

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting2nd November 2006

1. Title of Item/Report

Review of Concierge Security Service

2. Record of the Decision

A review of the Concierge Security Service has been undertaken over the last six months, and Cabinet is requested to endorse the key proposals emerging from the review.

Members were provided with background to the Council's Concierge Security Service, which was first established in 1994 (covering Stockton and Thornaby sites only), and extended to Billingham in 1997, in association with a major programme of refurbishment of the Council's blocks of flats. It provided a 24/7 service to 1,006 flats across the following sites: -

- Anson House and Hudson House (Village Ward, Thornaby)
- Hume House and Nolan House) (Stockton Town Centre Ward)
- Elm House, Campbell Court and Walton Court)

- Kennedy Gardens (Blocks 1-3) and Dawson House (Billingham Central Ward)
- Melsonby Court and Prior Court, Low Grange (Billingham East Ward)

Since its establishment the service had been highly valued by residents in the blocks (both tenants and the small number of leaseholders), as identified in successive customer satisfaction surveys. A summary of the most recent survey's, key findings was provided, and crime within the blocks had been reduced to virtually nil, with a dwelling burglary rate across the: 'Concierge Stock' far lower than the lowest rate per Ward.

The service provided is generally regarded as being of a high quality, but it is not cheap. The total budget for the service in 2006/07 is approximately £1.55 million, with the vast majority of this (94%) being made up of employee costs, and the remainder consisting of relatively small amounts for the maintenance and upgrading of CCTV systems

(£60,000) and small amounts for transport (mainly mobile duty supervisors), uniforms, etc. With employee and other costs tending to rise by about 3% per year, and the aim for the Housing Revenue Account being to operate to the same financial discipline as the General Fund (i.e. limit to 1% increase in budgets per year), there is an annual inflationary 'gap' of 2% i.e. about £30,000.

The service was partly funded via service charges (£12.86 per week, based on 48 rent weeks, in 2006/07), which recover about 32% of the total cost, with the remainder being met via general rent income to the Housing Revenue Account. Government guidance states that service charges of this kind should be 'de-pooled', i.e. that local authorities should make progress to a position where service charges achieve full cost recovery, although this guidance was qualified by other Government guidance which stated that total charges to tenants should not increase year on year by more than the Retail Price Index plus 2%. Further work was being done on this issue, which included making representations to the Department for Communities and Local Government, and a further report will be brought to Cabinet on this issue during 2007.

The Service was last subject to a major review in 2001, the outcome of which was a significant reduction in the size of the core workforce, from 8 Supervisors (2 per shift) and 52 Concierge Security Officers to 4 Supervisors (1 per shift) and 44 Concierge Security Officers, with absence cover being provided by a mixture of directly employed relief staff, agency employees and sub-contractor's employees. This arrangement had worked well over the intervening five years, and was consistent with similar arrangements in other services, including Care for Your Area. This arrangement provided an informal career structure for individuals who could enter the service as third party employees and 'graduate' to the Council's direct workforce.

The aims for the current review were identified as being to reduce the cost of the Concierge Security Service and to provide a basis for a sustainable model of service in the medium term, i.e. the next three to six years (while maintaining the quality of service delivered). The challenge was to find the optimum balance between cost containment and preservation of service quality.

During the remainder of 2006 the review process had been undertaken in close conjunction with Tristar Homes Limited, who had facilitated a consultative group of six to eight residents, who volunteered in response to a letter sent to all residents in May, and with a workforce group, supplemented by informal discussions with officers of Stockton Unison. The 'Options' paper, provided to Members, was made available to both residents and workforce representatives, and parallel discussions with

those two groups indicated an emerging consensus around a slight variation to Option 5, under which three of the main sites (Anson/Hudson; Nolan/Hume; and Kennedy/Dawson) would reduce to 'single crewing' between the hours of 1 am and 7 am. The remaining site (Melsonby/Prior) was exempt from this change, on the basis of an analysis of non-routine incidents dealt with by the Service, which showed a much higher level of incidents in the early hours at Low Grange than at the other three sites. This approach was also consistent with the way in which the service for the Elm/Campbell/Walton complex had been operated for the last two to three years.

This approach had been the subject of trials over the last three to four months. The first 'batch' had been put in place following discussion with the consultative group of residents and a second 'batch' had been put in place following discussion with the consultative group of residents.

Members noted that there were 4 vacancies against the establishment of 44 Concierge Security Officers, and one more Officer was due to retire by the end of January. The final choice between Option 2A (relying on 'natural wastage' alone) and Option 2B (offering Early Retirement/Voluntary Redundancy –ER/VR – Options) was not one which could be made now, because of the current uncertainty about the future of the Local Government Superannuation Scheme, which made it temporarily impossible to calculate the cost of severance packages for individuals. However, the general principle which would be applied to any offer of ER/VR was that only those applications which represented a good business case in terms of early 'payback' of the costs involved by recurring annual savings could be considered for approval, and the extent of any such approvals would be determined also by the capacity of the Housing Revenue Account to cover the initial costs from reserves, without falling below the recommended level of reserves. It was not anticipated that there would be any prospect of compulsory redundancy as a result of these proposals: the only potential impact on the existing workforce was likely to be in terms of some change in shift patterns, to accommodate the proposed new pattern of service. Details were provided to Members.

Subject to the approval of Cabinet, it was proposed, before Christmas, to consult all residents of the blocks on the proposed changes, and to consult formally with the workforce and the relevant trade unions (UNISON and GMB). This consultation package would include the formal invitations to apply for redundancy, with reference to the proposed new scheme, and to apply for reduced working hours.

RESOLVED that

1. Option 5 ('single crewing' at selected sites between 1am and 7am) as set out at Appendix B, in conjunction with continuing selective use of third party employees, be endorsed in principle, as a basis for more formal and widespread consultation with residents, the workforce and trade unions.

2. a proposed final package of measures, following consultation with residents, workforce and trade unions be reported to the earliest practicable meeting of Cabinet.

3. Reasons for the Decision

To provide a clear direction for the forthcoming processes of consultation with residents, the workforce and trade unions.

To allow for implementation of the final outcomes of the review process, in time for the first quarter of the 2007/08 financial year.

4. Alternative Options Considered and Rejected

See Appendix B of report, which refers to all the options considered.

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

None

7. Date and Time by which Call In must be executed

By no later than Midnight on Friday 10th November 2006

Proper Officer
08 September 2006