

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

17 DECEMBER 2009

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Regeneration & Transport – Lead Cabinet Member – Councillor R Cook
Corporate Management & Finance – Lead Cabinet Member – Councillor T Laing
Children & Young People – Lead Cabinet Member – Councillor A Cunningham

EFFICIENCY, IMPROVEMENT AND TRANSFORMATION (EIT) REVIEW OF PROPERTY AND FACILITIES MANAGEMENT

1. Summary

This report presents the findings of the EIT review of Property and Facilities Management. This review was supported by Gateway Reviews undertaken by the Arts, Leisure and Culture Select Committee (see Appendix A).

The review examines the current methods and processes adopted in the delivery of facilities management and considered how services could be improved whilst realising efficiency savings.

The Arts, Leisure & Culture Select Committee played a crucial role in reviewing the baseline and options stages of this review, providing challenge to the review team at each stage.

2. Recommendations

1. That a consolidated approach to the Management of the Council's Buildings Assets be adopted.
2. That the delivery element of the Facilities Management process be consolidated into one service area as defined in Appendix A of the attached report with the premise that all buildings are considered to be corporate assets.
3. The budgets in relation to the management of the buildings be consolidated into one area.
4. That further investigations be carried out into potential partnering solutions.

3. Reasons for the Recommendations/Decision(s)

To improve the management and maintenance of the Council's Buildings whilst seeking to achieve service efficiencies.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

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RECOMMENDATIONS

1. That a consolidated approach to the Management of the Council's Buildings Assets be adopted.
2. That the delivery element of the Facilities Management process be consolidated into one service area as defined in Appendix A of the attached report with the premise that all buildings are considered to be corporate assets.
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DETAIL

1. The review examined the current management of the Council's buildings and identified the current baseline position. This identified:-
 - The approach to management of buildings across the Council is fragmented, with responsibility for buildings being that of service managers.
 - Maintenance and resource planning is undertaken within service areas and not necessarily prioritised on corporate need or requirement.
 - There is no corporate approach to the organisation and management of buildings and procurement of services e.g. building cleaning, security, etc.
 - Overall the Council spends approximately £10 million on Council buildings (excluding schools) and there are opportunities for savings.

2. Recognition has been made of the Council's current Building Schools for the Future Programme (BSF) which has a model for facilities management included in it. This will be delivered by the appointed Local Education Partner (LEP) as part of the BSF process.
3. Cognisance has been made of the methods used by other authorities (some of which have won national awards) in managing their assets. This identifies two common themes:
 - Firstly, there is a degree of high level strategic management that looks at overall service delivery and matching that against assets that are available, including consolidating services where possible into one building. This leads to a strategic view of which buildings are to be kept in the council's ownership and which are available to be disposed of.
 - Secondly, the function of facility management has been consolidated into one service area.
4. The recommendation of the EIT review is that we consolidate the management arrangements and responsibilities of all buildings (excluding schools). The delivery arm, incorporating a range of services involved in facilities management, would be consolidated into one service area and this would incorporate facilities management, building services, architects, land and property. It is also considered that the strategic elements of the asset management function covering asset utilisation strategy, retention, disposal, investment, planning, should be within a separate area given the links to the Council's Medium Term Financial Strategy and Regeneration Strategy.
5. Early discussions have been held with other Councils in the area in relation to the way they deliver facilities management and at least one of them would be keen to discuss a partnered approach. The proposed structure for future delivery of facilities management is very similar and this option is being explored further. Although the possibility of outsourcing was considered, this was not supported by the Committee who supported a partnership approach.
6. The Arts Leisure and Culture Select Committee who conducted baseline and options challenge to the review supported internal restructure and running the service in conjunction with another /multiple neighbouring Authorities. The Committee also commented that whatever was finally agreed would need to operate alongside the Local Education Partnership in relation to the Property and Facilities Management of Schools. A summary of their comments is attached at **Appendix 2**.

FINANCIAL IMPLICATIONS

7. The detailed financial impact of the Property and Facilities Management EIT Review recommendations is being evaluated in detail as the new delivery arrangements are being further developed. An analysis of expenditure over the last twelve months would indicate that the total savings could be in the order of £300,000.

LEGAL IMPLICATIONS

8. Consultation has taken place with Unions.

RISK ASSESSMENT

9. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

10. The review supports all Core Improvement Themes.

EQUALITIES IMPACT ASSESSMENT

11. This report is not subject to an Equality Impact Assessment because it only looks at the restructuring of current service delivery utilising existing staff.

CONSULTATION INCLUDING WARD/COUNCILLORS

12. Due to the nature of the proposal consultation has only taken place with Unions.

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