

**From:** Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

Rebecca Spore, Director of Infrastructure

**To:** Policy and Resources Cabinet Committee – 19<sup>th</sup> January 2022

**Decision No:** N/A

**Subject:** Total Facilities Management Bi-Annual Review

**Classification:** UNRESTRICTED Report

**EXEMPT Appendix A - not for publication. By virtue of paragraphs 3 and 5 of Part 1 of Schedule 12A of the Local Government Act**

**Electoral Division:** All

**Summary:** This paper updates Members on the current performance of the Total Facilities Management Contractors.

**Recommendations:** The **Policy and Resources Cabinet Committee** is asked to **note** the current performance of Total Facilities Management Contractors.

## 1. Background

- 1.1 Following the adoption of the Corporate Landlord Model, Kent County Council (KCC) entered into three area based Total Facilities Management (TFM) Contracts with Amey for Mid-Kent, Skanska for West-Kent and Kier for East-Kent, for the delivery of Facilities Management (FM) services. These contracts have been in place since October 2014.
- 1.2 The Kier contract area, following a mini competition, was since awarded to Skanska and has been operational since January 2020.
- 1.3 The contracts with Amey and Skanska have been extended until October 2022, with the option to break from May 2022.
- 1.4 The current poor condition of the KCC estate, and the historic lack of asset replacement and capital investment in buildings has placed increasing pressure on the delivery of FM services.
- 1.5 The key objectives for the FM service delivery arrangements are:
  - FM service delivery standards should be consistent and responsive to service requirements and required standards.
  - FM services should deliver value for money for Kent and ensure that the Council meets its statutory responsibilities.

## 2. Current Operating Model

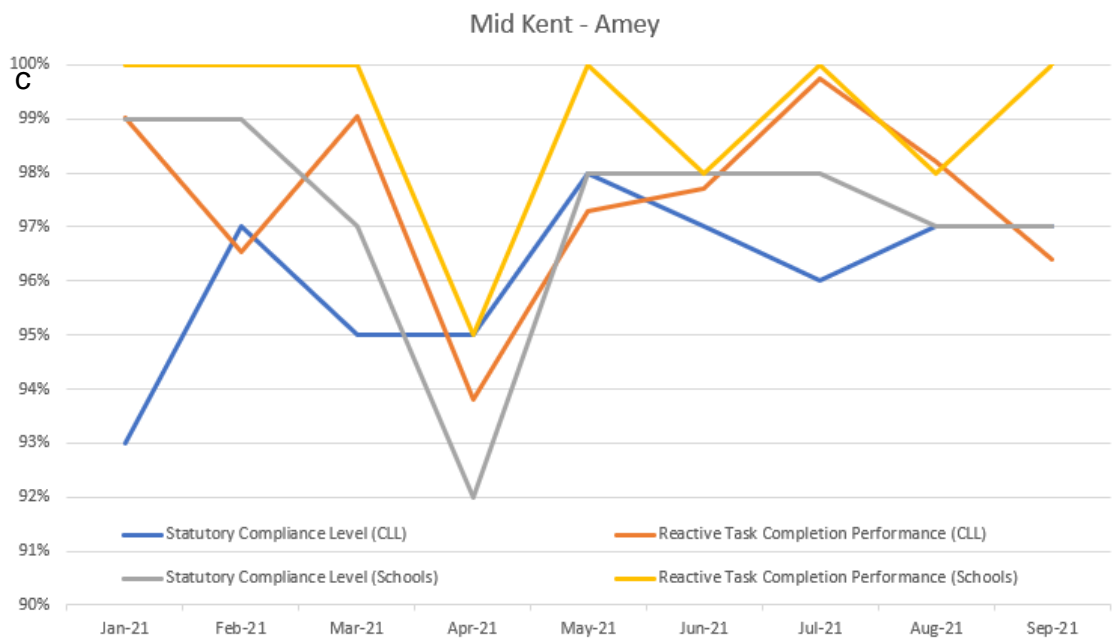
- 2.1 Prior to April 2020, KCC procured managing agent services from Gen2 Property Ltd, to provide contract management services with the FM providers (Amey and Skanska), undertaking day to day service delivery. From April 2020, Gen2 staff TUPE-transferred into the KCC Infrastructure Team along with the accountability for the contract management functions.
- 2.2 The core FM service includes statutory testing, output based cleaning with standards adapted to use of the area, security and some mobile handymen. In addition, the TFM core service includes a 24/7 Helpdesk for emergency requests, reactive requests, reception cover, waste management, pest control and an internal and external mail room service.
- 2.3 Areas not covered by the core service are commissioned on a case-by-case basis. This includes reactive maintenance, additional security, deep/periodic cleaning, pest control, handyman duties, grounds maintenance and other ad hoc requirements not included in the core service.

## 3. Future Operating Model

- 3.1 The current TFM contract expires on 31<sup>st</sup> October 2022, and we are currently in the process of re-procuring services.
- 3.2 The model being procured will disaggregate the contract into separate hard and soft FM contracts. There will be one hard FM provider across the authority's estate covering elements such as, but not limited to, planned preventative maintenance, statutory compliance and reactive maintenance. There will be multiple soft FM contracts for cleaning, waste, security, soft-landscaping and pest control.

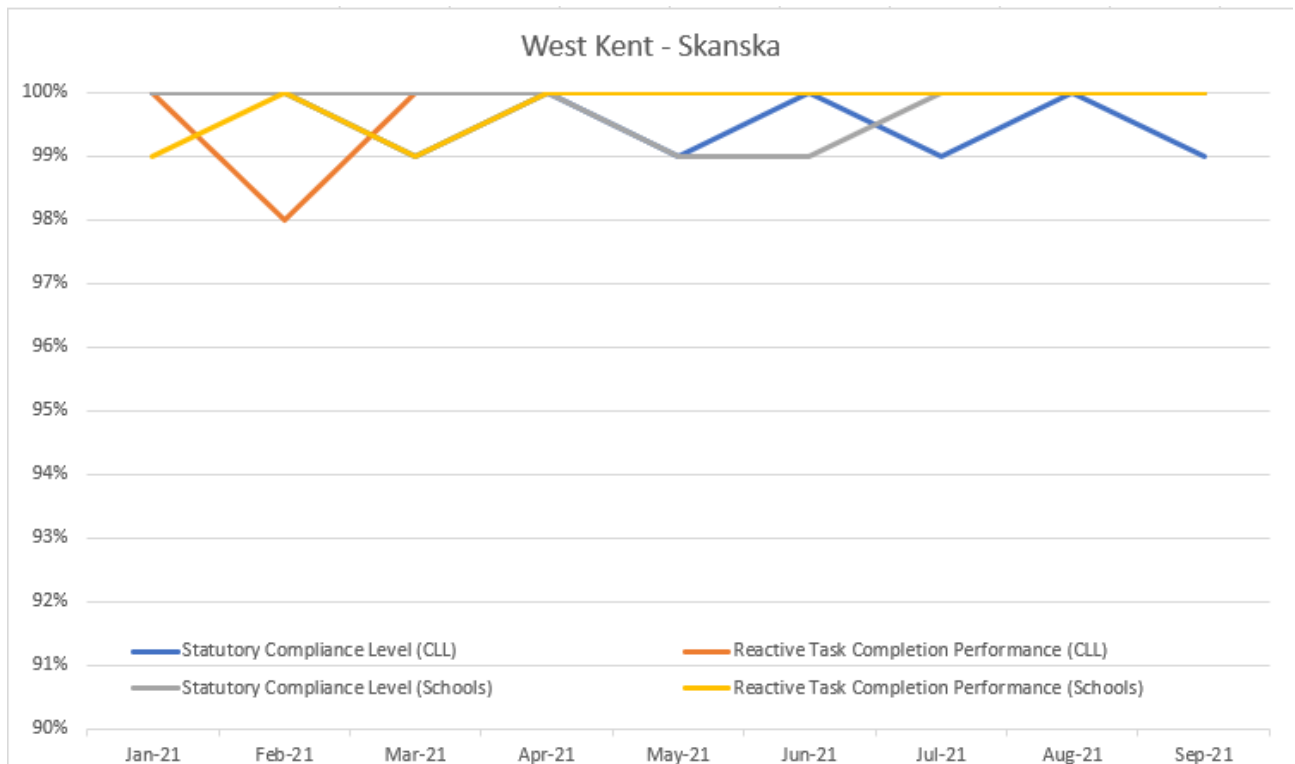
## 4. TFM Performance (Contractual including KPIs)

- 4.1 The Key Performance Monitoring data is included within Appendix A, for the period of January 2021 to September 2021.
- 4.2 Overall Mid-Kent compliance performance (Amey) has continued to improve from the last reporting period:



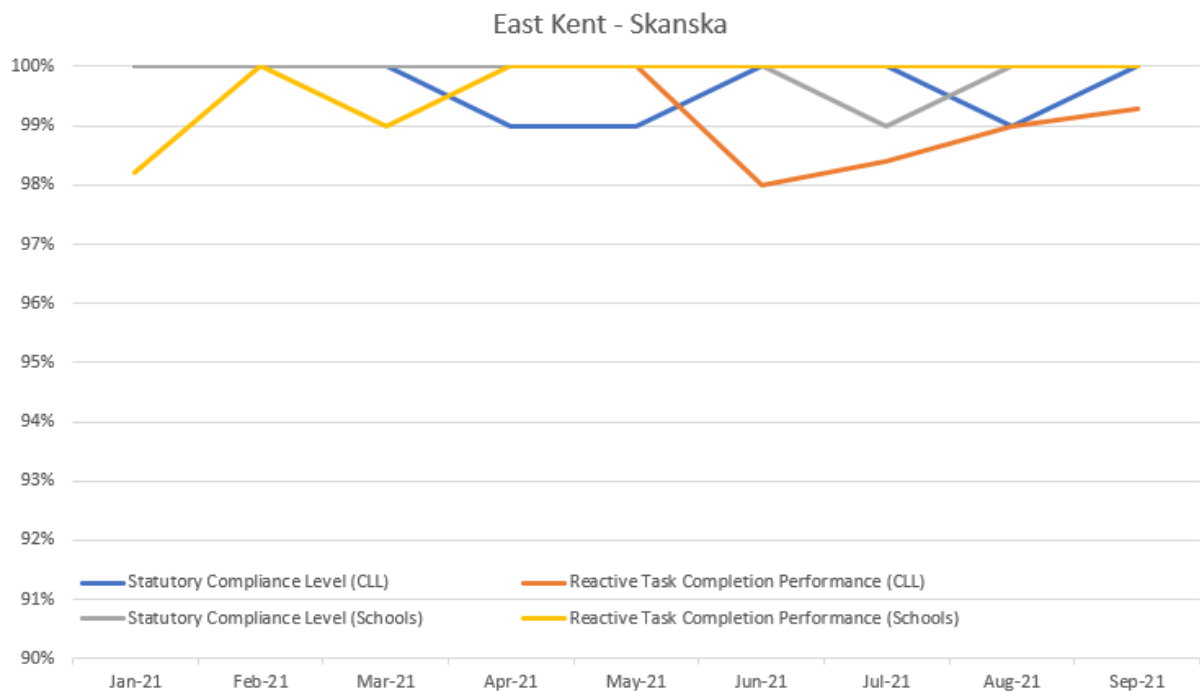
- The average compliance for the Corporate Landlord (CLL) portfolio from the last reporting period was 97.66% and for the period January 2021 to September 2021 this has fallen slightly to 96.11%.
- The average performance on closing reactive tasks from the last reporting period was 92.70% and for the period January 2021 to September 2021 this has increased to 97.53%.
- The average compliance for the school portfolio from the last reporting period was 86.95% and for the period January 2021 to September 2021 this has increased to 97.22%.
- The average performance on closing school reactive tasks from the last reporting period was 87.30% and for the period January 2021 to September 2021 this has increased to 99.00%.

4.3 Overall, West-Kent compliance performance (Skanska) has continued to improve from the last reporting period:



- The average compliance for the CLL portfolio from the last reporting period was 92.68% and for the period January 2021 to September 2021 this has increased to 99.56%.
- The average performance on closing reactive tasks from the last reporting period was 99.00% and for the period January 2021 to September 2021 has increased to 99.78%.
- The average compliance for the school portfolio from the last reporting period was 88.10% and for the period January 2021 to September 2021 this has increased to 99.78%.
- The average performance on closing school reactive tasks from the last reporting period was 99.80% and for the period January 2021 to September 2021 has remained consistent at 99.78%.

4.4 Overall, the East Kent compliance performance (Skanska) has continued to improve from the last reporting period:



- The average compliance for the CLL portfolio from the last reporting period was 95.98% and for the period January 2021 to September 2021 this increased to 99.67%.
- The average performance on closing reactive tasks from the last reporting period was 99.50% and for the period January 2021 to September 2021 this has remained consistent at 99.41%.
- The average compliance for the school portfolio from the last reporting period was 76.02% and for the period January 2021 to September 2021 this has increased to 99.89%.
- The average performance on closing school reactive tasks from the last reporting period was 99.70% and for the period January 2021 to September 2021 this has remained consistent at 99.69%.

4.5 The statutory compliance Key Performance Indicator (KPI) is sourced from two KPIs; statutory maintenance and inspections and updating statutory records. In summary, this is measuring how many statutory tasks were due in the month and comparing these to how many were completed on time. This includes all level of testing, not just key compliance areas. The measurement methodology is that each task is only considered as complete and having passed it's KPI if it was completed on time and evidence of completion i.e. certification, is available on the Computer Aided Facilities Management System (CAFM).

4.6 This results in the statutory compliance statistics show a lower performance level than is the case. Tasks which are completed one day late or beyond or where evidence of completion was not available in a timely manner, are failed, even though the site remains compliant with statutory requirements. The KPI shows TFM contractor's performance against the contract and not necessarily the level of statutory compliance being achieved across KCC.

4.7 Both of the TFM Contractors have had KPI deductions, primarily due to delays in obtaining compliance documentation, which is a contract non-compliance but not

necessarily statutory non-compliance. Reactive tasks not completed within the contractual Service Level Agreement (SLA) have also contributed to KPI deductions.

- 4.8 For the period January 2021 to April 2021, Skanska requested for the relaxation of the KPI, based upon the extraordinary circumstances with the COVID-19 pandemic. Skanska and their supply chain experienced some delays in completing planned and reactive tasks within the SLA/due dates, as a direct result of the challenges from sites for allowing access.
- 4.9 Overall, the services in this period have remained stable with both contractors. However, both have experienced access issues, particularly in schools, due to the COVID-19 pandemic. A process has been put in place to manage these issues with KCC Area Education Officers.

## **5. TFM Performance (Non-KPI related)**

### **5.1 Summary**

- 5.1.1 The last twelve months has presented several service challenges as COVID-19 continues to impact both KCC and the TFM contractors, creating a changed operating environment and service delivery. The challenges have presented a platform for Skanska, Amey and KCC to continue to build, maintain and enhance the ongoing partnership now and in the future.
- 5.1.2 This approach is demonstrated through the continuous engagement, staff attitude, and the providers taking on additional duties, at no cost to KCC, whilst supporting a considerable de-scope in service and delivering cost savings to the Council. The TFM contractors took considerable steps in supporting KCC in establishing the Asymptomatic Testing sites where their resources allowed, as well as delivering testing kits to the school estate. The teams, including the wider supply chain remain fully engaged. Both of the TFM contractors have managed to maintain staffing levels within Kent to continue business as usual.
- 5.1.3 Since the TUPE of Gen2 staff, a temporary structure for the KCC FM Team has been implemented until November 2022 to ensure clarity of roles, reporting lines and consistencies for TFM partners. A new structure will be implemented to coincide with the introduction of the new FM delivery model.

### **5.2 Health & Safety**

- 5.2.1 A robust reporting model for compliance and health and safety issues continues to be utilised, with formal structured reports being delivered to meetings such as the Health and Safety Group. This allows KCC to measure both contract compliance as well as statutory compliance across the authority and work with our TFM suppliers to improve current arrangements.

### **5.3 Environmental**

- 5.3.1 The TFM contractors continue to support KCC to meet its environmental initiatives. However, the focus this year has been largely on the recovery of the estate and ensuring that services, sites, and buildings are operating as normal.
- 5.3.2 Where opportunities have arisen for example the introduction of LED lighting, the TFM contractors have been delivering upon these projects.

5.3.3 The TFM contractors continue to work with the wider KCC teams including environmental and suitability teams to assist in KCC meeting its obligations under ISO14001.

#### **5.4 COVID-19 Response**

5.4.1 The past twelve months has been challenging for the TFM contractors and KCC Infrastructure teams due to COVID-19 and the presiding lockdown of the estate. This naturally presented operational problems in delivering both statutory and mandatory compliance throughout TFM1 Corporate Landlord (CLL) and TFM2 (schools).

5.4.2 As COVID-19 restrictions began to ease, the FM team along with the wider Infrastructure teams, directorate service teams, TFM partners, subcontractors came together to plan the recovery of services and assets to recommence essential service to Kent residents. This included: -

- Ensuring all statutory compliance tasks were up to date and completed.
- Buildings were cleaned and ready for opening.
- Space planning, 2m social distancing and one-way systems were mapped and implemented including the provision of signage.
- Risk assessments, bespoke to services arrangements, completed utilising expertise from across the authority support teams i.e., People and Communications including Health and Safety Team.
- Enhanced cleaning protocols introduced including the provision of hand sanitisers, desk wipes and additional cleaning provisions.

5.4.3 Our TFM partners have worked with us where resources have allowed, to provide various services across the Asymptomatic Testing Centres including additional cleaning, portable toilet facilities for the mobile testing sites and security. In addition, working with education officers for the provision of testing kits to schools across the county was supported by Skanska (storage) and Amey (utilisation of courier service).

#### **6. Brief Look Forward To 2022/23**

6.1 There will be a six-month period starting approximately April / May 2022 when we will be mobilising the new hard and soft FM contracts, as well as the demobilisation of the current TFM contract that is due to terminate on 31<sup>st</sup> October 2022. KCC will work with providers to support the incumbent contractors meet the requirements to engage, share and support the authorities in the mobilisation of the new contract.

6.2 KCC will be entering the final year of a contract that has spanned nearly eight years. It is important that KCC continue to work closely with our TFM partners across the next several months to ensure that service provision standards are maintained.

6.3 Working with colleagues across the directorates, in particularly the Staff Communications Team and Infrastructure Business Partners, to ensure that changes in service provision from TFM to the new hard and soft service delivery model is clearly communicated for a seamless transition.

6.4 The KCC FM team will also be realigned with the new contract to maintain service oversight, driving continuous improvement and service provision.

## 7. Recommendation(s)

### Recommendation(s):

The **Policy and Resources Cabinet Committee** is asked to **Note** the current performance of the Total Facilities Management Contractors.

## 8. Appendices

8.1 Appendix A: Mid, West and East Kent KPIs.

## 9. Contact Details

### Report Authors:

Tony Carty  
Head of Facilities Management  
Telephone: 03000 417243  
E-mail: [anthony.carty@kent.gov.uk](mailto:anthony.carty@kent.gov.uk)

James Sanderson  
Head of Property Operations  
Telephone: 03000 417606  
E-mail: [james.sanderson2@kent.gov.uk](mailto:james.sanderson2@kent.gov.uk)

### Relevant Director:

Rebecca Spore  
Director of Infrastructure  
Telephone: 03000 416716  
E-mail: [rebecca.spore@kent.gov.uk](mailto:rebecca.spore@kent.gov.uk)