

 <b>Executive 30<sup>th</sup> September 2015</b>		<b>Agenda Item No.</b> <b>7</b>
<b>Title</b>	Additional Temporary Staffing Resource – Housing & Property Services	
<b>For further information about this report please contact</b>	<p>Bill Hunt Deputy Chief Executive 01926 456014 bill.hunt@warwickdc.gov.uk</p> <p>Andy Thompson Head of Housing &amp; Property Services 01926 456043 andy.thompson@warwickdc.gov.uk</p> <p>Matt Jones Asset Manager 01926 456034 matthew.jones@warwickdc.gov.uk</p>	
<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	11 March 2015, Executive Minute number 151	
<b>Background Papers</b>	Asset Management Redesign Update, Executive, 11 March 2015, Improvement Programme III - Reshaping the Organisation, Employment Committee, 27 January 2015	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	Yes
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality and Sustainability Impact Assessment Undertaken</b>	No

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive		Co-author
Head of Service		Andy Thompson
CMT	9/9/15	
Section 151 Officer	10/9/15	Mike Snow
Monitoring Officer	9/9/15	Andrew Jones
Finance	10/9/15	Mark Smith

HR	10/9/15	Sue Firminger
Portfolio Holder(s)	10/9/15	Councillor Phillips
<b>Consultation &amp; Community Engagement</b>		
<b>Final Decision?</b>		Yes
<b>Suggested next steps (if not final decision please set out below)</b>		

## 1. **SUMMARY**

- 1.1 This report sets out proposals to address capacity issues within the Assets Team of Housing & Property Services that are currently impacting on service delivery and workforce development.

## 2. **RECOMMENDATIONS**

- 2.1 That Executive approves funding of a maximum of £33,999 from the Service Transformation Reserve and a reallocation of the existing Housing Revenue Account (HRA) budget that will reduce the current contribution to the HRA Capital Investment Reserve by a maximum of £71,129, to cover the costs of:
- 1 temporary Project Manager post at salary grade E1 for 24 months
  - 1 temporary Property Maintenance Officer at salary grade F for the period ending March 31st 2017
- 2.2 That Executive approves a maximum budget allocation of £100,000 to cover the costs of deploying resource procured via a 'call-off' arrangement through a procurement compliant framework agreement, to be funded by a £70,000 allocation from the Service Transformation Reserve and a reallocation of the existing Housing Revenue Account (HRA) budget, that will reduce the current contribution to the HRA Capital Investment Reserve by a maximum of £30,000.

## 3. **REASONS FOR THE RECOMMENDATIONS**

- 3.1 On 27 January 2015 the previous Employment Committee approved a significant redesign of the Asset Management Team within Housing & Property Services.
- 3.2 On 11 March 2015 the previous Executive considered the budgetary issues arising from the redesign proposals and the outcome of the internal matching process which required further provision to be made for redundancy costs. Their approval of the proposals in this report enabled an external recruitment process to commence. The staffing structure approved as a result of these two reports is attached at **Appendix One**.
- 3.3 Overall, the recruitment process, both internal and external has proved to be more protracted than anticipated, with the final vacant post due to be filled this month, subject to satisfactory interviews. Whilst the process has been underway there has been significant internal staff movement which has proved disruptive, particularly in respect of the Energy and Plant Management Team, where the two staff previously undertaking the Contract Administrator roles secured new positions within the Housing and Void Repairs Team.
- 3.4 The internal staff movements and the successful completion of the external recruitment process has meant that the objectives of the redesign have been met and staff appointed to the new structure with the appropriate skills to deliver an enhanced service. However, there are now a large number of new starters within each of the three teams:
- 2 new building surveyors and 1 Clerk of Works within the Building Surveying Team,
  - 2 new Contract Administrators within the Energy and Plant Management Team,
  - 3 new Contract Administrators, a Resident Liaison Officer and a Property Maintenance Officer within the Housing and Void Repairs Team.

- 3.5 The protracted and disruptive recruitment process and the relatively high proportion of new starters within the teams has had several consequences:
- Planned work has needed to be rescheduled.
  - Managers have been unable to delegate work until staff have been appointed and settled into their (new) role.
  - Managers have been unable to progress staff training and development as quickly as desirable as they have lacked the resources to do so.
- Each of these issues impacts adversely on the other issues and all have been compounded by long term sickness issues within the Building Surveying Team affecting 4 staff, 1 of whom remains on long term sick leave and another has returned to work but awaits surgery and a three week recovery period.
- 3.6 The net result has been the build-up of a backlog of work, delays to the commencement of projects and an inability for the teams to effectively support colleagues working on key corporate and strategic initiatives. The latter issue, in particular, has been aired at recent Asset Strategy Group and Senior Management Team meetings and the Corporate Management Team (CMT) is consequently bringing forward these proposals to address the current capacity issues.
- 3.7 These capacity issues have resulted in key initiatives to review the effectiveness of the current Open Book contracting arrangements for housing and void repairs, update HRA stock condition information, introduce a new strategic approach to planning Housing Investment Programme expenditure and introduce a comprehensive corporate asset management strategy all being delayed, in addition to the procurement and mobilisation of specific contracts and/or framework agreements for both HRA and corporate properties. Resource has been redirected to other key corporate projects, for example the Leisure Options Review and St. Marys Lands at short notice and the lack of capacity has meant that these contributions have been less efficient and effective than if they had been planned.
- 3.8 It is therefore proposed to recruit a Project Manager for 24 months, working direct to the Asset Manager, to concentrate on the Open Book contracts review, process changes to the existing contract in advance of the review's completion and to assist with the co-ordination of a new approach to corporate asset management. This will free up the Asset Manager to focus on strategic issues and team leadership and development and free up the Housing and Void Repairs Manager to concentrate on operational issues and the effective integration and personal development of the new starters within their team.
- 3.9 An additional Property Maintenance Officer (PMO) is also proposed for the period ending 31 March 2017. This post will enable additional operational capacity to be deployed to increase the level of pre and post-inspections on existing contracts while the strategic review is underway. The capacity will also enable the Housing Repairs and Voids Manager to focus on revised operational arrangements for repair reporting. The fixed timescale is proposed to tie in with the likely timescales relating to the proposed review of the WDC/WCC Customer Service Centre which is the subject of a report being presented to Executive on 30 September 2015.
- 3.10 The proposed posts will slot into the current structure shown at **Appendix One**. The Project Manager post would report direct to the Asset Manager and the Property Maintenance Officer would report to the Housing and Void Repairs Manager.

- 3.11 Members will recall that the Executive of 3 September 2015 note approved the recruitment of a temporary Building Surveyor for a period of up to two years. This post is separate to the proposals set out in this report and is needed to provide the necessary capacity to ensure that the full stock condition survey of the HRA stock and subsequent transition to a strategic asset management process designed to ensure that the survey data is used effectively. There is no duplication between the capacity released by this post and the proposals in this report as it is for an entirely discrete new initiative.
- 3.12 Despite this planned new post the existing resources within the Building Surveying team will continue to be stretched in the short to medium term. Some project work, e.g. the Oakley Wood improvement scheme, will come to a natural end in the next few weeks which will release capacity and the Building Surveying Manager has also undertaken a thorough review of current and future work allocations to ensure that existing capacity is being utilised in the most effective way. This will, in turn, free up the Building Surveying Manager and allow the Asset Manager to delegate additional operational issues to them.
- 3.13 The additional resource now available within the Procurement Team will also assist the backlog issues within the Building Surveying Team allowing tender specifications to be agreed so that contracts for work such as door entry system maintenance, engineering works and fire risk assessments can be procured and the necessary contractor mobilisation subsequently put in place. However, there are still likely to be resource bottlenecks within this team, partly as a result of work backlogs, partly as a result of the need to develop the new starters and to address this it will be recommended to Executive that budget is made available to allow specific tasks to be undertaken by deploying resources secured through a 'call-off' mechanism with contractor(s) selected through a procurement compliant framework agreement(s). After careful consideration it has been assessed that this arrangement will provide the team with optimum flexibility, allowing resources to be drawn down on a 'as and when needed' basis, a more cost effective solution than tying up cost in temporary staff resource which is likely to be under-utilised as a result of the 'lumpy' profile of the work programme in the coming months.

#### 4. **POLICY FRAMEWORK**

- 4.1 The internal element of the Fit for the Future programme has the three objectives of improving the quality of the range of services offered by the Council whilst achieving value for money and developing people. These recommendations directly support the programme in ensuring adequate resource is available to support the effective delivery of key corporate priorities.

#### 5. **BUDGETARY FRAMEWORK**

- 5.1 The projected costs of the proposed posts are as follows:

	Salary range (£)	Maximum On-costs (pension, NI, car allowance, mileage)	Annual cost (bottom of salary range)	Annual cost (top of salary range)	Total cost of proposal (£)
Project Manager	23,698-26,293	7,706	30,677	33,999	61,354 - 67,998

(E1)					
Property Maintenance Officer (F)	20,849 - 22,937	6,767	27,031	29,704	33,789 - 37,130*

\* Assumes postholder can be recruited from January 2016 onwards. End date is fixed so any delays in recruitment will mean total cost is lower. projected costs of the proposed posts are as follows:

- 5.2 It is proposed that the Property Maintenance post would be wholly funded from the Housing Revenue Account (HRA) which will reduce the contribution to the HRA Capital Investment Reserve that is within the current HRA budget.
- 5.3 The Project Manager role will work on issues affecting both HRA and corporate assets as referred to in paragraph 3.8. The costs of this post would need to be split 50:50 between the HRA and the General Fund.
- 5.4 The proposed split of costs arising from these proposals is therefore as follows:

HRA	General Fund
£64,466 - £71,129	£30,677-£33,999

- 5.5 It is proposed that the General Fund costs are funded through the Service Transformation Reserve.
- 5.6 The separate cost of the 'call-off' arrangements set out in paragraph 3.13 is unknown but will not exceed £100,000. The anticipated split of this work is 70% General Fund and 30% HRA. Again, costs would be split between the HRA and the Service Transformation Reserve.
- 5.7 The actual split of costs between the HRA and General Fund would be reviewed at Year End, based on the actual split of tasks undertaken by the postholders, with any necessary adjustments made as appropriate.
- 5.8 The Service Transformation Reserve currently has a balance of £579,000. The maximum anticipated cost falling on this Reserve (based on the split of costs set out above in paragraphs 5.5 and 5.7) would be £103,999, reducing this balance to £475,000.
- 5.9 Based on the same assumptions the maximum cost to the HRA would be £101,129. This would have no significant effect upon the HRA Business Plan, at most reducing the number of new homes that can be provided by one.

## 6. RISKS

- 6.1 There is inevitably a risk that the recruitment of the proposed staff will be protracted, delaying the intended service improvements or ultimately unsuccessful. Subject to the approval of the recommendations the recruitment exercise will be fast-tracked. Whilst there is recent evidence of success in recruiting to posts at the proposed grades the recruitment process will be closely monitored and, if necessary, expedited though potentially more costly options of recruiting through Commensura or through a framework agreement.

- 6.2 There is a risk that the proposed 'call-off' arrangement will not prove to be cost effective or will not deliver the appropriately trained staff to undertake the required tasks. The first issue will be mitigated through close budget monitoring and a thorough pre-procurement assessment of the most suitable framework agreement. The second issue will again be closely monitored with the option of changing the approach and using the budget allocation to engage, via a framework agreement, a short term placement of a suitably qualified surveyor.
- 6.3 The overall risk of the proposed arrangements failing to effectively address the current issues will be mitigated by the Head of Service and the Asset Manager prioritising the monitoring of the revised arrangements within the Asset Management Team to ensure that if any corrective action needs to be made this is done on a timely basis and within budget.

## **7. ALTERNATIVE OPTION(S) CONSIDERED**

- 7.1 One option would be not to put additional temporary resource into the Housing & Property Services area. This 'do nothing' option has been discounted as it would not address the current backlogs and capacity issues compromising the service area's ability to deliver an effective service on all corporate priorities.
- 7.2 Another option would be to recruit two additional temporary staff into the Building Surveying Team rather than use the recommended funding allocation to establish the proposed 'call-off' arrangements. This has been discounted as the additional management responsibilities falling on the team manager would not result in any additional capacity being released, compromising both the ability of the Asset Manager to delegate work and free up their capacity and the Building Surveying Manager's ability to develop the existing new starters within their team.