

Strategic Asset Management Services

Improving lives, creating opportunity

Our commission

To facilitate the procurement of the repairs, planned works and gas servicing and installations contract for Basildon Council with Devonshires LLP acting as legal advisers.

Client: Basildon Council

Basildon borough is the largest district authority in Essex, with a population of 180,500 people – set to grow to 194,600 by 2031. The borough has 12 small areas which fall within the 10% most deprived in England.

Basildon Borough Council is responsible for 13,000 homes including around 2,000 leaseholders.

Project overview

Basildon Borough Council sought to work closely with the successful service provider to achieve exemplary performance / service delivery and continuous improvement over the life of the programme and to benefit from:

- Reduced capital costs and whole life costs.
- Reduced accidents.
- Reduced risk to all stakeholders.
- Increased predictability and cost certainty.
- Increased productivity.
- Improved quality.
- Improved sustainability.



“ ”

“Employing a procurement specialist, such as echelon, at an early stage of the process, allowed Basildon Borough Council to maximise the opportunity to engage with all stakeholders, define clearly what it wanted from the contract and also to procure this in a timely and effective manner.”

James Henderson
Property Services Business Manager
Basildon Council

The solution

echelon undertook an initial scoping exercise to gain an understanding of Basildon Council's primary objectives and aspirations for the new service, which included:

- An internal stakeholder workshop to identify strengths and weaknesses of the existing service and to identify aspirations for future delivery.
- Workshops with Basildon Council's primary incumbent contractors to establish their perspective on the existing delivery model and how the service could be improved.
- A workshop to develop the Price Per Property model (PPP) as it was decided early on in the process to move away from a traditional schedule of rates approach.

57 specific improvements were identified, all of which were incorporated as requirements in the development of the tender documents and the new service going forward.

Key outcomes

- A single provider to deliver all services as a single integrated model using a long-term contract to encourage investment from the service provider and its supply chain.
- A move away from traditional pricing models to place more emphasis on the actual cost of service delivery using a PPP and 4-star gas model.
- A commercial model that encourages the service provider to drive down delivery costs while driving up performance.
- Emphasis was placed on the capacity of the service provider's ICT to deliver the council's current and future needs.
- Highly detailed requirements for social value were written into the contract (see section on reverse).
- Using data and delivery model (through pilot property MOT etc) to reduce the number of visits to each property and reduce costs.
- A move to a 'fix now' and 'fix at the tenant's convenience' delivery model to reduce end-to-end times.
- Adopting a competitive dialogue procurement process to ensure the optimum delivery model was developed and tenderers' offers better reflected Basildon's requirements.

Conclusion

Morgan Sindall Property Services was appointed in July 2016 to deliver the £336.7 million contract over 15 years. Following a robust mobilisation programme facilitated by echelon, it is carrying out repairs, maintenance and planned improvement works to the council's housing stock. It is also undertaking repairs and maintenance work to its non-residential properties as well as undertaking gas servicing, repairs and boiler renewals to 10,000 domestic gas heating systems.

Responsive repairs and planned works are delivered using echelon's Price Per Property model with planned works using a hybrid of archetype and schedule of rate pricing.

The gas servicing, breakdown and installation elements are delivered using the echelon 4-star gas model. Morgan Sindall is paid a fixed annual price for the servicing and breakdown of the heating system but with the addition of the replacement of all boilers over the 15-year life of the contract.

The new contract is delivering a more efficient, customer-focused service for residents and has so far demonstrated a £1 million saving, a sum, which is set to increase to £2 million with the addition of workstreams as existing contracts expire.

A dedicated contact centre has been set up delivering a better reporting process for repairs, a new appointment system ensures every tenant is offered the most efficient appointment slot or one best suited to them and a new works management and scheduling system is being developed to enable planned works to be carried out more efficiently.

A handyperson service carries out works to communal areas in sheltered schemes and plans are in the pipeline to extend it to cover small DIY projects for tenants, for a small fee.

The new contract is delivering a more efficient, customer-focused service for residents and has so far demonstrated a £1 million saving, a sum, which is set to increase to £2 million with the addition of workstreams as existing contracts expire.



Basildon Borough Council is responsible for 13,000 homes including around 2,000 leaseholders

Delivering social value through procurement

Basildon has the third highest percentage of unemployed people in "political Essex" – the area covered by the County Council – and the 2nd highest number of long-term unemployed.

As part of the contract Morgan Sindall was required to support increased employment in identified priority districts and set up social enterprise BasWorx to deliver training, apprenticeships and employment for Basildon residents through the delivery of a painting and decorating service.

There have been three cohorts of apprentices, ranging in age from 16 to 54, and the team have successfully completed cyclical and planned decorating work.

BasWorx has also given long-term work experience placements to residents, as well as hosting job clubs, attending careers fairs and participating in mock interviews and careers events at local schools.

echelon Consultancy Limited
echelon House
219a Hatfield Road
St Albans
Herts
AL1 4TB
T: 01707 339800
E: info@echelonconsultancy.co.uk
www.echelonconsultancy.co.uk

Follow us:



@echelonltd