

PROPERTY SERVICES – PROPOSED RE-STRUCTURE**1. INTRODUCTION**

1.1 The current heads of service management structure, approved by Cabinet in March 2008, created the new post of Head of Property Services. The rationale behind this new post was to bring together firstly property related sections previously managed by the Asst Director of Finance with other property and procurement related services that reported to the Asst Director of Commercial Services. This new grouping of business units would then provide a clearer focus to property related activity across the Council by concentrating more of the available expertise in one place. This review also highlighted other property service expertise which is currently managed by Head of Housing and Head of Leisure Services.

1.2 The role of the Asset Management Group has also been redefined, as part of the newly adopted Asset Management Strategy, with a stronger role for the group now in place to take the landlord function for all of the Council's property and land related assets. The importance of good asset management is also reflected in the prominence that this function plays with its own key line of enquiry in the Council's annual Use of Resources assessment.

1.3 It is important to the Council that the property related functions are operating to a very high standard with combined annual revenue and capital works budgets of over £8m and employee budgets of just under £1m. It is a key priority in the Council's strategic risk register and Asset Management Strategy. This objective can only be achieved if the Service has the right skills, expertise and resource and these are used in the most efficient and effective way, to deliver both current and future programmes of work. To ensure that this is in place a review of all Council wide property related activity (Property Services, Housing Planned Maintenance, Estates and Valuation, Building Works, Engineering Design / Land Drainage, Leisure Maintenance Co-ordinator and Central Purchasing) has now been completed and a proposed new grouping and structure for business units within the service is proposed. The current structures are attached (Appendix 1 & 2).

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2. SUMMARY OF PROPOSALS**2.1 Creation of Centre of Expertise**

2.1.1 At the core of the proposal is the creation of a new Property Services Business Unit, combining the property related surveying expertise currently located within the existing Property Services team, the Housing Planned Maintenance team and the Leisure Services Maintenance Co-ordinator. This would bring together all existing property related expertise and create a centre of expertise enabling a more efficient use of resources, sharing of knowledge and standardisation of procedures. The proposed structure is shown at Appendix 3.

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- 2.1.2 The existing Property Services team is responsible for the delivery of planned and reactive maintenance work and energy management measures to all of the Council's non-housing property and assets with responsibility for revenue and capital works budgets in excess of £2m. Over the years the size of this team has been slowly eroded under various reorganisations. This has resulted in the team losing expertise in key areas such as quantity surveying, qualified surveyors and experienced contract administrators. The team delivers a good level of service but this is often hampered by the lack of capacity and in some circumstances skills to effectively deliver the programme. The creation of a larger team will ensure that the service is delivered to a high standard and that fluctuations in demands on the overall team can be more efficiently managed through the sharing of resources.
- 2.1.3 The Housing Planned Maintenance team, who have responsibility for the delivery of the large planned maintenance work programme for the housing stock, are part of the Housing Technical team and report to the Housing Technical Manager who in turn reports to the Head of Housing. Whilst this team have limited day to day interaction with the existing Property Services team much of their work and skills required to undertake this work are similar. Moving these teams together will therefore create a larger core group of like skilled staff, opportunities for the sharing of skills and experience, greater consistency and future efficiencies through the flexible use of resources, it would also give staff an opportunity to learn new skills.
- 2.1.4 There will be a further added benefit of moving the Housing Planned Maintenance section into the new Property Services team which will bring together the Housing Planned Maintenance and Building Works Teams under one service head. Over the last 2 years the Building Works team have taken responsibility for a much larger portfolio of Housing planned maintenance works. The changes will bring the teams closer together and will facilitate a better working relationship which will in turn improve the effective delivery of the planned maintenance programme.
- 2.1.5 Responsibility for planned and reactive maintenance at the 5 Health and Leisure Centres is currently shared between the Property Services team and the Head of Leisure. The Head of Leisure manages progress against the work programme and controls the capital and revenue budget spend. Delivery of work is undertaken by surveyors within Property Services, the Leisure Services Maintenance Co-ordinator who reports directly to the Head of Leisure and Maintenance Technicians / Operators based at each H&L Centre who report directly to the Centre Managers.
- 2.1.6 The current allocation of responsibilities and reporting lines does not reflect the new landlord role identified in the Asset Management Strategy. It is therefore proposed that full responsibility for the delivery of planned and reactive maintenance work for the Health and Leisure Centres be transferred to the new Property Services Team, thus enabling the programme of works to be delivered from one centre of expertise.

- 2.1.7 This transfer will require the current Leisure Services Maintenance Co-ordinator to move to the new Property Services team. The postholder currently works closely with the existing Property Services team but with specialism for the site plant and machinery and delivery of a number of small scale maintenance contracts. Under the new structure this post will continue to have responsibility for works within the H&L Centres but working within a wider surveying team will be able to draw on the broader experience and skills of the whole team. It will be important to maintain this responsibility for leisure to ensure that adequate resources and skills are allocated to this front line service. The bringing together of the teams will also ensure that consistency of procedure is achieved.
- 2.1.8 Additionally, there are 4 maintenance technicians and 4 Maintenance Operatives based across each of the H&L Centres. 2 of the Maintenance Technicians are full time employees; the remaining staff work a variety of part time hours. The Maintenance Technicians are responsible for maintaining the various items of plant as well as undertaking minor maintenance works (plumbing, electrical, carpentry etc) across the sites. The Maintenance Operatives undertake similar roles but are less skilled. All of these posts report directly to their respective Centre Managers but have a very close working relationship with the Leisure Maintenance Co-ordinator. The relationship with the Leisure Services Maintenance Co-ordinator role will need to remain.
- 2.1.9 It is possible that there may be scope to improve the efficiency of these current arrangements and that rather than having dedicated posts located at each centre a more flexible arrangement could be established. Furthermore, where specialist technical skills are required (qualified tradesmen) the provision and reporting lines for these staff should be reviewed to consider the role that the Building Works team could play. This will be the subject of a separate review which is anticipated will bring financial efficiencies to this function.
- 2.1.10 The transfer of the Housing Planned Maintenance Team to the new Property Services Business Unit will impact upon the existing structures within the Housing Service. The proposals will leave both the existing Private Sector Housing Team and a small strategic property team within the housing service under the existing Housing Technical Manager. The reduced size of this team coupled with the changes already being experienced within the workload of the Housing Strategy and Development Team indicates a need to critically examine the future roles and responsibilities of both these areas of work to see whether any economies of scale can be identified. This will be the subject of a separate report to Executive Management Team in due course.

2.1.11 The new Property Services structure, and in particular the existing posts of Energy and Environment Officer, HECA Officer and Property Services Manager, will enable more resource to be devoted to the energy management and wider sustainability agenda within asset related activities. Currently, activity, particularly in relation to sustainability is not well co-ordinated across business units. A closer working relationship with the Strategic and Performance Development team will be possible and will help to deliver on the improvement plans for the green audit review themes:

- The way we operate our buildings
- The way we operate our services
- The way households are run
- The way we procure our goods and services

2.2 New BU Head

2.2.1 The new business unit will be headed by a new post of Property Manager which will require a high level of management skills as well as a proven track record on project management in a building works environment. The post will report directly to the Head of Property Services. The postholder will be a qualified and experienced property professional able to take responsibility for the full range of maintenance and construction issues associated with both the civic / public buildings and the council's housing stock.

2.3 HECA

2.3.1 In anticipation of forthcoming changes in the Home Energy Conservation Act 1995 the need for a dedicated HECA officer has been reviewed. With the statutory responsibilities due to be removed the work of this post can more usefully be redirected to other activities particularly in respect of support and assistance to lead officers involved in the delivery of actions arising from the 9 Green Audit themes. Some limited work will remain relating to home energy conservation but will be restricted to the provision of general advice and the signposting of residents to other agencies directly responsible for delivering on this agenda.

2.4 Remaining Business Units

2.4.1 There are no plans to change the existing structures or reporting arrangements for the Estates and Valuation or Central Purchasing business units.

2.4.2 A separate business case has been approved for a restructure of the Engineering Design / Land Drainage team. This was necessary to address a reduction in fee earning work for the team and has resulted in a reduction in resource levels. The changes will not impact on other business units within Property Services.

2.4.3 The Building Works team have taken responsibility for all Housing repairs from 1 April 2009 following the transfer of work back in-house from the external contractor Carillion Property Services. A review of the reactive maintenance management structure is underway and again will be the subject of a separate proposal. The changes will have no impact on other Property

Services business units. Costs for this business unit are primarily HRA funded.

3. FINANCIAL IMPLICATIONS

- 3.1 The proposals effectively centre around the creation of a new post of Property Manager. In 2009/10 there will be additional costs associated with this post. These part year costs, dependant upon the timing of recruitment are estimated to be £30,000. Full year costs from 2010 onwards are estimated at £62,500.

<i>FULL YEAR COSTS</i>		£
Property Manager	B10 (mid pt)	57,500
Leased Car		3,000
Supplies & Services (Trav, Prof Subs, Training etc)		<u>2,000</u>
Total Full Year Costs		<u>62,500</u>

- 3.2 It is anticipated that efficiencies will be generated to offset the cost of this post and will follow within the new financial year once the new structure is implemented.
- 3.3 Some cost will be involved in the relocation of employees to Appletree Court. Any additional travel costs will be paid in accordance with Council policy. It is not considered that these costs will be material.

4. ACCOMMODATION

- 4.1 It is proposed that the bulk of the new Property Services team will be located at Appletree Court. This will require the relocation of 8 employees from Lymington (Property Services) and the Leisure Services Maintenance Co-ordinator from Ringwood H&L. The larger team, including Housing Planned Maintenance (9 employees) will be relocated into vacant office space on the Planning 1st floor. At the same time the opportunity will also be taken to move the Estates and Valuation team (4 employees) to Appletree Court to be located alongside the new Property Services team. This will assist in the close working links that currently exist between these teams. This move will form the first phase of the wider office optimisation project.
- 4.2 The Building Works and Central Purchasing teams will remain at Marsh Lane Depot as this best suits their operational needs.
- 4.3 The Engineering Design and Land Drainage team will also remain at Lymington Town Hall. This will enable a closer working relationship and sharing of resources to develop with the Coastal Management Group who are also based at Lymington.

5. EMPLOYEE CONSULTATIONS

- 5.1 A formal consultation process has been undertaken with all employees directly affected by the proposals. Meetings were held on 7th May with feedback requested by 22nd May. Subsequent meetings have since been held with managers and some employees from Property Services, Estates and Valuation and the Housing Planned Maintenance teams. Feedback from these meetings have been carefully assessed and where possible will be addressed once formal approval for the restructure is granted and more detailed work is undertaken to implement the structure and working arrangements.
- 5.2 If approved the process for moving to the new structure would be incremental. The first structural change would be the appointment of the new Property Manager post. A new job description is currently being drafted for formal evaluation. It is planned to advertise the post immediately approval is granted by July Cabinet. The start date will be subject to the new postholders notice period.
- 5.3 From this point forward the Housing and Property Services teams will be co-located at Appletree Court. A target date for implementation of the moves is December 2009.
- 5.4 The integration of the Leisure portfolio of works and the Leisure Maintenance Co-ordinator post into the new team will also follow once the new Property Services Manager has established him/herself in post and is able to take full control of the Health and Leisure maintenance programme and the service review in this area is completed.

Restructure Timetable

- Stage 1 – Consultation with Employee Side (*22 April 2009*)
- Stage 2 – Consultation on new structure with managers first – then teams affected (*7 May 2009*)
- Property Services
 - Planned Maintenance
 - Leisure Services Co-ordinator
- Stage 3 – Make alterations to structure following feedback as appropriate
- Stage 4 - Agree new structure and communicate message to all Employees (*By 16 June 2009*)
- Stage 5 - Report to EMT (*16 June 2009*)
- Stage 6 - Report to Cabinet (*6 July 2009*)
- Stage 7 – Advertise for new post (*July 2009*)
- Stage 8 - Appoint to post (*October 2009*)
- Stage 9 - Office moves (*Dec 2009*)

6. EMPLOYEE SIDE COMMENTS

- 6.1 After speaking to some of the staff concerned they feel that their views and feedback could have been addressed more fully and some viewed the proposed exercise had already been decided.
- 6.2 The proposals create a new level of management and it would appear that this post is to be recruited from outside as there is a view that the skills don't currently exist in house. It is believed not enough consideration has been given to alternative ways to plug the skills gap and the justification has been questioned by some staff.
- 6.3 The proposals could be seen as a block to in house career progression for staff in both estates and property services. The current proposal will effectively prevent any future advancement of all staff at all levels and may lead to staff de-motivation and retention problems.
- 6.4 Current inequalities in grading and job descriptions across Housing and Property Services/Estates will need to be addressed as part of the new structure.
- 6.5 Advice may need to be given on the implication of moving staff from the Town Hall to ATC and some assurance will be needed to ensure adequate accommodation is available.
- 6.6 The proposal to move staff to ATC has given some staff the view that it pre-empt work underway in the accommodation review and presupposes that the One Site project will favour ATC.
- 6.7 Employee Side see a concentration of expertise, a division of labour as making economic sense but feel some attention should be paid to those staff concerns highlighted above.

7. ENVIRONMENTAL IMPLICATIONS

- 7.1 The creation of the new business unit will enable a better coordination of resources and a more flexible approach to work allocations with a potential to deliver environmental benefits.
- 7.2 The sharing of skills and knowledge across the team will also help in ensuring that solutions to building related issues are achieved in the most sustainable way. This is increasingly becoming a key priority for the team.

8. EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 Recruitment to the new post will be undertaken in accordance with normal recruitment practice with the selection and appointment process being open to all employees.

9. PORTFOLIO HOLDERS COMMENTS

- 9.1 The effective and efficient management and use of property related assets is critical to the Council particularly in the current financial climate. The office optimisation and one site projects will require significant input from property services and as a consequence the proposed restructuring and strengthening of the current team is supported by the Portfolio Holder.
- 9.2 The bringing together of the property related skills into a single centre of expertise will provide future opportunities to work more efficiently, share knowledge and skills and promote consistent standards and working practices.

10. RECOMMENDATIONS

It is recommended that:

- 1) Cabinet approves the creation of the new post of Property Manager;
- 2) Cabinet approve a supplementary budget of £30,000 in 2009/10 and the Council be recommended to support an expenditure plan bid of £62,500 in 2010/11 to fund the new post; and
- 3) Cabinet approves the proposed new Property Services Structure as identified in Appendix 3.

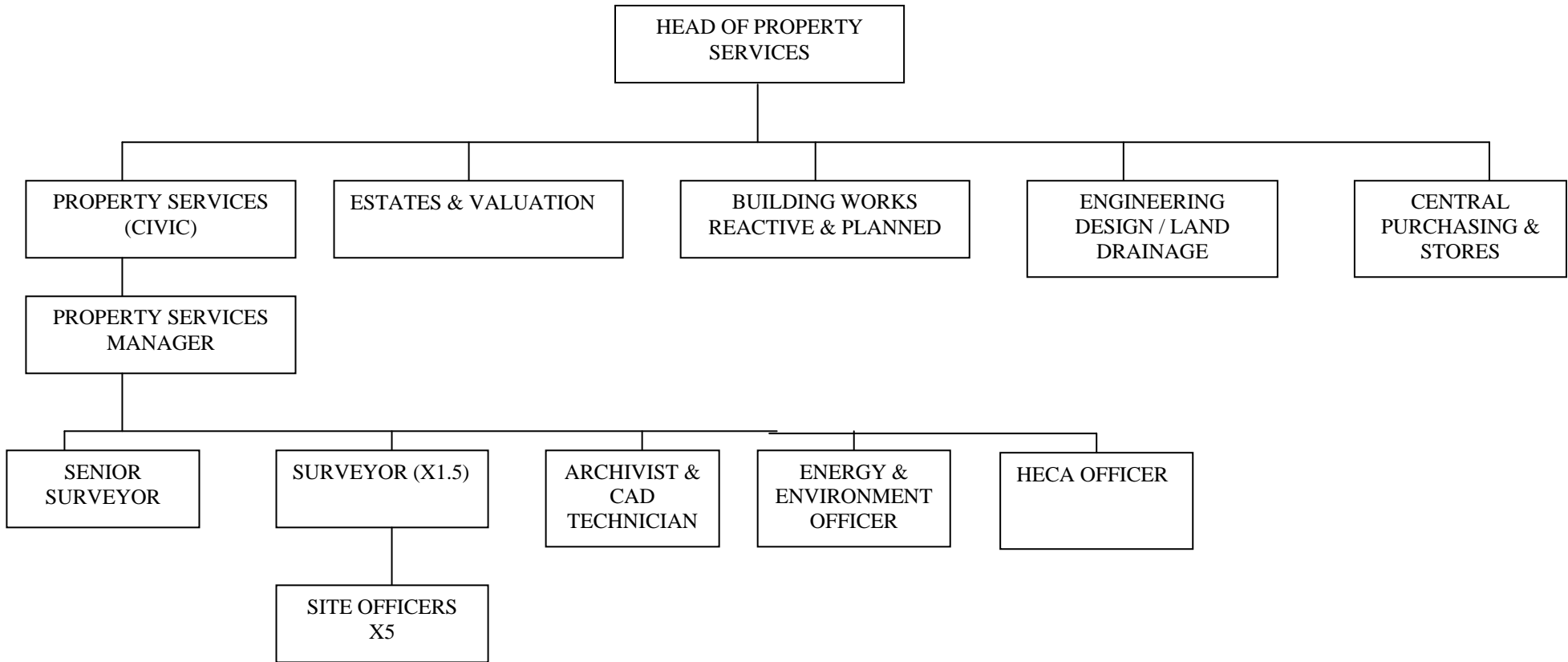
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Background Papers:

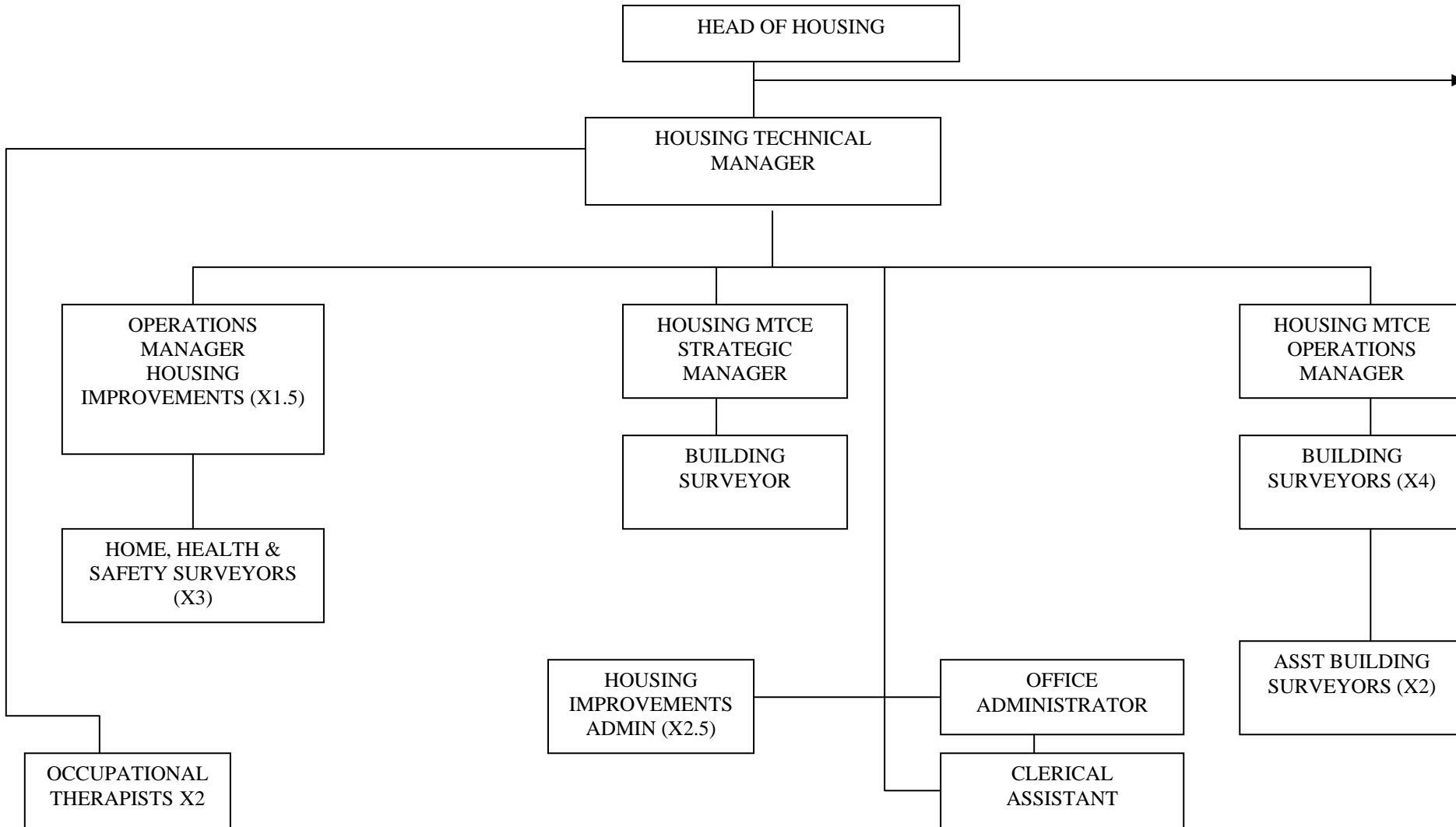
PROPERTY SERVICES (CURRENT)

APPENDIX 1



HOUSING TECHNICAL (CURRENT)

APPENDIX 2



PROPOSED PROPERTY SERVICES BUSINESS UNIT

APPENDIX 3

