

ORGANISATIONAL CHANGE OVERVIEW AND SCRUTINY COMMITTEE

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| Date of Meeting | Tuesday 28 th June 2016 |
| Report Subject | Progress with Plans for Facilities Management and Property Services |
| Report Author | Chief Officer Organisational Change |

EXECUTIVE SUMMARY

Progress with the development of the Alternative Delivery Model for Facilities Management continues to make good progress with the transition board formed, risk register developed and initial staff consultation events scheduled for July 2016.

Work around the development of a commissioning model for Property Services is making good progress with market provider meetings and discussions developing around future services, community benefit and the creation of sustainable markets using local supply chains.

RECOMMENDATIONS

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| 1 | Committee comments on the progress of service development in the areas of Property Services and Facilities Management Services. |
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REPORT DETAILS

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| 1.00 | PROGRESS WITH PLANS FOR FACILITIES MANAGEMENT AND PROPERTY SERVICES |
| 1.01 | <p>Organisational Change 2 has the following services within its portfolio:-</p> <ul style="list-style-type: none"> • Facilities Management • Design and Property Maintenance • Valuation and Estates Services <p>As part of work relating to efficiencies the services undertook initial</p> |

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| | scoping work and exploration around the development of Alternative Delivery Models (ADMs). |
| 1.02 | In relation to the above Facilities Management is now transitioning into an Alternative Delivery Model (Independent Trading Company with a TECKAL exemption to trade). The other services within the portfolio (Valuations and Estates Services and Property Maintenance and Design Consultancy {Property Services}) were reviewed as part of the ADM process, however, it was determined that there would be no specific benefit, at this stage, with progressing through to an ADM and these services are now developing solutions which will see them restructure and form themselves into a commissioning client. |
| 1.03 | <p><u>Progress – Facilities Management</u></p> <p>As noted above Facilities Management is moving through the transition phase of its development into Independent Trading Company with a TECKAL exemption to trade. Work around this includes the following activities:-</p> <ul style="list-style-type: none"> • Setting up a transition board and governance structure including terms of reference; • Development of risk register; • Preparation and issue of a staff newsletter; • Rollout of a number of staff awareness raising events followed by more formal consultation; • Consideration of current and future financial systems; • Specific professional advice as needed; • Consideration and development of a shadow board. <p>The overall timeline for the formalisation of the new company is April 2017.</p> |
| 1.04 | <p><u>Progress – Property Services</u></p> <p>In the report to Scrutiny on the 2nd November 2015, the initial thoughts and considerations were shared with Members in relation to the development of an intelligent client function. Since then the service has been in further discussions with a number of contract framework providers to understand more their particular model of delivery and partnership approach so as to support the delivery of a commissioning model, which will include creating a sustainable model of delivery which engages with local suppliers, and which delivers a range of wider community benefits.</p> |
| 1.05 | As part of next steps there will need to be a detailed review of the current resource levels and a streamlining of these to create a fit for purpose organisations, discussions with staff have commenced and a number of vacant posts at various levels within the organisation have not been filled as a consequence of these discussions. |
| 1.06 | The plans for these services, which are on the whole discretionary, are intended to sustain existing services through the provision of new models of delivery which create service resilience, improved performance and, in the case of the ADM opportunities to grow external business through the |

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| | <p>application of the Tecal exemption.</p> <p>At present progress is on target to achieve the above, while also managing a 30% reduction in budget.</p> |
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| 2.00 | RESOURCE IMPLICATIONS |
| 2.01 | <p>Financial Implications</p> <p>Please see later report on this agenda covering 2017/18 budget.</p> |
| 2.02 | <p>Human Resource Implications</p> <p>The proposals relating to Property will result in a more sustainable but streamlined staff team with a retained core which will deliver work through a commissioning process</p> <p>The ADM regarding the Facilities Management proposal will create a sustainable service into the future enable the service to develop and grow into new market areas.</p> |

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| 3.00 | CONSULTATIONS REQUIRED / CARRIED OUT |
| 3.01 | <p>Informal and / or formal consultation has taken place with all of these proposals.</p> |

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| 4.00 | RISK MANAGEMENT |
| 4.01 | <p>Key Risks and Mitigation</p> <p>(1) The capacity of services to manage this change – support is being provided to services both internally and externally and is being regularly reviewed to ensure it is appropriate.</p> |

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| 5.00 | APPENDICES |
| 5.01 | <p>None</p> |

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| 6.00 | LIST OF ACCESSIBLE BACKGROUND DOCUMENTS |
| 6.01 | <p>Contact Officers: Neal Cockerton, Chief Officer (Organisational Change);; Telephone: 01352 703169 E-mail: neal.cockerton@flintshire.gov.uk</p> |

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| 7.00 | GLOSSARY OF TERMS |
| 7.01 | Community Asset Transfer – The transfer of a building to a community organisation with a 27 year lease and peppercorn rent. |
| 7.02 | Alternative Delivery Model – A different way of providing the service ranging from shared service through to a social organisation through to external procurement |
| 7.03 | Intelligent Client: - Can be defined as in-house capability within the Council which assists and protects the Council in the procurement of outsourced services. The Intelligent Client retains sufficient professional and technical knowledge and skills of the services being provided by a third party to competently specify requirements and manage and scrutinise the delivery of those services. |