

**Report of:** Head of Commercial Management Leeds Building Services

**Report to:** Director of Resources & Housing

**Date:** 28<sup>th</sup> June 2017

**Subject:** Leeds Building Services Phase 2 Realignment

Are specific electoral wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity or 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

## Summary of main issues

1. Following the implementation of Phase 1 of the realignment (appendix 6) of Leeds Building Services, work on phase 2 has now been completed in order to finalise the realignment of the service. This will also consolidate a number of existing informal arrangements which have been in place for a number of years. The changes will:
  - Consolidate temporary arrangements (which are contractual in nature), align similar roles, ensure consistency and fairness in how all roles in the service are described, graded and remunerated, and create a foundation for flexibility within the service.
  - Effectively support the current and anticipated requirements of the council and the delivery of its business objectives
  - Ensure the service has sufficient capacity and capability to provide an effective and responsive service to the council.
2. These proposals represent a staffing saving of £183,672, in comparison to the existing structure.
3. None of the employees directly affected by the changes will be subject to a redundancy situation.

4. In order to give due regard to equality, diversity, cohesion and integration, an Equality, Diversity, Cohesion and Integration Impact Assessment (EDCI) Screening Form has been completed. (Appendix 1).

## **Recommendations**

5. The Director of Resources and Housing is asked to approve the changes to the organisation structure of Leeds Building Services as outlined in this report.

### **1.0 Purpose of this report**

- 1.1 The purpose of this report is to seek approval from the Director of Resources & Housing to agree the new structural proposals for Leeds Building Services as Phase 2 of the realignment.

### **2.0 Background information**

- 2.1 In April 2013 the function of council housing management was returned to the council; having previously been managed by the ALMOs. This resulted in staff being TUPE transferred back into the organisation. This included a direct construction service, formally part of Leeds East North East homes; which was formed following a voluntary transfer of Housing maintenance (City Services) ten years ago.
- 2.2 As a result of the transfer there were two providers of direct construction services within the Council, both operating from depots in East Leeds. Property and Contracts were tasked with removing duplication, aligning business process to generate efficiencies and merging the two to form Leeds Building Services. The project was split into phases, phase 1 which is now complete, involved relocating staff into one depot and harmonising the terms and conditions of the tradesperson workforce; whilst phase 2 is the delivery of a new staffing structure for all office based and management staff.
- 2.3 Leeds Building Services are tasked with delivering an increased effective delivery of planned works, alongside all current works and programmes which this proposed structure will support.

### **3 Proposals**

- 3.1 Since the agreement to bring both construction services together, consultation has commenced with the staff concerned and the recognised Trade Unions, around the proposed staff structure. The proposals as shown in Appendix 2 have been developed under the following principles:
  - The two former services will be merged to one single operation with a single set of accounts and charging mechanism
  - The structure will have a functional split, each with its own JNC officer lead, namely Operations Management and Commercial Management

- The Operational Management Service will hold responsibility for all the operatives, management of sub-contractors and the effective delivery of all construction activity. This will be split by the type of work undertaken, namely;
  - Repairs, Voids and Out Of Hours
  - Mechanical and Electrical Specialist Services
  - Planned Works

The details of the types of works that will sit within each area can be found at appendix.2

- The Commercial Management Service will hold the responsibility for the commercial and business infrastructure, support and planning, this will be split by business function, namely;
  - Fleet, Health and Safety and Stores
  - Estimating / QS , Scheme Governance, sub-contractor hub, procurement, tenders, and systems – e.g. total mobile
  - Financial Performance, Final Accounts, Planning and Resource Planning, People and Process

The new staffing structure includes a new focused commercial function including resource planning, estimating and financial planning teams that will ensure that works are effectively delivered to time, cost and quality

- New generic job descriptions have been created and evaluated by the council's Job Evaluation team to reflect the proposals and to ensure maximum flexibility within the service, the list of new job titles and Job descriptions can be found at appendix.3
- Further efficiencies are likely to be realised following the implementation of Total Repairs, Mobile, Optimise and Telematics, particularly in the area of Planning and Business Support. It is anticipated that these changes will release resource which can be refocused to deliver an enhanced planning and business support function in this area.

3.2 There are no MSR implications for staff. Vacant posts have been removed and there is a change to the existing senior management structure, however, some additional posts have been created to support the business need these are detailed below:

#### **Removed**

- Head of Leeds Building Services
- Head of Construction Services
- Technical Manager
- Service Manager

## **Added**

- Head of Operations
- Head of Commercial Management
- Senior Services Manager
- Additional PO4 Service Manager
- Additional Estimator
- Commercial Officer

**4.0** The recruitment to the DIR 52.5% post has already been completed, (see separate report, appendix 4 )

4.1 Consultation and negotiation with the recognised Trade Unions and staff has resulted in an agreement to the proposed structure. Following the required decision, the restructure will be implemented on 1<sup>st</sup> August 2017.

4.2 A preferencing exercise will be undertaken that will allow staff to identify their preferred post within the new structure, taking into consideration staff skills and experience to support the service delivery of LBS. Details of the post preferencing process can be found at appendix 5.

## **5.0 Equality and diversity, cohesion and integration**

5.1 An Equality Impact Assessment is attached at Appendix.1

## **6.0 Council policies and the best council plan**

6.1 This proposal will be implemented in accordance with the council's established policies and procedures, including the Flexibility Protocol and will reflect the outcomes from Job Evaluation. Any deviations from the above policies are proposed in line with Cross-Council Priorities as a response to the consultation undertaken with staff and trade unions in line with the councils values.

## **7.0 Resources and value for money**

7.1 The proposed structures are outlined at appendix.2.

7.2 The cost of the original structure for Leeds Building Services was £4,614,812, with the new structure costing £4,431,140. This has resulted in a net saving for LBS of £183,672.

7.3 In addition it is anticipated that the service integration will produce additional savings by reducing duplication, and streamlining activities.

7.4 A List of Job Descriptions/ Person Specifications is attached at Appendix 4. All the posts have been formally evaluated by the councils Job Evaluation team, which includes TU representatives and accurately reflect the roles being carried out by the staff involved.

## **8.0 Legal implications, access to information and call-in**

8.1 The Director of Resources and Housing holds delegated authority to take this decision.

8.2 It is not believed that there are any legal implications in relation to this decision.

8.3 It is believed that there are no access to information issues in relation to this report.

## **9.0 Recommendations**

9.1 The Director of Resources and Housing is asked to approve the proposed pay proposals, with an implementation date of 1<sup>st</sup> August 2017

## **10.0 Appendix**

1. Equality Impact Assessment report
2. LBS Proposed Structure
3. Job Titles and Job Descriptions
4. Report for recruitment to Dir 52.5%
5. Post Preferencing Process Documents
6. Phase 1 Documents

## **11.0 Background documents<sup>1</sup>**

11.1 Phase 1 Realignment documents can be found at appendix 6

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.