

Pinnacle Facilities Management **Clapton Park Tenants Management Organisation (TMO) Case Study**

Method of Procurement & Volume of Contract

Pinnacle demonstrates our track record of delivering services hand-in-hand with residents. It is a contract where we have been appointed directly by residents and are monitored on a day by day basis by residents. It also demonstrates our ability to deliver neighbourhood services. Cleaning is a core part of this contract and one of the key aspects of interest to residents but is provided as part of a range of services.

Clapton Park is a TMO in the London Borough of Hackney, East London. Whilst it has been in operation for over 10 years, in 2005 the Borough considered that the services did not provide value for money and that following a Best Value review, services should be tendered to test the market and see if better value could be achieved.

The TMO still retain management of all services and budgets but have appointed a long-term partner to carry out the day-to-day management - reporting to the TMO committee on a monthly basis. The Council oversaw the procurement to ensure proper process but the contractual relationship is one directly between the TMO Committee and Pinnacle.

Pinnacle were successful in a competitive tendering process and awarded a contract commencing in January 2006. Tenders were assessed on a combination of quality, price, site visits and presentations. The Pinnacle price represented an annual saving to the TMO of £500k - a 33 per cent reduction on previous operating costs.

Nature of Work Undertaken

Pinnacle is responsible for the day-to-day Housing Management and Facilities Management services delivered to 1,200 properties in Hackney, East London. This includes:

Housing Management

- Repairs & Maintenance
- Provision and Management of Local Maintenance Operatives
- Tenancy / Leasehold Management
- Anti-Social Behaviour Case Management
- Provision and Management of Local Neighbourhood Warden Service
- Rent Arrears Case Management
- Voids Reservicing

Facilities Management

- Provision and Management of Estate Cleaning Service
- Provision and Management of Bulk Refuse Collection Service
- Grounds Maintenance (performance management of the existing TMO contractor)
- Provision of any additional deep cleans or graffiti removal

Cost Model and Incentives / Shared Savings

The contract is based on a fixed price agreed between Pinnacle and the residents on an annual basis. This is a real partnership approach based on trust and a willingness to listen to what residents want. Our fee is based on the successful delivery of the service and standards agreed with the residents each year.

Form of Contract Used

We have a 5-year contract with the TMO which started in January 2006. The contract has an option of a one-year extension at the end of the initial 5-year period. Although the contract is let on a traditional client / contractor basis we are expected to work in partnership with the community to deliver joint targets.

Details of KPI's and Performance Achieved

We have included all performance data since the contract commenced to demonstrate all the improvements since Pinnacle were appointed as well as improvements in the cleaning service generally.

Rent Collection

Pinnacle has significantly reduced the level of outstanding rent arrears within the Clapton Park contract. Clapton Park is also the only contract area (TMO or ALMO) within Hackney to have reached its Hackney Homes performance targets for the current financial year.

| KPI | 16/01/2006 | 27/03/2006 | 25/09/2006 | 26/03/2007 | 24/09/2007 | 17/12/2007 |
|------------------------------|------------|------------|------------|------------|------------|------------|
| Overall Rent Collection (%) | 98.59% | 99.33% | 99.97% | 100.65% | 101.84% | 101.62% |
| Arrears as a % of Rent Debit | 14.11% | 13.64% | 11.54% | 9.51% | 7.29% | 6.93% |
| Average Debt per Property | £592.83 | £568.30 | £510.75 | £415.60 | £335.53 | £320.59 |
| Total Arrears Outstanding | £458,904 | £450,665 | £403,493 | £327,908 | £263,723 | £251,983 |

Void Turnaround Times

Pinnacle have significantly reduced the empty property re-servicing turnaround times, with Clapton Park's performance now comparable with that of the ALMO, better than the Hackney Homes corporate target of 25 days and significantly better than the average TMO performance in Hackney.

| KPI | 2005/2006 | 2006/2007 | April 2007 / December 2007 |
|--|-----------|-----------|----------------------------|
| CPMO Turnaround Time (days) | 85.00 | 31.00 | 19.77 |
| TMO Average (days) | n/a | n/a | 26.49 |
| ALMO Neighbourhood Office Average (days) | n/a | n/a | 19.69 |
| Hackney Homes Target (days) | 28 | 28 | 25 |

Grounds Maintenance

Pinnacle has worked closely with the TMO's existing grounds maintenance service provider to ensure that service levels are maintained and improved across the estate. Surveys carried out amongst residents showed satisfaction levels in excess of 90 per cent with the service provided. Pinnacle normally provides cleaning and grounds maintenance services as part of our delivery model. In this instance, we worked with residents and agreed that the current established provider delivers excellent services and very high levels of satisfaction. Residents would benefit from Pinnacle as a client rather than contractor role and we have worked within this framework. If residents are satisfied and services are working then we will adapt our services to reflect this.

Estate Cleaning

Pinnacle took over the Cleaning Contract from Wettons in June 2006. Whettons staff were all subject to a TUPE transfer. Surveys amongst residents show improved levels of satisfaction across the board with the standard of the cleaning service provided. Monitoring of the service since commencing the contract in June 2006 show 96% of cleaning tasks inspected as being satisfactory or better.

As part of the new contract and working arrangements we have:

- Merged housing and cleaning staff, all working from the local office
- Introduced new rotas
- Set up training for all staff
- Developed a code of conduct for all staff
- Developed a cleaning charter
- Added flexibility into working practices, to reflect resident requirements
- Introduced new equipment including a bulk removal service
- Introduced new supervision schedules
- Introduced a performance management regime

Examples of Customer Involvement and in Service Delivery

We have worked very closely with the Board and Residents to shape the service offered in Clapton Park and deliver a close working relationship. Specifically we have:

Attended Estate Management Board Meetings

Pinnacle's Contract Manager Team attends the monthly TMO Board Meetings to meet with Board members to discuss the service and provide a written report, including cleaning, prior to each meeting.

Resident Liaison Meetings

In addition to attending formal Board Meetings, Pinnacle have introduced regular Resident Liaison Meetings to provide non-Board Member residents the opportunity to meet with senior management to discuss performance and service improvements they would like to see occur on the estate.

Specialist Surgeries at the Neighbourhood Office

Following demand from residents, Pinnacle has set-up specialist cleaning and Anti-Social Behaviour surgeries at the Neighbourhood Office. These enable residents to come in at set times during the week to talk to relevant officers involved in the above areas, with problems often dealt with on-the-spot by that officer, including all matters relating to estate cleaning. Site inspections are carried out if there are any performance issues relating to cleaning.

Joint Estate Inspections

All cleaning and repair inspections of communal areas carried out by the Housing Management Team and Estate Services Manager are advertised to residents in advance, with residents actively encouraged to participate in these walkabouts.

Details of IT

Pinnacle uses the TMO's corporate housing management system, Saffron, to deliver housing management services as well as record and monitor customer satisfaction and complaints.

How the Supply Chain is Managed

Since the commencement of the contract, Pinnacle have undertaken a review of the TMO's supply chain partners with an emphasis upon ensuring best value and where-ever possible, supporting the local community by utilizing local suppliers to help deliver services to the TMO. On the maintenance side, this has seen Pinnacle introduce a local glazing company (Direct Glass and Glazing) to provide reglazing services for the TMO and utilizing a Hackney-based building supplies company (MP Building Supplies) to provide a significant proportion of the materials needed by our in-house Maintenance Team. On the estate services side, Pinnacle have retained a small local grounds maintenance supplier (The Grassroof Company) due to its pre-existing popularity amongst residents and the TMO Board.

Added Value to Contract & Problem Solving

Pinnacle has introduced initiatives across the Board designed to improve the service delivered to the residents of Clapton Park. All these have been introduced within our core price. These initiatives have included:

Redesigned Neighbourhood Office Reception Area

Pinnacle have worked closely with the Board to redesign and relocate the Neighbourhood Office reception in order to create a more attractive, friendly and welcoming environment, that is child-friendly and fully DDA compliant reception area. This has also united cleaning and housing staff working together in the same environment.

Extended Neighbourhood Office Opening Hours

To improve access to services, Pinnacle have introduced weekly one-night a-week late night opening until 7pm, along with Saturday afternoon opening once-a-month to deal with all management issues including cleaning.

Turkish Language Surgeries

To reflect the high level of Turkish speaking residents within the contract area, Pinnacle have introduced specialist Turkish language housing surgeries. These are carried out during our extended opening hours in order to provide maximum access for Turkish residents.

24-Hour Freephone Repairs / Cleaning / Bulk Refuse / A.S.B. Hotline

In conjunction with Pinnacle's Homecare service, a 24-hour freephone telephone service has been introduced for residents of Clapton Park enabling them to report both emergency and non-emergency problems at their convenience. Any service complaints about cleaning can be made at any time including weekends and evenings.

Dedicated Estate Services Manager

Pinnacle have restructured the staffing of the Neighbourhood Office, introducing a dedicated Estate Services Manager with overall responsibility for the delivery of the Cleaning and Grounds Maintenance service. The Estate Services Manager is based full-time at the Neighbourhood Office, enabling him to work closely with the Housing Management Team in dealing with cleaning and grounds maintenance issues as they are highlighted.

Free Bulk Refuse Collection Service

Pinnacle have introduced a local free bulk refuse collection service available to all residents of Clapton Park. This has significantly improved the estate environment and led to increased satisfaction levels.

Grounds Maintenance Initiatives

Pinnacle have worked closely with the TMO and the local grounds maintenance service provider to successfully obtain external funding to pay for new landscaping projects across the Estate. We have also introduced an annual "Green Day" to encourage residents to get involved with planting and provided full support to the provider and TMO in their submission and exhibition at the 2007 Chelsea Flower Show.

Community Response Team

Pinnacle have successfully introduced a local Neighbourhood Warden service into the Clapton Park contract area. Their performance has received considerable praise from both local residents and the police Safer Neighbourhoods Team in terms of the impact they have had in discouraging low-level anti-social behaviour and nuisance within the Clapton Park area. Their input has assisted in reporting cleaning and environmental issues.

Customer Survey

A cleaning survey was carried out in February 07, involving 10% of residents. The results were as follows:

| Question | Score (out of 10) |
|---|-------------------|
| Overall quality of internal cleaning in Communal areas to your block. | 8.25 |
| Overall Quality of External Cleaning Provided on Your Block | 8.14 |
| Cleanliness of Floors / Landings | 7.49 |
| Cleanliness of Stairs / Lifts | 7.42 |
| Cleanliness of Reception / Entrances | 7.62 |
| Cleanliness of Communal Windows | 6.07 |
| Cleanliness of Refuse Rooms / Chute Rooms | 7.33 |
| Cleanliness of Light Shades / Removal of Cobwebs | 7.75 |
| Replacement of Light Bulbs | 7.88 |

Our neighbourhood approach to problem solving is well illustrated in this case study. We hope that the panel are able to undertake a site visit, as Clapton Park is an oasis of high quality services in a borough where there are very difficult management issues. Improving the cleaning has been a core part of changing perceptions. The underlying principle though has been the relationship with residents and the resident panel. All the improvements have only been possible with the development of an extremely positive partnership. We believe that this relationship sits at the heart of all that has been achieved at Clapton Park. It typifies Pinnacles approach to cleaning and neighbourhood management.

Significant reductions in cost have been achievement with service improvements. This is a model of residents setting an agenda, developing a partnership with Pinnacle and then services developing in an innovative open and trusting climate.

Further information and clarification from:
Pinnacle Facilities Management
01245 455180