



Report of Chief Officer Housing Management Housing Leeds

Report to Director of Environments and Housing

Significant Operational Decision

Date: April 2014

Subject: Housing Leeds Housing Management Restructure 2014

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|--|------------------------------|--|
| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

EXECUTIVE SUMMARY

To obtain approval to implement Phase 2 of the restructure to develop one simple, smart and effective Housing Management Service for Council Housing in Leeds.

The proposal aligns the Housing Management structure to the Council's Area Committee and support the integration of Housing Management Services fully into Leeds City Council and enable the Service to be an effective component of 'Team Leeds' and the conduit for tenants for all services.

1.0 Purpose Of This Report

To obtain approval to implement Phase 2 (PO5 and above) of the restructure of the Housing Leeds Housing Management following the transfer of services into Leeds City Council from the Leeds ALMOs and the ALMO Business Centre Leeds (ABCL).

2.0 Background Information

2.1 The three Leeds ALMOs have developed very different approaches to the delivery of operational housing management services to manage the 57,000 council homes. The existing structures reflect the very different roles, responsibilities, accountabilities, grades and job descriptions across the three organisations as directed through the different priorities and resource allocation. The service models range from a highly specialist service model with really distinct roles to a more generic model and role.

The Review determined to bring the housing management functions back into the Council and integrate the different teams into Housing Leeds with the aim of delivering a consistent customer focused service model for the City, which retains the best practice for the City.

2.2 At the beginning of October 2013 the housing management function transferred back into Leeds City Council from the three Leeds ALMOs and the ABCL. ALMO staff that TUPE transferred into the Council with the service continued to deliver the service in their same roles within the three geographic areas. On 11th December 2013, the Director of Environment and Housing took a decision to implement Phase 1 of a restructure of Housing Leeds (the JNC management structure) which followed arrangements referenced in an Executive Board Report on 17th July 2013 for three functional areas or divisions within Housing Leeds headed up by three Chief Officers:-

- Strategic Housing;
- Property and Contracts; and
- Housing Management.

2.3 Within the Housing Management division of Housing Leeds the 11th December 2013 report identifies four Head of Service JNC posts to support the Chief Officer, these being:-

- Head of Housing Management x 3 (52.5%)
- Head of Neighbourhood Services (45%)

The Report specified arrangements for the filling of those posts and further recommended that the second phase of the restructure (staff below JNC level) was developed from January 2014. In order to effectively deliver the second phase of the restructure the process will be undertaken in two phases – the first phase is to appoint the Service Manager (PO6) tier and then the second phase to appoint all other staff. This report deals with the first phase of the remaining restructure at PO5/6 level.

3.0 Scope of the Restructure

3.1 Functions within the scope of this part of the restructure are those delivered by staff formerly within the three ALMOs, ABCL and Strategic Landlord including but not limited to the following areas:-

- Housing & Tenancy Management of the 57,000 council homes Based on the Area Committee Boundaries (10) through xx locations across the City
- Intensive tenancy management & support
- Older People's Housing & Management of xxx sheltered housing schemes
- Front-line customer interface
- Safeguarding vulnerable tenants
- Management of the Housing Register
- Allocation and letting of council homes
- Income Management including court proceedings
- Tenant Engagement including Leeds Tenants Federation
- Specific interfaces and partnership working with Property & Contracts, Environmental Services, LASBAT & Parks & Countryside.

Appendix A lists the staff/posts considered to be in scope.

4.0 Main Issues

4.1 Since the transfer of the Housing Management service into the Council the former ALMO teams have continued to operate with pre-transfer structures. This is perpetuating differential service models, customer responses and levels of service across the City, creating inconsistency and inefficiency that were some of the original drivers for the Review. A full service restructure is required to develop a customer focused people orientated service which delivers consistency in all geographical areas, eliminates duplication, and introduces customer outcomes which respond to local need. Delivery of the restructure quickly will enable the delivery of organisational stability and ensure housing management is delivered within and in partnership with all Council services, and ensures service delivery is aligned to the Best Council outcomes and objectives.

This report deals with the first stage of the full service restructure – the Service Manager level which covers PO5 grades and above. Completion of this first phase is essential in order to provide sufficient management capacity to assist in development and delivery of the remainder of the full service restructure.

5.0 Proposed Changes

5.1 The fundamental vision of Housing Management Services is to deliver a people orientated, customer focused service which deliver an effective and consistent service across the City. The Service will deliver a defined outcome based 'tenant offer' which will meet tenant's needs and aspirations.

The aim is to align the Housing Management Operational Structure with the Council's Area Management arrangements to ensure clarity of governance, decision-making and organisation. The alignment of Area Housing Areas with Area Committees will enable effective partnership and integration of housing management services with other Council services.

Leadership at an Area level is critical; there are different levels of council homes in the Area Committee areas ranging from 12,054 council homes in Inner East to 2,532 homes in Outer North East. In designing the Housing Management Structure in addition to property numbers, consideration will be given to property types, complexity of stock, turn over, hotspots etc. Further evaluation is on-going to assess resources and flexibility to ensure a responsive customer focussed service is deliverable.

It is proposed that 8 Area Housing Managers (2 – East, 3 – West, 3 - South) will enable effective Leadership and connections to other Council Services and activity.

There are 4 central functions which require service managers to lead City Wide functions

- Income Management (including Paralegal)
- Allocations and Lettings (including Leeds Homes and the link to housing support/ housing needs assessment & safeguarding)
- Tenant Engagement (including Area Panels / Area Committees)
- Older Peoples Housing Services including the management of Sheltered Housing.

Consolidation & re-organisation of 3 individual structures requires significant evaluation to ensure good practice is retained and developed. A clear management structure is required to support the development & leadership of 600+staff

The four Heads of Service will have the following Area / Service Managers and teams reporting to them. The Job Description is attached at **Appendix B**

Head of Housing Management West

- Area Housing Manager x 3

Head of Housing Management South

- Area Housing Manager x 3

Head of Housing Management East

- Area Housing Manager x 2

Head of Neighbourhood Services

- Service Manager x 4

A Job Description has been produced for the Area /Service Manager posts and it has been evaluated at grade PO6. The generic job description is designed to enable flexibility and effective resource utilisation.

5.2 The detailed structures are still in development and have not yet been subject to discussion with Trade Unions or staff engagement. This is the second phase of the full service restructure.

5.3 The new senior management structure will see some changes in roles, a general move to up-skill and place a greater emphasis on responsive housing management functions, to improve customer service and satisfaction and create a consistent service offer across the City.

Changes will result in an overall reduction in the current senior management structure (PO5 and above) in Housing Management of 1 post which will generate £63k of savings when fully implemented (this includes some savings already identified at JNC level). This should not be looked at in isolation and any additional savings generated from the second phase of the restructure will be retained within the Housing Revenue Account (HRA) and will be redirected into front line services through increased investment in the housing stock.

The table at **Appendix C** shows how that reduction impacts on numbers of staff at different grades within the senior management part of the structure.

6.0 Workforce implementation plan

A set of principles have been prepared for the transitional process between existing structures and the new structures detailed in this Report. Those principles are attached as **Appendix D**. For clarity Appendix A of the Procedure for Managing Workforce Change (MWC) will be applied in the following way:

6.1 Phase 1 – Slotting

Where posts are broadly the same (grade and functions) in the new structure as in the old structure and the numbers of posts and people are the same (or there are 'surplus' posts). Job slotting will be avoided where there is a grade increase. In addition those job roles that have been clearly defined as 'out of scope' will remain unchanged as a result of this report.

6.2 Phase 2 – Ring-Fencing

Where there are more applicants than posts or slotting is not appropriate. Applicants whose current role is the same or broadly similar to the new role and whose grade is +/- one grade will be included in the ring-fence. Applicants for ring fenced posts will be asked to complete a shortened application form and undertake a formal interview process.

Temporary Roles/ MWC

Any staff who have been 'acting-up'/in a temporary role for a period of more than 12 months and were selected through a competitive process/MWC will be included in relevant ring fence(s).

6.3 Phase 3 – Talent Pool

Unfilled posts will be matched to people in the Talent Pool either those displaced through this restructure or from other Council restructures.

6.4 Phase 4 – General Ring-Fencing

At the conclusion of Phase 3, any posts remaining unfilled will be dealt with under an internal open selection process. At this stage, staff not directly affected by this restructuring and generally from within the Council will be eligible to apply. Posts will be filled by the usual range of selection methods.

7.0 Corporate Considerations

7.1 Consultation and Engagement

7.1.1 These recommendations have been developed by Housing Management, Management Team, HR and Finance in the first instance. However it is intended that further comments and questions be sought from the whole workforce in scope.

7.1.2 The first formal service-wide consultation will take place in March 2014. A series of formal fortnightly consultation meetings have been arranged with Trade Unions. Further discussions and consultations will be held with this group throughout the restructure

The Trade Unions following staff consultation have requested slotting based on the similarity of grade and roles and the number of staff who hold substantive posts to grade PO5 & PO6. Consideration has been given to the job descriptions and variances across the three ALMO's in terms of expectation and grade, and the requirement to build a new service with a more customer focussed and flexible culture. Having considered the views of both the trade unions and staff, it has been concluded that a slotting arrangement of all staff identified in the Housing Management ring-fence at P05/P06 is appropriate in these circumstances, however a meeting will take place with each member of staff to discuss suitability and preference. Members of the Housing Management Team will meet with each member of staff to identify which post they will be placed into dependent upon their skills and experience.

As previously agreed, each level of the Housing Leeds restructure will be discussed and agreed based on the circumstances for those positions. The decision to agree to slot to these positions will not set a precedent to be used in other restructures.

7.2 Equality and Diversity / Cohesion and Integration

7.2.1 An equality impact assessment is being undertaken.

7.3 Council policies and City Priorities

7.3.1 The proposals within this report support wider aspirations for Leeds set out in the new Leeds Vision, City Priority Plans, Directorate Priorities and Cross Council Priorities.

7.3.2 The proposals support the Best Council objectives of:-

- Ensuring high quality public services; and
- Becoming an efficient and enterprising Council.

7.4 Resources and value for money

- 7.4.2 The cost of the current structures at PO5 level and above (including JNC posts) is £1,086k in a full year with full establishment and including on-costs. The revised structure will cost £1,023k again including on-costs. Potential full year savings are £63k with a net loss of 1 post. See **Appendix E** for details.

7.5 Legal Implications, Access to Information and Call In

The decision being requested in this report is a Significant Operational Decision and as such is not eligible for call in. Powers of delegation to the Director for this decision are contained within the scheme under Part 3 of the Constitution. However the Housing Management Review is being examined by Housing and Regeneration Scrutiny Board and as such the implications of this restructure will be considered in general terms as part of their scrutiny.

There are no significant legal implications associated with this decision. The report contains no information which is considered confidential or exempt as determined by the Access to information Procedure Rules within part 4 of the Constitution.

7.6 Risk Management

- 7.6.1 Failure to implement the new structure will perpetuate the inconsistencies and inefficiencies that are present with the current service delivery models, leading to differential levels of customer outcomes and satisfaction.

6.0 Conclusions

This proposed structure, is an essential step in moving to a consistent customer focused, people orientated Housing Management Service for Leeds, consolidating and developing the service previously delivered by the ALMOs/ABCL and Strategic Housing structures. It will provide the required clarity, stability and capacity to deliver on future challenges for housing management delivery within the context of wider Council services. The benefits are stated, as are the risks, the approach to further consultation and the approach to implementing the organisational changes.

7.0 Recommendations

To approve the proposed phase 2 of the service restructure (PO5 and above) for Housing Management (Housing Leeds).

8.0 Background Papers

Appendix A – List of Staff/posts to be included in the scope.

Appendix B – P06 Job Description

Appendix C – Current and proposed structure and reductions.

Appendix D – Principles around the restructure

Appendix E - Financial analysis of proposals

Appendix C

Current and Proposed structure and reductions (FTEs)

| Grade | Current structure - Substantive posts (FTEs) | Additional Temporary arrangements | Proposed Structure | Variance |
|-------------------|---|--|---------------------------|-----------------|
| JNC | 6 | 0 | 5 | -1 |
| PO6 | 6 | 0 | 12 | +6 |
| P05/6 | 2 | 0 | 0 | -2 |
| PO5 | 4 | 0 | 0 | -4 |
| Total FTEs | 18 | 0 | 17 | -1 |

Appendix E

Housing Leeds Housing Management Restructure(PO5) & above - Financial Analysis

| | Original Budget 2014/15 | | Proposed Budget 2014/15 | | Original to Proposed | |
|--------------|-------------------------|-------------------------------|-------------------------|-------------------------------|----------------------|---------------------------|
| Grade | FTE Number | Gross Pay incl. on costs £ | FTE Number | Gross Pay incl. on costs £ | FTE Number | Net Cost / (Savings) £ |
| JNC | 6 | 469,353 | 5 | 393,989 | (1.0) | (75,364) |
| PO6 | 6 | 314,769 | 12 | 629,388 | 6 | 314,619 |
| PO5/PO6 | 2 | 101,582 | 0 | 0 | (2.0) | (101,582) |
| PO5 | 4 | 200,544 | 0 | 0 | (4.0) | (200,544) |
| Total | 18.0 | 1,086,248 | 17.0 | 1,023,377 | (1.0) | (62,871) |