

Taunton Deane Borough Council

Executive - 10 November 2010

Housing Property Services Review

Report of the Community Services Manager

(This matter is the responsibility of Executive Councillor Jean Court-Stenning)

1. Executive Summary

Following the independent review by consultants Turner and Townsend and advice from the Audit Commission, the Council has decided to accept the recommended approach in relation to providing better separation between the Housing Property Services function and the DLO workforce. This report brings forward proposals to achieve this objective.

2. Scope of Service– Housing Property Services Responsibilities

2.1 Housing Property Services is the client team that manages the Council's Housing stock. The stock consists of 6078 dwellings but also a mixture of shops, garages, meeting halls, land and sewerage treatment works. Differing levels of maintenance, repair and/or improvement are delivered depending on the type of building concerned, for example the service would improve, repair and maintain a house (except internal décor) but would only be concerned with the structure of a shop, the rest being left to the occupant. In addition to the Council's own stock, the team manages the repair, maintenance and improvement of 75 leasehold properties on two separate sites in Taunton, and the external repair and re-decoration of approximately 350 other leasehold properties.

2.2 The funding for this work is from two separate streams:-

Capital

Funds mainly improvement works and the Government's Decent Homes programme in the region of £4.5 – 5M pa. TDBC stock now meets the Decent Homes standard and, in accordance with tenants' wishes, we are now concentrating on a programme of bathroom refurbishment. Other "Capital" works would include grant and adaptation works, new heating system installation, upgrading to double-glazed windows, composite doors, roofing improvements and insulation.

Revenue

Funds work mainly of a repair or maintenance nature in the region of £5M pa. – planned and responsive. Responsive repairs in all trades are a result of the 28,000 calls from tenants each year, and the planned works would include, amongst others, central heating servicing, external repairs and re-decoration, maintenance of asbestos register, and works include in the re-let process such as energy performance certificates and exchange property surveys.

- 2.3 As well as the practical expenditure on the stock there are a number of management tasks performed by the team such as Health and Safety issues, Asset Management database, completion of Government returns, Right to Buy process, sale of land, rights of access, and permissions regarding property structure on all existing and previous stock.
- 2.4 The list below outlines the current responsibilities of the service:-
- Repair and maintenance of Council housing assets – planned and responsive: Properties, garages, sewerage treatment works, shops, land.
 - Management of Capital investment programme: Properties fit for purpose – Decent Homes, kitchen/bathroom upgrading, doors, windows, roofs.
 - Gas servicing
 - Electrical testing and smoke alarms
 - Asbestos inspections and data-base
 - Energy Performance certificates
 - Health and Safety
 - Asset management database
 - Satisfaction monitoring
 - Right to Buy
 - Leasehold management
 - Sale of Land
 - Rights of access
- 2.5 These specific functions involve the following activities and therefore these skills will be required in the new service.
- Assessment of current stock conditions
 - Future planning for short, medium and long term asset developments
 - Specifying works
 - Specifying standards
 - Financial planning
 - Tendering for work
 - Negotiating and agreeing contracts
 - Monitoring contracts
 - Checking works
 - Reporting performance
 - Reporting to tenants/customers
 - Receiving repairs requests
 - Allocating repairs works

2.6 The current structure for the service is contained at Appendix Section 1.

3. Background to review.

3.1 Historical budget and consequential staffing cuts in the HRA primarily in order to achieve Decent Homes necessitated closer working relationships between the Housing Property Services function and the DLO workforce. This has allowed the service to continue and derives some benefits. However, following the independent review by consultants Turner and Townsend of the DLO services the following recommendation was made:

“ Currently the Asset Management function is managed through the DLO. The Property Manager is responsible for both Building Services as well as Asset Management services. This was established under one structure following the tenant’s vote on stock transfer in 2006 and the subsequent need to make substantial annual revenue savings in the housing revenue account.

There is acknowledgement that the current structure has afforded some positive characteristics primarily based upon the strong working relationship between client and contractor and the commonality of location. However, Asset Management is usually managed from within the estate management function and not by the Property Maintenance Service.

It is our view that the Asset Management function should be separated and placed within a client function role. We consider this recommendation to remain valid whichever option (including Stay As-Is) is selected to deliver services going forward. Our logic here is that we envisage significant financial pressure by way of CR10 and beyond such that value for money and the evidence supporting the delivery of value for money will require a clear separation of duties. It is generally not acceptable for the monitor of value to be the deliverer of the monitored service.”

3.2 In addition the Audit Commission have recently expressed some concern about the current arrangement and in particular the need to be able to demonstrate clear value for money and improving performance by a rigorous Housing Property Services function and how this influences the activities of the workforce.

3.3 Previous cuts in the HRA referred to above have created a shortfall in staff capacity in the service, particularly at a supervisory level. The review of the service will seek to address this point. There are also a range of temporary staffing arrangements in place in the service that need to be resolved.

4.0 Review Process.

- 4.1 The review has run in parallel with the wider DLO review, however the intention has been where possible that it will be concluded on a shorter timeline as a new Housing Property Services structure needs to be in place to be able to respond to any of the wider changes taking place in the DLO.
- 4.2 The review was initiated earlier in the year and since this time the following activities have been underway:
- Outline project plan to CMT, Housing Briefing, Unison Change Forum and Member Change Steering Group
 - Collective meetings with all staff in service re: project plan
 - Meetings 1:1s or group meetings with all staff in service
 - Meeting with Rents, Recovery and Voids team manager
 - Visits to site with Clerk of Works and with Void Officer
 - Visit to Homes in Sedgemoor and to Tarka Housing
- 4.3 During this time the emerging issues and proposals have been discussed with the current Housing Manager – Property Services and the Strategic Director responsible for the project.
- 4.4 The review process has identified many issues beyond the staffing structure that will need to be addressed or require further investigation in relation to the service and how it operates. However the proposals contained in this report primarily focus on the implementation of a new staffing structure for the service, this will impact on how some elements of the service are delivered in future, in particular leasehold property management, right to buy and voids inspections.
- 4.5 Those operational and service delivery issues that are not specifically addressed in this report will not be lost. The Council is currently working to deliver a comprehensive action plan to respond to the recent Advice and Assistance visit by the Audit Commission in relation to Housing as a whole to modernise and improve the service. It is proposed that the further service improvement actions identified as part of this review will be addressed and monitored via this action plan. It is anticipated that the Housing Service will be subject to full Audit Commission inspection in the next 6 months, and although the future of the Audit Commission is in some doubt following recent Government announcements, the key lines of enquiry continue to be essential to us to allow us to improve the service.

5. Proposals

The proposed new structure is contained at Appendix 2. The proposals are outlined in the text below.

A. Include Housing Property Services in Community Services Theme.

Following the Core Council Review all the parts of the Housing Landlord Service were moved into the Community Services structure under the direction of the Housing Services Lead, with the exception of Housing Property Services as they were so closely aligned with the DLO. It is proposed that Housing Property Services joins the Community Services theme as outlined in the Structure Charts at Appendix 2. This will allow it to work closely alongside the rest of the Housing Service and achieve the desired separation from the DLO.

B. Service Management

It is proposed that the current management of the existing staff group is split as follows. Firstly the Community Services Business Support Lead will assume responsibility for the support and office based staff in the current structure. This is described in more detail below.

Secondly the technical side of the structure will continue to be managed by the current Housing Manager-Property (Phil Webb) and the Property Manager (Tim Haynes). Additional capacity for these two posts will be released by alternative arrangements being made to undertake the DLO workforce management responsibilities which currently constitutes around 30% of the Housing Manager – Property Service's time, and the new management arrangement for the support staff within the current structure described above.

Therefore these two posts will continue largely unchanged but with slightly different reporting lines. This will be a temporary arrangement as these two posts will be subject to further review at a later date. The reason for not permanently resolving these positions now is largely due to the ongoing uncertainty regarding the DLO review. The external financial climate continues to influence how this review develops. The Housing Property Service performs a client function, it is currently difficult to be clear what management capacity is required for this service as we do not yet know what the service may have to perform a client role for. The Public Sector Spending Review expected in October may also have a profound effect on what happens with the DLO particularly what savings the Council has to make in the months ahead.

Another key factor is ongoing uncertainty regarding the review of the Housing Subsidy system, and we await any outcome from the recent Government consultation exercise in this regard. The outcome of this review will undoubtedly have a significant impact on the capital investment possible from the HRA and therefore what management capacity we require to oversee this.

In the mean time these steps will release additional management capacity for the service to allow effective supervision of the changes outlined to the rest of the service and continue to implement the improvements required.

C. Surveying team

Much of the activity of the service involves surveying type work as outlined in section 2 above. However within the current structure there are a number of very specific posts and roles and a number of vacant posts currently being undertaken by agency staff. The new structure outlines a new surveying team. This team incorporates the three current Clerks of Works posts and a Senior Assistant Quantity Surveyor post who will slot in to the new structure unchanged. The remainder of the team is comprised of 4 new posts of Building Surveyor. The existing postholder of Compliance Officer will be slotted into a new Building Surveyor post as the requirements of the post are very similar.

These posts will be more generic in nature and provide the service with a structure that supports the flexible nature of the work that is currently undertaken. Although these posts will be generic in nature it is also likely that within this there will be individuals with certain specialisms such as one officer having lead responsibility for Void properties etc.

Within the existing structure there is currently a Quantity Surveying (QS) capacity (2 posts), it is felt that there is no longer the need for the same level of specialist QS capacity as we have a reduced need to let the large contracts that were associated with decent homes, assistance is available from South West One procurement service for future contracts, and we have a fully qualified QS resource in the current Housing Manager –Property and this requirement can be built in to any future management position if required. Consequently one Assistant QS post , which is currently vacant will be deleted from the structure to be replaced by one of the new Building Surveyor posts described above.

Further evaluation will be undertaken of how this team operates in relation to the “checking” activity that is undertaken as a client, including the reinstatement of assessment of the work undertaken by the DLO. In addition consideration will be given to the range of work undertaken by this team so that this generic resource can be used more flexibly and with the aim to reduce the service’s reliance on consultancy expertise. Issues such as Asbestos surveying, Energy Performance assessments, Health and Safety responsibilities such as those required by the Construction Design and Management Regulations (CDM) will be considered in relation to the potential for this team undertaking this work, with appropriate training and support.

There is also currently a Technical Contracts Liaison Officer post within the structure which is vacant, and will be deleted. One of the aims of this post was to be the point of liaison for tenants regarding work programmes and in particular complaint and dispute resolution. In the new surveying team liaison and relationships with tenants will be everyone’s responsibility, and this will be a key focus of the work of the team.

D. Void property inspections.

Currently around 450 of the Council's 6000 properties become void each year, prior to them being re let the properties have to be inspected, at which time the structural condition of and any damage to the property is assessed. These defects along with any works arising from the pre planned work programmes are usually undertaken to the property prior to it being re let. This work is currently undertaken by the Rents, Recovery and Voids officers who also undertake the liaison with the new tenant and the other work required to re let the property. However there is frequently lots of liaison required between the current Housing property Services staff and the Rents Recovery and Voids officers and duplication of visits on occasion. The work also appears to suffer from a lack of co-ordination which also extends to the DLO who undertake the majority of this work.

It is therefore proposed that all the property aspects of the void property will be the responsibility of the Property Services Team and the lettings aspects and former tenants aspects will be the responsibility of the Rents Recovery and Voids team. In practice this will mean that the responsibility for the physical inspection of void properties will rest with the Surveying team in Property Services who will also instruct the works to be done and oversee their satisfactory completion. At this stage the property will be handed back to the Rents Recovery and Voids team to progress the re let.

E. Lease hold and Right to Buy.

The Council has approximately 425 leasehold properties, the role within the service is to manage the Council's relationship with the leaseholders and in particular manage the service charge account for works undertaken to our leasehold properties for which a charge is made to the occupiers. A certain degree of liaison is required with the DLO who primarily undertake this work, but the primary focus is managing leaseholder accounts in a similar way to which the Rents, Recovery and Voids team does in Deane House for Council Tenants.

The Council receives a small but steady number of enquiries regarding Right To Buy, this process involves providing some advice about the process arranging valuations and liaising with the applicant. However if the applicant wishes to pursue the purchase the matter is passed to the Legal team who undertake the conveyancing.

It is proposed that the work in relation to managing leasehold property accounts and administering right to buy requests is transferred to the Rents Recovery and Voids Team in Deane House and the work is allocated across the three Rents Recovery and Voids Officers. This will compensate for the removal from this team of void property inspections, and create greater resilience for this function by involving three officers as opposed to previously a single specialist in both.

Following the recent departure of two post holders this work is undertaken by a single agency member of staff, confirming the suspicion that this work

equates to 1 Full Time equivalent post as opposed to the two. By way of transition it is proposed that the Agency member of staff is retained for a suitable period but transfers to the Rents, Recovery and Voids team in Deane House to help transfer expertise and systems to the officers in this team to ensure a smooth transition.

In terms of balancing resources in light of the transfer of work described above, consideration will also be given to consolidation of other work for example charging for repair works found to be the responsibility of a current tenant and recharging for damage to properties caused by a tenant who has just vacated a property to ensure these charges are made effectively and that the debts are effectively chased.

F. Gas Safety

Gas Safety is a significant issue for the service to ensure our properties are safe for occupation by our compliance with rigorous standards for gas inspections and appliance servicing. Consequently it is an area of significant external scrutiny for us. Over recent months the Council and its contractor have managed to significantly improve our performance in this respect. Much of the work in relation to this is undertaken by a Technical Administrative Assistant post who has developed a specialism in this particular area. It is proposed that this post will be re named Gas Safety Officer, but otherwise slotted into the new structure unchanged.

G. Business Support

The Community Services Business Support Lead will assume responsibility for the support and office based staff in the current structure. The Core Council Review created a Business Support team for the Community Services Theme as a whole, this team is now established and is increasingly developing to support all the front line services in the theme. This proposal extends this model to Housing Property Services as the service joins the theme.

In order to allow the Business Support Lead to manage this activity effectively and to increase the capacity of the team to address current pressures regarding call centre cover and to ensure there is suitable support for these staff, a new post of Housing Property Services Support Supervisor will be created. This post will undertake some of the work of the Repairs Assistants and other administrative support tasks but will also be the on site first point of supervisory contact for the Repairs Assistants and Administrative Assistant.

This part of the structure incorporates the existing posts of the Repairs Assistants who will slot in unchanged to the new structure, along with an existing Administrative Assistant post. The Repairs Assistants receive requests from tenants for response repairs, help to diagnose the problem, and raise works orders with the DLO for the work to be undertaken with the appropriate priority level. Currently they undertake some finance and administration for the DLO side, this will have to be addressed in order to

achieve full separation and so that the true costs to both the DLO and the Housing Revenue Account can be identified. In future all gas repair calls will also come via this route. Currently while not taking repairs calls these staff undertake other activities such as entries onto databases, in future these staff may be expected to undertake further different tasks on behalf of the landlord service as a whole such as ringing out to tenants to record information about service satisfaction.

Due to the demands and dimensions of the service in terms of volume of enquiries from tenants and the scale of resources utilised in relation to works to our properties, it is one of the most heavily scrutinised functions within the theme in terms of requests for information from third parties and our own performance indicators. It also has to handle significant volumes of service delivery and financial data. Consequently a new post of Finance and Performance Officer is being created. This post will take a lead on the collation, storage and presentation of the data and management information for the service and assist the management of the service in monitoring and processing financial transactions for the team. This post will be located in the Business Support Team in Deane House. Due to the similarities with the current Housing Information Assistant post it is proposed that the current post holder is slotted into the new post.

H. Benefits of new arrangements.

These proposals are intended to meet the objectives of the review as outlined in section 3 above. However it is also considered that these changes will result in a better service to tenants. Examples of these benefits include the following:-

- Streamlined arrangements in void property process that aim to improve our performance on relet times.
- Better capacity in the service to monitor performance and value for money on behalf of tenants and the HRA.
- Better capacity to check and challenge work undertaken on behalf of tenants in particular enhanced checking of work undertaken by the DLO, to ensure value for money for tenants and high quality work on their homes.
- Improved efficiency by less reliance on external consultancy services for some specialist technical tasks.
- Building a more permanent workforce by addressing the many vacant posts and agency staff in the current structure this also provides greater value for money and the potential to build better relationships with tenants.
- Greater resilience in services such as Right to Buy and Leasehold rather than reliance on one specialist member of staff.
- More capacity devoted to chasing tenant debts to the HRA ensuring as much income due as possible is recovered to the benefit of all tenants.
- Support staff with the ability to call on wider support and expertise in certain areas such as the SAP system by being part of a wider Business Support Team.

- Better co-ordination of Housing operational matters by the whole service being part of the same theme.

6. Next Steps

- 6.1 The proposals have been briefed to the staff who are the subject of the changes. Appendix section 3 contains a schedule of the meetings and other key dates involved in taking the proposals forward, culminating in final decision making at this meeting. This process includes a period of formal consultation with staff and Trade Unions.

7. Accommodation

- 7.1 This staff group are currently located at the Priory Depot, other than those specific staff or posts described in the detailed proposals who are or will be located at Deane House. This will not change initially but the situation will be kept under review, and the use of the accommodation at the depot will be assessed to ensure the new team can work together effectively.

8. Finance Comments

- 8.1 The net revenue cost to the Housing Revenue Account (HRA) of these proposals will be approximately £40,000 arising from increases to staffing costs. The Medium Term Financial plan for the HRA has recently been refreshed and following this exercise this slight increase in cost for the service is considered to be acceptable.

9. Links to Corporate Aims

- 9.1 No specific or substantial links as the service relates to our duties to tenants as a social landlord and our statutory responsibilities to our leaseholders, funds for this service are primarily ring fenced within the Housing Revenue Account.

10. Risk

- 10.1 A risk assessment and action plan connected to this proposal has been completed and will be monitored throughout the project.

11. Equalities Impact

- 11.1 A desktop assessment has been carried out and it is not felt that any group is disproportionately disadvantaged by the proposals contained in this report.

12. Recommendations

- 12.1 For the Executive to agree to the proposals contained in this report.

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**HOUSING PROPERTY SERVICES
MANAGEMENT STRUCTURE
MAY 2009**

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JUSTIN YOUNG

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WORKFORCE

CLERKS OF
WORKS
RAY WILLIAMS
ROY JONES
ROMUALDO
SAPIGAO

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ANN LUCAS

FINANCE
SUPPORT
ASSISTANT

REPAIRS
ASSISTANTS
LEIGH BARTON
ANN SIMMONS
JANE BURKITT
MICHELLE BAILEY

ADMIN OFFICER
JANET FOUKRACHE

TECHNICAL ADMIN
ASSISTANT
AMANDA OATEN

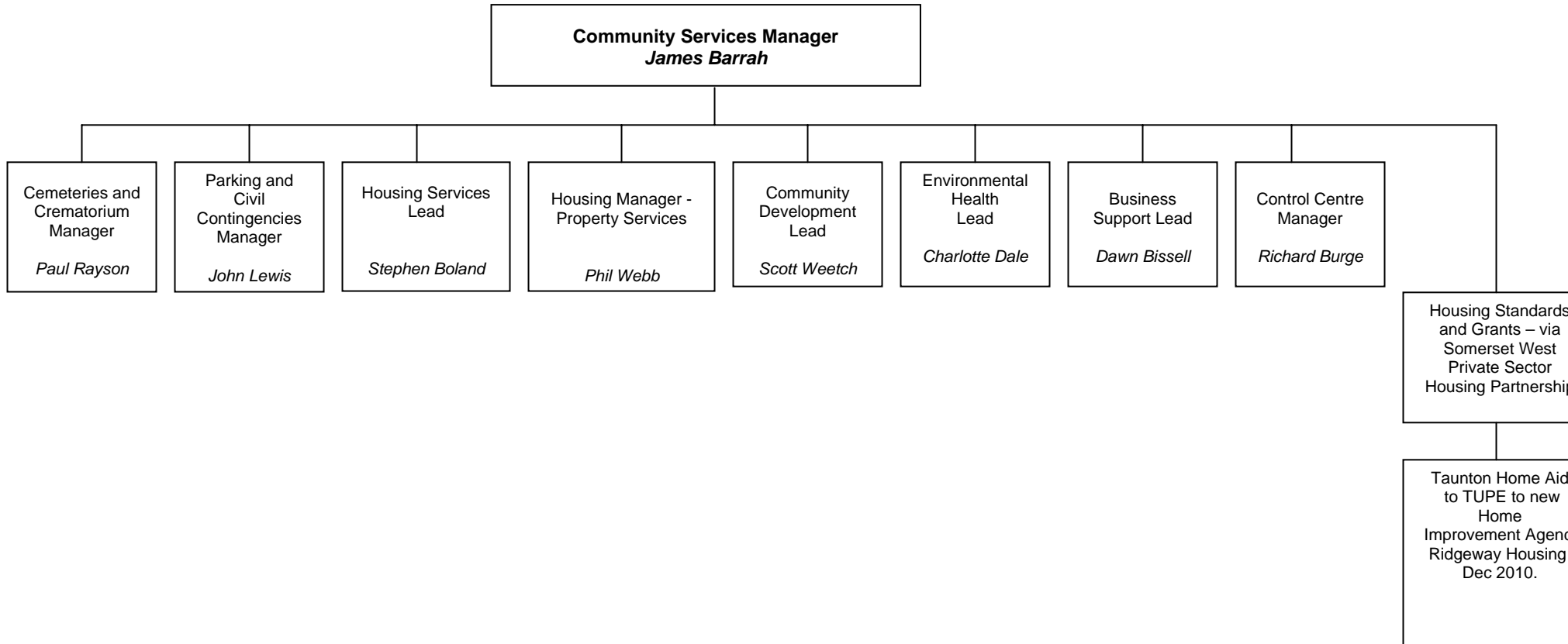
ADMIN ASSISTANT
SUE HIGGINS

COMPLIANCE
OFFICER
ROBIN
BAINBRIDGE

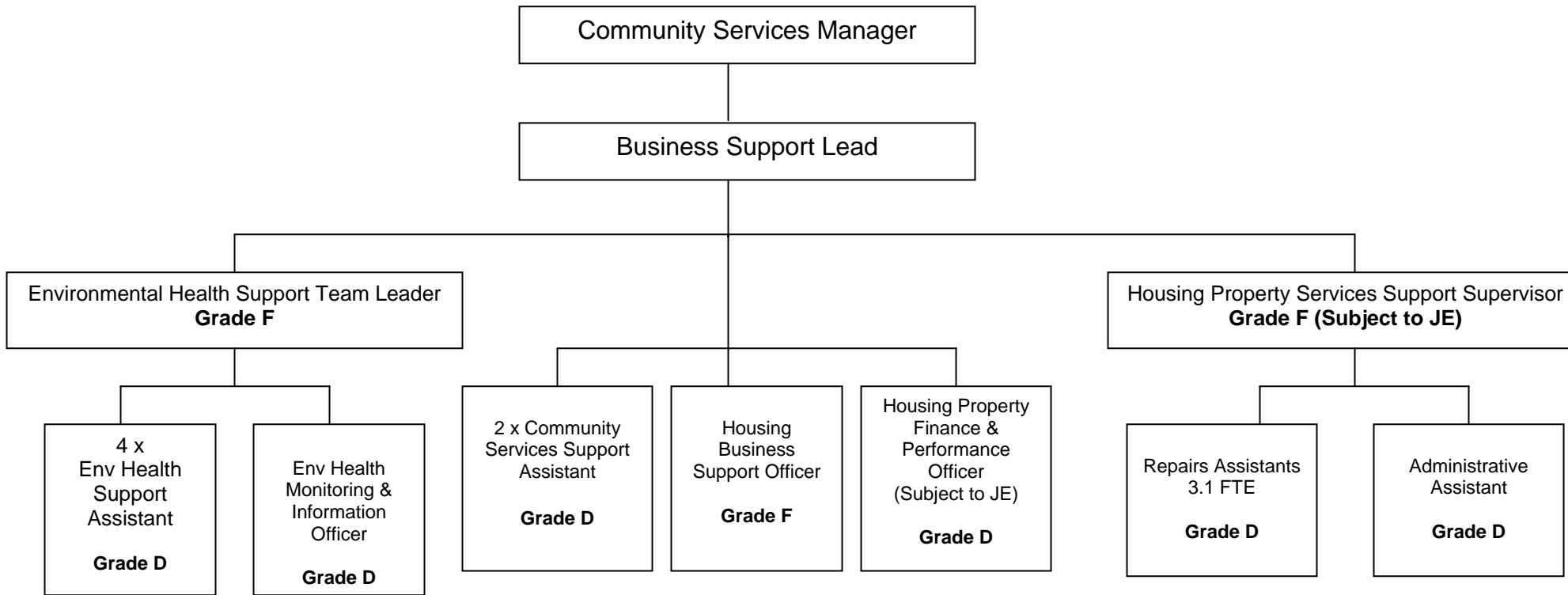
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LEASEHOLD
SERVICES
OFFICER
VAL HARVEY
SUE JONES

TECHNICAL
CONTRACTS
LIAISON OFFICER

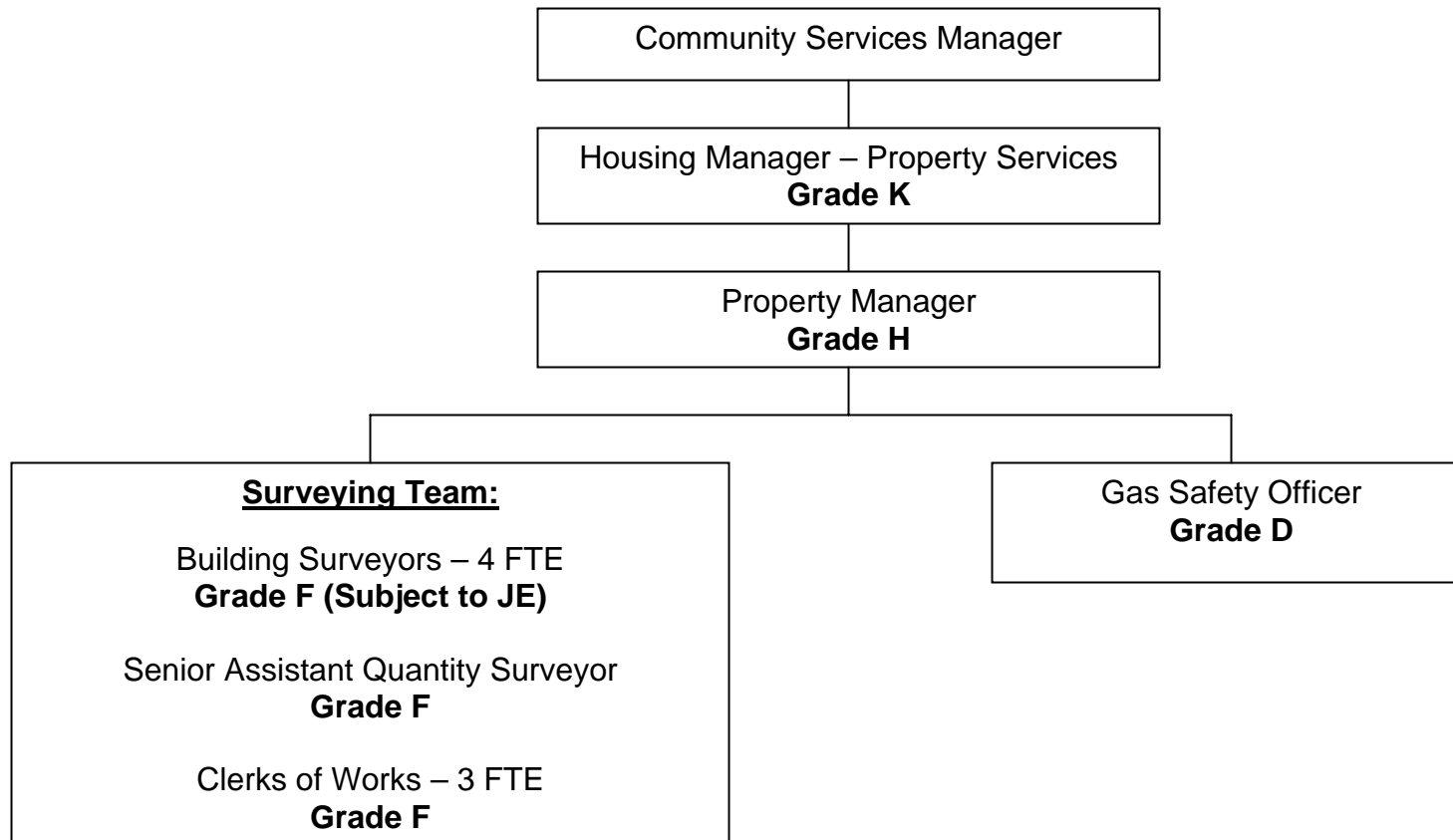
Community Services Management Structure (Proposed)



Business Support – Detailed Structure (Proposed)



Housing Property Services – Detailed Structure (Proposed)



Appendix 3

Housing Property Services Review – Meeting Schedule/Timeline

	Date	Meeting/Activity	Purpose	
P R E P U B L I C A T I O N	06/09/10	Housing Briefing (PFH & Shadow PFH) (Confidential Item)	Discuss proposals and seek early comment.	
	06/09/10	Tenant Services Management Board (Confidential Item)	Discuss proposals and seek early comment.	
	07/09/10	UCF – Unison Change Forum (Confidential Item)	Discuss proposals and seek early comment.	
	13/09/10	CMT	Discuss proposals and seek early comment.	
	21/09/10	Member Change Steering Group	Discuss proposals and seek early comment.	
P U B L I C A T I O N & N O T I F I C A T I O N	Week starting 20/09/10	Publish Proposals At Risk notifications Brief Staff group		
C O N S U L T A T I O N	P E R I O D	On or around 20/09/10 to 05/11/10	Formal consultation period	To seek views from interested/affected parties

D E C I S I O N	M A K I N G	11/10/10	Tenant Services Management Board	To update on any changes to proposals and decision making process.
		21/10/10	Corporate Scrutiny	To update on any changes to proposals and decision making process.
		26/10/10	Member Change Steering Group	To update on any changes to proposals and decision making process.
		01/11/10	Housing Briefing And CMT	To update on any changes to proposals and decision making process.
		02/11/10	UNISON Change Forum	To update on any changes to proposals and decision making process.
		w/c 08/11/10	Final Staff meeting	To update on any changes to proposals and decision making process.
		10/11/10	Executive	Final Decision Making
I M P L E M E N T A T I O N		10/11/10 ↓ 31/01/11		