

## **Report to the Cabinet**

**Report reference:** C-046-2009/10  
**Date of meeting:** 16 November 2009



**Portfolio:** Housing

**Subject:** Restructure of Combined Repairs and Building Maintenance Works Unit

**Responsible Officer:** Paul Pledger (01992-564248).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

(1) That the new structure of the combined Repairs and Building Maintenance Works Unit (To be called the Housing Repairs Section) be approved, with specific reference to the following points:

(a) That the following Posts be deleted from the Establishment, and the post holders be placed at-risk :

- (i) WKS/02 – Senior Works Officer (Filled);
- (ii) HRP/01 – Repairs Manager (Temporarily filled);
- (iii) HRP/02 – Assistant Repairs Manager (Filled);
- (iv) WKS/04 – Works Supervisor (Vacant);
- (v) WKS/05 – Works Administrator (Filled);
- (vi) WKS/06 – Works Purchasing Officer (Vacant);
- (vii) WKS/07T – Administrative Assistant (Temporarily filled); and
- (viii) WKS/09 – Administrative Assistant (0.56fte) (Vacant);

(b) That the “At-Risk” posts be ring fenced to the new posts of Area Repairs Manager (x2), Customer Repairs Manager, Assistant Area Repairs Manager, Customer Repairs Team Leader, Tenant Liaison Officer and Administration Assistant (Part-time);

(c) That the post of Electrical Chargehand be retained, but re-branded as Electrical Manager, and that the current Postholder be slotted into this post; and

(d) That all new posts be evaluated in line with Single Status Job Evaluation;

(2) That in view of the significant change to the Housing Administration Officer Post, this Post be re-evaluated in accordance with Single Status Job Evaluation Policy;

(3) That one existing Voids or Housing Repairs Officer post be deleted from the Establishment and one new Contracts Officer Post in Housing Assets be created to accommodate the shift in workload from responsive repairs to planned maintenance, with all existing Voids and Housing Repairs Officer Posts being ring-fenced against the new Contracts Officer Post;

(4) That any jobs that cannot be filled by the “At-Risk” staff be advertised both internally and externally;

**(5) That the overall saving of £60,617 (10.6%) generated from the proposed new structure be noted;**

**(6) That a new (1x fte) Grade 6 Housing IT post be created, funded from the savings created from the proposed new structure;**

**(7) That the net saving of £31,067 be used to off-set against the cost of funding the new External Management Contractor; and**

**(8) That the outcome of the consultation exercise with Trade Unions and Staff on the proposed new structure be noted.**

### **Executive Summary:**

In March 2008, the Cabinet agreed to combine the Building Maintenance Works Unit and the Housing Repairs Section with a view to improve the all-round performance of the Repairs Service for our tenants and leaseholders amongst other improvements. This report sets out a proposed new structure to achieve these objectives, as well as identifying savings, which are to be recycled back into the Service.

### **Reasons for Proposed Decision:**

To agree the revised structure of the combined Housing Repairs and Building Maintenance Works Unit.

### **Other Options for Action:**

This report has been agreed by the Repairs Advisory Group, and has been used as a basis for consultation with Staff and Trade Unions. Therefore, there are no other options for action available.

### **Report:**

#### Background

1. In March 2008, the Cabinet agreed combining the Building Maintenance Works Unit with the Housing Repairs Section. The main reason for this was to realise efficiency savings and increase performance in the operation of the service as identified as part of the Housing Service Best Value Review in 2004.

2. As part of the corporate restructuring exercise each Directorate was asked to identify savings of approximately £50,000 from staff budgets. In February 2007, the Cabinet considered a report from the Director of Housing, which identified savings at that time of £36,213. It was expected that the balance in savings would be identified as part of the future restructure of the combined Repairs and Building Maintenance Works Unit.

#### Objectives

3. As already agreed by the Cabinet, the main objectives for the review of the combined Repairs and Building Maintenance Works Unit are as follows:

- to improve the all-round performance of the Repairs Service for our tenants and leaseholders;
- to combine the Housing Repairs Team and the Building Maintenance Works Unit;

- to reduce the number of craft workers, but retaining a core to undertake a proportion of the day to day ad hoc repairs to the Council's Housing Stock, and/or those to void properties;
- the balance of the work not undertaken directly by the Council being externalised via new or existing framework agreements; and
- to appoint an Interim External Management Contractor to supervise the combined Building Maintenance Works Unit and Repairs Service, thus bringing in the added benefit of private sector knowledge and experience.

4. To meet these objectives, the following objectives have been identified for the merged Housing Repairs and Building Maintenance Works Unit:

- to relocate the Repairs Section to the Epping Depot site;
- to improve overall performance in response times;
- to avoid duplication in working practices;
- to streamline administrative functions;
- to improve tenant liaison;
- to reduce risk;
- to move towards a more area based Repairs Service in line with other housing management functions;
- to increase supervision of repairs;
- to introduce Generic Working by combining the duties of the Repairs and Voids Officers; and
- to achieve savings if possible, which will be reinvested in the Repairs Service.

#### Existing Structure

5. Appendix A and B illustrate the two existing structures for the Repairs Section and the Building Maintenance Works Unit, and Appendix C illustrates the cost.

6. The Chief Works Officer post was deleted from the Establishment in May 2008, when the post holder retired as part of Phase One of the Top Management Restructure. However, as an interim measure while a more permanent External Management Contractor is appointed (See below), this position is being filled on a temporary part time basis (0.67fte).

7. Since the Repairs Manager post became vacant in 2008, this position has been filled on a temporary part time (0.6fte) basis while the Repairs Section and the Building Maintenance Works Unit go through a restructure, following the two being combined after the Building Maintenance Works Unit joined the Housing Directorate in May 2008. The Assistant Repairs Manager has and continues to act up in the absence of the Repairs Manager for 2 days per week.

8. Since the Cabinet agreed to downsize the Building Maintenance Works Unit and externalise the remaining responsive repairs service through existing and new framework agreements, 10 vacant posts have been excluded (but not deleted) from the Establishment as part of the restructure.

#### Changes to the Existing Structure

9. In order to create a new structure for the combined Repairs and Building Maintenance Works Unit (to be called the Housing Repairs Section), it has been necessary to understand the weaknesses that currently exist. Officers and the Advisory Group have identified the weaknesses, some of which have been observed in recent Audits of the Works Unit. Many of the weaknesses can easily be attributed to the fact that there are currently only 2 Supervisors posts compared to 46 craft worker positions. However, other issues such as Customer Care,

performance monitoring, management of the stores, ordering and invoicing of goods and services and Council image each need to be addressed.

10. Appendix D illustrates the proposed structure and Appendix E illustrates the cost of resourcing that structure.

11. As can be seen from the proposed structure, the fundamental change is to separate the works and administration functions, thus;

(a) creating one team that concentrates on receiving and registering the requests for repairs, manages the stores, procurement, invoicing and generally supports the works functions. This team would also monitor performance, monitor the budgets and act as tenant liaison, including dealing with complaints; and

(b) splitting both the technical and trade roles into two distinct geographical areas in the same way other housing management roles are managed. There are a number of advantages to this, not least of which it creates greater control over the supervision of the works and makes it easier to respond to repairs requests. Each area would have a Manager and an Assistant Manager, along with Technical Officers and a number of Craft workers from all trades.

12. In order to maintain the Council's ability to undertake electrical work and issue certificates in line with Building Regulations, the Electrical Manager post is maintained, with Electricians reporting directly to the Electrical Manager, but operating in the two geographical areas.

13. Generally, existing posts will be slotted into the new structure. However, the Area Repairs Managers (x2), Assistant Area Repairs Managers (x2) and the Customer Repairs Team Leader posts will see a substantial change to existing job descriptions. Therefore, it is recommended that the following Posts be deleted from the Establishment, and the current post holders be placed at risk. It is recommended that these at risk posts then be ring-fenced to apply for the new posts in the first instance. The posts to be deleted are:

- WKS/02 – Senior Works Officer (Filled);
- HRP/01 – Repairs Manager (Temporarily filled);
- HRP/02 – Assistant Repairs Manager (Filled);
- WKS/04 – Works Supervisor (Vacant);
- WKS/05 – Works Administrator (Filled);
- WKS/06 – Works Purchasing Officer (Vacant);
- WKS/07T – Administrative Assistant (Temporarily filled); and
- WKS/09 – Administrative Assistant (0.56fte) (Vacant).

14. There are 9 new posts created as part of this proposed structure. These include the following.

#### Housing Repairs Manager

15. This role will be fulfilled by an External Management Contractor in line with the Cabinet decision that an interim management arrangement be put into place for the supervision of the combined Building Maintenance and Repairs Service. This appointment will be subject to competitive tender in accordance with EU Procurement legislation. An Advisory Group has been formed, consisting of the Portfolio Holders for Housing and Finance & Performance Management, the Chairman and Vice-Chairman of the Housing Scrutiny Panel, the Director and Assistant Director of Housing (Property) and 2 representatives of the Tenants and Leaseholders Federation, who will oversee the appointment. The External

Management Contractor will be required to appoint one person to fulfill this key role.

16. The main areas of responsibility for the Housing Repairs Manager role is strategic, with specific emphasis on improved performance, co-ordination, health and safety, resource and budget monitoring and procurement.

#### Area Repairs Manager (x2)

17. There are two Area Repairs Manager Posts that are being created. These posts will be subject to Job Evaluation.

#### Customer Repairs Manager

18. This is a new post, which is non-technical. As set out above, this post will provide all clerical and administrative support, including repairs reporting, IT, budget monitoring, performance monitoring, stores, tenant liaison and procurement. This post will be subject to Job Evaluation.

#### Electrical Manager

19. The current Electrical Chargehand Post will be retained, but will be re-branded as Electrical Manager. It is recommended that the existing Electrical Chargehand Postholder be slotted into this Post.

#### Assistant Area Repairs Manager (x2)

20. It is proposed that the existing Works Supervisor Post (WKS/03) be slotted into one of the new Assistant Area Repairs Manager posts. These posts will be subject to Job Evaluation.

#### Generic Repairs Officers

21. There are currently 2 x fte Voids Officers and 3 x fte Housing Repairs Officers. It has been the Council's intention to combine the duties of each of these jobs following a recommendation that evolved out of the Housing Service Best Value Review in 2004. It is proposed that this change now takes place. However, in view of the changes in the way many larger repairs are undertaken in future via framework agreements, it is recommended that 1 x fte Voids or Housing Repairs Officer Post be deleted and a new Housing Contracts Officer Post be created in the Housing Assets Team (See below)

#### Customer Repairs Team Leader

22. This new Post will have supervisory duties over the Customer Repairs Assistants and the new Tenant Liaison Officer. This post will be subject to Job Evaluation.

#### Tenant Liaison Officer

23. This is a new post, which will provide a point of contact for tenants, and will investigate and respond to complaints. In addition, this Post will manage the Tenant Satisfaction survey process, visit dissatisfied tenants to resolve complaints and also liaise with tenants when more complex repairs take place. This post will also deal with Customer Repair Assistant duties on a part time basis. This post will be subject to Job Evaluation.

### Administration Assistant (0.5fte)

24. This post will provide administrative assistance to the Housing Administration Officer and will monitor sickness absence, annual leave etc.

### Anticipated Results of the Restructure

25. If there are any new or vacant posts that cannot be filled by any of the "At-Risk" staff, then it is recommended that these posts be advertised both internally and externally.

26. It is not anticipated that any redundancies will occur as a result of this restructure. However, if any of the three staff that are put "At-Risk" elect not to apply for a ring-fenced post or are not found to be suitable based on an application, then the maximum estimated redundancy cost will be around £64,490.

27. As a result of this new proposed structure, there are a number of knock-on effects to the Housing Directorate. These are as follows:

(a) In view of the creation of the new part-time Admin Assistant, who will be based remotely at the Epping Depot, it will be necessary to re-evaluate the Housing Administration Officer Post in line with Single Status Job Evaluation Policy.

(b) In light of the decision to downsize the Building Maintenance Works Unit and externalise the remaining responsive repairs service through existing and new framework agreements, this will have an effect on the Housing Assets team in the future as more work is undertaken in a planned way. To reflect this shift, it is recommended that the number of Voids and Housing Repairs Officers be reduced by 1 fte and a new Contract Officer post be created in Housing Assets, with all existing Voids and Housing Repairs Officers Posts being ring-fenced for this new Contract Officer post.

(c) One significant change that will help improve and monitor performance will be the introduction of a new Contractor IT system:

(i) Whilst the introduction of a new IT system will be part of the role of the External Management Contractor, the management of the interface with the Housing IT database will create an even greater burden on the IT Team within the Housing Directorate.

(ii) The Housing Directorate's computer system, the Open Housing Management System (OHMS), is currently supported by two full-time members of staff. This is barely adequate to meet basic system administration requirements and is insufficient to absorb the demands of the additional enhancements and further software modules which have been identified.

(iii) Anite Group PLC who previously provided OHMS, was taken over by Northgate Information Systems in December 2008 and will withdraw support by 2015. The work of testing the market for suitable alternative products is already having a significant impact on Officer time and it will not be possible to carry out the resulting implementation within existing staffing resources.

(iv) In addition to this, as part of the Top Management Restructure, the Housing Directorate took over responsibility for Private Sector Housing who use the Northgate 'M3' system. The administration of this system, currently provided by Environmental Services, cannot be supported by the Housing IT Team within their existing staffing resources.

(d) Therefore, it is recommended that savings from this new proposed structure will be used to fund a new IT post in Housing to fulfil Directorate-wide IT support and development.

(e) A budget will need to be formulated for the appointment of the External Management Contractor, which will form a separate future report of the Repairs Advisory Group for recommendation to the Cabinet.

28. As can be seen from Appendix C, the cost of resourcing the existing structure, taking into account filled and vacant posts, but excluding Craft Worker posts is £571,898 based on mid-point salary positions. The cost of resourcing the new proposed structure, excluding the new Housing IT post is £511,281. This is an overall saving of £60,617, which is 10.6% of the existing budget.

29. From this, it is necessary to deduct £29,550 to fund a new IT post at Grade 6. After deducting this, it leaves an overall saving of £31,067, which is in excess of what was sought from the Top Management Restructure.

30. It is recommended that this overall saving of £31,067 be used to offset the additional cost of appointing the External Management Contractor, whose appointment will be subject to tender.

31. In addition to the above savings, and as a result of changes in working practices and procedures already implemented since May 2008, particularly around downsizing the Building Maintenance Works Unit and outsourcing excess work to existing and new framework agreements, this has resulted in further savings of around £365,600. This makes a total saving of around £426,000, which are year on year savings.

### Conclusions

32. As stated above, the new proposed structure creates a number of new posts, and the majority of existing posts are slotted into the new structure. Where there are significant changes to job-descriptions, these posts will be deleted and the post holders placed at risk. These at risk posts will be ring fenced to new and vacant posts. It is not proposed as part of this new structure that any post holders be made redundant.

33. The cost of the new structure generates sufficient savings to meet the overall savings target for the Housing Directorate as part of the earlier Top Management Restructure. It also creates sufficient savings to fully fund 1fte Grade 6 Housing IT post to assist with the implementation of a new contractor repairs module as well as other Housing IT systems, leaving a saving of £31,067 to be used to offset against the cost of appointing an External Management Contractor.

34. With a clear split between works and support functions, the new structure allows for greater control over meeting targets and response times as well as managing performance, costs, satisfaction and risks.

### **Resource Implications:**

There is a budget of £ in the Housing Repairs Fund for Responsive Repairs and £ in the Capital programme for small capital repairs, including voids.

### **Legal and Governance Implications:**

Since the report centres around retaining the Council's existing workforce, there are no legal or TUPE issues. However, there are EU Procurement rules that apply to the appointment of the Repairs Management Contractor.

### **Safer, Cleaner and Greener Implications:**

None

### **Consultation Undertaken:**

The Repairs Advisory Group has been consulted, and supports the report.

Staff and Trade Unions have also been consulted. The outcome of the consultation exercise will be reported to the Cabinet separately, since the closing date for comments is 9 November 2009.

In addition, the Consultant appointed to assist the Council in appointing the Repairs Management Contractor has been consulted and supports the new structure.

### **Background Papers:**

Previous Cabinet reports dated March 2008 and September 2008.

Project Initiation Document prepared by the Specialist Procurement Consultant dated September 2009.

Report to the Repairs Advisory Group dated September 2009.

### **Impact Assessments:**

#### Risk Management

Since the proposed structure up to manager level is retained in-house, there are minimal risks to the Council as there will be sufficient in-house resources available to maintain a good service to tenants and leaseholders on an interim basis if the contract with the Repairs Management Contractor appointment were to be terminated for whatever reason.

#### Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?

Recruitment to new posts will need to be treated equally and fairly.

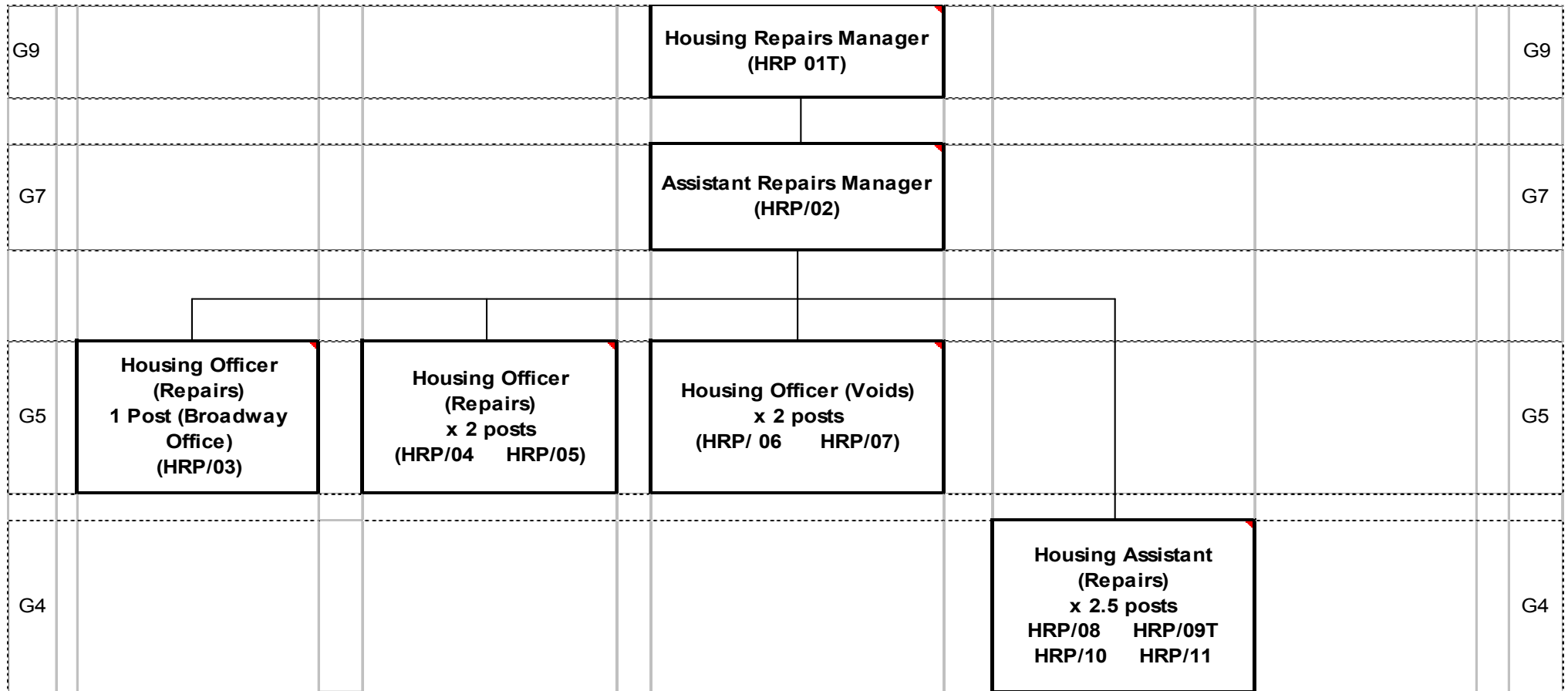
Service provision to tenants and leaseholders will need to be on an equal basis for all.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

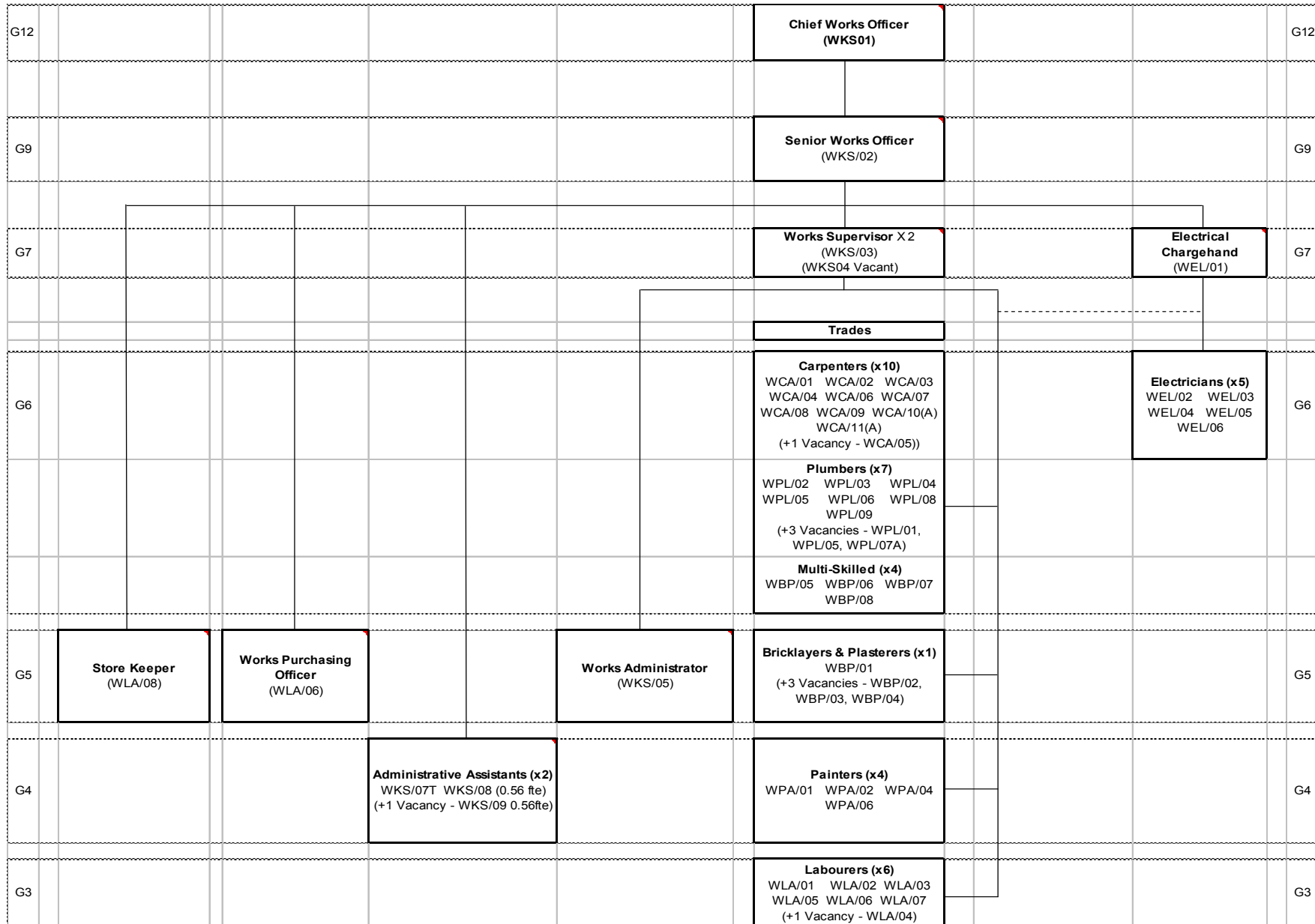
The implications of this restructure places a number of existing posts at risk. However, these at risk posts are to be ring-fenced so post holders are able to apply for a range of new posts that are to be created. All staff affected have been consulted on the proposed restructure.



# Appendix A – Existing Repairs Structure



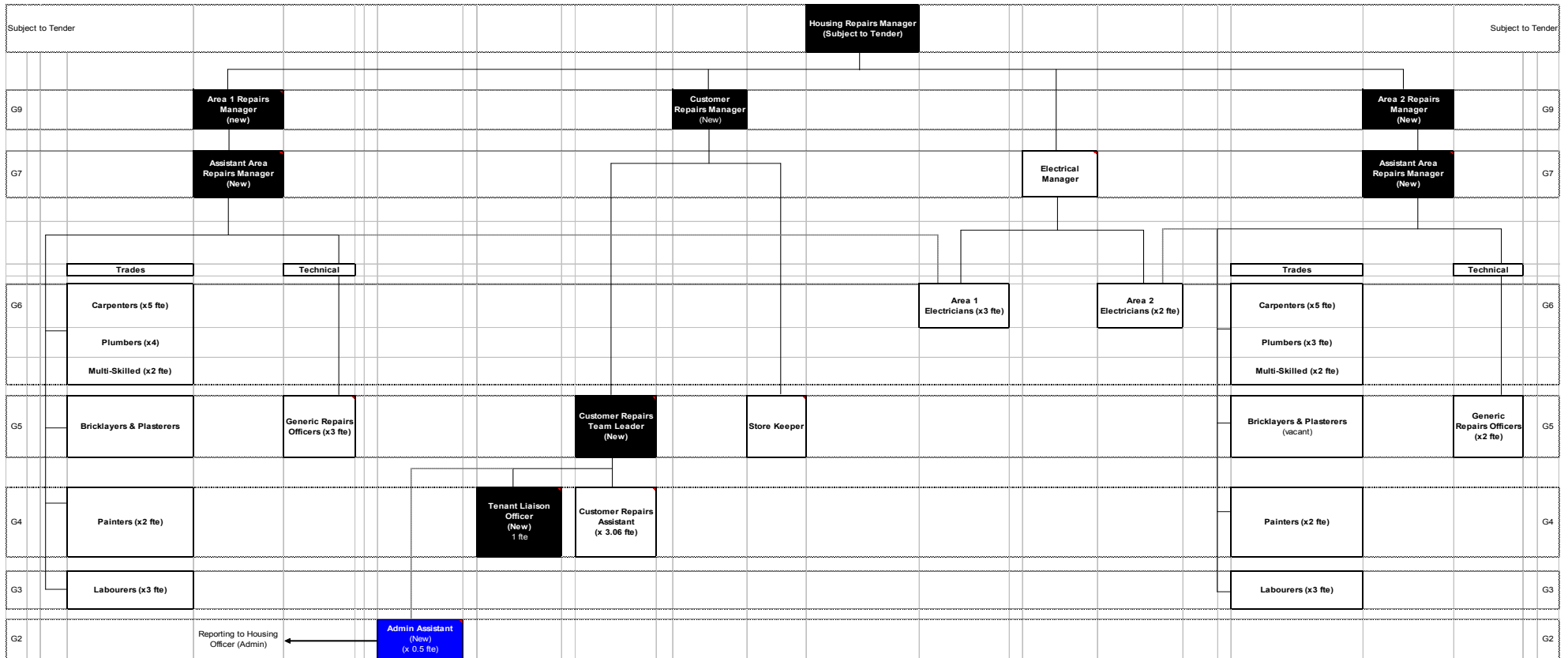
## Appendix B – Existing Building Maintenance Works Unit Structure.



## Appendix C - Cost of Existing Establishment

Description	W/T or P/T	Hours	Grade	Mid-point Salary (inc on-costs & ILFA)	Cost
Housing Repairs Manager	1.00	36.00	9	£45,010.00	£45,010.00
Asst Housing Repairs Manager	1.00	36.00	7	£34,640.00	£34,640.00
Housing Officer - Repairs	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Repairs	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Repairs	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Voids	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Voids	1.00	36.00	5	£25,250.00	£25,250.00
Housing Assistant - Repairs	1.00	36.00	4	£21,520.00	£21,520.00
Housing Assistant - Repairs	0.50	18.00	4	£21,520.00	£10,760.00
Housing Assistant - Repairs	0.50	18.00	4	£21,520.00	£10,760.00
Housing Assistant - Repairs	0.50	18.00	4	£21,520.00	£10,760.00
Building Maintenance Mgr	0.67	24.00	12	£63,130.00	£42,086.67
Senior Works Officer	1.00	36.00	9	£45,010.00	£45,010.00
Works Supervisor	1.00	36.00	7	£34,640.00	£34,640.00
Works Supervisor	1.00	36.00	7	£34,640.00	£34,640.00
Works Administrator	1.00	36.00	5	£25,250.00	£25,250.00
Works Purchasing Officer	1.00	36.00	5	£25,250.00	£25,250.00
Administration Assistant	1.00	36.00	4	£21,520.00	£21,520.00
Administration Assistant	0.56	20.00	4	£21,520.00	£11,955.56
Administration Assistant	0.56	20.00	4	£21,520.00	£11,955.56
Electrical Chargehand	1.00	36.00	7	£34,640.00	£34,640.00
Storekeeper	1.00	36.00	5	£25,250.00	£25,250.00
				<b>Total</b>	<b>£571,897.78</b>

# Appendix D – Proposed combined Repairs and Building Maintenance Works Unit Structure



## Appendix E - Cost of Proposed Establishment

Description	W/T or P/T	Hours	Grade	Mid-point Salary (inc on-costs & ILFA)	Cost
Housing Repairs Manager					
Area 1 Repairs Manager	1.00	36.00	9	£45,010.00	£45,010.00
Area 2 Repairs Manager	1.00	36.00	9	£45,010.00	£45,010.00
Office Manager	1.00	36.00	9	£45,010.00	£45,010.00
Assistant Area 1 Repairs Manager	1.00	36.00	7	£34,640.00	£34,640.00
Assistant Area 2 Repairs Manager	1.00	36.00	7	£34,640.00	£34,640.00
Electrical Manager	1.00	36.00	7	£34,640.00	£34,640.00
Team Leader	1.00	36.00	5	£25,250.00	£25,250.00
Administration Assistant	0.50	18.00	2	£16,610.00	£8,305.00
Tenant Liaison Officer	1.00	36.00	4	£21,520.00	£21,520.00
Customer Repairs Assistant	0.56	20.00	4	£21,520.00	£11,955.56
Customer Repairs Assistant	1.00	36.00	4	£21,520.00	£21,520.00
Customer Repairs Assistant	1.00	36.00	4	£21,520.00	£21,520.00
Customer Repairs Assistant	0.50	18.00	4	£21,520.00	£10,760.00
Storekeeper & Purchasing	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Generic	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Generic	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Generic	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Generic	1.00	36.00	5	£25,250.00	£25,250.00
Housing Officer - Generic	1.00	36.00	5	£25,250.00	£25,250.00
				<b>Total</b>	<b>£511,280.56</b>