

S17. COUNCIL HOUSING INVESTMENT PROGRAMME – CONTRACT MANAGEMENT

The committee considered a report by the Directors of Development and Corporate & Housing Services providing details of the operating arrangements in relation to the delivery of the Council's Housing Investment Programme (HIP). The report set out the context, scale and diversity of the programme; the stages involved in delivering the programme; the roles and responsibilities of the relevant services, and information on areas of continuous improvement and development. David McGhee provided an overview of the report.

The committee commented on the success of the programme and asked if there were plans for further roll out, particularly in relation to improving old buildings so that any land supply issue can help to be addressed. David McGhee stated that in order to meet the local housing need there would come a point where all the soft options had been taken. The service was undertaking work to identify areas which would be suitable for the programme.

Members asked about compliance levels. David McGhee stated that there were 2,800 properties which, in line with the guidance, were exemptions or abeyances. The exemptions related to situations where there was a technical aspect of the property which prevented work being undertaken. While the abeyances were mostly where the tenants declined to have the work done or where the service could not access the property. The service was looking at a variety of methods to reduce the number of non-compliant properties.

The committee asked if the number of non-compliances had been anticipated. David McGhee stated that significant challenges with a programme of such scope and scale were expected and they would have wanted more tenants to participate. The service wanted to work collaboratively with tenants.

Members discussed that other Councils had higher compliance rates and asked why the rate was lower for Falkirk. David McGhee advised that the service intended to speak to the high performing Councils to identify, if possible, why their scores were different. He stated that the data had just recently become available.

The committee enquired if the introduction of size criteria was a reason for tenant refusal of works. David McGhee stated that there were a range of reasons for refusal and that the service contacted tenants and followed up with them on their reasons for refusal. He stated that direct contact with tenants was key to lowering non-compliance levels.

Members asked if the service was placed to successfully deliver the Energy Efficiency Standard for Social Housing (EESH). David McGhee stated that the service had carried out assessment and mapping exercises and was comfortable that the work would be delivered on time.

The committee discussed the investment programme in regard to new build Council housing and commended officers for their work on the new build projects. Members also discussed the availability of land for such projects and the Council's position of using sites in its ownership. It was suggested that the Council could work in partnership with private developers who own underdeveloped sites during a time when the market was not booming. David McGhee advised that the service was at the stage of looking at where to go next with new builds. He stated that options would be looked at and information provided to elected members.

In regard to Council house extensions and the cost of work, members asked about the number ruled out for cost and of costs being above the industry average. Robert McMaster stated that he would look at the issue and check why costs were higher than others if that was the case.

The committee asked about contract management processes and if completed contracts were reviewed at the end to ensure that any lessons learned were taken on board. Discussion highlighted a contract where after a number of issues the same contractor was used in a future contract. Robert McMaster advised that in the particular case some complaints had been received before completion of the work due to the invasive nature of the work but that overall there had been a 95% satisfaction rate. He stated that the service always sought to learn lessons and improve. He confirmed that contracts were reviewed at the end.

Members asked about properties not of a tolerable standard. Kenny Gillespie advised that the report provided a snapshot and that there needed to be agreement with the owner occupier before undertaking works. He advised that not of a tolerable standard referred to properties which were in a serious state of disrepair such as those which were not water tight.

The committee requested information on the number of contracts which were completed on time and to budget as well as those which were not. It was also requested that information on mitigating factors and variances were included to see if there were any trends.

Members asked when the strategic housing investment plan would next be brought forward for consideration. Kenny Gillespie stated that a report would be presented to elected members next year and that work was being done on it currently.

The committee asked about the low number of local firms being used. Robert McMaster stated that it was difficult to encourage more local firms to bid for a tender as that was not the role of the service. Due to national and European guidelines there was a duty to advertise contracts and as this was mostly at a national level it meant that big companies often out competed local firms. He stated that this was the case nationally. David McGhee stated that local business forums were engaged with through workshops and road shows to inform businesses on what is involved in the tender process.

Decision

The committee agreed:

- (1) to note the approach taken in respect of the development and management of the Council's Housing Investment Programme, and**
- (2) to request a report on the number of contracts delivered on budget; on time; not on time; mitigating factors, and variances: showing any trends.**