

### APSE Building and Housing Advisory Group

Friday 26 November 2010



# Building Maintenance State of the Market report 2010



• Workload - level of workload of the building repair and maintenance service (housing and nonhousing) 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



• 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



- 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



- 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?

61



•What else can we do?



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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 Reponses

- 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

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### Longer Term

## •Personalized/Better Targeting of Resources

•Preventative Intervention Programmes

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### 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!

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### **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



Performance Networks – Blackpool 2-3
 December 2010

•APSE Building & Housing Seminar – Peebles 16-17 February 2011

-Building & Housing Accolades

Seminars/Conferences

-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

## F. Contracts Capitalisation • Suicide bids • Delivery and performance

### Outcomes



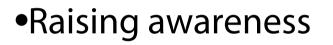
- Sub contractors
- Morgan Sindall/Lovell; Mears
- Investigations
- Costs

#### Lessons

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

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### How can APSE help?



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



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