

# Workshop 2C:

## Achieving significant savings in repair service

Speaker: Richard Woolfall (Your Housing Group)

Chaired by: David Jervis (Suffolk Housing)

Room: Queens Room



# **YOUR HOUSING GROUP**

## **Achieving Significant Savings in Repairs Service**





**YHG VISION:**

**Creating more places to thrive.**

**YHG Mission:**

**Through our innovative approach  
we will finance, build and manage  
more homes to increase choice  
and drive value for our customers.**

# ABOUT YHG

**Over 28,000 homes across the North West, Yorkshire & Midlands.**

- **We provide affordable homes to rent and homes for sale, both outright and through shared ownership (PRS)**
- **We provide specialist retirement solutions for older people, hostels and foyers**
- **Management of our Private Rented stock is via NuVu Living and our Retirement Living brand – Peachtree**
- **Plans to build a minimum of 1,000 homes a year**
- **Our Asset investment is focused on investing in our sustainable communities.**

# **SECTOR CHALLENGES**

## **Housing Sector**

- **Rising build costs, reduced grant & declining rental stream**
- **Greater customer choice from rental sector**

## **Government Policy**

- **Welfare reform direct impact on rent arrears**
- **The 1% rent reduction severely impacted rental income**

## **Societal Pressures**

- **250,000 new homes needed every year**
- **Ageing population placing additional strain on sector resources**

# THE YHG JOURNEY

## Creating the Structure

- Single Operating, Finance and Governance model

## Creating Capacity

- Reducing Costs
- Creating Digital Capacity
- Establish an In-House Contractor

## Perfecting the Model

- Improve the Repairs Service
- Invest in Sustainable Stock
- Deliver New Homes

# **THE CHALLENGE – IMPROVING OUR REPAIRS SERVICE**

- **Variable customer experience**
- **Changing Customer Base**
- **Commerciality versus social purpose**
- **Different services for different segments**
- **How to bring tenants with you**
- **How basic is basic**
- **Addressing the back office challenge of administering the service**

# **VARIABLE CUSTOMER EXPERIENCE:** **Historical Legacy**





# COMPLEX LANDSCAPE

**11 different service standards, and localised management practices.**

**Variable service and performance, with differing customer expectations and experiences.**

**Office network and structure reflects our history not our future.**

## **IF TESCO MANAGED A HOUSING ASSOCIATION ??**

An aerial photograph of a construction site, likely a bridge or large-scale infrastructure project. Two massive lattice-boom cranes are the central focus, their long jibs extending across the frame. Below them, a dense residential neighborhood with rows of houses is visible. The sky is overcast. The image has a greenish tint, and the text is overlaid in the upper left quadrant.

# **COMMERCIALITY VERSUS SOCIAL PURPOSE:**

**Defining what kind of repairs we  
want to offer.**

# **THE HOUSING SECTOR IS CHANGING, THE MARKET IS EVOLVING.**

**Rising building costs and increased choice in the housing market.**

**Pressures due to changes in Government policy.**

**Societal changes that mean demand for rental is at a high.**

**WE RECOGNISED THE NEED TO EVOLVE OUR MAINTENANCE SERVICE TO RESPOND TO THE CHALLENGE OF HOUSING SUPPLY.**

A woman and a man are shaking hands on a balcony. The woman is on the left, wearing a grey long-sleeved top, and the man is on the right, wearing a dark jacket. They are standing in front of a brick wall and a metal railing. The image has a green tint.

# **DIFFERENT SERVICES FOR DIFFERENT SEGMENTS:**

**Designing our service model to  
reflect the needs and diversity of  
our customers.**

# **MARKET AFFORDABLE SERVICES, 'THE REPAIRS PLAY BOOK'.**

**Centralised  
service standards.  
A set of rules for  
core and  
enhanced  
services.**

**Centralised  
service delivery  
controls. The  
Maintenance Hub.**

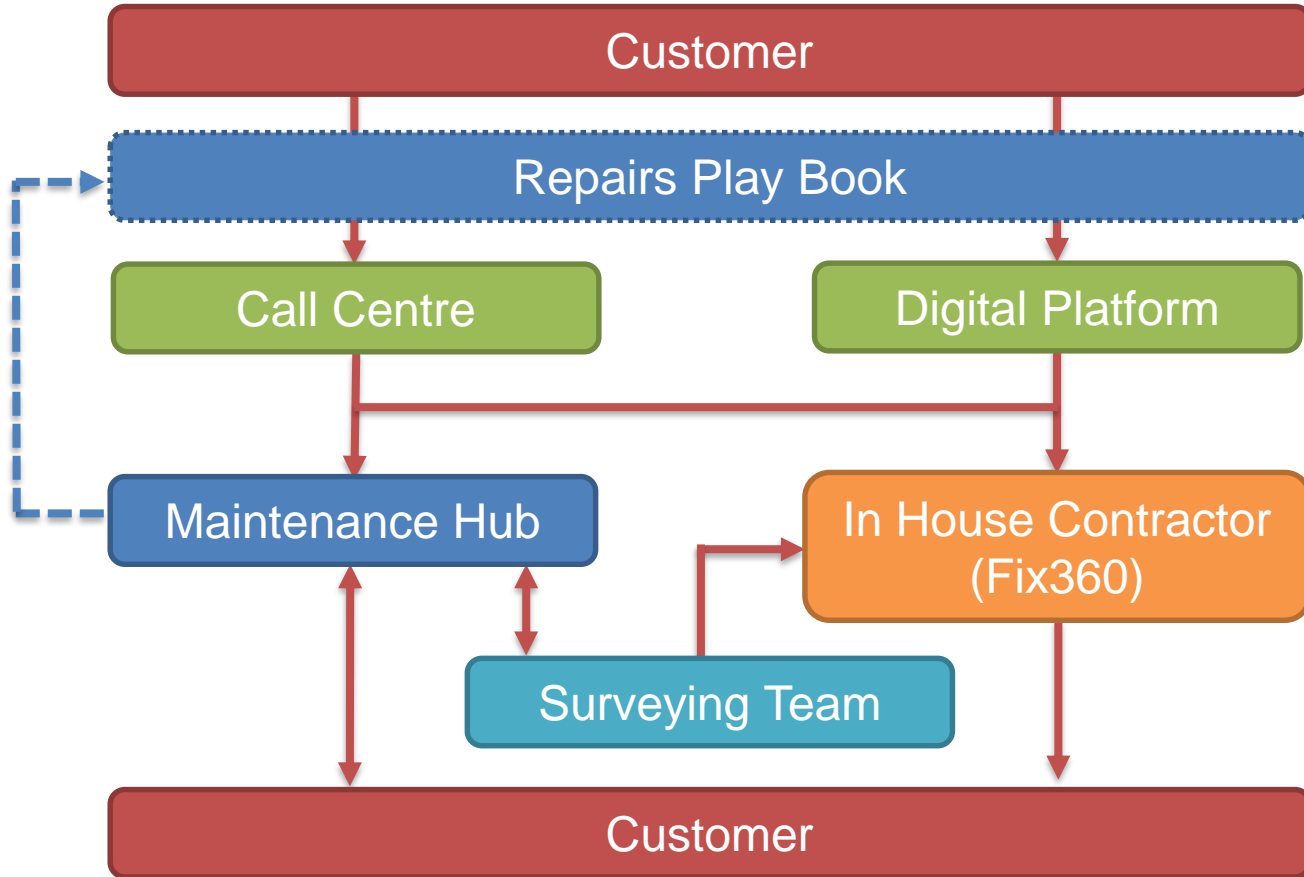
**Localised  
delivery model.  
In-house  
contractor and  
thin client.**

## **CUSTOMER KNOWLEDGE IS KEY.**

# THE REPAIRS PLAY BOOK

Building Element	Building Item	Maintenance Item	Responsibility	Service Action	Service Charge Item	Rechargeable Item
Roofing	roof	roof structure, roof covering and chimney repairs & leaks	YHG	contractor	yes - if communal	n/a
	gutters, gullies & rwp	gutter & gully repairs and clearance of blockages causing a building defect	YHG	contractor	yes - if communal	n/a
	gutters	clearance of gutters and other rain water goods	resident	resident	yes - if communal	yes
	rwp	make safe defective rain water goods, soffit and fascia	YHG	contractor	yes - if communal	n/a
External Finishes	structural	major structural defects	YHG	surveyor	no	n/a
	brickwork	significant render & brickwork repairs	YHG	surveyor	no	n/a
	cladding	external façade including wooden cladding	YHG	contractor	no	n/a
	dpc	failed dpc repairs	YHG	surveyor	no	n/a
	dampness	penetrating dampness repairs	YHG	surveyor	no	n/a

# THE MAINTENANCE HUB



An aerial photograph of a residential neighborhood, showing a mix of multi-story apartment buildings and smaller houses. A prominent church steeple is visible in the upper center. The image is overlaid with a dark green tint.

# **HOW TO BRING TENANTS WITH YOU:**

**Especially if you begin to  
charge for services.**



# COMMERCIAL MIND WITH A SOCIAL HEART.

**Allow tenants to be part of the conversation.**

**Listen to tenants.  
Lose the housing 'ego'.**

**Define tenant vulnerability in terms of operational delivery.**

**Offer the option of an enhanced service standard at a market sustainable cost.**

## NEED FOR CONSISTENCY IN DECISION MAKING.

# **ADDRESSING THE BACK OFFICE CHALLENGES:**

**Embracing the digital  
environment.**



# CHANGING CUSTOMER BEHAVIOURS

In recent years, most people have changed...

How they  
**watch TV**



on-demand via  
NetFlix, Amazon,  
HBO GO, etc

How they  
**research**



anywhere and anytime  
using smartphones and  
tablets

How they  
**communicate**



using social media;  
Facebook; Pinterest

How they  
**shop**



“Showrooming” and  
buying it cheaper  
online

What they  
**expect**



based on experiences  
with Apple, Amazon,  
Trader Joes, etc

# THE NEW YHG OPERATING MODEL.

**Utilise new technologies to make housing 50% cheaper to run.**

**Collapsed Group structure with simplified governance.**

**New digital platform and 'Thin Client' Structure.**

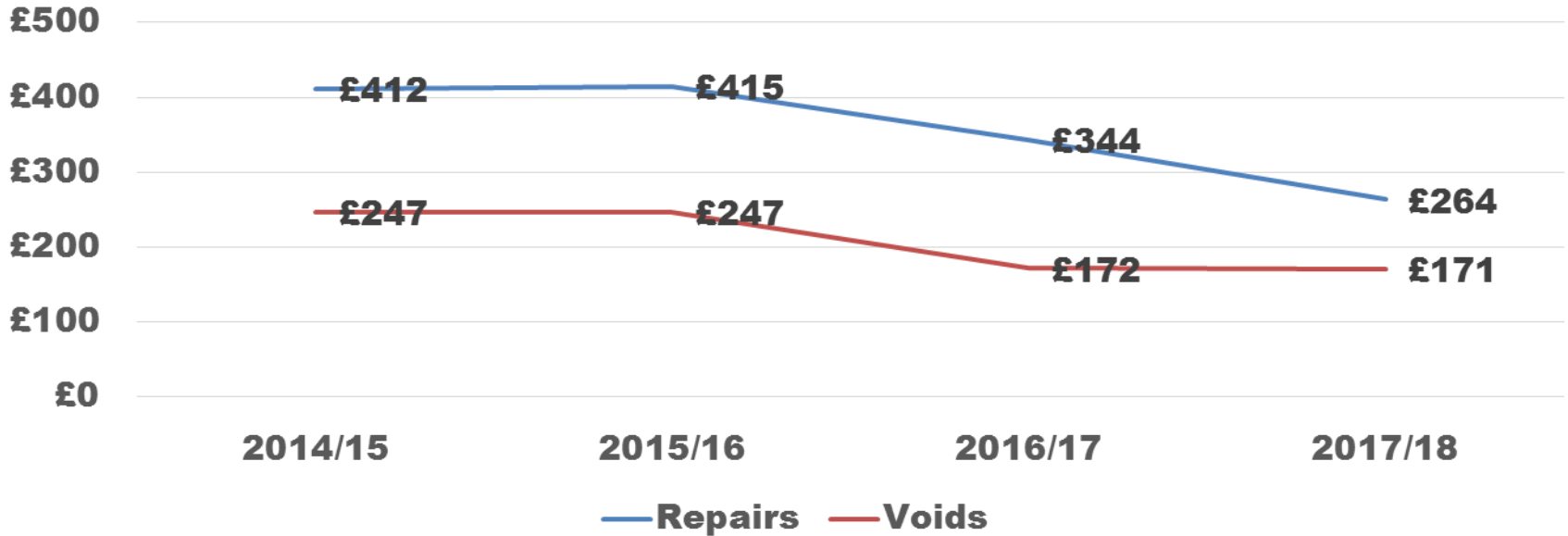
**EFFICIENT MANAGEMENT SYSTEMS THAT SUPPORTS CUSTOMER BEHAVIOUR**

# ASPIRING TO SECTOR LEADING STANDARDS: Efficiency and productivity.



# REPAIRS EXPENDITURE PROFILE

## Unit Costs (incVAT)



# **THIN CLIENT MAINTENANCE SERVICE @ 3%.**

**Market  
sustainable  
service  
standards.**

**Centralised  
service standards  
with localised  
delivery.**

**Financial  
modelling with a  
focus on detail.  
Follow the cash  
not the repair.**

**36% (£2.6M PA) REDUCTION IN  
REPAIRS EXPENDITURE.**

# OUTCOMES ACHIEVED IN NUMBERS

## Before

**33,000 properties**

**No. offices 28**

**Client Service Fee 6.3%**

**Repair £/unit £412**

**Repair #/unit 2.5**

**Ave. days/repair 9.4**

**Voids £/unit £247**

**Stock surveys 22%**

## Now

**29,300 properties**

**No. offices 11**

**Client Service Fee 3.1%**

**Repair £/unit £264**

**Repair #/unit 1.7**

**Ave. days/repair 7.6**

**Voids £/unit £171**

**Stock surveys 91%**



**THANK YOU**  
**QUESTIONS?**



**Richard Woolfall**

**[richard.woolfall@yourhousinggroup.co.uk](mailto:richard.woolfall@yourhousinggroup.co.uk)**