

## **Appendix A – Kier Supporting Information**

### **Section 1: Summary**

Kier has a long history of successfully delivering customer focused services to social housing and local authority clients. We provide a range of front line services including:

- Day to day repairs
- Out of hours repairs
- Void servicing
- Gas servicing
- Planned and programmed works
- Cyclical maintenance
- Decent Homes improvements
- Grounds maintenance
- Waste management
- Facilities management
- New build.



We hope our tender demonstrates our experience and expertise of all aspects of the contract tendered by HIPSP. We also hope it highlights our potential, as a partner, to deliver far more than is currently within the scope of works advertised.

Kier has long been at the forefront of the development of collaborative working practice and we are confident that we are a market leader in the concept of partnering. We are able to demonstrate a portfolio of innovative and successful partnering contracts, large and small, across the country based on a range of contractual arrangements. We deliver partnering contracts with an annual value in excess of £200 million and are pleased to report that our portfolio of this type of work continues to grow and diversify on the back of our successful partnerships. Kier is particularly proud of our arrangements at Kier Sheffield and Kier Islington for repairs and maintenance. Both these partnerships are viewed as industry examples of 'best practice' and have achieved awards and recognition as successful partnering projects.

We are pleased that HIPSP has chosen the TPC2005 contract form on which to base the partnership. We believe it is important to make partnering contractual; and this contract actively encourages collaborative working practice and structured problem solving. We are very familiar with this document having been one of the first contractors to work with this contract form with Greenwich Council 2001. Indeed, our early exposure to this draft contract meant that we helped develop and finalise the published document, which HIPSP has chosen.

We have carefully considered HIPSP's requirements and believe we have the track record and expertise to be appointed as the contractor partner. In particular, we note the importance that HIPSP attach to customer satisfaction and we can demonstrate a customer focus across all the contracts we deliver. We actively look for opportunities to engage and participate with our customers and as demonstrated by independent audits conducted by our partners and through our own mechanisms we have been able to obtain the highest levels of customer satisfaction.

We also place considerable emphasis on meeting the equality and diversity needs of our customers and tailoring our service delivering mechanisms to meet these needs.

Indeed, our success at meeting this agenda has been recognised in Kier being the inaugural winner of the Contract Journal Diversity Award 2005 and retaining this award in 2006.

## Contract Journal Diversity Award winner 2005 and 2006



Kier understands the importance of obtaining awards and accreditations and in meeting the requirements of the Audit Commission and other external scrutinisers. We have worked with our partners and achieved many significant successes. We are particularly proud to report that all our major partners have achieved the 'star ratings' required to release Decent Homes funding to make stock improvements. We note that Harrow Council has achieved a 2 star rating for its Housing Management service (including repairs) and we look forward to working with HIPSP to improve services and to the delivery of a 3 star service. At Kier Sheffield, a 3 star rating for Repairs and Maintenance has been achieved and a recent re-inspection has resulted in the service retaining its 3 star rating. We are able to bring this experience and expertise to HIPSP to ensure that the new partnership is viewed as a market leader.

Kier also wants to emphasise its commitment to controlling and managing costs effectively and we believe the type of partnering relationship described within the contract TPC2005 will help achieve this goal. Whilst the price framework issued in the tender is a traditional Schedule of Rates, we are confident that we can work with HIPSP to embed full open book principles and more innovative price frameworks that will provide cost certainty and value for money. Should we be successful, we welcome further dialogue on these matters so that we develop a clear and open understanding of the mechanisms to be used to establish the best possible price.

### Section 2: ICT

We also want to emphasise our commitment to Information Technology (I.T.). We will allocate dedicated I.T. resources and prioritise the development of interfaces that enable the electronic transfer of data between our organisations. We have successfully achieved this in all our contracts and are committed to doing so with HIPSP to make our processes efficient. We have made significant progress in our development and roll out of hand held technology and now have operatives working 'electronically' on our contracts at Ealing, Ascham Homes, Sheffield and Islington. We will roll out this technology to all our other major contracts this year and would introduce this technology to HIPSP should we be successful.



### **Kier Personal Digital Assistant (PDAs)**

We are also implementing other forms of technology to make our services more efficient and customer focused. Again, we look forward to discussing how technology might be used to improve services in partnership with HIPSP.

It is important that discussions about the service are holistic as this will help promote the development of trust and open book principles. In all our partnering contracts, we have been able to create and quantify the genuine cashable benefits and efficiencies required by clients to satisfy Gershon targets.

### **Section 3: Previously delivered efficiencies**

Below is a list of initiatives that have delivered efficiencies across the partnering contracts we deliver:

- Reviews of the price framework and introduction of composite codes
- Profit sharing initiatives
- Considerate annual price reviews
- Constructor specified voids
- Joint training and development
- Improved void performance reducing rent loss
- Shared/joint post inspection regimes
- Delivery of capital improvements through term contract arrangements
- Co-location
- Creation of client/contractor teams
- Constructor specification
- Constructor providing CDM support
- Constructor resources to support other client duties/responsibilities
- Fixed/guaranteed prices
- Development of strategies to reduce unnecessary emergency urgent repairs
- Development of a synergy between major works, planned maintenance and reactive maintenance.

We look forward to discussing how these initiatives might meet the aspirations and requirements of HIPSP.

### **Section 4: Joint Contract**

Kier is particularly interested in a joint award arrangement, to deliver both the 'Minor Works' and 'Capital' programmes, and we have detailed our proposals in our bid. We are confident in our ability to deliver both programmes and have experience of working with both 'housing' and 'non housing' clients. There are significant opportunities and efficiencies should HIPSP decide to proceed in this way.

We ask that HIPSP carefully consider the added value benefits Kier can deliver to the local community in the award of a whole borough contract.

### **Section 5: Added Value**

Specifically, with an annual turnover for the minor works contract in the region of £6 million per annum, Kier will guarantee the following added value:

#### **Added Value:**

- To create 5 apprenticeships every year of the contract
- To provide up to 20 work experience placements for young people each year
- To deliver a 'First Start' training programme for 15 young people each year providing them with an insight into all the main trades within the building industry; as well as a health and safety overview and a certificate of achievement
- To promote local employment and seek to maximise local employment every time we have to recruit
- To establish a Repairs Forum of customers for both 'housing' and 'non housing' that meets at least 4 times per year; and which directly can discuss and influence our service delivery mechanism and techniques
- To provide members of the Repairs Forum with free mobile phones to help them fulfil their representative duties
- To undertake 100% satisfaction survey monitoring for the first 6 months of the contract
- To extend the defects liability period to 12 months for all jobs that we complete
- To ensure all our subcontractors will be clearly identified as Kier representatives and we will provide them with uniforms and mechanisms to 'livery' their vehicles
- To introduce new technology to make the contract more efficient. We will provide Personal Digital Assistants (PDA's) to all appropriate operatives and supervisors

Kier is also of the opinion that the appointment of a borough wide contractor has significant benefits and will generate the biggest efficiency gain. We are certain that there are other considerable efficiencies and service improvements to be gained over this contract duration. There are also benefits to be gained in contract administration.

Kier also believes that the appointment of a single borough wide contractor provides clarity to customers and reduces the possibility of variable service levels and confusion across the different areas and villages managed by HIPSP.

### **Section 6: Major Works**

We are particularly excited about the opportunity to integrate day-to-day repairs, Decent Homes and Capital works. Kier is one of the largest construction companies in the country and one of a few which can offer services across this full range of activities.

#### **Key facts:**

Last year Kier Completed £320m of work in the education sector alone

Over 60% of Kier's regional construction business is negotiated, a reflection of the strong long term relationships built with clients

Kier's strong strategic alliances with local authorities include Hampshire County Council where we are on track to complete the construction of the following new schools and colleges:

- Pinewood School
- Hardley Sports Hall
- Micheldever School
- Peter Symonds College

Kier is a member of the South East Centre of Excellence framework which has been established to support 74 local authorities within the South East of England in the delivery of the aims of the National Procurement Strategy and the Gershon Efficiency Review.

Last year the **Contract Journal** voted Kier:

- Major Contractor of the Year
- Training Award Winner of the Year
- Diversity Award Winner of the Year.



**Taking responsibility from design to completion enable Kier to deliver a first class service to our clients.**

Kier has a set of simple core business values that reflect the business in which we operate. Our **core values** are to:



- Be enthusiastic, open and honest
- Be proactive, committed and safe
- Be a team
- Be K I E R

We believe these simple messages reflect the values and aspirations of collaborative working as set out in the Invitation to Tender; and portray all the virtues required of a sole partner for Harrow.

We hope our tender provides the evidence that we are **a customer-focused business** committed to the highest levels of **service delivery and innovation**. We actively seek to work with our partners to create relationships that benefit from our collective strength and knowledge; and avoid the silo based working typical within the building industry. We look forward to discussing this further with HIPSP and to working in Harrow.

## **Section 7: Potential Benefits**

The benefits we can deliver in terms of economy, efficiency and effectiveness through a single contractor with Kier as the sole partner to Harrow are many and include:

### **SYNERGY AND ADDED VALUE**

- Opportunities to standardise materials and components across the Council's stock, thus increasing the number of repairs done in one visit, reducing turnaround times and increasing customer satisfaction
- Efficiency gains for the client in contract management with a reduction in the number of meetings, invoices, processes
- Opportunities to transfer responsibilities to the partner best placed to manage them; reducing duplication of effort and releasing efficiencies gains/savings
- Targeting year on year improvements across all activities
- Increased opportunities to offer training and employment to local residents and their children
- Opportunities for the Council to share profit and efficiencies savings and reinvest these in improvements to the stock
- Increased contractor involvement in the community including sponsorships, supporting local suppliers and embracing diversity initiatives in a consistent manner
- One brand
- Reduced design costs
- Buildable and maintainable designs

Harrow Council is asked to note that Kier would be particularly keen to explore opportunities for Kier's active involvement in the **Council's skills centre** currently located at its central depot. We have experience of managing our own training facilities as well as being main sponsor of a Council run centre. Kier is particularly excited at the prospect of exploring this area of added value and considers that the benefits in terms of local training and employment opportunities could be significant.