
- 1.4 This report contains the Panel's recommendations and a rating of very satisfied; satisfied, neither / nor; concerned or very concerned for each area.

### 2. DAY-TO-DAY REPAIRS

#### 2.1 Area 1: Job completion rates within agreed timescales

The Panel raised no concerns over the level of performance, but did raise questions over the number of jobs that did not have completion dates logged. As the performance indicator is calculated *without* the jobs with no completion date, the performance figures could be better or worse, depending on why they have no completion date. This was most notable for jobs on 7 day orders, where 27 had no completion date – more than the 21 known to be late (5.9%). The Panel asked if there was a way of reducing the amount of statistics without completion dates – possibly by checking the jobs without dates at an earlier point in the monitoring cycle.

**Recommendation:** Newlon to consider the timing of data collection and updating to see if a quicker cycle would increase the amount of job completion dates in the statistics.

The Panel also raised questions about the different timescales for jobs; the performance over the whole year and whether there are trends where performance dips as a result of seasonal work-loads. The issues were discussed and explanations given. The Panel had no specific concerns or actions arising from these areas.

**Panel's rating:** Satisfied

## 2.2 Area 2: Newlon repairs satisfaction survey

Of those 33 residents who said they hadn't had the repair completed at the time of the call, 10 (30%) were in a category called 'something else' for the reason why it hadn't been completed. The Panel wanted to know what this included and check how this was recorded - as the detail could be useful for identifying areas in need of improvement:

**Recommendation:** For the Service Centre Repair Satisfaction Survey – can the 'something else' category be looked at to see whether the individual issues within it are recorded, and if so, provide a sample of what they are?

**Recommendation:** If they are not collected or recorded as separate items could this be trialled over several months to see what they are and assess them?

The Panel also questioned Duncan Lee on the proposal to use an automated system for the survey about the cost and whether an automated system would actually help. Re-assurances were made as to the staff time it would free-up and the increased numbers that would be reached, however costs were not available at the meeting. No specific actions were raised.

The Panel also enquired about those (few) residents who reported dissatisfaction with the convenience of the new appointment offered, when a booked repair had been cancelled.

**Recommendation:** BSW offered to run an exercise to look at what happened with those specific jobs where residents said they weren't contacted to be told their appointment was cancelled and those that said their new appointment was not a convenient one for them (questions 11 and 12).

**Panel's rating:** Satisfied

## 2.3 Area 3: Complaints

Complaints processes and the communication over them, both in terms of the immediate problem and the formal handling of the complaint overall were discussed; as were learning from complaints; managing jobs that require additional works (Variation Orders), IT links and direct communication between Newlon and BSW. The Panel had no specific concerns or actions arising from these areas.

**Panel's rating:** Very satisfied

## 3. GAS SAFETY CERTIFICATION PROGRAMME

Having discussed the process, performance and detail - including those homes with certificates outstanding for more than 4 weeks; the Panel had no specific concerns or actions arising from these areas

**Panel's rating:** Very satisfied

#### **4. BUDGET AND SPEND**

Further detail was provided and discussed including concerns over current overspends being balanced out over the year due to the 'front loading' of work early in the year and also from planned work shifted forward because of the Olympics. The Panel had no specific concerns or actions arising from these areas

**Panel's rating:** Satisfied

#### **5. CONCLUSION**

The Panel, BSW and Duncan Lee welcomed the opportunity to discuss the contract in this way and found the meeting productive and challenging.

- The Panel in the main see that BSWs performance is good having been given insight into how the company had worked hard to adapt and ensure the effective delivery of the contract, reduce complaints and increase the number of jobs completed within target
- The Panel felt that in certain areas the monitoring of performance could be tightened up to ensure the statistics are more up-to-date through the year.
- And that satisfaction surveys could be looked at to ensure they are capturing the full extent of residents views

#### **6. RECOMMENDATION**

To agree the recommendations for each area noted in the report above.

Timescales for the actions and recommendations are to be agreed with BSW.

## **Residents' Scrutiny Panel**

**21 November 2012**

### **BSW Heating Limited**

Day-to-day gas repairs and safety certification contract

**Scrutiny Panel:** Heath Richards; Marion Frenz; Judith Rolle

**BSW:** Jackie Glynn, Contracts Manager; Olly Dracup, Contracts Director

**Newlon:** Duncan Lee, Assistant Director Customer Services; Ewan Moar Senior Resident Involvement Officer.

**Introductions** were given and Olly and Jackie gave an overview of BSW, a family owned business operating for 50 years based in Kenley, Surrey. They cover some 65,000 homes in the South East and London, have been providing Newlon's gas appliance services since 2007 and were successful when the contract came up for renewal earlier this year. BSW have also started repairing some of the new technology heating systems that are sometimes described as 'green' or 'sustainable' systems. Their performance is in the upper quartile.

The meeting followed the agenda that had been drawn up by the Scrutiny Panel and circulated prior to the meeting:

#### **DAY-TO-DAY REPAIRS**

##### **1. Job completion statistics**

- **In the statistics, why are there jobs without a completion date? (47 jobs / 8%)**
- **What could be done to improve this figure?**
- **Could Newlon or BSW explain why it takes out the jobs with no dates to calculate the rate of completion within target time?**

Duncan Lee (DL): The jobs are logged by BSW and a completion date is sent through to Newlon. The statistics are then produced by running a Business Objects report on Newlon's database – Orchard. This is usually run monthly and so there may be times when jobs are on 28 day orders that haven't been completed at that time. A second report is then run (approximately every 6 weeks) on the jobs without completion dates and these are followed up with BSW.

Newlon use the method of not including the numbers without completion dates on the system for the assessment of *all* contractors' performance. It is felt that until it is definite that they are un-completed jobs, it wouldn't be right to assume this, as they may be a cancelled job for instance.

Scrutiny Panel question (SP): If a job is cancelled, wouldn't it then come out of

Orchard?

DL / BSW: No. It would be updated on BSWs system but not necessarily on Newlon's; which is why Newlon then follow up the jobs without completion dates to check them.

Ewan Moar (EM) noted that the figures circulated for the meeting had had enough time elapsed for figures for all works to have been gathered.

Scrutiny Panel (SP): For instance, of the 7 day jobs there are 27 with no date. So the non completion rate *could* be much higher - up to twice as much as showing here? Is this incorrect information rather than work not done?

BSW: It could be to do with issues such as a job is attended and found to need more work and a 'variation order' is put in to Newlon to agree this more expensive work to be done. If it is agreed it may end up being done under a new job order, leaving the original one still open. This is one example where it could lead to incomplete dates remaining in the statistics. There could also be 'slippage' between the two databases. If this was actually to do with jobs not being completed, it would be expected to show more in the complaints process and this doesn't seem to be happening.

SP: What is the length of time taken before the statistics are updated?

DL: Every 6 weeks to allow the 28 day jobs to be covered properly.

SP: Should the 2<sup>nd</sup> report checking the missing stats be run earlier?

DL: Possibly, but the amount without completion stats are usually not too high, if they were maybe it would need looking at.

AP: So Newlon are satisfied there are no concerns?

DL: As BSW said - I think it would be reflected in higher complaints if there were.

**ACTION:** Newlon to consider the timing of data collection and updating to see if a quicker cycle would increase the amount of job completion dates in the statistics

- **What sort of jobs would be logged as 14 day or 28 day jobs, as they account for quite a lot of work?**

SP: What is an emergency?

DL: This is where something needs to be made safe and is attended within 24hrs. Operatives may need to come back at another time to actually repair the problem though. If residents are vulnerable (as noted on our system) and it is winter we also attend within 24hrs.

BSW: Most jobs are 7 day orders, though they are usually attended within 48Hrs. We can also provide blow heaters for people and 'gift' them to the resident.

SP: So what would come under a 14 or 28 day order?

BSW: This is something like a single radiator that is not working properly - the whole system isn't down and it is not an urgent repair. Or work that is planned could be under a 28 day order where there is no actual breakdown. For instance

replacing old radiators or TRVs (thermostatic radiator valves).

- **Why did performance tail off at the end of last year and the beginning of this?**
- **Are there trends through the year where performance dips as a result of something like high work loads in the winter?**

DL: The new year starts again in April and will show just that months figures. As it is reported monthly there may be jobs not completed but still within timescale, these get picked up in the following months as jobs are completed or are corrected on the system (as explained above), so it may be that April looks worse than it actually is.

SP: But performance does tail off at year end. Is this to do with the switch on in September?

BSW: It's normally October or November when people start turning their heating on; although it has been a bit later this year due to warmer weather. BSW has spent a lot of time working on managing these times. Planning starts in the summer for the winter period. It is not just the work load that goes up but also things like the pressure on the supply of parts goes up too. BSW assessed what could be done and now carries more stock actually in the vans and works well with suppliers.

DL: Agreed that a lot of effort had been put in by BSW to improve this and that it is reflected in the amount of work completed in time and in improved complaints.

## **2. Newlon repairs satisfaction survey**

- **A large percentage (31%) have the explanation of “something else” given for the reason of non-completion (question 6). Does Newlon know what this covers?**
- **How is the question asked and recorded, i.e. is it a limited number of tick boxes and all other reasons get ticked as “something else”? Or does Newlon record what these other reasons are?**

DL: I actually don't know what 'something else' includes, I don't manage the Service Centre so not familiar with how this survey works – i.e. what is asked and how it is recorded. It could be that the Service Centre caller has only a limited number of the most likely answers to tick and that the responses that don't fit them are logged as 'something else'. Whether their actual answer is recorded, I'm not sure – so may not be able to find out what sort of issues it covers.

SP: It is a third of the answers so it would be useful to know. How is the survey conducted?

DL: It is completed by phone shortly after the repair appointment was scheduled to take place

**ACTION:** For the Service Centre repair survey - can the 'something else' category be looked at to see whether the individual issues within that are recorded and if so provide a sample of what they are?

**ACTION:** If they are not collected or recorded as separate items could this be trialled over several months to see what they are and assess them?

- **The difficulties of calling back all residents who have had a repair appointment for this survey means that about 10% are contacted – is this enough people?**
- **Would proposals for an automated phone survey help?**

DL: Newlon is looking to automate the survey to be able to reach a larger number of people.

SP: Would it help? People often cut off automated calls.

DL: The system would use a real person's voice and explain it is from Newlon to make it customer friendly. Service Centre Staff are having to make enormous numbers of calls to reach roughly 10% of all the repairs booked as people may be out, have voicemail on etc. This would relieve staff time and reach more residents with the survey.

- **How much will the system cost and will it link with Newlon's database?**

DL: I believe it will link but unfortunately do not have the details for this or for the current estimate for cost.

- **Could more up-to-date info be supplied for Q11 and Q12 of the survey as percentages are poor, especially for 11, but numbers are very small? (Q11: "Were you told that we would be unable to keep the appointment"; Q12: "has the appointment been re-arranged for a convenient time for you?")**

BSW: The percentage is still high but this is, as noted, for a very small number of jobs. Jobs do get moved around and the resident will be called but we may not reach them. Those people may then feel that any new appointment is inconvenient hence the stats in Q12 where 4 out of 7 said no (57%). We do offer weekend and evening appointments in these circumstances and this is offered through a new call script at our call centre

DL: Newlon's Service Centre also has this scripted to offer that too.

**ACTION:** BSW to run an exercise to look at what happened with those specific jobs where residents said they weren't contacted to re-arrange the appointment and with the next appointment not being a convenient one for them.

SP: How is this actually managed?

BSW: There is a specific member of staff who covers the job re-arrangements. We operate on mobile / handheld technology so it does make this a lot easier to co-ordinate.

DL: It is not a current problem for BSW as it quickly becomes apparent with a contractor if they are not attending regularly.

BSW: Jobs are sent out to the operatives devices for that day and verified when received. When problems arise, the re-deployment officer has visibility and

checks are made at 10.30am and 3.30pm to see if anything is backing up. They then look for an operative who has been freed up by a job being quicker than expected or have had a job cancelled, and work is moved to them. The jobs are also 'risk assessed' so that the most pressing jobs are prioritised.

### 3. Complaints

(Themes from the complaints' summaries seemed to centre on the length of time taken to complete jobs, repeat visits, misdiagnosis / wrong parts ordered and poor communication).

- **Have all BSW engineers passed the accredited certification scheme in accordance with the requirements of the UK Accreditation Service (UKAS)?**

BSW: Yes – all gas operatives have to be qualified and we forward these details to Newlon. Plumbers provide a different service so they don't need that qualification

- **What systems are in place to reduce such problems?**

SP: Are you re-active or pro-active with complaints? i.e. do you have someone who looks at both the current issues *and* how it will be improved in the future?

BSW: Yes for day-to-day concerns we have Newlon's Client Manager who works to get the immediate problem sorted. If it becomes very complex it goes up to Jackie to look into. Olly then looks at the strategic issues that come out of complaints and will act to improve processes. For instance, this led to 5 days of training this summer to improve services and we have a proactive approach to supporting individual engineers.

BSW: Misdiagnosis can be an issue. Newlon's homes have a wide range of appliances of greatly varying ages. Some are much more complex and the level of new electronic systems on boilers means we undertake a lot of training to keep up-to-date.

A lot of time and effort has been put into managing the supply chain too to make it work. We ring fence stock in certain branches, changed the stock profile in the vans and at suppliers to better suit. Parts are much more readily available – used to be around 15% that were not available routinely in shops, now only 5%.

All operatives' handheld devices also have a parts 'arena' – exploded diagrams of all boilers that gives parts numbers to reduce miss-diagnosis and ease ordering.

However it is a constant process

DL: Heating is a very emotive issue and complaints are down as BSW have really



put a lot of effort into this.

- **How does Newlon and BSW handle communication in these situations, both between themselves and with the resident?**
- **16 How do residents know who to contact when problems arise with a repair? Should Newlon always be the residents' point of contact?**

DL / BSW: Complaints are received at Newlon and logged as a first stage complaint where appropriate. Newlon liaises with BSW and the Client Manager to resolve the immediate problem and then to put together a formal response to the complaint. The complaint will only be closed from BSW's point of view when the resident has been called to confirm work has been completed.

SP: What if they remain unhappy?

DL: They can escalate the complaint to the second stage where it is looked at by the Director of Housing, after that it can go to Newlon's Complaints Panel where it is seen by a panel of three made up of a Resident Board Member, A Director and a non-resident Board Member. If they remain unhappy after that they can take their case to the Housing Ombudsman.

SP: What are the lines of communication - should the resident deal with Newlon or BSW?

BSW: Best they deal with Newlon so that everything is logged and clearly documented. The only time it is best for them to speak directly with BSW is when arranging for appointments after a part has been on order.

- **How does Newlon know a job needs additional work to be done and whether the resident needs updating?**

DL: When an operative sees a job and finds it is bigger than expected they put a request in to Newlon to say this work is needed and will cost £x. This is a cost 'out of contract' and is called a variation order or VO. We have worked hard on this area too to improve it and have a team that now processes these separately so that it is clear when they've been received. The resident is called that day to say we have received it and will assess it in 24hrs. If it is agreed they call the resident and BSW at the same time to say it has been agreed and to allow BSW to set an appointment there and then. This was known to be a problem area and is now working much better.

- **Can all Newlon Service Centre staff view the BSW database and how quickly is it updated?**

DL: one person in my Team can see the BSW database but the lines of communication are very good with BSW so much easier and helpful to call Paula, Newlon's Client Manager at BSW, and talk things through with her.

#### **4. GAS SAFETY CERTIFICATION**

## Performance statistics

- **How many safety certificates are outstanding for over 4 weeks?**

DL: there are 2. These are historically very difficult properties to gain access to and are passed to the Housing Team as this is a clear tenancy management issue.

SP: Can you take legal action and force entry?

DL: Yes but it's a long and expensive process and they may be in breach of their tenancy anyway as a result. What works best is a very active approach where properties without certification are repeatedly visited and have stickers placed across their locks.

## 5. BUDGET AND SPEND

(The new finance sheet shows a single line for budget and spend for all responsive repairs, so the Panel is unable to tell if gas maintenance is within budget or not).

- **Can more detail be provided?**

- **Can comparisons with last year be provided – i.e. is the budget bigger or smaller, has the work load increased?**

BSW: Costs are pretty static but do go up by the Retail Price Index (RPI) rate each year. Only if there is a massive expansion of stock would costs increase notably.

DL: The budget is essentially fixed by finance. At the moment the budget for gas servicing is over by £23,000 however this explained by work being pre-loaded to this part of the year and will balance out as the year goes on.

BSW: Work was also brought forward because of planning around the Olympics so this too is showing here in the overspend and will be balanced over the rest of the year.

DL This doesn't include capital costs though – this includes new boilers and may total in the region of £200,000 by year end.

## NEXT STEPS

Ewan gave an explanation of the next steps:

- Minutes of the meeting would be written up
- Minutes to be forwarded to Staff and Panel to ensure they are accurate
- Panel to be supported to write a brief report directly from the minutes with recommendations and / or actions arising in order to help improve the service or give an endorsement of current service activity
- Report is forwarded to BSW and Duncan Lee to see
- Report is seen at Newlon's Resident Services Committee (sub group of the Board) and at Newlon's Residents' Forum

The Panel will next meet Breyer in early 2013 and then return to BSW for the meeting after that - to follow up on issues arising from this meeting.

The Panel thanked BSW and Duncan for their time and effort and vice-versa.