

**EFFICIENCY IMPROVEMENT AND TRANSFORMATION
PROCESS**

INTERIM BASELINE REPORT

PROPERTY AND FACILITIES MANAGEMENT

20.07.2009

Service Baseline / Initial Challenge	Guidance	Information
<p>Description of Current Service Baseline</p>	<p>Who provides the service?</p>	<p><u>The service is defined as that of Property and Facility Management (FM)</u></p> <p>What is Facilities Management (FM) There are a number of facets to facilities management that can generally be broken down into Hard FM and Soft FM; however it should be noted that there are a number of activities that can be considered in either category.</p> <p>The industry defines Hard FM as the maintenance of buildings, engineering, landscaping and similar elements of an asset. The most recognisable elements being mechanical and electrical plant, air conditioning plant, building fabric, landscaping both internal and external and a number of specialist areas such as lifts, security systems, CCTV and water systems.</p> <p>The industry defines Soft FM as the issues relating to the maintenance of a facility. The most recognisable elements being cleaning, security, catering, reception, telephony, helpdesk and reprographics.</p> <p>In relation to the provision of the Facility Management service there are a number of groups and individuals often working in isolation. These are identified later in the report.</p> <p>This report examines the provision of the Asset management and Facility management processes within the authority.</p> <p>It is important when looking at potential opportunities to make savings to identify both the categories of asset that exist and also the services that are then provided. The following list identifies these categories that are managed by the authority along with the principal contact for each area. These individuals have been consulted and their views encompassed in this report:</p> <p>The Current BSF programme, once implemented, will influence the FM requirements in the future. Similarly the current Workwise Review may also impact on the service and how it is performed.</p>

Service Baseline / Initial Challenge	Guidance	Information
		<p>Asset Categories</p> <ul style="list-style-type: none"> Administrative Buildings - Mark Wardle, L&P (6946) Commercial - Paul Hutchinson, L&P (6898) Community Transport - Jamie McCann (7071) Community Centres - Stephen Shaw (6446) Housing - Tristar – not considered as part of this review Libraries - Reuben Kench, ALC (7039) Leisure - Reuben Kench, ALC (7039) Museums - Reuben Kench / Paul Lake, ALC (7039) Retained Premises - Jane Matthews, CESC (6506) Schools – Secondary - Jane Matthews, CESC (6506) Schools – Primary - Jane Matthews, CESC (6506) Schools – Special Needs - Jane Matthews, CESC (6506) Social Care - Jane Matthews, CESC (6506) Surestart - Jane Matthews, CESC (6506) Sterling House - Jamie McCann (7071) Youth and Community Centres - Jane Matthews, CESC (6506) Workshops/Depots - Jamie McCann (7071) <p>The individuals identified above have responsibility for the categories of facility stated; however there are occasions when the individual has a team of people working for them or on occasions a facility has an individual responsible for it (eg some libraries).</p> <p>Whilst performing the role of a facility manager there are a large number of services that need to be considered and addressed as appropriate. Some of these services are provided through normal procurement processes from external suppliers (eg stationary) and some through internal arrangements (eg design services). The latter are often covered by Service Level Agreements.</p>

Service Baseline / Initial Challenge	Guidance	Information																																																
		<p>The following identifies a potential list of services that may be provided for the assets defined above, broken down into Hard and Soft FM. Some of these services are procured from within the Authority and some externally. The procurement of these services will be considered later in the document.</p> <p>Service Requirements</p> <table border="0"> <thead> <tr> <th data-bbox="862 499 1176 531">Hard</th> <th data-bbox="1176 499 1624 531">Soft</th> <th data-bbox="1624 499 2051 531">Asset</th> </tr> </thead> <tbody> <tr> <td data-bbox="862 547 1176 579">Legislative advice</td> <td data-bbox="1176 547 1624 579">Reception/Concierge</td> <td data-bbox="1624 547 2051 579">Facilities Management</td> </tr> <tr> <td data-bbox="862 595 1176 627">Legionella/Asbestos</td> <td data-bbox="1176 595 1624 627"></td> <td data-bbox="1624 595 2051 627">Strategic Planning</td> </tr> <tr> <td data-bbox="862 643 1176 675">Building Surveying</td> <td data-bbox="1176 643 1624 675">Porters</td> <td data-bbox="1624 643 2051 675"></td> </tr> <tr> <td data-bbox="862 691 1176 722">Insurance Inspections</td> <td data-bbox="1176 691 1624 722">Cleaners</td> <td data-bbox="1624 691 2051 722"></td> </tr> <tr> <td data-bbox="862 738 1176 770">Energy</td> <td data-bbox="1176 738 1624 770">Security</td> <td data-bbox="1624 738 2051 770"></td> </tr> <tr> <td data-bbox="862 786 1176 818">Planned Maintenance</td> <td data-bbox="1176 786 1624 818">Window Cleaning</td> <td data-bbox="1624 786 2051 818"></td> </tr> <tr> <td data-bbox="862 834 1176 866">Risk Management</td> <td data-bbox="1176 834 1624 866">Stationary</td> <td data-bbox="1624 834 2051 866"></td> </tr> <tr> <td data-bbox="862 882 1176 914">Reactive Maintenance</td> <td data-bbox="1176 882 1624 914">Caretaking</td> <td data-bbox="1624 882 2051 914"></td> </tr> <tr> <td data-bbox="862 930 1176 962">Design Services/PM</td> <td data-bbox="1176 930 1624 962">Catering</td> <td data-bbox="1624 930 2051 962"></td> </tr> <tr> <td data-bbox="862 978 1176 1010">Financial Management</td> <td data-bbox="1176 978 1624 1010">Consumables</td> <td data-bbox="1624 978 2051 1010"></td> </tr> <tr> <td data-bbox="862 1026 1176 1058">H&S</td> <td data-bbox="1176 1026 1624 1058">Ground Maintenance</td> <td data-bbox="1624 1026 2051 1058"></td> </tr> <tr> <td data-bbox="862 1074 1176 1106">HR</td> <td data-bbox="1176 1074 1624 1106">Recycling & Waste disposal</td> <td data-bbox="1624 1074 2051 1106"></td> </tr> <tr> <td data-bbox="862 1121 1176 1153">ICT</td> <td data-bbox="1176 1121 1624 1153">Gardeners</td> <td data-bbox="1624 1121 2051 1153"></td> </tr> <tr> <td data-bbox="862 1169 1176 1201">Removals</td> <td data-bbox="1176 1169 1624 1201"></td> <td data-bbox="1624 1169 2051 1201"></td> </tr> <tr> <td data-bbox="862 1217 1176 1249">Spatial Planning</td> <td data-bbox="1176 1217 1624 1249"></td> <td data-bbox="1624 1217 2051 1249"></td> </tr> </tbody> </table> <p>Whilst this list is very general and reasonably extensive, is not complete. As such there may be other services that can arise on specific occasions from time to time.</p>	Hard	Soft	Asset	Legislative advice	Reception/Concierge	Facilities Management	Legionella/Asbestos		Strategic Planning	Building Surveying	Porters		Insurance Inspections	Cleaners		Energy	Security		Planned Maintenance	Window Cleaning		Risk Management	Stationary		Reactive Maintenance	Caretaking		Design Services/PM	Catering		Financial Management	Consumables		H&S	Ground Maintenance		HR	Recycling & Waste disposal		ICT	Gardeners		Removals			Spatial Planning		
Hard	Soft	Asset																																																
Legislative advice	Reception/Concierge	Facilities Management																																																
Legionella/Asbestos		Strategic Planning																																																
Building Surveying	Porters																																																	
Insurance Inspections	Cleaners																																																	
Energy	Security																																																	
Planned Maintenance	Window Cleaning																																																	
Risk Management	Stationary																																																	
Reactive Maintenance	Caretaking																																																	
Design Services/PM	Catering																																																	
Financial Management	Consumables																																																	
H&S	Ground Maintenance																																																	
HR	Recycling & Waste disposal																																																	
ICT	Gardeners																																																	
Removals																																																		
Spatial Planning																																																		

Service Baseline / Initial Challenge	Guidance	Information
	History how service was formed and why it exists	<p>All of the assets need ongoing maintenance and in addition, as the function within a building changes and develops, alterations can be required to the fabric of the building. This can lead to changes in “ownership” and hence the way it is managed.</p> <p>Facility management has generally been led by various services within Departments of the Council with no overall coordinated approach.</p>
	How is the service provided	<p>There are two areas of the Authority that control the largest proportion of buildings, CESC and Land & Property.</p> <p>Education, Social Care and Surestart facilities, under the heading of CESC, control the largest proportion of the Council assets and as such there is a team of people performing the function. This team evolved came together when the three areas were combined a few years ago.</p> <p>The Land and Property Team has a similar role as CESC, managing another reasonable proportion of the Council’s assets (eg administrative buildings), however the input required is significantly less than in CESC.</p> <p>The remainder of the assets are managed on a more individual basis as the facilities are smaller and hence an individual manager takes up the role.</p> <p>Under each of the above, the end user generally approaches the person with lead responsibility to arrange for works to be carried out. However it is noted that anecdotal evidence suggest that this is not always the case and some individuals do ‘their own thing’.</p> <p>Furthermore when several departments occupy a building, there can be a series of individuals carrying out their own FM within the same building with no coordinated approach.</p> <p>The process of managing an asset requires the procurement of the various services identified above. This study is not intended to examine the procurement procedures as this</p>

Service Baseline / Initial Challenge	Guidance	Information
		<p>is being looked at as part of a separate review. However it has been recognised that there are potential savings that can occur if the procurement process and supply chain are rationalised.</p> <p>There are a number of variations as to how services are provided. These include:</p> <ul style="list-style-type: none"> Formal contracts negotiated at a regional level Formal contracts negotiated by other authorities and used by SBC Formal contracts negotiated by SBC and available to other authorities Formal contracts negotiated by SBC for sole use Partnering arrangements Internal and External Contracts with SLA provision Ad-hoc contracts and purchases
	<p>What influences impact on the service (political, social, economical, technological)</p>	<p>Central Political Local Political Technology Environmental agendas Social Economical</p>
	<p>How does the service perform</p>	<p>Whilst there are different groups of people providing the FM service across the Authority, there is no standardisation of process and no common approach to the provision of the service. This is particularly appropriate where individuals act on their own without reference to others.</p> <p>Similarly when individuals act in a part time FM capacity, as the role does not have a full time demand, they may not be aware of changing legislative demands which could put the authority at risk.</p> <p>When an education facility requires work to be carried out by another internal SBC team the CESC FM Team act as an intermediary between the Client (eg the school) and the</p>

Service Baseline / Initial Challenge	Guidance	Information
		<p>delivery team which may be various departments of the authority. This could be potentially a duplication of role.</p> <p>With different departments working within a building, inspections can be carried out in one area, only for the area next door to inspected two months later due to a lack of coordination.</p> <p>At the current time there is no overall high level Strategic Asset management Plan that considers both the use of facilities now or in the medium to long term.</p> <p>In respect of the budgets for maintenance etc. departments / teams / individuals have generally had ownership of building or budgets hence again there is no overall coordinated approach to the maintenance of the buildings. This can result in buildings with generous budgets that do not necessarily need them and, in reverse, buildings with minimal budget when a larger budget is required.</p> <p>Similarly different groups operating in a building can often have their own budget to deal with the day to day operation of their teams (soft FM issues). This can lead to inconsistency of approach and can result in items being replaced when not necessary just to spend the budget.</p> <p>It is also important to look at the overall assets available and ensure that these are utilised effectively. For example if new furniture is needed in one location, there is no Council wide asset list that will show if there is spare furniture elsewhere in another department.</p>
	What does inspection tell us about this service	There is no overall Strategic Approach to the use of SBC assets, limited standardisation of procurement and delivery of service.

Service Baseline / Initial Challenge	Guidance	Information								
	What resources are used	<p>The staffing levels for facilities management have been currently identified at various locations with potential for duplication of roles and hence inefficient working practices. (This list is not complete at the current time)</p> <table data-bbox="869 432 1666 564"> <tr> <td></td> <td style="text-align: right;">Full time equivalents</td> </tr> <tr> <td>CESC</td> <td style="text-align: right;">10</td> </tr> <tr> <td>Land and Property</td> <td style="text-align: right;">1.5</td> </tr> <tr> <td>Arts, Leisure and Culture</td> <td style="text-align: right;">2</td> </tr> </table> <p>In addition to this there are a wide number of other individuals who perform the services defined in section one.</p> <p>Particular areas for review are Building Services, Design Services, Cleaning and Building Maintenance.</p>		Full time equivalents	CESC	10	Land and Property	1.5	Arts, Leisure and Culture	2
	Full time equivalents									
CESC	10									
Land and Property	1.5									
Arts, Leisure and Culture	2									
	What assets are used to deliver the current service	Not Applicable								
	Are there any limitations or barriers affecting the delivery of the service	<p>Within some departments it is perceived that some of the services required can be performed cheaper by going direct to the local market; however this can result in employing companies without the correct health and safety procedures, insurances, registrations, qualifications and even skills to carry out the work.</p> <p>This has the potential of putting the authority at risk.</p>								
	If the service is outsourced or provided by a third party, how are service standards monitored	The service is not currently outsourced.								

Service Baseline / Initial Challenge	Guidance	Information
Challenge	Could the service be provided through a different mechanism	<p>Yes</p> <p>Consolidation or grouping of service Strategic Asset Management Combination with other local authorities Outsourcing</p>
Customer Baseline	Who are the customers and what are their needs now	<p>The customers are generally the building users identified in the Categories section at the beginning of the document.</p> <p>Their needs are that a serviceable maintained building is provided to allow the function within the building to be delivered in an effective and efficient manner.</p>
	How are service users consulted and how do their views shape delivery	There are annual discussions with regard to Service level Agreements, Strategic Asset Management Group, Schools Asset Management group. These are then incorporated in to the SLA's for the following year.
	How satisfied are the customers	Within the time frame there has not been the opportunity to establish the customer views; however when projects have been delivered by the Design Services team, client questionnaire are issued and comments received are generally positive but this relates to a project and not how the building itself as a premise is operated on their behalf.
	How do you communicate with your users	Telephone, email, face to face, questionnaire
	How are these services promoted / marketed	The FM service is only promoted through heads of service within their own teams. However the service providers promoted their own service through emails meetings and face to face contact.
	What do Viewpoint Surveys/ internal audit reports tell us about the service?	Not aware of any

Service Baseline / Initial Challenge	Guidance	Information
Customer Challenge	Are there customers who could use the service but don't	Yes it would appear so.
	Are there customers using the service who shouldn't be	Non have become apparent during discussions
	Who are the customers of the future and what are their needs	The customers of the future will continue to be the asset 'managers/owners'. Albeit if the service is combined either sub regionally or regionally, the service will either grow or possibly contract subject to where the lead service provider resides.
	What is likely to impact on demand for these services in the future	The volume of these could reduce as the Building Schools for the Future rolls out in the next few years and the Workwise Review is finalised. Potential cuts in public spending may impact on service delivery.
	What do complaints/ compliments tell you about these services	There is limited customer feedback directly about the FM elements of the service however there have been a number of positive comments received regarding the delivery of schemes by the 'collective team'.
Aims & Objectives Baseline	Is the service required by statute	No

Service Baseline / Initial Challenge	Guidance	Information
	Is there a statutory level of service	<p>A number of inspections and annual tests are covered by statute, eg legionella, gas testing and lift inspections.</p> <p>Some inspections are not covered by statute but are covered by Codes of Practice, eg DDA electrical testing.</p> <p>Asset management data for schools must be reported to DCSF on a regular basis.</p>
	Is the service responsive or proactive or a mixture	Both
Challenge	Is the service needed	Yes in some form.
	What would happen if the service was not provided either in whole or part	There would be no long term strategic management of the Council's property assets with potential deterioration in assets.
	How would the service react to new pressures	New pressures are arising through Climate Change in particular with more stringent testing and energy usage monitoring as examples. The facility management team would adapt to these and instigate appropriate action from the service providers.
	what capacity would be required to deal with additional / new demands	This is unclear at the current time
Aims & Objectives Challenge	Who provides a similar service to this using a different delivery mechanism e.g. external partnerships, shared services etc	Two other authorities have adopted a centralised asset and facility management team, Essex CC and Selby DC. Essex in particular has won an award for this for the savings that it was able to attain.

Service Baseline / Initial Challenge	Guidance	Information
Relevance / Context Baseline / Challenge	How does the service fit with the overall aims of the Council	Effective use of assets and resources
	How does the service contribute to key policy areas	Health and safety DDA
	What policies, plans and strategies impact on the service e.g. statutory, policy, function , other services	
	Are there any political judgements / decisions involved in determining the level of service	Relationships with schools and their sign up to SLA's. Some schools have already determined that they get better VfM through developing their own internal staffing arrangements to look after their own property by the placement of a building manager.
Financial / Resource Considerations Baseline	What are the costs of the service	Detail needed from Finance
	Capital and revenue costs	Detail needed from Finance
	What is the level of 3 rd party expenditure	Detail needed from Finance
	What contracts or other arrangements are in place (spend analysis)	Detail needed from Finance Detail needed from procurement

Service Baseline / Initial Challenge	Guidance	Information
	What is the Councils commitment to contracts / other arrangements	There a number of contracts in place that vary from procurement of services to lease arrangements.
	Do you have any charging policies	
	How have Gershon efficiency savings impacted on the service and how were the service planning to meet future Gershon efficiency targets?	Most of the contributions to the consultation process of the Gershon Report focussed on Finance, HR, and ICT for efficiencies however other areas indentified included 'estates management'.
	How will the current financial climate affect the service?	<p>The current economic climate does not provide the best opportunities to dispose of any excess assets, however in respect of the procurement of services there may well be savings to be made as tendered services are current relatively attractive.</p> <p>It is expected that a Strategic Asset Review will reflect this and appropriate commercial decisions can be made.</p>
Financial / Resource Considerations Challenge	How can you demonstrate that the service is cost effective overall?	
	Do external contracts offer value for money?	

Service Baseline / Initial Challenge	Guidance	Information
Service Drivers	What do we need to change and why?	
	What are the main drivers of change?	Cost savings Risk Management Consistency of approach and management Efficient use and maintenance of assets Demand management Increased effectiveness surety of service delivery