

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

8 JULY 2010

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Corporate Management and Finance – Lead Cabinet Member – Councillor Terry Laing

UPDATE ON EIT REVIEW OF FACILITIES MANAGEMENT

1. Summary

This report updates Members on the progress in implementing the aims and recommendations outlined in the EIT review of Property and Facilities Management and presents proposals for phase one of organisational structure requirements in response to the agreed operating model.

2. Recommendations

1. That Members note progress of phase 1 implementation of the agreed operating model.
2. That Members note the action plan and work to date on investigating partnership options.
3. Members agree that the Head of Technical Services post be ammended to reflect the functional changes to the job role and that the post be confirmed on a permanent basis.
4. Members agree that finalisation of the details of the changes, including the further development of the job description and determination of the grade for the post, once evaluated to reflect the functional changes, be delegated to the Corporate Director of Development and Neighbourhood Services in agreement with the Head of Human Resources
5. Members agree the arrangements for the appointment to the post of Head of Technical Services.

3. Reasons for the Recommendation/Decision

To implement the recommendations of previous Cabinet decisions and to deliver the agreed operating model of the EIT review of Property and Facilities Management.

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

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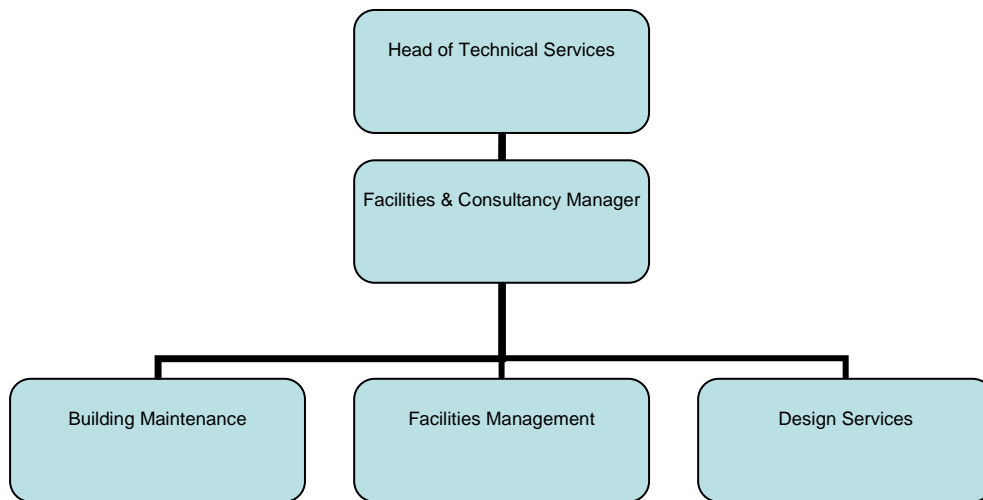
DETAIL

1. The following recommendations of the EIT review of Property and Facilities Management were made to and agreed by Cabinet on 17 December 2009:
 - That a consolidated approach to the Management of the Council's Buildings Assets be adopted.
 - That the delivery element of the Facilities Management process be consolidated into one service area as defined in **Appendix A** with the premise that all buildings are considered to be corporate with a centralised maintenance budget.
 - The budgets in relation to the management of the buildings be consolidated into one area.
 - That further investigations be carried out into potential partnering solutions.
2. An action plan has now been developed covering the above recommendations, with appropriate timescales attached. This was agreed by the Arts, Leisure and Culture Select Committee at its meeting on 19 May 2010 and is attached at **Appendix B**.
3. Members will recall that the proposed operating model was the consolidation of management arrangements and responsibilities of all buildings (excluding schools) and that there should be a clear distinction between the delivery and strategic arms of facilities management. It is

essential that structures are developed that will deliver the agreed operating model and phase one of the proposed structures relating to facilities management are described below.

Facilities Management

4. Officers have explored the most appropriate way of incorporating into current organisational structures and developing an action plan on issues to be considered by the service in the immediate future. The delivery element of Facilities Management, which includes such as facilities management, building services, architects, land and property, planned maintenance, etc (see Appendix A) will be integrated within Technical Services. This will require the transfer of some services and staff from CESC and Resources and the functions will be delivered within one service area as follows:-



5. The Building Maintenance and Design Services elements will be largely unchanged initially but will be reviewed and challenged as part of the action plan going forward. Detailed structures are in the process of being developed for the Facilities Management element and will incorporate those staff currently within Resources and CESC. Full consultation will be undertaken with Trade Unions. The Senior Property Manager and Facilities Manager (which is a new post), will be covered on a temporary basis due to Partnering proposals (see paragraph 10 below). A temporary arrangement is in place covering the equivalent of this post on a 12 month fixed term contract.
6. Given this key functional change and the need to drive the action plan implementation it is felt that this is the opportune time to fill the post of Head of Technical Services. Since the resignation of the previous postholder on 4 October 2009, the position has been covered by a temporary 'acting' arrangement by the former Built and Natural Environment Manager, with further temporary acting up arrangements for pastoral management functions within the service. It is therefore proposed to advertise this post internally as soon as possible. As this is a Chief Officer post a Members appointment panel will be established in the normal way.
7. It is also proposed that finalisation of the details of the functional changes to the job role, including the further development of the job description and determination of the grade for the post, once evaluated, be delegated to the Corporate Director of Development and Neighbourhood Services in agreement with the Head of Human Resources.
8. The proposed changes to the organisational structure will allow the release of up to £50k efficiencies by confirming the alternative management arrangements beneath the Head of Service position.

Partnering Options

9. Members will be aware from previous reports to Cabinet, that the Council is exploring the option of delivering a number of services in partnership with Darlington. Work is now progressing to assess the feasibility of this option for Land & Property, Valuers and Facilities Management. This work is expected to be complete by the autumn, at which point a detailed Business Case will be prepared for consideration by Cabinet. Upon completion of this a final Operating Model will be determined. It is important however, that work progresses in the short term to ensure momentum is maintained and the potential savings identified in the EIT report are delivered.

Strategic Asset Management

10. This function is currently delivered in two areas:

- Resources - lead on the Council's overarching capital strategy and asset management planning; capital programme development; investment planning.
- CESC – capital programme development for CESC buildings including schools and investment planning.

11. The Strategic Asset Management function will be amalgamated and be delivered by the Finance & Assets Service within Resources.

12. This will ensure that all capital, asset and investment planning is within one area, consolidate strategic work and align this with financial planning. Detailed structures are again being prepared and these will be developed on a permanent basis as this area of work is not considered within the scope of partnership development.

Future Considerations – Phase 2

13. Budgets are in the process of being re-aligned and the budget responsibility for all day to day building issues will transfer to the Head of Technical Services.

14. The planned maintenance programme will be developed and budgets prioritised by the Strategic Asset function.

15. The initial action plan for the 12 months following establishment will include the following:-

- Review of arrangements for:
 - Building Cleaning
 - Security
 - Waste Collection and Recycling
 - Caretaking
- Development of Building Occupation Protocols
- Development of Prioritised Maintenance Plans

FINANCIAL IMPLICATIONS

16. It is still anticipated that the review will save £300K from the staffing restructure and the consolidation, prioritisation and planning of the tasks associated with the new functions.

LEGAL IMPLICATIONS

17. Consultation with Trade Unions is to be undertaken on structure proposals.

RISK ASSESSMENT

18. 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

19. The review supports all Core Improvement Themes.

EQUALITIES IMPACT ASSESSMENT

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

CORPORATE PARENTING

21. N/A

CONSULTATION INCLUDING WARD/COUNCILLORS

22. Consultation with Trade Unions will be undertaken at all stages of restructure

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Background Papers

EIT Review of Property and Facilities Management, Cabinet Report 17 December 2009

Ward(s) and Ward Councillors:

N/A

Property

N/A