

Using a strategic relationship to deliver innovative projects



Introduction

Housing group A2Dominion and Mitie have been working together for a number of years, predominantly delivering planned works in South of England (Essex, Kent, Surrey, Sussex, Hampshire and Oxon) through multiple contract awards. This partnership has been highly collaborative, with strong relationships built between the two businesses.

When A2Dominion's repairs service provider went in to administration in 2010, A2Dominion and Mitie further evolved their working partnership, agreeing an interim solution to provide a responsive repairs service for A2Dominion residents in Mitie's operating area.

A2Dominion and Mitie decided to use the PPC2000 form of contract as a strong foundation upon which to build this new collaboration, having previously used it to successfully support the partnership and develop strong relationships.

Recognising the immediate need to continue providing repair services, the two companies worked together to maintain key services for residents during the contract negotiation period. Through clear communication between the partners, Mitie was able to establish the interim repairs service while discussions continued.

With the interim contract having proved to be a success, A2Dominion and Mitie, decided to form a Joint Venture Company (JVC) in 2013, establishing Pyramid Plus South under an amended form of TPC2005. Mitie in turn was appointed as a specialist service provider partner (under an amended STPC2005 contract) providing the expertise in delivering repairs. A2Dominion is the majority shareholder of Pyramid Plus South, owning 70 per cent with Mitie owning 30 per cent. (A2Dominion also formed a joint venture with Breyer, Pyramid Plus London, to serve its London region). Collectively, both JVs used the marketing name Pyramid Plus. A2Dominion retains control and provides transparency, while incentivising Mitie through shared pains and gains.

This award submission focuses on a project at St. Winifred's, two low-rise blocks of flats in Kenley, Surrey. These properties had issues including damp, condensation and mould.

The solution, described in this submission, was only possible through outstanding collaboration and using the expertise in both organisations to determine the many successful outcomes achieved.

Why collaboration was needed

A2Dominion had discovered that damp and mould were causing significant issues to many homes at St. Winifred's (see images to the right).

A2Dominion called upon Mitie's expertise in compliance to enter into an open, inventive discussion around the possible solutions for the problems, through existing PPC2000 arrangements for capital works.

Both parties understood the need to act quickly to bring the homes back to a good standard for residents, and to avoid any further damage to the blocks. They also recognised this as an opportunity to share risks, to foster greater transparency, and work together to realise value for money and cost savings (this was unlikely to be possible through traditionally tendered processes).

Representatives from Mitie visited St. Winifred's to reassure residents that the issue was being treated as a priority.

In addition to the damp-related works carried out on the estate, Mitie and A2Dominion also offered residents free Wi-Fi and energy monitoring systems.

Offering these value-added services gave the partnership an opportunity to innovate and set a precedent within the industry. This came as a result of the growing significance of the Social Value Act 2012 within procurement exercises, along with the increasing amount of research and policy debate surrounding the additional capabilities of social housing providers to deliver 'people services' that traditionally lay within the remit of government agencies such as the Department of Work and Pensions.

Similarly, A2Dominion and Mitie used a long term approach to the repair works, seeking a solution that would not only rectify the damp issues, but would improve residents' financial health by decreasing energy bills.



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How the project was executed

Mitie and A2Dominion used a joined-up approach to successfully secure buy-in from residents for the repair works at St. Winifred's. Before Mitie operatives began work on the site, experienced Resident Liaison Officers took the time to build rapport with residents and explain the process fully to them. This led to easy access inside the affected properties for the Project Team to survey the building and determine the appropriate solutions.

The project turnaround time and potential inconvenience to residents was also a major factor in the decision making process, and the partnership was able to use the knowledge gained from liaising with residents to minimise disruption.

With the complexity of the repairs calling for specialist supply chain partners, Mitie and A2Dominion used the terms of their PPC2000 contract to great effect. Mitie appointed local specialist subcontractors that were already part of A2Dominion's approved list to complete the necessary works, avoiding delays and benefitting the local economy.

This collaboration continued to be integral to the success of the project, with everything from resident engagement to product selection being influenced by all stakeholders. For example, once Mitie had identified the root cause of the damp and mould, the partnership used this information to agree a solution that would both solve the initial problem and provide long term benefits for residents.

The cause of the damp and mould proved to be incorrectly filled cavity wall insulation. Instead of just extracting the insulation, Mitie and A2Dominion consulted with specialists to procure a new, more efficient insulation solution: Knauf external wall insulation. Mitie was even able to negotiate extra benefits in employing the Knauf insulation, including specialist training for Mitie operatives and extended warranties on the insulation itself.

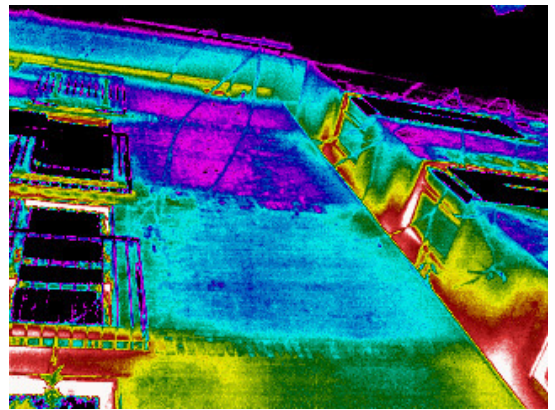
Whilst in the process of the design stage, Mitie maintained a presence on site. The reasons for this were two-fold:

- Firstly, it was important to assure residents that work was still in progress and provide a point of contact for any issues,
- Secondly, it gave the partnership's Resident Liaison Officers valuable access to residents, helping them to continue to build trust and provide extra support on a variety of issues. Once rapport had been built, the Resident Liaison Officers were empowered by A2Dominion and Mitie to provide other signposting services, such as job search and training advice, fuel poverty action plans, and referrals for apprenticeships traineeships within Mitie, its supply chain and entire client base.

Despite the majority of residents being eager for the works to take place, there was one resident who continually refused access to their property. To combat this, A2Dominion and Mitie's teams worked together, visiting the resident regularly to build a relationship and eventually gain access. For example, when it became apparent that the resident would need to leave the property for works to go ahead, one of A2Dominion's Property Services Project Managers promptly arranged for the resident to stay in temporary accommodation,

while Mitie’s project team coordinated the repair and a deep clean of the property.

If it was not for this collaborative approach from the first interaction with the resident, the necessary process of assisting the resident to move out temporarily would have delayed the works even further.



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Benefits and innovation achieved for all the stakeholders

Residents:

- Energy monitoring
- Free Wi-Fi
- Free decorating vouchers
- Reduced fuel bills due to insulation
- More aesthetically pleasing external walls
- New lighting and doors in communal areas improved environment as a whole

A2Dominion:

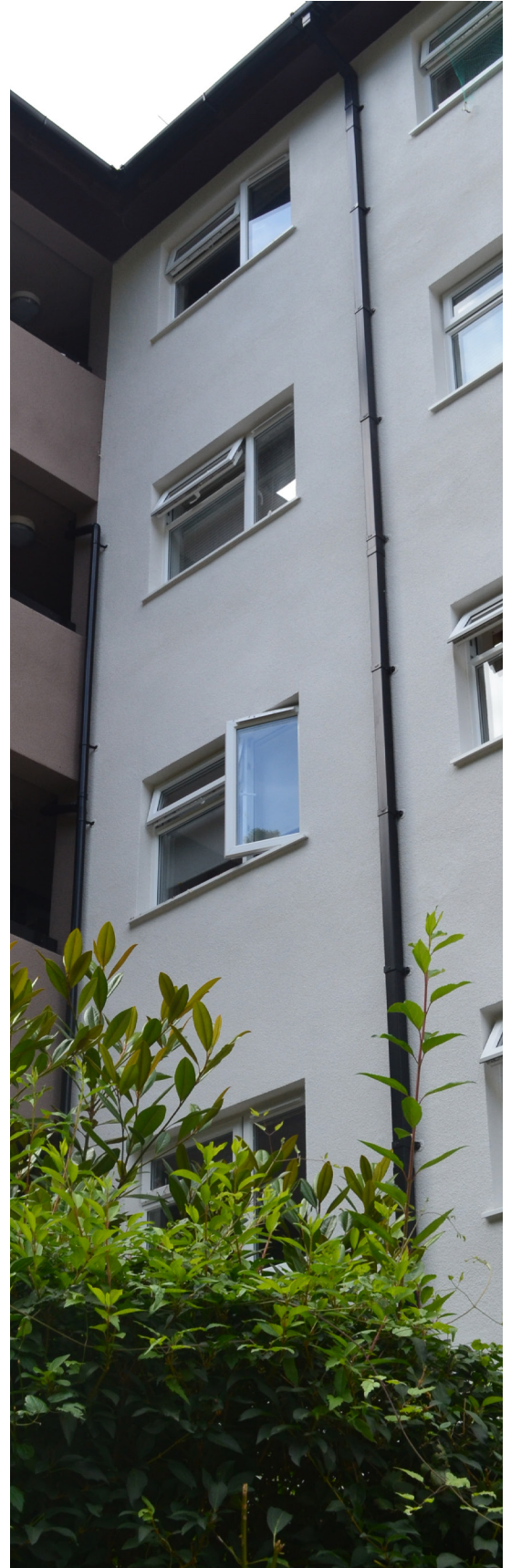
- Transparency of cost
- Capped premiums (cost certainty)
- Long term added value to assets through the innovative solution developed and extended warranties
- Best practice partnering experience
- Apprenticeships and traineeships for local people

Supply chain, local economy and community:

- Upskilled local supply chain partners for the delivery of insulation works employees (Arc Group London, TSG, ERICO)
- Repeat business for supply chain partner used which upskilled another set of their employees
- Internal and external wall insulation techniques used on other contracts and projects

Mitie:

- Shared risk with client
- Opportunity to further develop relationship with A2Dominion
- Development of new skills and innovative techniques
- Support from a supplier throughout the installation phase





Summary

The relationship between A2Dominion and Mitie goes from strength to strength. There is a proactive effort towards working together, both strategically across the senior management teams, and operationally at a project level.

The works completed at St. Winifred's are an excellent example of how a strategic and collaborative culture can influence the way a challenging and complex project can be delivered in practice.



In 2014, A2Dominion awarded all its capital works to Mitie, who were able to demonstrate through a formal procurement process how they could support A2Dominion in meeting its objectives. Projects such as St. Winifred's, and the innovation adopted, provided excellent case studies on which to base Mitie's tender proposals.

“The relationship between A2Dominion and Mitie goes from strength to strength. The willingness of both partners to work together operates strategically amongst their senior management teams and operationally at a project level.”