



# APSE Building and Housing Advisory Group

Friday 26 November 2010



# Building Maintenance State of the Market report 2010

[www.apse.org.uk](http://www.apse.org.uk)



## Headlines

- Workload - level of workload of the building repair and maintenance service (housing and non-housing) to change over the next 12 months?
  - Biggest category – stay the same – but movement away from this category c/f last survey
- Budgets - budget for the repairs and maintenance service to change over the next 12 months?
  - 20% more think a reduction



## Headlines

- Future of management arrangements over the next 12 months?
  - A lot of comments re alternative delivery models, more contractors who are cheaper; ALMOs; market testing...
- Average rates of pay for crafts?
  - Variety , about £1 increase on average, between £9.50 and £12.70 per hour



## Headlines

- Recruitment – only 1 out of 31 respondees having trouble recruiting or retaining – big change
- Absence levels – 45% unacceptable
- Trading externally – 40% yes; 37% not considering
- Growth areas – renewables, energy efficiency; new build housing/non-housing; external; school estate development
- Reduced work – capital expenditure, any non essential work



## Headlines

- Further questions about
  - Personal workload
  - Use of ICT, diagnostics, call centres...
  - Bonus schemes
  - Apprenticeship schemes
  
- APSE website – Briefing 10/53 September 2010



## How can APSE help?

- Range of topics
- What else can we do?



*Andrew Spowart, Principal Advisor*

*[ASpowart@apse.org.uk](mailto:ASpowart@apse.org.uk)*

*01698 459 051*

*07734287026*

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# APSE UPDATE



## National Issues

- UK/Scottish Spending Review
- Scottish Spending Review
- Workforce issues
- Council Tax Freeze
- Revenue and Capital Reductions
- Housing and Regeneration Reductions
- 3% Efficiency Target
- Commission on Future Public Service Delivery
- Scotland Bill – Enact Calman



# Local Authority Strategic Responses

## Short Term Responses

- Corporate and Service Restructuring
- Recruitment Freeze
- Pay Freeze/Reductions
- Increase Fees/Charges - Politically Sensitive
- Service Review/Service Redesign
- New Target Operational Models



## Medium Term Responses

- Procurement Reform – Procurement Scotland/Scotland Excel
- Collaborative Reviews with Partners
- Back Office Efficiency – Transactions
- Sharing Services
- Alternative Business Models/Creeping Outsourcing



## Longer Term

- Personalized/Better Targeting of Resources
- Preventative Intervention Programmes



## Responses

- Influenced by Managerial Complexity, Political Sensitivity/Difficulty and Time
- Tools which can be used now to realise savings – need for quick release
- Tools which can be used over the medium/longer term... Take time and are complex and sensitive
- Issue is Time!



## Recent Briefings

- Outcomes of a Round Table Event into Shaping Responses in a Climate of Austerity (10/62)
- Comprehensive Spending Review 2010 – Implications for LA's (10/60)
- Income Generation – Using Charging and Trading Powers (10/59)
- Workforce/Staff Absence: Maximising Efficiency (10/57)
- In House Service Improvement Plans (10/56)
- Audit Scotland BV Toolkits (10/50)
- Independent Budget Review (10/46)



- Housing Fresh Thinking New Ideas (10/45)
- Financial Capacity of RSLs/LA's to Build Houseing (Scottish Government Research)
- Round of Briefings Covering Efficiency Related Issues
- Scottish Government Spending Plans and Draft Budget For 2011/2012



## Research Reports

- One Size Does Not Fit All – Attitudes and Opinions Towards Service Transformation
- Exploring Economic Footprint of West Lothian Operational Services



## Seminars/Conferences

- Performance Networks – Blackpool 2-3 December 2010
- APSE Building & Housing Seminar – Peebles 16-17 February 2011
  - Building & Housing Accolades
  - Apprentice of the Year Awards
  - Deadline End of November 2010
- National Conference – Hampden Park 25 February 2011



## Work Programme for Group

- Advisory Groups Need to Add Value
- Sharing Learning/Good Practice
- Develop an agreed work programme for group which is structured and dynamic
- Canvassed for Issues...
- Some Responses – 15 in total



## Topics/Issues

- Best Value Benchmarking
- Housing Investment/Energy Efficiency
- Shared Procurement
- Public Sector Efficiency Implications
- Housing Regulator
- Energy Efficiencies
- Performance Networks
- What are we doing to retain “in-house” services
- Training/Re-training employees
- Efficiencies without cutting employee numbers
- Advisory Groups – are we getting it right?



- Explore if any LAS's are undertaking capital work when properties become void
  - Multi Skilling
  - Mobile Data
  - Waste Recycling
- 
- Anything else individuals would like to add?



## Advisory Group Task

Establish 10 priority issues by rating list of issues 1-10. 1 = Top Priority, 10 = Last Priority

- Will form basis of future programme of issues



## Proposed Survey of ASPE Membership in Scotland

- Considering a survey in order to improve APSE offering to Member Councils
- Looking to Pilot in two groups
- Use Building and Housing Advisory Group?



## Discussion of Issues Affecting Service Delivery

- Specifically organizational Restructuring if any planned?
  
- Anything Else?



# Connaught / Rok

– implications for the sector



## Context

- Major players in R&M/capital investment market
- L As, H As, health, police and other contracts
- R&M, capital investment, voids, gas, electric...
- Outstanding – Norwich, Arun, Raglan, Southern, Town & Country HAs (mid Sept 2010)
- Rok Liquidation No Buyer

# Contracts



- Capitalisation
- Suicide bids
- Delivery and performance



## Outcomes

- Sub contractors
- Morgan Sindall/Lovell; Mears
- Investigations
- Costs



## Lessons

- Contingency plans
- Quality v cost
- Bid evaluation procedures
- Transfer of providers
- Termination
- Unsustainable bids



## How can APSE help?

- Raising awareness
- Courses on procurement in general
- Examples of avoiding all eggs in one basket
- Contract management training courses



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*[ASpowart@apse.org.uk](mailto:ASpowart@apse.org.uk)*

*01698 459051*

*07734287026*

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