

Taunton Deane Borough Council

Tenant Services Management Board – 26 October 2015

Building Services Transformation

Joint report of Chris Hall - Assistant Director Operational Delivery & Terry May – Assistant Director Property and Development.

(This matter is the responsibility of Executive Councillor Terry Beale)

EXECUTIVE SUMMARY

This report identifies further improvements being made against the transformation priorities for the Building Service by aligning the work of the Property Services Team and the Building Services DLO.

It is identified that a phased approach to bringing these functions together can make a number of key improvements and meets with the previous Member approvals from the DLO transformation plan.

This report identifies the two areas of Council operation that will combine to deliver a more resilient, transparent and effective service for tenants without any loss of emphasis on other internal areas of service provision.

The recommendations in this report will have no negative impact on the JMASS project and will compliment the work underway with the HRA business plan.

Closer working for these functions will provide a stronger service delivery and greater tenant focus. Phase one of this process is cost neutral to the Council and places no employees “at risk”.

1. Purpose of Report

- 1.1 To update relevant staff, stakeholders, Tenant Services Management Board and members of a proposed operational change in line management of the DLO Building Service. The change proposed is transfer of the line management of the DLO Building service from the Assistant Director-Operational Delivery, to the Assistant Director-Property and Development.

2. Background

- 2.1 In July 2011 Full Council approved a transformation plan for the entire DLO, this was focused around a number of key priorities that a Member working group supported.
- 2.2 The agreed transformation priorities were:
 - A lean efficient and resilient service, able to respond flexibly to the changing demands of the Council and external clients

- A thriving business, focussed on commercial success
- Excellence in performance management
- Excellent Customer service and quality
- A committed and empowered workforce

2.3 In addition to the agreed priorities a further commitment was made to continuous improvement, this report sets out the latest in this line of improvements. This transfer of line management of the workforce service removes the client and contractor split from the management structure although retains it for the necessary financial accounting processes.

2.4 The combination of client and contractor functions was first trailed within the street and public toilet cleaning processes and has proved to be much more efficient and transparent, whilst these services started at different positions the principles are not dissimilar. In addition, within the wider Social Landlord housing sector there is very much a direction of travel to provide and enhance in house repairs and maintenance services as part of the wider “housing team”.

2.5 Currently the Property Services team act as the client / commissioning body for corporate and housing works. They instruct the DLO to perform works and assess this work upon completion. The Building Service deliver the work commissioned and are paid through a trading account. There are a number of key areas of duplication that provide an opportunity for service improvements to all internal clients. For the purposes of this report an internal client is another service or department of this Council where money paid does not leave the Authority's control.

2.6 With the current segregation of responsibilities, situations can arise where each team's delivery can be directly affected by the others, this can create additional work in seeking instructions or approvals rather than the necessary focus on delivering for the tenants and internal clients. A holistic view to delivering works, resolving issues where they occur, and improving performance measures is needed. Both areas of the business are constraining each other and improvements through a single management approach will improve delivery for our tenants and other clients.

2.6 The DLO often take the brunt of ill feeling when decisions to complete certain tasks are not under their control, equally Property Services frequently receive requests for information about planned or live works that they cannot robustly answer. This change places the decision making and delivery under the same management structure and is the first step to improving performance and knowledge.

2.7 This report is intended to be phase one of a change process that will set a direction of travel for the two services ultimately delivering the following outcomes:

- Ownership of the end to end process for work requests and delivery
- Streamlining the processes in place for commissioning, delivering and financially accounting for these works
- Transparency of responsibilities, performance indicators will no longer be shaded by process and approval difficulties
- Improved live financial costing information for more accurate year end predictions

- 2.8 For some time now the DLO have not been meeting with the key performance indicators set by Housing and TSMB, whilst recent improvements have been made and implementation issues with the Open Contractor system have delayed progression, a further review of these is needed to determine the priorities and if these are affordable.
- 2.9 A recent tenant satisfaction survey has identified a significant downturn in tenant satisfaction across the housing service, which includes services commissioned from the DLO and others, more time is needed to fully understand the cause of this but a single approach to service improvements is considered to be a necessary action to
- 2.10 Whilst the case for doing this is set out above there are a number of key drivers for doing it now, these being:
- To place services together ahead of the review of the HRA business plan and next transformation phase of JMASS
 - To provide opportunities to deliver savings
 - To provide opportunities to redistribute resources
 - To provide a greater customer focus
 - To have greater visibility of service data
 - To reduce complexity and deliver a seamless customer service
 - To have a joined up approach to managing the recent customer satisfaction survey
 - To support better co-ordination and management of statutory compliance matters.
 - One management response to the further development of the Open Contractor IT system.
 - Better opportunities to recruit and retain the right staff in key technical areas.
- 2.11 The DLO's current structure and operation has a number of interdependencies across the services, Appendix 1 identifies some of these larger dependencies and the suggested way forward as part of the first phase.

3. The Change

- 3.1 For phase one of this change the current Building Service structure (Appendix 2) will be placed under the Assistant Director, Property and Development. The new structure is shown at Appendix 3. No further changes in the Building Services or Housing Property teams are being identified at this stage.
- 3.2 All other elements of the business, the interdependencies, and financial controls will remain unchanged at this time.
- 3.3 Phase two or subsequent changes will be considered alongside the HRA Business Plan review, and or, as we head into the transformational stage of the JMASS project over the coming months.
- 3.4 There are no proposed changes to the Business Support Teams or the various cross service licences or contracts at this stage, any benefits that may come from further changes to these will be considered and if appropriate implemented as part of a separate phase.
- 3.5 Informal consultation is underway with the Building Services Manager and wider structure, this will conclude on 12th October. This gives time for any suggestions to

be considered before a transfer of responsibilities on 1st November '15.

4. Finance Comments

- 4.1 This change has no cost associated with it, and operational changes like this require no Members approval.
- 4.2 The Housing Revenue Account must be able to identify the costs associated with the delivery of housing stock repairs and maintenance, and there should be no cross subsidy between the HRA and the General Fund, the operational change identified in this report retains the financial separation of this accounting practice and therefore the proposed change can be supported from a financial perspective.

5. Legal Comments

- 5.1 There are no legal implications associated with this change.

6. HR Implications

- 6.1 Whilst this moves the entire Building Services team it is only the manager of the service that has any line management change. This change will be considered by the UNISON Change Forum and the Tenant Services Management Board. Whilst formal consultation is not required an informal consultation process has been established for a 4 week period starting in 14th September.

7. Link to Corporate Priorities

- 7.1 There are no direct links to corporate priorities.

8. Environmental Implications

- 8.1 There are no environmental implications of this change.

9. Risk Management Implications

- 9.1 Any change has inherent risks associated with it however phase one of this process is a simplistic alteration to line management with all other processes remaining in place, it is therefore considered that there are no risk management implications.

10. Equalities Impact Assessment

- 10.1 There are no equality impacts as a result of this change.

11 Recommendations

The Tenant Services Management Board are requested to note this report and are invited to provide comment on its content.

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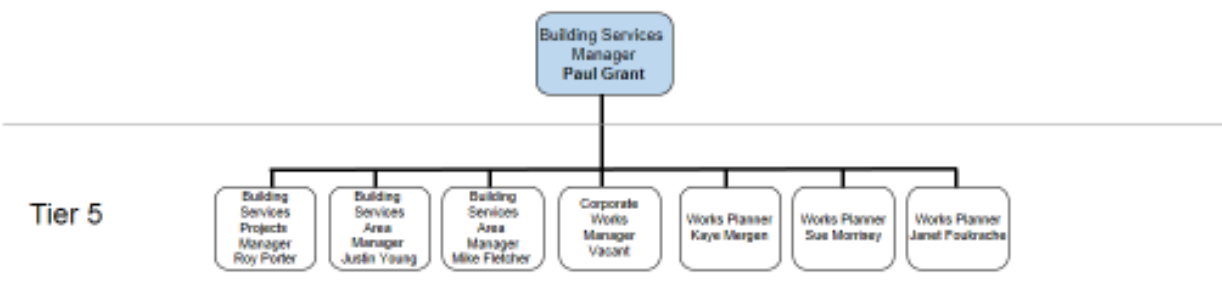
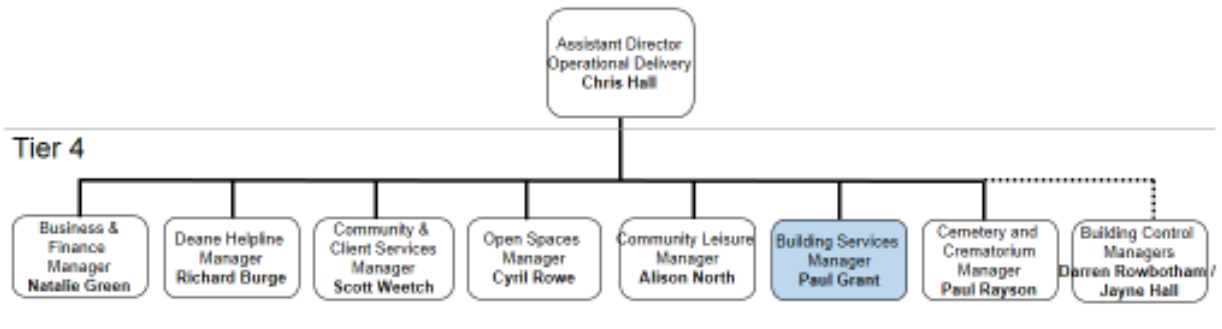
Appendix 1

Interdependencies for consideration

Item	Possible answer	Agreed process for phase 1
Business Support Team	Could leave as is due to the need for local support. Could divide BST employees and move those appropriate to the new structure.	Leave as is
Business and Finance Manager	Difficult to separate responsibilities and then fund from Open Spaces so should stay as a shared cost until transformation has been undertaken. Postholder to continue to report to AD Operational Delivery, but will be required to liaise with AD Property and Development	Leave as is
Payment of salaries – management and support	Move to an HRA cost centre.	Leave as is
Payment of salaries – workforce	Move to an HRA cost centre, or operate a trading account.	Leave in trading account
Accounting for HRA works costs	Fund directly by HRA or account through existing/new trading account.	Leave in trading account
Management of the trading account	Leave all delegations and accounting processes as they are, or hold a separate trading account control by property and development but will need to feed into the wider DLO due to shared functions and financial responsibilities.	Leave all delegations and accounting processes in place
External works income	External income to Building Services, depending on the answer above this could be managed by the HRA and surpluses delivered back to the GF (this is a direct reversal of the current situation but external work is a smaller proportion of work than HRA)	Leave as is
Fleet management	Stay as part of the wider fleet management process with costs apportioned to Building services	Leave as is
Transport Operations Licence	Stay as part of the wider fleet management process with costs apportioned to Building services – CH already looking at opportunities to remove the O-Licence responsibilities.	Leave as is
Accounting for stores stock	Assuming that a works order will still be managed through OC stock and time will be allocated to the client	Leave as is

	code entered in to the job.	
Ownership of OC	This is a shared system with Open Spaces, Stores and Building Services and BST, doesn't seem to matter who owns it so long as someone does.	Leave as is
Ownership of stores	Stores stock is charged with an overhead to cover all stores costs (employees, systems, forklift etc.) Could be moved to HRA as most of the use is by Building Services, could just as easily stay as it is and have stock charged to the individual jobs.	Leave as is
Hazardous waste producers notification	Currently 1 notification is made and paid for all DLO functions	Leave as is
Hazardous waste carriers licence (CBDL65464)	Currently 1 licence operated and paid for covering all TDBC functions	Leave as is
Virridor Waste disposal contract	One contract covering all DLO functions leave as is and continue to distribute the invoices according to the nature of the waste.	Leave as is

Appendix 2



Appendix 3

