

# Taunton Deane Borough Council

## Full Council – 22 July 2014

### Shared Services Structure for Housing and Community Development – Request for approval for one-off Housing Revenue Account (HRA) redundancy costs

#### Report of Simon Lewis - Assistant Director - Housing and Community Development

(This matter is the responsibility of Executive Councillor Mrs Jean Adkins)

#### Executive Summary

A proposed new structure for Housing and Community Development has been developed to meet the requirements for the Joint Management and Shared Services (JMASS) project. The JMASS project focussed on identifying savings for the General Fund and gained approval through Full Council for use of General Fund reserves to cover redundancy costs. Approval is now sought for use of HRA reserves to cover one-off redundancy costs to put in place the HRA element of the new structures. The biggest proportion of these costs relates to the Housing and Community Development structure, however some cost also relates to other redundancies across the Council where a proportion of an officer's time is attributed to HRA work. This paper additionally seeks approval for an earmarked provision for further redundancy costs that may be required for Tier 6 redundancies across the Council once these proposals have been developed. This is an estimated figure provided by Finance based on modelling which was applied for earlier JMASS work.

The opportunity was taken to review the HRA structure as part of the JMASS project as it was sensible to consider both GF and HRA at the same time to provide the optimum structure to best meet the needs of tenants. Whereas with General Fund services, a significant focus was on making financial savings, the approach taken for the HRA services was very different with emphasis placed on having the right structure to invest in better outcomes for tenants, rather than to make savings for the HRA.

Although the redundancy costs borne by the HRA are fairly significant, the structure will deliver significant benefits to tenants through providing joined-up partnership working on the ground that will deliver far more effectively than the current piecemeal (silo) public sector model currently in place. The Community Area Working model proposed in the new structure uses the Halcon One Team model as an exemplar and the anticipated outcomes clearly justify this one-off cost over the HRA Business Plan lifetime.

Council are requested to approve the one-off costs from the HRA for the Tier 4 and 5 restructures of Housing and Community Development and the other Tier 4 and 5 JMASS restructure areas that require a contribution to redundancy costs from the HRA. Council is also asked to support approval of a supplementary estimate for Tier 6 redundancy costs that could be required for the next phase of both the Housing and Community Development structure and other JMASS structures.

## 1. Background

- 1.1 A proposed new structure for Housing and Community Development has been developed to meet the requirements for the Joint Management and Shared Services (JMASS) project. The structure report focussed on 'Tier 4 and 5' management positions however by its nature set out the shape of the organisation beneath it.
- 1.2 Although the focus of the JMASS project was primarily on General Fund (GF) services and only required a reduced cost envelope for the GF, it was sensible for JMT members whose services included Housing Revenue Account (HRA) funded services to review these as well. In the case of 'Housing and Community Development' this was done to achieve the aspirations of portfolio-holders to deliver a future service that was fit for purpose across both the GF and HRA.
- 1.3 A key principle that shaped the HRA proposed staffing structure was the ambition to formally adopt the collaborative front-line staff working model, so successfully demonstrated by the 'Halcon One Team'. This model of requiring officers from housing estates, community development, anti-social behaviour and tenant debt and benefits advisers to work closely with officers from other agencies on the ground, in areas of high demand, has shown real tangible benefits to the community. The new structure proposed to roll this model out across Taunton Deane, with a particular focus on East Taunton, North Taunton and Wellington, whilst ensuring that all HRA housing estates and tenants in both urban and rural areas continue to receive a good service.
- 1.4 The new structure also brings supported housing into the area team model. This strengthens the model by ensuring that estates officers, anti-social behaviour officers, community development officers, adult's social care and others are able to quickly and collaboratively respond to issues of Supported Housing tenants within their area. It also helps ensure that Supported Housing tenants are not isolated from the wider community and provides an opportunity to better utilise supported housing meeting halls for the benefit of scheme residents and the wider community.
- 1.5 A further analysis of the reasons why the Council should push forward with this collaborative front-line model is described in the next section.
- 1.6 The proposal report was consulted on through the following means:
  - Joint Members Advisory Panel
  - Joint UNISON Board
  - All members briefing
  - Tenants Services Management Board
  - 1-1 meetings with all Tier 4 and 5 staff prior to developing proposal
  - Briefings to all staff within Housing and Community Development
  - Formal consultation period for staff to respond on the draft proposal report
- 1.7 As a result of the consultation, and through feedback from managers, staff and the Tenants Services Management Board, a number of changes were made to the proposed structure. This was considered by the members Joint Partnership Advisory Group on 6 May 2014. The final proposed structure is attached as Appendix 1 and the current structure as Appendix 2.

- 1.8 The final proposed structure placed 'at risk of redundancy' nine officers, five of whom were funded by the HRA. The proposed structure included seven posts that these officers were ring-fenced to apply for. The redundancy cost section of the proposal report had highlighted the full potential range of costs but had assumed that all posts would be filled internally by 'at risk' staff.
- 1.9 The deadline for 'at risk officers' to submit their preference forms for which jobs they wanted to apply for was on 21<sup>st</sup> May. At this time it became clear that four HRA funded officers had requested to apply for redundancy rather than be redeployed into the new posts.
- 1.10 The Council is now in a clear position to identify the one-off redundancy costs that would fall on the HRA to allow this new 'Housing and Community Development' structure to be enacted. This totals £199k.
- 1.11 We are also able to identify where officers from other services will be made redundant through JMASS, where although the HRA will benefit from an ongoing saving through no longer needing to fund these posts, there will be a requirement for a contribution from the HRA toward the redundancy costs. This totals £28k.
- 1.12 Finally it is recognised that there will be further potential costs to the HRA if redundancies were required from Tier 6 (both from Housing and Community Development and a contribution toward officers from other Council Service areas through JMASS). Finance has provided an estimated provision for this of £120k.
- 1.13 For comparison purposes, the provision made by the General Funds of TDBC and WSC for potential redundancies due to the JMASS project totalled £1.2m.
- 1.14 This report recommends Community Scrutiny seek formal approval from Full Council to approve a Supplementary Estimate from HRA general reserves of:
  - 1.14.1 £199k toward the Tier 4 and 5 Housing and Community Development structure
  - 1.14.2 £28k to allow the JMASS project to proceed in other parts of the Council for Tier 4 and 5, and
  - 1.14.3 £120k as a supplementary estimate of potential future Tier 6 redundancy costs across Housing and Community Development and other Council areas

## **2 Is there a strong enough business case for restructuring Housing to introduce Area Community Teams?**

- 2.1 In short – Yes. The net gains to our tenants:- individuals, households and communities of collaborative front-line agency working are a proven result of this model as demonstrated by the Halcon One Team. Additionally, the savings through collaborative working to the public sector as a whole through both reduced demand and duplication far outweigh the one-off cost. It should be noted that this cost will put in place a fit-for-purpose management structure to deliver community benefits to tenants across the lifetime of the 30-year business plan.

- 2.2 Through being joined-up at the point of delivery, better decisions can be made, public sector money spent more effectively and duplication reduced. This approach is very much in line with the government agenda for joined up public services. Furthermore, the County Council and Avon and Somerset Police are aligning their services in this way – the first time that all three major Taunton public sector agencies are having the conversation for joined up working at the same time. Health Visitors are also keen to align working to this approach. It is not an opportunity that the Council can afford to miss!
- 2.3 The Halcon One Team model has been working on this basis for around two years and has delivered considerable results for the Halcon community that not only have provided immediate benefits to families and agencies, but has set the groundwork for change that will reduce dependency of families on the public sector for years to come.
- 2.4 Examples of tangible successes have been:
- Recorded crime has reduced in the ward by 31% in 2013/14
  - Anti-social behaviour has fallen by 13% (2012/13) and a further 8% (2013/14). By comparison crime and anti-social behaviour has increased in North Taunton over this time.
  - The Acorns Children Centre historically struggled to engage with the local community. As a result of Halcon One Team working, in 2013/14 48% of Taunton Deane children centre referrals were made to the Acorns.
  - Evictions fell from 10 (2011/12) to 3 (2013/14) saving the HRA and homeless service an estimated £165k pa (Shelter benchmark)
  - CAB provided debt advice to 86 clients in the Halcon One Team surgery securing £112k in unclaimed benefits
  - Housing officers have reduced rent arrears, despite Welfare Reform changes
  - Provided an enhanced model of working to tackle ‘troubled families’ (now integrated into the Halcon One Team). The Government has costed the average ‘troubled family’ at £75,000 pa each to the public sector.

Longer term benefits include:

- We are currently working closely with the primary school to address safeguarding and security concerns to allow teachers to spend more time teaching. This should lead to improved education and prospects for children
  - Supporting victims of domestic violence to help break cycles of abuse
  - Established community voluntary workforce which has provided work experience, formal qualifications and confidence. Four volunteers have since moved into full time work, taking them off benefits.
  - Improved parenting skills through Children’s Centre support and direct courses providing numerous benefits and improved prospects to children
- 2.5 The benefits of collaborative working in this way are too numerous to mention. Many of these benefits come through shared conversations and inter-agency co-operation. One simple example was the intention of Housing Options to house a family in a vacant HRA property until one of the partners pointed out that the neighbours had had a long-standing feud with the family. This therefore averted potentially hundreds of hours of work of Housing Estates Officers, PCSOs and

the Police, Environmental Health and even potentially health services as well as a huge social cost to the local community.

- 2.6 From tenants perspective, public sector services should be more responsive and the solutions more integrated and comprehensive. Many issues raised by tenants to members of the Halcon One Team require a solution that involves more than one agency and the model allows these solutions to be enacted relatively quickly and easily.
- 2.7 To further demonstrate our confidence in this approach, we have submitted the Halcon One Team as a model of national best practice to be showcased at the LGA District Council's network in Bournemouth in July under 'New Ways of working'
- 2.8 The Vision for the TDBC Housing and Community Service is to now establish Area Community Managers and teams to work within three areas of Taunton Deane and to focus resources on the areas of highest demand and work collaboratively with other agencies to address the key areas in those communities.
- 2.9 Although to move to this structure will incur some costs and changes to staff and the way that we work, the opportunity is too important to let slip and the potential gain to the community and public sector agencies far outweigh the one-off costs.

### **3 HR comments**

- 4.1 The need to obtain the appropriate approvals for HRA expenditure will delay the implementation of part of the Housing and Community Development staffing structure by approximately one month.
- 4.2 Details of this process have been provided to the Joint UNISON Board and affected staff. In addition to a clear explanation there may be the need to provide appropriate support to the affected staff.

### **4 Financial Comments**

- 4.1 The original proposals for the restructure of Housing and Community Development included estimated figures for the costs of redundancy, which assumed that many posts would be filled internally by "at risk" staff, although the report highlighted that these costs could be higher. Following the deadline for "at risk" officers to submit their preference forms a clear position for one-off redundancy costs for Phase 1 of Tiers 4 and 5 is now known.
- 4.2 The cost of the four HRA funded officers, within the Housing and Community Development area, who have requested redundancy and which we would be minded to support to enable the new structure is £199.3k. Savings for the HRA within this area for Tiers 4 and 5 are £16.2k, giving a payback period of 12.3 years. Although this payback period is above normal acceptable boundaries, as described within this report, the review of the structure will provide service improvement for the HRA over the life of the Business Plan and is therefore acceptable.

- 4.3 Redundancy costs of £28k have also been identified from other services within Phase 1 Tiers 4 and 5 for services which help support the HRA. These fall within Property & Development and Corporate Services.
- 4.4 It should also be noted that there is potential for further one-off redundancy costs to materialise for the HRA at the next stage of the JMASS project - Phase 2 Tiers 4 and 5 and Tier 6 for all services – as well as potential for ongoing savings to the HRA through the efficiency delivered by the project. These costs and savings will not be known until the final design of staffing structures are known, though it would be prudent to earmark some monies from HRA reserves now for potential one-off costs. It is recommended that a further £120k is earmarked to cover these potential future costs, any underspend being returned to reserves. Efficiency savings can be built into the budget and business plan once identified.
- 4.5 The current budgeted balance for HRA General Reserves is £2.20m. It is recommended that the known and estimated one-off redundancy costs of £347.3k are funded from HRA General Reserves leaving the balance as £1.853m, which is above the minimum acceptable balance of £1.80m.
- 4.6 It should be noted that this is not a traditional “restructure” where the redundancy costs would be covered by ongoing savings and Members would expect to see a reasonable payback on their investment. This is a longer term investment in delivering better outcomes for our community as set out in the earlier sections of the report. The Assistant Director is clear that this level of change is required if the Council wishes to see these improved outcomes.

Summary of HRA Service Development and JMASS One-off Costs:

	<u>£k</u>
<u>Redundancy costs related to Housing &amp; Community Development service enhancement</u>	<u>199.3</u>
<u>Share of redundancy costs (from JMASS – other Council Services) – Tier 4/5 Phase 1</u>	<u>28.0</u>
<u>Provision for share of redundancy costs – From Housing and Community Development Tier 6 and other JMASS Council Services Tier 4 and 5 Phase 2 plus Tier 6</u>	<u>120.0</u>
<u>Total Proposed Use of HRA Reserves</u>	<u>347.3</u>

- 4.7 For comparison a supplementary estimate of £1,193 was set aside by TDBC and WSC for the one off redundancy costs for the General Funds for JMASS.

## 5 **Link to Corporate Priorities**

- 5.1 A vibrant social, cultural and leisure environment – The structure has a renewed focus on addressing community issues through more collaborative front-line services; health and wellbeing; and supporting communities and the voluntary and community sector
- 5.2 A transformed Council – The structure delivers a more collaborative model of service delivery, aligning better with other agencies and expected to reduce the overall cost to the public sector.

## **6 Equalities Impact Assessment**

- 6.1 An Equality Analysis was included as part of the original structure proposal and has been reproduced under Appendix 3.

### **Risk Management**

- 6.2 The key risk of members not supporting the one-off costs being funded from the HRA would be that the proposed structure could not progress, making it extremely difficult to provide a collaborative partnership solution to better support our tenants. The impact of this would be that tenants and housing estates would not receive the wider benefits of this approach.

## **7 Partnership Implications**

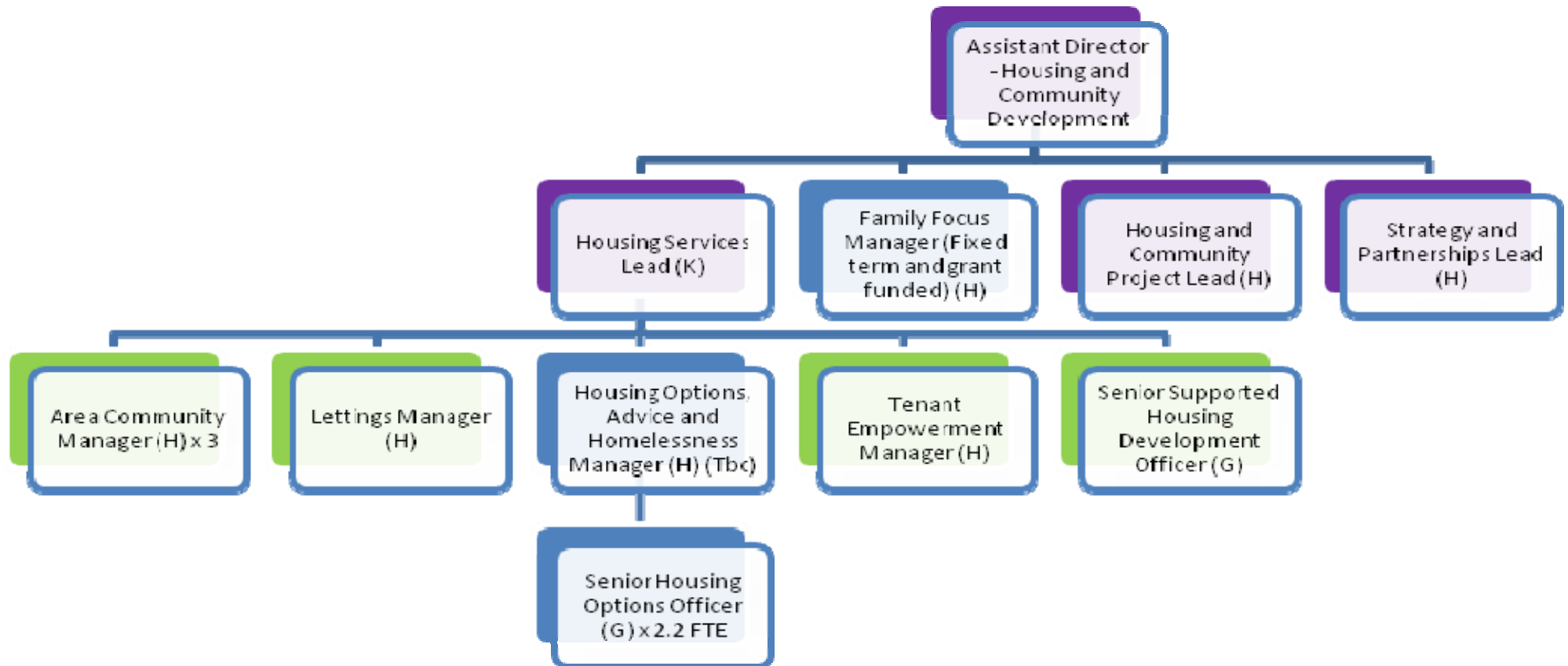
- 7.1 The proposals within this report have been tested with the Tenants Services Management Board (16/6/14) who although had some concerns around the costs of redundancy did support the recommendations
- 7.2 Community Scrutiny voted unanimously to support the recommendations.
- 7.3 The new structure will require Area Community Managers to collaborate closely with the community and other agencies on the ground including the Children Centres, Police, PCSOs, GPs, SCC Social Care and other relevant bodies
- 7.4 Conversations have started with the SCC Early Help Commissioner for 'Get Set Services' – the County Council's approach to joining up services through their Children's Centres and with the Avon and Somerset Constabulary. They are extremely supportive of the proposals and keen to work closely with us moving forward.

## **8 Recommendations**

- 9.1 Council is requested to approve a Supplementary Estimate from HRA General Reserves to fund the estimated one-off costs to the HRA of the JMASS restructure to provide the necessary structure to deliver improved outcomes for tenants over the lifetime of the HRA Business Plan. Approval is sought as follows:
- 9.1.1 £199k toward the Tier 4 and 5 Housing and Community Development structure
- 9.1.2 £28k to allow the JMASS project to proceed in other parts of the Council for Tier 4 and 5, and
- 9.1.3 £120k as a supplementary estimate of potential future Tier 6 redundancy costs across Housing and Community Development and other Council areas, with any underspends being returned to reserves.

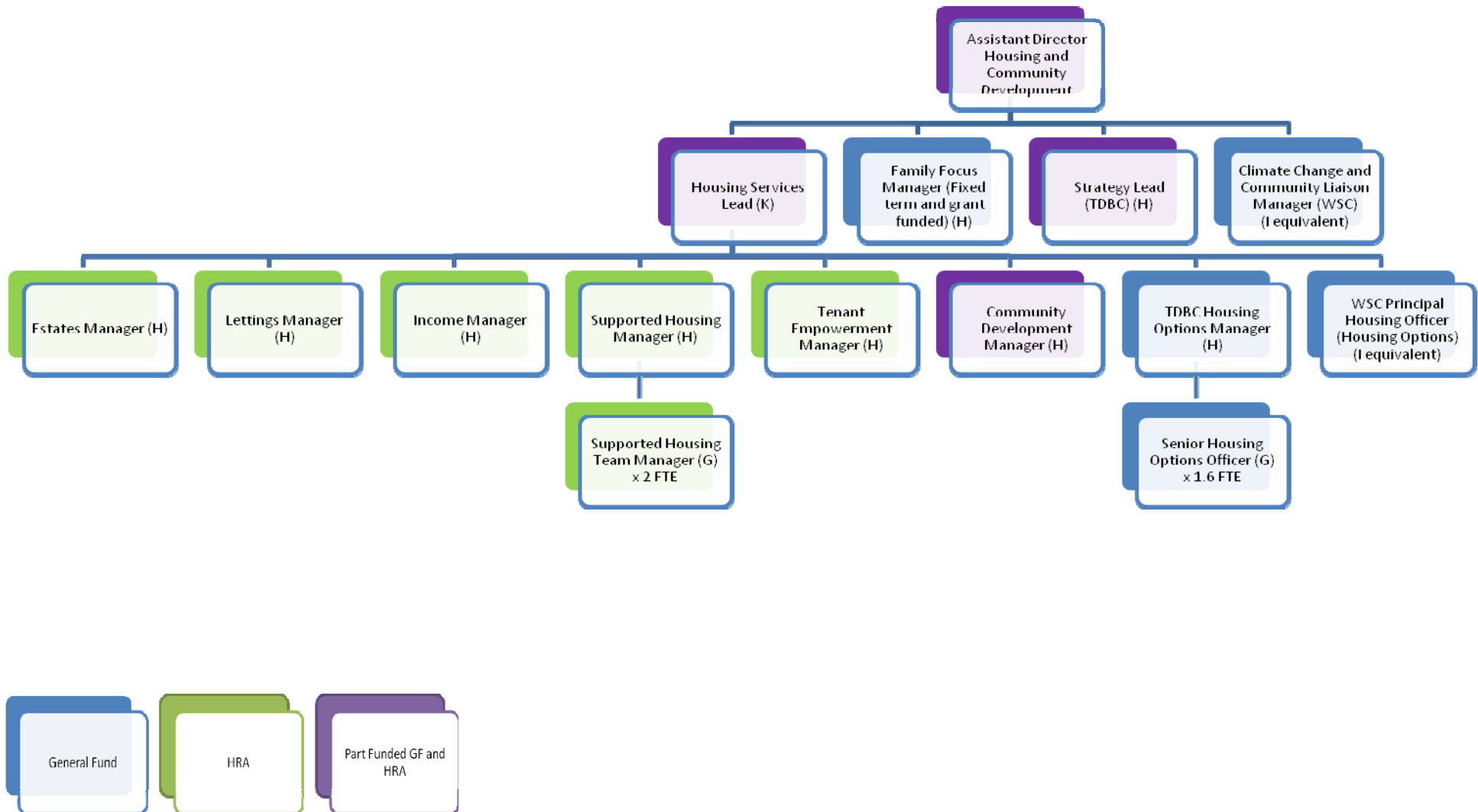
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**Appendix 1: Proposed New Structure** (Structure only shows management posts discussed in restructure paper)





**Appendix 2: Existing Structure** (Structure only shows management posts discussed in restructure paper)



**Appendix 3 – Equalities Impact Assessment: Shared Services Structure for Housing and Community Development  
(Reproduced from original JMASS proposal paper)**

<b>Responsible person</b>	<b>Simon Lewis</b>	<b>Job Title</b>	<b>Assistant Director – Housing &amp; Community Development</b>
<b>Why are you completing the Equality Impact Assessment? (Please mark as appropriate)</b>	Proposed new policy or service		
	Change to Policy or Service		✓
	Budget/Financial decision – MTFP		✓
	Part of timetable		
<b>What are you completing the Equality Impact Assessment on (which policy, service, MTFP proposal)</b>	Management and Shared Services Project – Housing and Community Development restructure		
<b>Section One – Scope of the assessment</b>			
What are the main purposes/aims of the proposal?	<p>The aim is to</p> <ol style="list-style-type: none"> <li>1. Create a fit for purpose management structure for Housing and Community Development to service both councils, deliver on members' identified priorities and to be affordable within a reduced cost envelope</li> <li>2. To introduce collaborative front-line working where officers work with other agencies on the ground to address community issues within geographic areas.</li> <li>3. Other specific aims as outlined in paras 1.1.3 and 1.1.4 of the accompanying report</li> </ol>		
Which protected groups are targeted by the proposal?	None		

What evidence has been used in the assessment - data, engagement undertaken – please list each source that has been used The information can be found on....	<p>Data – what does this tell you</p> <ol style="list-style-type: none"> <li>1. Characteristics of the affected staff group – clear numbers involved for each category</li> <li>2. The HRA service collects equalities data on tenants</li> </ol> <p>Engagement undertaken that has been used to support data and identify impacts:</p> <ol style="list-style-type: none"> <li>1. Consultation with UNISON on development of proposals and plans for implementation</li> <li>2. Consultation with affected staff group</li> <li>3. Consultation with Tier 6 staffing will be undertaken as part of the consultation for this</li> </ol>
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	<p>proposal</p> <p>4. Consultation with the Tenants Services Management Board will also be undertaken.</p> <p>Data available within HR systems and with Project Team</p>	
<p><b>Section two - Conclusion drawn</b> about the impact of proposal on different groups highlighting negative impact, unequal outcomes or missed opportunities for promoting equality</p>		
<p>The proposals may have the following impact:</p> <ul style="list-style-type: none"> <li>• <b>Elderly and Disabled</b> <ol style="list-style-type: none"> <li>1. The proposed restructure affects the management structure of Supported Housing which has responsibility for around 1000 units of sheltered and extra care housing. Although the proposal does not affect the number of officers working with tenants on the ground, it does change the line management structure and moves away from specialist management roles. This is mitigated through Area Managers required to take an overview and responsibility within their areas for service delivery to all tenants and from the creation of the Senior Supported Housing Development Officer to ensure consistent service standards and a focus on this group of people</li> </ol> </li> <li>• <b>Women</b> <ol style="list-style-type: none"> <li>1. The proposed restructure affects 14 managers and leads within Housing and Community Development Based of which 6 are women and 8 are men. The proposals will lead to a reduction in managers however it is not possible to say at this stage whether those affected will be men or women.</li> </ol> </li> <li>• <b>All protected characteristics</b> <ol style="list-style-type: none"> <li>1. The proposals to deliver services through area teams working collaboratively with other agencies on the ground should lead to a more comprehensive, responsive and joined-up service to tenants and residents and should lead to a <b>positive</b> impact on all protected characteristic groups. Additionally the proposed restructure provides additional front line capacity to support tenants faced with debt and anti-social behaviour issues. Through being able to bring in local health support, social service support, police and other partners more easily, this should help improve the quality of life of tenants across the board.</li> </ol> </li> </ul>		
<p><b>I have concluded that there is/should be:</b></p>	<p>No major change - no adverse equality impact identified</p>	
	<p>Adjust the proposal</p>	
	<p>Continue with the proposal</p>	<p>But ensure that final outcomes are monitored and that if external adverts are required, they are placed in media which will ensure that female, ethnic minority and candidates with a disability are reached. Ensure HR policies and procedures are adhered to. Also need to ensure that monitoring of satisfaction and service standards takes place across supported housing to ensure that tenants receive a good</p>

		service.
	Stop and remove the proposal	
Reasons and documentation to support conclusions	The negative impacts will be mitigated by the actions set out above whilst ensuring HR policies are adhered to.	
<b>Section four – Implementation – timescale for implementation</b>		
<ul style="list-style-type: none"> <li>There are no variations to the Tier 4/5 timetable proposed for the Housing and Community Development Service restructure and therefore, subject to the consultation outcomes, the new structure should be in place by 1 July 2014</li> </ul>		
<b>Section Five – Sign off</b>		
Responsible officer: Simon Lewis Date: 28/02/2014	Management Team Date	
<b>Section six – Publication and monitoring</b>		
Published on		
Next review date	Date logged on Covalent	

**Action Planning** - The table should be completed with all actions identified to mitigate the effects concluded.

<b>Actions table</b>					
<b>Service area</b>	<b>Shared Services Structure for Housing and Community Development</b>		<b>Date</b>	<b>28 February 2014</b>	
<b>Identified issue drawn from your conclusions</b>	<b>Actions needed</b>	<b>Who is responsible?</b>	<b>By when?</b>	<b>How will this be monitored?</b>	<b>Expected outcomes from carrying out actions</b>
Impacts on sheltered and extra care housing tenants	Establishment of Service Standards and standardised processes for supported housing officers. Monitoring of satisfaction and delivery against standards across supported housing schemes	Senior Supported Housing Development Officer; Area Housing Mgrs	31/3/2015	Monitoring reports; satisfaction surveys; Sheltered Housing Forum	Consistent service standards and satisfaction
Impacts on reduction on females within senior management	Ensure recruitment follows approved procedures and any external advertisements encourage applicants from under represented groups.	HR Manager	Before external recruitment and during all internal processes	Monitoring of final outcomes and ongoing consultation with UNISON	Unknown
Need to ensure HR Policies are adhered to.	HR to implement against agreed policies.	HR Manager	During implementation phase (and beyond for external advertisements)	Monitoring by HR Manager and ongoing consultation with UNISON	Compliance with policy and free from challenge.