



Briefing 17-58

December 2017

## Building Maintenance: Trend analysis 2016/17

This briefing provides details on the performance information available from APSE's performance networks service looking at performance indicators and current policy issues for councils who deliver Building Maintenance services.

### Key points:

- Over the duration of data collection (from 2001-02 to date) the trend shows continued improvement in almost all measures.
- The percentage of void jobs completed on time (PI 14c) in 2016/17 has seen a slight decrease of 4.44% from the high last year. Although, the overall trend shows a consistency in the average of jobs completed on time at broadly 80%. Correspondingly, PI 20b, Voids turnaround (average total number of days keys held by contractor) saw an increase to 23.30 days which represents a marginal rise from the average of 22.56 in 2015/16. However, the number of days remains stable at around 23 days.
- The non-housing average value of work per operational full-time employee (PI10) has moved from £66,316 in 2013/4 to £86,444 in 2016/17 which represents a slight decrease from the high reported in 2015/16 of £87,384.
- The percentage of staff absence for operational staff (PI 16a) is 4.42%, has seen a reduction from 5.26% in 2015/16 and the figure for all staff (PI 29a) is 4.44%, a slight improvement on last year.
- Overall, the proportion of overall spending on staff costs (both operational and non-operational employees) has increased slightly from 44.03% to 47.83% when compared with last year.

### Overview

The APSE performance networks performance indicators for building maintenance services cover a number of dimensions of performance, such as cost, productivity and quality. This briefing provides an overview of the trends covering a number of elements of the service. It is a summary of some of the information submitted this year for 2016/17 and, in conjunction with the more detailed report, can be used to inform individual authorities about the standing of parts of their service, identify areas for action and future activity for the APSE benchmarking groups. The analysis in this briefing is based on averages across all family groups and is therefore service-wide, for the last 5 years (2012/13 to 2016/17).

### Trend analysis

The trend analysis provides particular points of interest which are as follows:-

## Cost

Percentage breakdown of building maintenance costs:-

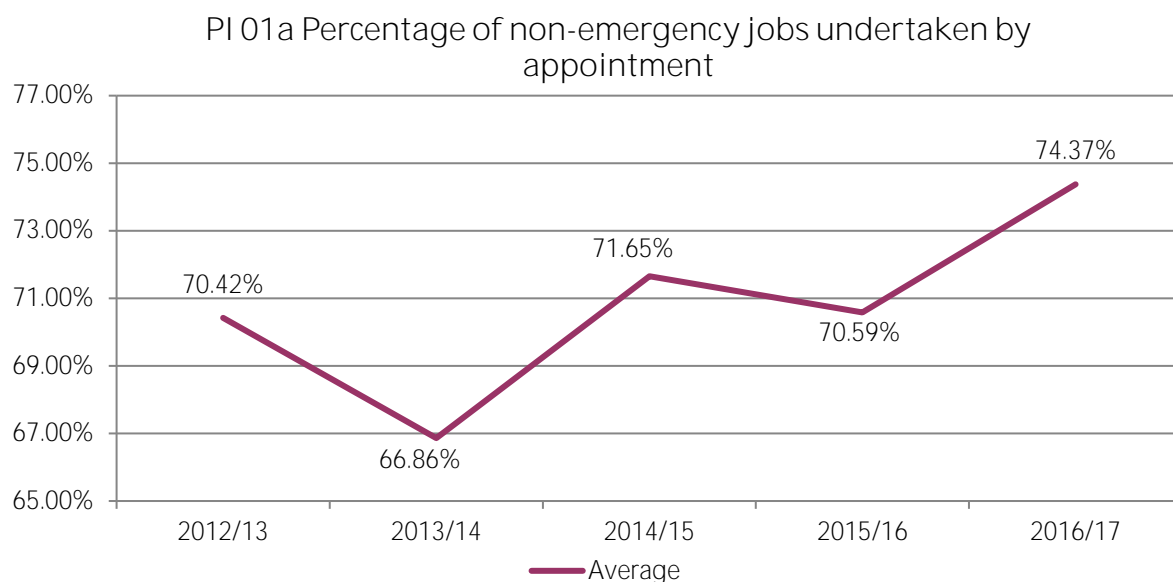
Area of operation	2012/13 % of total	2013/14 % of total	2014/15 % of total	2015/16 % of total	2016/17 % of total
Operational employees	35.70%	34.21%	33.93%	29.60%	33.09%
External/sub-contracting	18.42%	22.55%	27.51%	27.25%	24.87%
Non-operational employees	10.33%	11.40%	9.01%	14.43%	14.74%
Material	19.18%	17.79%	15.63%	15.34%	11.87%
Other direct expenditure	2.59%	1.90%	2.58%	2.78%	6.50%
CEC's	5.24%	5.05%	4.81%	4.09%	3.85%
Vehicles	5.45%	5.10%	4.74%	4.53%	3.62%
Property portfolio	2.30%	1.22%	0.91%	1.11%	0.75%
Tools and equipment	0.58%	0.62%	0.72%	0.71%	0.57%
Training	0.21%	0.15%	0.15%	0.18%	0.13%

The table above shows the percentage breakdown of the costs of providing the service (both housing and non-housing) for the last five years. Within the overall context of shrinking budgets, the proportion of total expenditure allocated to individual categories is remaining fairly static. However, we can see that the proportion of overall spending on external/sub-contracting has decreased since 2015/16. The cost of materials has reduced by 3.47% from last year and has continued to decrease over the last five years with potential savings coming from the supply chain.

Equally the operational staff are a substantial asset for the organisation and may provide a potential increased source of income from other public providers e.g. through the maintenance of other providers facilities or working with housing associations and on the housing stock being built through Local Authority Housing Companies.

## Productivity

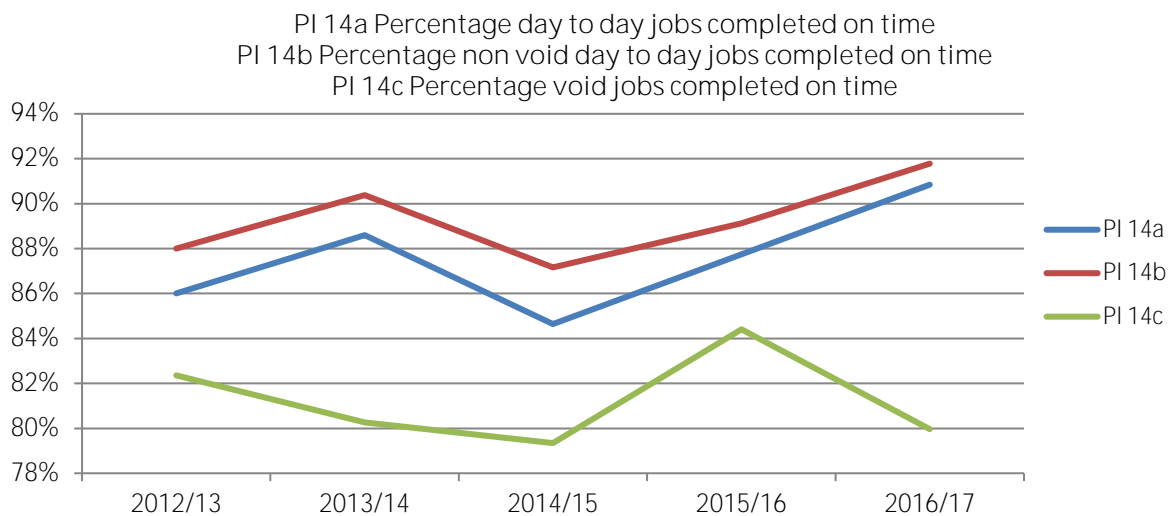
The percentage of non-emergency jobs undertaken by appointment is seen as an important measure for tenants because it reflects a more tenant centred approach. The value of this PI has been consistently around 70% with the average in 2012/13 being 70.42%, there was a slight dip in 2013/14 to 66.86% with 2014/15 seeing a return to 71.65% followed by a slight dip in 2015/16 to 70.59%. However, the 2016/17 average has seen an increase to a high of 74.37%.



The gradual introduction of call centre technology, diagnostic software, scheduling systems and mobile working equipment alongside a need to make efficiencies over the past five years are mirrored in the increase seen in the figures. The use of appointment based software has been widened from non-emergency repairs to include other types of work including gas servicing, other maintenance and electrical work and some external work, whilst it has become more reliable and integrated to other systems so increasing its attractiveness for investment. There is a variation between the proportions of non-emergency jobs between organisations but there is a trend for most to try and increase the amount of work that is by appointment. As such it appears that investment in this type of system is bearing fruits and as a result is benefiting both landlords and tenants.

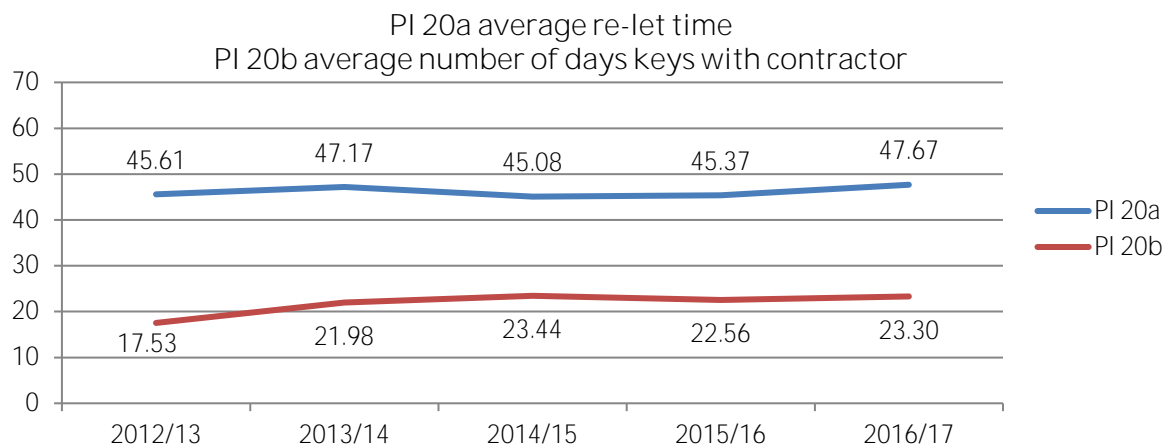
## Quality

The percentage of day-to-day jobs completed on time (PI 14a) also remain a key measure of quality reflecting customer care, planning and operational arrangements. The trend has seen a gradual increase from 2012/13 with the scores averaging 86.0%, followed by a slight dip in 2014/15 to 84.64% with 2015/16 showing an increase to 87.75% and another increase in 2016/17 to 90.85%.



The high scores reflect an overall improvement to the completion rates of all day to day jobs. Although, we can see in PI 14c a decrease of 4.44% from the high last year, the overall trend shows a consistency in the average of percentage jobs completed on time at broadly 80%. The high percentage may be due to an increasing emphasis on improving void turnarounds to improve rental income further to the Welfare Reform and Work Act 2016, introducing an annual 1% cap on social rents until 2019/2020, and the increasing pressure Local Authorities are facing in relation to their statutory duties under the Homelessness Act 2002.

The average re-let time for local authority dwellings (PI 20a) has seen a significant improvement in performance over the whole service benchmarking life. The figure has remained stable for the past five years, although this is an average figure and there has been some fluctuation over recent years, this is an area of the service where landlords have focussed attention to improve the level of service. The results for 2016/17 range from 16 days to 76 days.



Voids turnaround (average total number of days keys held by contractor) (PI 20b) saw a big improvement to only 17.53 days for 2012-13 and for 2016-17 the number of days reported increased to 23.30 days which represents a rise from the average of 22.56 in 2015-16. However, the number of days for void turnaround remains stable at around 23 days.

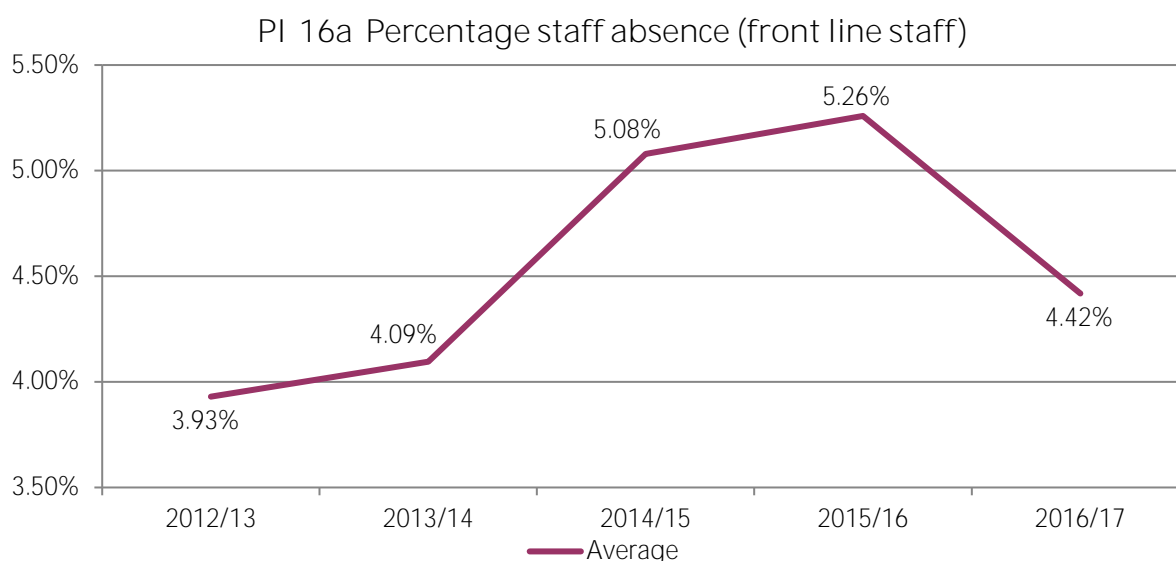
Over the course of the period of data collection, we have observed the contractor holding the keys for approximately 50% of the re-let process. Multiskilling, changes in inspection routines and key management, have all had an impact on the turnaround time of properties as has the increased recognition of the need for housing maintenance and housing management teams to work together. There is a range of different approaches to voids work with some completing a significant proportion of work post occupation. Equally lettable standards differ between councils and this will impact on the amount of work completed in void properties.

There is of course a cost to concentrating on void work to the detriment of all other work although little attention is paid to this. It is vital that the cost of allocating those resources to void properties is understood. This may be a greater cost than the extra income gained from having the property let quicker at which point a decision has to be taken about the best period to have void properties empty. The issue of long term voids and how the significant investment in these properties are managed is a further consideration.

Some organisations have specific void teams to address this category of property whilst others are more flexible with their operatives moving from working on them as emergencies and other priorities arise. Clearly the stability of a dedicated team helps when planning work and allocating resources.

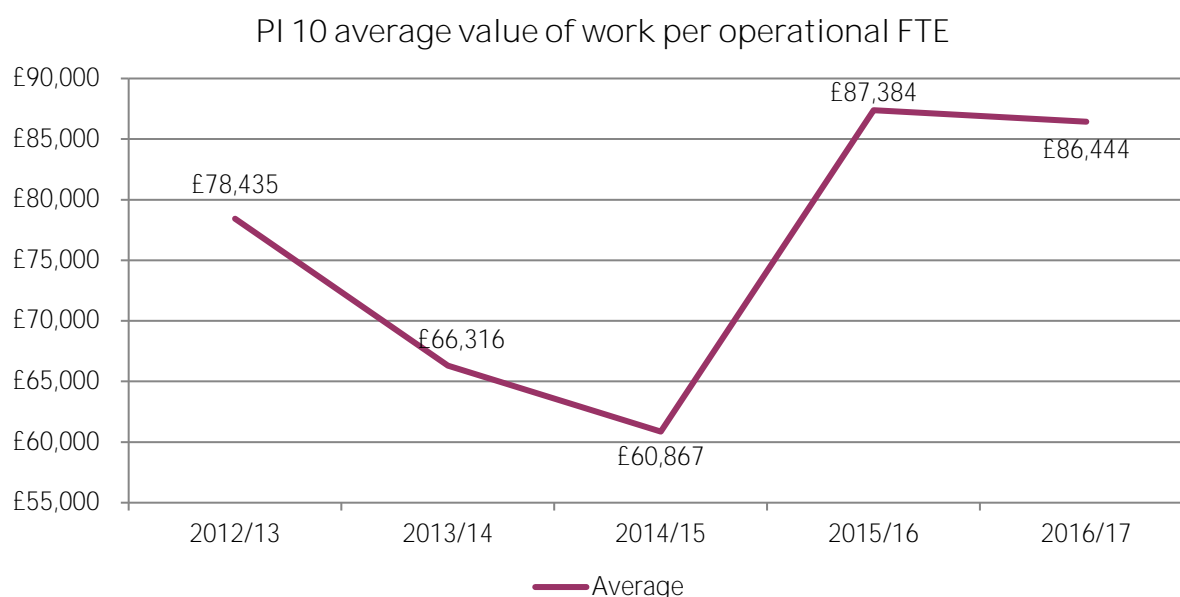
## Staffing

The percentage of staff absence for operational staff (PI 16a) has seen a drop from last year's high of 5.26% to 4.42%.



The figure for all staff (PI 29a) is at 4.44% which is also an improvement on last year but still remains higher than the low of 4.07% of staff absence for all staff recorded in 2013/14. Over the period of data collection, these two measures have improved from 6.8% and 6.3% respectively, and the reduction in the figures is welcome. However it is noted that the higher figures recorded in 2014/15 and 2015/16 may reflect issues related to reductions in the overall budgetary position for local government; for example stress, extra pressure to take on further work, and the loss of staff without replacement, might all have unwanted consequences on staff and sickness levels. The reduction in figures could represent a stabilisation following these changes and policies been put in place to manage staff absence.

The non-housing average value of work per operational full-time employee (PI 10) has moved from £66,316 in 2013/14, to £60,867 in 2014/15, to £87,384 in 2015/16 and is at £86,444 in 2016/17.



Investing in the operational staff is an ongoing priority and should lead to extra productivity. Multiskilling, reducing pre-inspections, putting faith in the operatives to complete work without interference will support a trend to greater value of work completion per operative as time goes on.

### Interpretation of data

The table below shows the trend in some of the measures used in this publication. These are average figures and although it is relevant to compare the trends over time the averages do mask variations in some measures.

Some changes are open to interpretation for example PI 18, training days per employee, is considered to have improved if more training is provided and PI 20 percentage of inspections carried out is also considered to have improved if the rate has decreased.

Over the duration of data collection (from 2001-02 to date) the trend shows continued improvement in all but one measure which is to be expected as the measure relates to labour costs and reflects the introduction of the National Minimum Wage increase and the move by local authorities to become Living Wage employers; these labour cost rises are not of course considered as a 'negative' by APSE but they nevertheless have a bearing on cost based performance indicators. The figures provide reassurance that there is a continued trend for improvement. It is difficult to identify specific reasons for particular changes but developments in efficiency in general including investments in ICT, mobile working, shift patterns, multiskilling, diagnostic software and others will all have had an impact on many areas of performance.

By concentrating on the steps in a process many organisations have reduced the stages around a job and so benefit from quicker, cheaper work with fewer steps. The introduction of multiskilling, reducing the number of operatives involved in completing a job allied to a reduction in the number of pre-and post-inspections is one example. The impact of budget reductions will take a number of years to filter through to these averages.

Measure	Original average (first collected)	2016 - 17 average	12-month trend	Trend since original figure
01a No. of appointments	24.56%	74.37%	Improved	Improved
01b Appointments kept	93.60%	96.19%	Improved	Improved
01c Responsive repairs – appointments made and kept	36.35%	96.36%	Improved	Improved

02 Percentage of post inspections	18.34%	11.17%	Improved	Improved
08a Productive labour costs	80.51%	78.83%	Declined	Declined
10 Average value of work	£52,167	£68,768	Declined	Improved
14a Day to day completed on time	84.06%	90.85%	Improved	Improved
14b Day to day completed on time (exc. voids)	79.0%	91.78%	Improved	Improved
14c Voids jobs completed on time	76.86%	79.97%	Declined	Improved
16a Staff absence	6.64%	4.42%	Improved	Improved
18 Training for operatives	1.96	3.05	Declined	Improved
20a Re-let times for voids	62.25	47.67	Improved	Improved
20b Keys with contractor	33.81	23.30	Improved	Improved

## Conclusions

The Housing and Building Maintenance sector remains a critical service for local authorities. The ongoing improved performance of building maintenance services is a positive message at a time when local authority social housing faces unprecedented pressures on council house waiting lists. Local authorities are rapidly developing innovative solutions to housing shortages notably with the development of local authority housing companies. These new models of housing delivery provide opportunities for building maintenance and repairs teams to develop a service to these new companies; potentially creating new income streams and providing a joined-up approach to the delivery of new social housing and effective, quality assured, maintenance and repairs services. The development of local authority housing companies will be discussed at a national policy seminar on Wednesday 17 January at the Birmingham Repertory Theatre. [Click here to view more details.](#)

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