



## Barbican Estate Residents Consultation Committee

**Date:** MONDAY, 7 AUGUST 2023

**Time:** 6.30 pm

**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:**

Sandra Jenner - Defoe House (Chairman)	Adam Hogg - Chairman of the Barbican Association
Jim Durcan - Andrewes House (Deputy Chairman)	Fiona Lean - Ben Jonson House
Christopher Makin (Alderman) (Deputy Chairman)	Rodney Jagelman - Thomas More House
Gordon Griffiths - Bunyan Court	Andrew Tong - Brandon Mews
Jane Smith - Seddon House	Claire Hersey - Lambert Jones Mews
John Taysum - Bryer Court	Helen Hudson - Defoe House
Mary Bonar – Wallside	Andy Hope - Breton House
Sandy Wilson - Shakespeare Tower	Dave Taylor - Gilbert House
David Lawrence - Lauderdale Tower	Monique Long - Mountjoy House
Mark Bostock, Deputy	Petre Reid - Willoughby House
	Miranda Quinney - John Trundle House
	Graham Wallace - Andrewes House
	Alan Budgen - Cromwell Tower

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**Ian Thomas CBE  
Town Clerk and Chief Executive**

## **AGENDA**

1. **APOLOGIES**
2. **MEMBERS DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **BARBICAN ESTATE OFFICE REVIEW**  
Report of the Executive Director of Community and Children's Services.  
**For Information**  
(Pages 5 - 164)
4. **RECRUITMENT OF A PERMANENT HEAD OF BARBICAN ESTATE OFFICE**  
Report of the Executive Director of Community and Children's Services.  
**For Information**  
(Pages 165 - 166)
5. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**



# Agenda Item 3

<b>Committee(s):</b> Barbican Estate Residents' Consultation Committee (for information)	<b>Dated:</b> 7 August 2023
Barbican Residential Committee (for decision)	9 August 2023
<b>Subject:</b> Altair Independent Review Report	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	4,8,9,10,12
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>Y</b>
<b>If so, how much?</b>	TBC: possible short term costs, intention to be cost neutral and create options to deliver financial efficiencies
<b>What is the source of Funding?</b>	<b>Barbican Service Charges</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N</b>
<b>Report of</b> Director of Community and Children's Services	<b>For Information</b>
<b>Report author:</b> Rosalind Ugwu, Interim Head of Barbican Residential Estate	

## Summary

The housing consultancy, Altair, was commissioned to carry out an independent review of the Barbican Estate Office in 2022, concluding in May 2023. This report presents a summary of the Altair review and seeks approval for the key recommendations. The report requests endorsement of the proposed transformation action plan, which provides details of actions proposed and already in train. The transformation action plan will be a standing agenda item and update reports will be provided at all future RCC and BRC meetings.

## Recommendation(s)

That Barbican Estate Residents Consultation Committee:

1. Note the report and independent review of the Barbican Estate Office.
2. Note the key themes identified by Altair during the review of the Barbican Estate Office.

3. Note the operational matters already underway in response to the Barbican Estate Office Review.
4. Recommend to the Barbican Residential Committee the Action Plan for implementation.

## **Main Report**

### **Background**

1. In October 2022, a project board was setup to procure and manage an independent review of the Barbican Estate Office. The review was commissioned and funded by the City of London.
2. The project board overseeing the review consisted of:
  - Assistant Director: Housing and Barbican
  - Chair of Residential Consultative Committee
  - Interim Head of the Barbican Residential Estate
3. The Project Board was subject to the City of London's formal procurement procedures and selected Altair at the Tender evaluation panel on 13<sup>th</sup> October 2022.
4. Altair were commissioned to undertake an independent review of the **efficiency, cost effectiveness and value for money** of services delivered by the Barbican Estate Office to residents of the estate. In addition, the scope required the review to identify efficiency savings on both the Landlord's Account and Service Charge Account
5. The review consisted of two phases:

**Phase 1: Interim Report** (Appendix 1)– Conducting a critical appraisal of current services and producing an interim report. The interim report was delivered in December 2022. A summary report (Appendix 2) was produced for general publication in February 2023. The review consisted of discussions with thirty-five members of staff, 1-2-1 discussions with forty-five residents, thirty written correspondences from residents, surveys and perusal of over one hundred documents. The Interim Head of Barbican Residential Estate presented the summary report to staff at an online briefing, recorded for those who could not attend, on 14<sup>th</sup> February 2023.

**Phase 2: Stage 2 Report** (Appendix 3) – An options development and recommendations report which identified thirteen areas for improvement. The

report was delivered in February 2023 and was the subject of a presentation by an Altair Consultant, to a joint meeting of BRC and RCC on 24<sup>th</sup> May 2023. The presentation (Appendix 4) was a summary version of the full report and issued for general publication. Prior to the presentation, four briefing sessions, facilitated by AD Barbican and Housing and Interim Head of Barbican Residential Estate, were given to staff.

6. Once the reports were finalised, an action plan was developed to respond to the Altair recommendations.
7. It is anticipated that update reports on progress against the action plan will be presented to all future committees as a standard agenda item.

### **Current Position**

The full reports are subject to redaction in readiness for publication on the Barbican website. The redactions have been made based on the following criteria:

- Information which could lead to individual employees being identified.
- Reference to performance of individuals or teams in a way which could be identifiable of individuals.
- Information or relative cost calculations which could cause general prejudice to our commercial position and is commercially sensitive.
- Information which indicates a potential change to a substantive post, redundancy or change to contract of employment in advance of formal consultation with recognised trade unions and employees.
- Resident safety and security

The redacted reports have also taken account of advice from the City Solicitor and Altair regarding the public access to the reports.

### **Recommendations**

1. The stage 2 report is broken down into three phases:
  - a. Immediate: Senior Leadership Structure
    - i. Appointment of the Head of Barbican Residential Estate with increased responsibility and accountability and subject to a redesign and re-evaluation of the current role and its responsibilities. (Agenda item 2 – Separate report)
    - ii. Move the reporting line for the Service Charge and Revenue Manager from Assistant Director of Housing and Barbican to the

Head of Barbican Residential Estate. The change has no savings or additional costs.

- iii. Move the reporting line for the Property Services Manager, in turn three Property Services Officers, to the Head of Barbican Residential Estate. The change has no savings or additional costs.
- iv. Increase the remit of the Commercial Property Officer to include, maximising income generation and for commercial activity including car parks and stores. In addition, move the reporting line for the role to the Service charge and Revenue Manager. The change has potential costs of £30k which could be offset in the phase 2 operational redesign.
- v. Extend the skillset within the property service team by the appointment of a Surveyor/Contract Manager. The change has potential costs of £52k which could be offset in the phase 2 operational redesign.
- vi. Review the cleaning service with potential cost savings of £150k.

These recommendations are presented for your endorsement.

- b. Phase 1 includes recommendations to:
  - i. Redesign key processes including general repairs, resident services, spare key storage and parcel collection.
  - ii. Improve the budgeting, cost control and service charges including, external service charge validation, starting the budgeting process earlier, introducing a culture of cost control, review of communications and increase to quarterly, reconciliation of previous years' service charges by June,
  - iii. Introduce a formal financial and performance reporting framework which provides a golden thread to objectives, defined reporting and timings to appropriate governance groups, targets to allow monitoring and continuous service improvement and clear roles and responsibilities to manage and coordinate the framework.
  
- c. Phase 2 – discusses seven potential alternative options for organisational structure, culture, and roles including:
  - i. Models for service delivery
    - 1. Two options to develop the Estate Management and resident service function.
    - 2. Single point of accountability
    - 3. Role of car park attendants which is also subject to savings requirement of the City's Target Operating Model
    - 4. Role of the Resident engineer and duty manager

5. Major works and cyclical programmes
  6. Consideration of outsourcing and shared service opportunities
2. The phase 2 recommendations are presented with delivery timescales in the attached Transformation action plan for BRC endorsement (Appendix 5).

## **Proposals**

BRC approve the Altair independent review recommendations.

BRC approve the transformation action plan.

## **Corporate & Strategic Implications**

1. The improvement of the quality of service delivery to residents of the Barbican Estate is an important priority for the City of London. The external and independent review by Altair has provided a thorough evidence base of priority areas for transformation. The oversight and scrutiny of delivery of actions against the recommendations within the governance structures will involve both members and residents, increasing accountability and providing assurance to the wider resident population of the Barbican Estate.
2. The transformation action plan will be supported by a change management programme, which may have future resource and financial implications, dependent on the options which may be pursued. As part of the regular updates on progress against the action plan, the BRC will be fully consulted and appraised, prior to any changes being implemented.

## **Conclusion**

The Altair review and its recommendations sets out a clear pathway for the transformation of services to residents of the Barbican estate. The oversight and

monitoring of the actions in the transformation action plan should ensure that demonstrable improvements are achieved.

### **3. Appendices**

Appendix 1 – Phase 1 Interim Report (Redacted version RCC)

Appendix 2 – Summary Report

Appendix 3 – Phase 2 Report (Redacted version RCC)

Appendix 4 – Presentation Summary Version of Full Report

Appendix 5 – Transformation Action Plan

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## Foreword

The Altair review (2022/23) of the Barbican Estate Office is an important milestone for the residents and staff of the Barbican Estate. The report highlights the need for significant and sustained improvement across all aspects of our work and service delivery. In accepting the key themes of this report, we have already commenced work on a structured, complex and thorough change programme that will take place over the next two years. We are approaching this with the urgency and pace that is required and will ensure that the change is sustained through improved use of technology, systems and effective performance management.

Engagement of our residents is key in this change programme, and we have been incredibly fortunate to have Sandra Jenner and Adam Hogg (as Chairs of the Barbican Estate Residents Consultation Committee and Barbican Association respectively) representing residents' voices and providing both strong, effective challenge and support to the programme. We will facilitate a resident engagement forum in September to ensure that all residents can engage and can give feedback on our plans for change. Ongoing communication and engagement with staff and contractors are absolutely key to the success of this change programme and this engagement is built into the plan.

The City of London Corporation has provided additional project management capacity to support delivery of this programme, and we are reviewing the additional support we require to achieve our shared ambitions.

The plan covers every aspect of the review, but I highlight several priority areas of focus for our work.

1. Permanent recruitment to the Head of Barbican Estate Office
2. Revise the structure of Barbican Estate office to deliver a cost effective and efficient service
3. Develop a programme to enhance the culture and performance management of the service
4. Review of operational arrangements (e.g., car parking)
5. Ensure the effective management of the fabric of the Estate
6. Improve transparency, accuracy and value for money of service charges

The attached action plan will be a developing and changing document, ensuring that we drive the necessary improvements. I welcome comments and feedback as we work to deliver the necessary change and improvement. In driving this work, we will create an environment that will allow both residents and staff to have confidence and pride in our work.

Judith Finlay

**Executive Director of Community and Children's Services**

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**Confidential**

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# **Barbican Estate Office Review**

**Interim Report – Appraisal of current services**



Report Date  
December 2022

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Section
1. Introduction
2. Appraisal of current services
3. External Review
4. Summary, conclusions and next steps
Appendices <ul style="list-style-type: none"><li>• Appendix 1 – Scope, methodology and high level project plan</li><li>• Appendix 2 - Staff and resident survey results</li></ul>



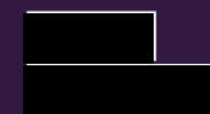
# 1. Introduction



To provide further context for this review, details are provided below on the scope, background and key objectives of this review.

Purpose	The <b>purpose</b> of this project is to undertake an independent and detailed critical appraisal of the current services provided by the Barbican Estate Office (BEO) and identify ways to improve the cost efficiency, overall effectiveness and value for money of the services provided to Barbican residents. In addition, the landlord (City of London), is seeking to deliver required efficiency savings against the Landlord’s Account.
Overview and scope of the project	<p>The <b>scope</b> of the review is limited to the Barbican Estate Office and covers:</p> <ul style="list-style-type: none"> <li>• value for money, service charges, supervision and management costs, efficiency savings, cleaning – costs and level of service</li> <li>• the role of the car park attendants</li> <li>• provision of services in-house v externally</li> <li>• processes and procedures, including use of technology, performance management, collaboration with residents</li> <li>• the organisational structure of the BEO considering all the above</li> <li>• provision of services to the BEO from the Corporation</li> </ul>
Specific drivers which the review is intended to address	<p>There are a number of <b>specific areas</b> that the review needs to address. These include:</p> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• ability to demonstrate value for money</li> <li>• increasing service charge costs,</li> <li>• overall supervision and management costs of the BEO</li> <li>• required efficiency savings on both the Landlord’s Account and Service Charge Account</li> </ul> <p><b>Ways of working</b></p> <ul style="list-style-type: none"> <li>• across roles within the BEO</li> <li>• effectiveness of current policies and processes</li> <li>• approaches to performance management</li> <li>• collaboration with residents</li> </ul>
Objectives of this review	<ul style="list-style-type: none"> <li>• Complete a detailed critical appraisal of the current service provided to residents focussing on the eight drivers identified above, including costs, structures, benefits, outputs and activities</li> <li>• Gain the views of residents, staff and other key stakeholders</li> <li>• Provide insight into how others in the wider housing and local authority sectors are addressing similar issues and provide example of best practice (taking account of the uniqueness of the Barbican Estate).</li> <li>• Identify and develop recommendations for improvement</li> </ul>
Outputs from this review	<ul style="list-style-type: none"> <li>• Delivery of the scope of works within the identified timescales</li> <li>• Detailed critical appraisal of the current services provided by Barbican Estate Office</li> <li>• Options for improvement</li> <li>• Final report and action plan, including recommendations for improvement, impact of changes required on residents, staff and any key stakeholders, cost implications, expected measurable benefits</li> </ul>

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Altair has been commissioned to undertake an **independent review** of the **efficiency, cost effectiveness and value for money** of services delivered by the Barbican Estate Office to residents of the estate.

This **interim report** sets out our **key findings for the first stage of the project**, which is to undertake a **detailed critical appraisal of the current services**, in line with the agreed scope for the project (as summarised on the previous slide and detailed within the Heads of Terms, included in Appendix 1 of this report). It provides the baseline findings of the current service appraisal, which will be used to guide the priorities for the next stage of the project.

Details of the activities undertaken are set out on the right and the agreed project plan is attached at Appendix 1. Oversight of the project is being carried out by the Project Board which consists of the Chair of Residential Consultation Committee, the Interim Head of the BEO and the Assistant Director of Housing and Barbican alongside the project lead from Altair.

Prior to considering the detailed findings set out in this report, it is worth setting out some key points on the **purpose** of this report and how it should be used. **Key points include:**

- The main purpose of this report is to develop and **ensure a single baseline understanding of the context for the further development of how the BEO should operate** to ensure the services it delivers are good quality and demonstrate value for money for those residents who pay for the services through their service charge account. It provides the foundation on which the next stages of work will be completed and provides a single reference point for all stakeholders.
- The findings set out in this stage of the project also provide an **external validation** of the key issues that should be addressed. Many of the areas cited in this report will already be known to the BEO and resident leaseholders, but there is value in having those areas externally validated and set-out in preparation of prioritisation in Stage 2.
- To provide a level of brevity in this report, we have not included information on or reference to every piece of data we have collected in the review to date. This report is **focused on the key themes and trends** most relevant to the development of the future development of the BEO. Wider data and information we have had access to have been used in the development of the report and can be cross referenced in any future design activities.

It is important to note that, whilst this review is being carried out across the Barbican Residential Estate there are also a number of internal audits taking place including cleaning stores stock management, overtime and agency worker approvals.

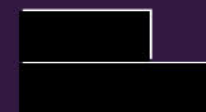
Activity	Purpose	Additional information
Document Review	To provide a background understanding and specific reference data for the Barbican Estate Office and services delivered to the Barbican Estate through the City of London.	Wide range of documentation reviewed including structures, financial, and performance data.
Discussions with staff	To provide insight and specificity into the functions and ways of working at the BEO.	Discussions completed with 35 staff members covering all functions and roles within the BEO and those delivering services to the BEO.
Discussions with residents and BRC members	To gain the view of residents on the services provided by the BEO.	121 discussions with more than 45 residents including House Chairs, Residents Consultation Committee (RCC) members and the Chair and Deputy Chair of BRC. More than 30 written correspondence from residents.
Survey	To gather views from as many staff and residents as possible.	Staff Survey issued to 80 staff with 8 responses Resident Survey issued c1400 residents with 175 responses.
Benchmarking	To compare staffing numbers, financial data and processes and performance data against other organisations.	Organisations benchmarked against includes two main groups Local Authorities and Housing Associations.

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# 2. Appraisal of current services



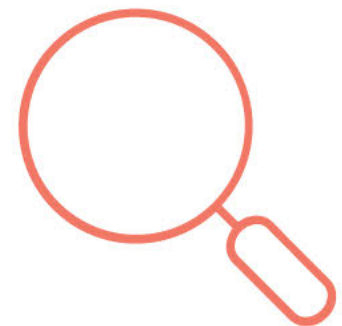
# Findings

The following slides provide information on our **key findings** for **Stage 1**. [REDACTED] plus findings specifically related to Leaseholders Service Charge Account. Under each area we identify:

- Key themes
- Supporting information / evidence / narrative to explain the theme
- Key areas to take forward from each theme for future development and consideration.

The themes and supporting information are based on all aspects of the work we have completed to date. This includes reference to key areas and findings from interviews, observations, surveys and documents provided and reviewed.

At Appendix 2 we set out more detailed information on the findings from the staff and resident surveys.





Below is a summary of the key themes identified during this review.

## Customers

- Roles within the BEO structure require the influence, control and oversight to discharge their responsibilities effectively and ensure a customer first culture.
- In addition, there needs to be a greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.
- There needs to be greater accountability by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.

## Processes

- Processes need to be fully documented to ensure they are understood and consistent in approach.
- Roles require further clarity of what activity sits in which role to avoid duplication.
- Budgeting and cost control requires improvement
- Policy and processes need to be reviewed to ensure they are fit for purpose and need meet the needs of the Barbican residents.
- Informal channels for reporting issues such as repairs need to be removed to ensure there is improved visibility of the issue and reduce the number of roles involved in reporting and dealing with issues.

## Organisational Design

- There needs to be improved oversight and control of all services across the Barbican Estate.
- Roles need to be based on the demands of the service and value to residents.
- Resource planning requires improvement to reduce the spend on overtime and agency staff.
- Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.
- Improved focus on staff support and wellbeing, including regular 121's and team meetings being held.
- Improved training for staff, particularly around people issues and performance management.



Below is a summary of the key themes identified during this review.

## People and Culture

- There needs to be improved collaborative working between residents, BEO and City of London to improve trust and confidence of residents in their landlord and staff and contractors who deliver services to the Barbican Estate.
- Improved communications between the BEO and residents, in particular written communications need to be plain English and written from the audience rather than the writers perspective.
- Increased focus on improving staff morale, including ensuring regular 121's and team meetings are carried out.
- Progress with key actions promised by the City of London needs to be quicker to improve the confidence of both BEO staff and residents.
- Contractor/project management requires improvement

## Technology and Systems

- Staff need to have the required access to all systems and be trained on their effective use.
- Improved use of technology to improve efficiency and effectiveness of services.
- There needs to be a clear plan to use technology to improve future efficiencies and quality of services including the roll-out of a resident portal.

## Performance and Data

- Data and information requires greater insight and narrative.
- Budgeting and cost control requires improvement.
- A detailed framework for regular and consistent financial and performance reporting needs to be implemented including trend information.
- Budget holders are accountable for reporting on and communicating to residents on both the financial and overall performance of the services they deliver to the Barbican Estate, including any contractors who deliver services on their behalf.



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Roles within the BEO structure lack the influence, control and oversight to ensure a customer first culture</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>Services across the Barbican Residential Estate are delivered by disparate teams, some of which operate outside the BEO and don't have a reporting line into the Head of BEO. They also sit within teams who have very little day to day contact with Barbican residents and therefore don't necessarily see things from a residents perspective e.g. energy team.</li> <li>The House Officer role which is designed to be the "resident champion" lacks the authority and control to be fully effective.</li> </ul>	<ul style="list-style-type: none"> <li>Head of BEO role needs to be reviewed and given sufficient control and influence to effectively deliver against their responsibilities and accountabilities to residents.</li> <li>House Officer role needs to be reviewed and realigned within the context of it's original purpose to be a champion for residents.</li> </ul>
<p>There needs to be a greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience with greater accountability of budget holders to leaseholders to demonstrate efficiency and value for money.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>No single point of contact for residents or single customer channel for reporting issues.</li> <li>This means there is no audit trail on reported issues and therefore an inability to provide residents with updates on progress and resolution.</li> <li>Numerous roles can be involved in an issue, with no singular role having overall oversight of the issue. This is evidenced through the reporting repairs process, where a resident has various options for reporting a repair, it can be pass through two or three people before being logged and then there is no way for residents to see progress or when the repair has been completed. This means that residents and staff spend time chasing for updates and information. Not only does this lead to a poor customer experience but also takes up staff time, that could be better spent on more value added activity.</li> </ul>	<ul style="list-style-type: none"> <li>Processes and routes for residents reporting issues needs to be redesigned with easy to use single points of contact, that provide reassurance, feedback and progress updates to residents at specific points.</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Processes need to be fully documented to ensure they are understood and consistent in approach.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>As with communication channels there have been formal and informal ways of working developed [REDACTED]</li> <li>Equally, issues with communal areas can be communicated via BEO Reception, a Cleaner, a House Officer, a Car Park Attendant or a Resident Engineer.</li> <li>As part of the document review we asked for any documented processes, none were forthcoming.</li> </ul>	<p>A review of current way of working on [REDACTED] processes needs to be undertaken to ensure fit for purpose and appropriately documented, suggest this includes processes such as:</p> <ul style="list-style-type: none"> <li>✓ Reporting a repair</li> <li>✓ Raising a concern/complaint</li> </ul>
<p>Roles require further clarity of what activity sits in which role to avoid duplication.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>Both the House Officers and Cleaning Supervisors carry out cleaning quality inspections of blocks and towers.</li> <li>Car Park Attendants/Lobby Porters and BEO Reception hold spare keys for residents.</li> <li>Car Park Attendants, Lobby Porters and Resident Engineers are points of contact for any issues a resident has overnight on the estate, which may include being locked out, low level anti-social behaviour/security.</li> <li>Car Park Attendants/Lobby Porters and Resident Engineers “look out” for and follow up any concerns they may have regarding a vulnerable resident.</li> <li>As mentioned previously any block issues and repairs can be reported via Property Services Desk, BEO Reception, House Officers, Cleaners, Car Park Attendants and Lobby Porters and Resident Engineers.</li> <li>In some cases the issue may be resolved there and then, without being formally logged on any systems, this is most likely to happen for small incidents/repairs reported to Resident Engineers.</li> </ul>	<ul style="list-style-type: none"> <li>A review of the structure and roles within the BEO needs to be undertaken, working back from the activity and services that need to be delivered across the Estate and any requirements outlined within the Lease.</li> <li>The review will also need to take account of the process reviews and customer channel reviews referred to in this report.</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Policy and processes need to be reviewed to ensure they are fit for purpose and need to meet the needs of the Barbican residents.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>Refund of deposits, taking up to 6 months to get small refunds as residents have to become suppliers and supply redacted bank statements to get refunds of around £150.</li> <li>Repairs – gives no reassurance to the resident about the progress and resolution of issues, therefore creating “failure demand” into both the Property Services desk and other roles such as the House Officers.</li> <li>Hybrid working – it is unclear how this is being implemented in the BEO with some roles such as leaders and House Officers stating they do work a mix of home and office. However, if you look across similar roles in other organisations they would be required to be on-site at all times.</li> </ul> <p>[REDACTED]</p>	<ul style="list-style-type: none"> <li>A review of these key policies needs to be undertaken to ensure fit for purpose for the requirements of the Barbican Estate.</li> </ul>
<p>Budgeting and cost control requires improvement</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>Service charge costs increasing year on year, with actual service charge costs being c. 29% higher than budgeted figures for the last financial year.</li> <li>Variances between budget figures and actual figures across all five service charge accounts covering a wide range of different services, some of which it should be noted are outside the control of the BEO e.g. increasing energy costs.</li> <li>Residents feel that cost control is poor with low accountability to ensure the service charges and balancing surcharges (difference between estimated figures and actual figures) are kept to a minimum</li> </ul>	<ul style="list-style-type: none"> <li>A review of the budgeting process needs to be undertaken to provide confidence to leaseholders.</li> <li>Conversation with the finance team to understand the budgeting process in more detail</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Informal channels for reporting issues such as repairs need to be removed to ensure there is improved visibility of the issue and reduce the number of roles involved in reporting and dealing with issues.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>The majority of members of staff and residents we spoke to outlined various ways they communicate with each other, which seems to be largely dependant on who the resident has most interaction with and trusts to get something done. As outlined earlier this means an issue can go through two or three people before it is reported or resolved and there is no audit trail to understand what has happened. This results in duplication between roles having to handle the issue.</li> <li>Some processes rely on word of mouth e.g. there were examples where residents report issues to Car Park Attendants who then have to speak to someone else to deal with, this could be a House Officer, a Resident Engineer or a Cleaner. The resident could equally report something to a Cleaner or a Resident Engineer, which then has to go through either the Property Service Desk or the House Officer.</li> <li>Within the estate office there are also informal communication channels, an example being when a resident reports a repair at Reception, the person on Reception will go through to the Property Services Desk and tell them about the repair. There is an over-reliance on passing issues on verbally and it also means residents can by-pass the formal channels available.</li> </ul>	<ul style="list-style-type: none"> <li>Processes and routes for residents reporting issues needs to be redesigned with easy to use single points of contact, that provide reassurance, feedback and progress updates to residents at specific points.</li> <li>Informal communication channels and use of word of mouth needs to be removed from the processes.</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>There needs to improved oversight and control of all services across the Barbican Estate.</p>	<ul style="list-style-type: none"> <li>The Barbican Estate is served by disparate teams who work both within the BEO and in the wider Corporation. Whilst this is not unusual in itself, unusually the Head of BEO role appears to have little influence or ability to hold to account other teams working in the Corporation who are delivering services to Barbican residents such as repairs. This means that the customer experience linked to these services and ultimately any issues that arise and need oversight and resolution are out of the control of the role that essentially is responsible and accountable to residents for the management of the Barbican Estate Office and services provided.</li> </ul>	<ul style="list-style-type: none"> <li>Head of BEO role needs to be reviewed and given sufficient control and influence to effectively deliver against their responsibilities and accountabilities to residents.</li> </ul>
<p>Roles need to be based on the demands of the service and value to residents and resource planning requires improvement to reduce the spend on overtime and agency staff.</p>	<ul style="list-style-type: none"> <li>Spend on overtime and agency workers is consistently over-budget. At the end of September the budget for Agency staff is 125% overspent and overtime is 35% over-budget. However, 16% of this is off-set by an underspend on the salary budget. However, this demonstrates poor longer term resource planning, people management and cost control.</li> <li>Agency staff account for over 20% of the Cleaner, Car Park Attendant and Lobby Porter’s total staff numbers. Out of the 14 agency staff currently working on the Barbican Estate, [REDACTED]</li> <li>We saw no evidence of co-ordinated holiday planning for Cleaning, Car Park Attendants and Lobby Porter roles. As overtime was being used to cover holidays we assume there is no planning and co-ordination.</li> <li>Overtime is used to cover specific permanent shifts e.g. weekend rubbish collection, which is likely to be more expensive.</li> <li>Car Park Attendants reported being frequently required to cover car parks for staff off sick. As shown in our benchmarking later in this report, the Barbican Estates Office staff have significantly higher than the UK average sickness, primarily driven by front line workers roles such as Cleaners and Car Park Attendant and Lobby Porter’s.</li> </ul>	<ul style="list-style-type: none"> <li>A review of the structure and roles within the BEO needs to be undertaken, working back from the activity and services that need to be delivered across the Estate and any requirements outlined within the Lease. This should ensure there is sufficient resource to reduce use of overtime and agency staff.</li> <li>[REDACTED]</li> </ul>

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Findings	Comments and Supporting Information	Areas to Take Forward
<p>Roles have developed informally and without the required insight into what residents value or what provides good value for money to residents</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Car Park Attendants and Lobby Porters taking responsibility for parcel deliveries for residents and developing an informal text service to replace the previous pink slip system.</li> <li>• House Officers have taken on tasks that pull them away from being on-site e.g. comms, leasehold permissions, constant email correspondence (this requires further analysis).</li> <li>• The Car Park Attendants and Lobby Porters were consistently cited by residents as the role they value the most, this is primarily driven through the safety and security residents feel from having not only this role on-site but familiar faces, and is an important reason why many have picked the Barbican Estate as a place to live.</li> <li>• The CPA role during the day is different to the night, when it's less about parking (car parks have very little if any, activity between 12pm and 6am) and helping residents with parcels, etc and more about presence and security.</li> <li>• Alongside the Car Park Attendant and Lobby Porters, Cleaners take up a significant proportion of Supervisors time. From the benchmarking detailed later in this report, we have found it is unusual to have full-time cleaners directly employed, this service is mostly out-sourced elsewhere.</li> </ul>	<ul style="list-style-type: none"> <li>• This area will be picked up as part of the structure review.</li> </ul>
<p>Lack of detailed analysis of capacity of roles</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• No detailed analysis of the cleaning role has been carried out to work back from activity to hours and FTE required to ensure adequately staffed.</li> <li>• Additional responsibilities have been added to the House Officer role, without understanding the impact e.g. communications, other admin tasks e.g. leaseholder permissions.</li> </ul>	<ul style="list-style-type: none"> <li>• This area will be picked up as part of the structure review as well as ways of working and process reviews.</li> </ul>
<p>Duplication of activity across roles</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Both the House Officers and Cleaning Supervisors carry out cleaning quality inspections of blocks and towers.</li> <li>• Car Park Attendants/Lobby Porters and BEO Reception hold spare keys for residents</li> <li>• Car Park Attendants, Lobby Porters and Resident Engineers are points of contact for any issues a resident has overnight on the estate, which may include being locked out, low level anti-social behaviour/security.</li> <li>• Car Park Attendants/Lobby Porters and Resident Engineers “look out” for and follow up any concerns they may have regarding a vulnerable resident.</li> </ul>	<ul style="list-style-type: none"> <li>• This area will be picked up as part of the structure review as well as ways of working and process reviews.</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>There needs to be an improved focus on staff support and wellbeing, including regular 121's and team meetings being held.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• [REDACTED]</li> <li>• The weekly approach to shift patterns means that Car Park Attendance and Lobby Porters have to change their sleep pattern on a weekly basis. There is documented evidence to support this contributes to poor health of individuals.</li> <li>• Sickness rates in 2021/22 across the BEO (12.2 days lost per worker) is significantly higher than the UK average (4.6 days lost per worker) and primarily driven through sickness for front line service roles such as Cleaners, Car Park Attendants and Lobby Porters.</li> </ul>	<ul style="list-style-type: none"> <li>• As part of the BEO structure review, shift patterns for CPA's and LP's need to be reviewed.</li> <li>• Any long term absence cases need to be reviewed to ensure all appropriate actions have been progressed.</li> </ul>
<p>There is a tension between the responsibility of some roles and the authority of the role</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Head of BEO role has no level of influence or ability to hold other departments within the Corporation to account.</li> <li>• House Officers have little visibility or authority over areas that are common causes of issues for residents e.g. repairs, major projects and cleaning.</li> </ul>	<ul style="list-style-type: none"> <li>• This area will be picked up as part of the structure and role review</li> </ul>
<p>There needs to be improved training for staff, particularly around people issues and performance management.</p>	<ul style="list-style-type: none"> <li>• There has been no evidence that Supervisors have received adequate training to deal with issues such as performance management, sickness, etc.</li> <li>• [REDACTED]</li> </ul>	<ul style="list-style-type: none"> <li>• Once the structure has been reviewed and roles defined, a full training needs analysis will need to be developed to ensure all required learning and development activity is identified</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Roles are operating on a reactive rather than proactive basis</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>Length of time and number of outstanding people issues e.g. sickness, disciplinary.</li> <li>House Officers reported continuously chasing other teams e.g. repairs, major works, finance.</li> <li>All staff we spoke to felt like they were “firefighting” and lacked the capacity to focus on improving services to residents, this is supported by the views of residents that staff lack responsiveness and proactive approaches to improving efficiency and quality of services.</li> <li>Theses factors have contributed to low staff morale.</li> </ul>	<ul style="list-style-type: none"> <li>This area will be picked up as part of the structure and role review</li> </ul>
<p>Additional leadership roles are masking fundamental issues with the structure and poor performance management. In addition, performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.</p>	<ul style="list-style-type: none"> <li>There are four layers of leadership from Head of BEO to Cleaners. This is unusual in a team of this size, where the activity of front-line workers in not complex. It is more likely to be a symptom of poor resource planning, lack of robust and consistent performance management which is leading to an increased number of “people issues” supervisors are having to deal with.</li> <li>This is further compounded by supervisors not having adequate leadership experience and training.</li> <li>The team is currently operating with four Supervisors as oppose to six, one of which is a temp, who does not have access to all systems,</li> <li>All of this is resulting in Area Estate Managers then having to get involved in issues Supervisors should be dealing with.</li> <li>Lack of 121 records</li> <li>No evidence of team meetings regularly taking place</li> <li>Number of people issues and length of time taking to resolve</li> </ul>	<ul style="list-style-type: none"> <li>This area will be picked up as part of the structure and role review</li> <li>A robust performance management framework needs to be implemented and carried out consistently, with appropriate training given.</li> <li>This needs to include elements that drive culture change including values, behaviours and a more customer focussed approach.</li> </ul>



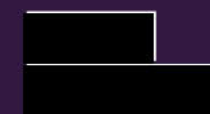
Findings	Comments and Supporting Information	Areas to Take Forward
<p>There needs to be improved collaborative working between residents, BEO and City of London to improve trust and confidence of residents in their landlord and staff and contractors who deliver services to the Barbican Estate.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Commonly held view of staff and residents</li> <li>• Number of requests for additional information and data from residents as they question and integrate information more, due to lack of trust in what they receive.</li> <li>• Staff feel they have to “justify” everything they do.</li> <li>• All of which is leading to a tense relationship between Residents, the BEO and City of London and between BEO staff and BEO leaders.</li> </ul>	<ul style="list-style-type: none"> <li>• Approaches to collaborative and partnership working will need to be reviewed and implemented, this review will provide opportunities for this</li> </ul>
<p>There needs to be Improved communications between the BEO and residents, in particular written communications need to be plain English and written from the audience rather than the writers perspective.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Recent communications regarding service charging where the data was difficult to understand, it explained what was happening but not why or the impact on residents.</li> <li>• Overall from the communications reviewed it is clear they are written from the writers not the readers perspective.</li> <li>• Number of issues raised around repairs and major projects such as windows and redecorations</li> </ul>	<ul style="list-style-type: none"> <li>• Good communication skills are a pre-requisite for any role, this should be tested and training offered where appropriate.</li> <li>• A communications framework for the BEO should be agreed collaboratively between residents and Head of BEO and other teams including major works.</li> </ul>



# Key Themes: People and Culture (2)

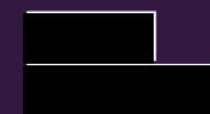
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Findings	Comments and Supporting Information	Areas to Take Forward
<p>Increased focus on improving staff morale, including ensuring regular 121's and team meetings are carried out.</p>	<p>Evidenced through</p> <ul style="list-style-type: none"> <li>• Lack of 121 records</li> <li>• No evidence of team meetings regularly taking place</li> <li>• Number of people issues and length of time taking to resolve</li> <li>• High than average sickness levels</li> <li>• Number of agency staff</li> <li>• Staff feeling as though they are “firefighting” constantly</li> <li>• Role creep that has developed</li> </ul>	<ul style="list-style-type: none"> <li>• A robust performance management framework needs to be implemented, with appropriate training given.</li> <li>• This needs to include elements that drive culture change including values, behaviours and a more customer focussed approach.</li> </ul>
<p>Contractor/project management requires improvement</p>	<p>Evidenced through</p> <ul style="list-style-type: none"> <li>• Agency Worker quality, costs and length of time Agency Workers have been working for the City</li> <li>• Escalating costs of repairs and as part of the review an inability to provide robust KPI's and performance framework for monitoring repairs, first time fix, follow on works, etc which we would expect to be routine information made available.</li> <li>• Number of resident issues raised around recent redecorations.</li> <li>• Failure to spot issues with energy readings earlier in the year, even though monthly billing and reconciliations take place.</li> </ul>	<ul style="list-style-type: none"> <li>• The structure within the BEO need to ensure there is a role and sufficient capacity for carrying our quality checks and performance reviews of contractors from a client (BEO) perspective.</li> <li>• An appropriate financial and performance monitoring framework for internal and external contractors needs to be agreed collaboratively with residents that is regularly reviewed and scrutinised by the appropriate resident Committee/s.</li> </ul>



# Key Themes: People and Culture (3)

Findings	Comments and Supporting Information	Areas to Take Forward
<p>Progress with key actions promised by the City of London needs to be quicker to improve the confidence of both BEO staff and residents.</p>	<p>Evidenced through</p> <ul style="list-style-type: none"><li>• Time taken to complete and report on stock condition surveys, over 12 months</li><li>• Time taken to resolve energy charging issues</li><li>• Time taken to undertake major work projects e.g. water penetration, window replacements</li></ul>	<ul style="list-style-type: none"><li>• This will be picked up as part of any agreed performance reporting framework.</li></ul>





Findings	Comments and Supporting Information	Areas to Take Forward
<p>There needs to be Improved use of technology to improve efficiency and effectiveness of services and there needs to be a clear plan to use technology to improve future efficiencies and quality of services including the roll-out of a resident portal.</p>	<p>Evidenced through:</p> <ul style="list-style-type: none"> <li>• Ways of reporting issues are either done via word of mouth, phone or email.</li> <li>• Communication is done via word of mouth, phone, notices around the estate and email.</li> <li>• BEO only have an email address for around 70% of residents.</li> <li>• Systems such as spare key logs, incident logs are a mix of manual and computer records.</li> <li>• There seems to be an issue with more dispersed colleagues accessing some systems e.g. we spoke to one Lobby Porter who had been unable to access the internet for more than 2 months.</li> <li>• Implementation of the █████ system commenced in 2022 but little evidence of how this has been implemented within the BEO to improve efficiency and quality of services/resident communications.</li> <li>• There is a longer term plan to introduce a resident portal across the City of London estates but saw no evidence of an agreed plan or timetable for this.</li> </ul>	<ul style="list-style-type: none"> <li>• This will be picked up as part of the process reviews and implementation of an agreed communication framework.</li> <li>• Processes and routes for residents reporting issues needs to be redesigned (including use of tech) with easy to use single points of contact, that provide reassurance, feedback and progress updates to residents at specific points.</li> <li>• The City of London needs to clearly set out the plan (aligned to the broader comms plan) and timescales for implementing a customer portal or app across the Barbican Estate.</li> </ul>

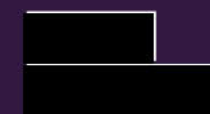


Findings	Comments and Supporting Information	Areas to Take Forward
<p>Data and information requires greater insight and narrative.</p>	<ul style="list-style-type: none"> <li>• Staff do their best to provide data that is requested by residents, however often it is hard to find, complex and difficult to understand,</li> <li>• Communications often include “jargon” that non-technical residents may not understand and lacks use of plain English, the most recent example being the recent communications regarding service charge position.</li> <li>• Reports are long and complex and often fail to answer the specific questions residents want to know “why has this happened?”, “what is being done to resolve?”, “what is the impact on residents and/or service charges?”. Recent examples include recent reports and updates to RCC on stock condition survey, energy issue.</li> <li>• In our discussions with residents the word “opaqueness (in data and information)” was commonly used, which reinforces the view data is provided but with very little background, context, reasoned explanation and future impact on residents, services and service charging. Often residents feel “fobbed off”.</li> </ul>	<ul style="list-style-type: none"> <li>• Communication with leaseholders needs to be reviewed to ensure it is clear and easily understandable, with less jargon and data included to ensure easy comparison between different years</li> <li>• There should be clear explanations for any variances between the estimated figures</li> </ul>
<p>Budgeting and cost control requires improvement.</p>	<ul style="list-style-type: none"> <li>• There is lack of control on costs, with for example service charge costs increasing year on year and residents not confident that value for money is being achieved</li> <li>• Variances between budget figures and actual figures across a range of different cost centres</li> </ul>	<ul style="list-style-type: none"> <li>• A detailed review of the budgeting process needs to be undertaken to provide confidence to leaseholders.</li> </ul>
<p>A detailed framework for regular and consistent financial and performance reporting needs to be implemented including trend information.</p>	<ul style="list-style-type: none"> <li>• There is a lack of data and information available to monitor the performance across the Barbican and hence it is difficult for the BEO and wider stakeholders including customers to understand performance and draw insights across a range of areas. The performance information we have received has data gaps and does not cover all elements of housing and estate management. As an example the performance information for repairs and maintenance is fragmented and hence it is difficult to hold contractors to account or display transparency of performance and value for money to residents.</li> <li>• Typically we would expect a set of key performance indicators (KPIs) which are regularly collected and monitored to track performance – KPIs include number of first time repairs, repairs completed in target time, number of ASB cases and resident satisfaction among others.</li> </ul>	<ul style="list-style-type: none"> <li>• A clear, robust performance framework needs to be developed and implemented with agreed KPIs for ongoing monitoring, which should be used to set individual targets and objectives through the performance management framework.</li> </ul>



Findings	Comments and Supporting Information	Areas to Take Forward
<p>Communication with leaseholders</p>	<ul style="list-style-type: none"> <li>• Communication at the start of the year about estimated service charges is very detailed, with estimated costs split out by the five different accounts. There is commentary on the % change between the proposed estimate cost and the previous year’s estimate. However, as the actual costs incurred were about 29% higher than the estimated costs for the previous year, it can be misleading to continue to compare this year’s costs with last year’s estimates. It would be more meaningful to compare this year’s estimate with last year’s actual costs incurred.</li> <li>• There is a description of what constitutes each account, and some explanation is provided for any significant changes from the previous year. However, this explanation can be hard to understand sometimes, with the commentary stating facts, without providing more information for the cause of the variances.</li> <li>• An update midway through the year is provided. The figures provided in the letter are very confusing and requires the reader to do additional calculations to be able to make any comparisons to the previous year figures. The headings are also very ambiguous and makes an assumption that the reader is aware of the technical terms that management uses in its internal reporting. On a presentation note, the figures in the column don’t line up with the headings and is very hard to follow.</li> </ul>	<ul style="list-style-type: none"> <li>• Communication with leaseholders needs to be reviewed with the Service Charge Working Party to ensure it is clear and easily understandable</li> <li>• The information in the letters needs to be easier to read and understand, use less jargon and more plain English</li> <li>• There should be clear explanations for any variances between the estimated figures and not just state the what but explain the why</li> </ul>
<p>Demonstrating value for money</p>	<ul style="list-style-type: none"> <li>• The service charges are estimated at the start of the year and communicated with the leaseholders. Any shortfall in the service charge costs is charged to the leaseholders as a balancing surcharge. Service charge costs have continued to increase year on year. Residents do not feel that there is a check and balance in place to ensure costs are controlled in line with the estimated figures and budget holders do not seem to be held to account. This goes to the heart of the value for money issue with leaseholders not confident that service charges are efficient.</li> <li>• Poor initial budget setting by service budget holders could explain the cause of the service charge deficit. Budget holders don’t appear to be held accountable or reprimanded for poor budget setting and forecasting, which further leads to leaseholders feeling that value for money is not being considered.</li> </ul>	<ul style="list-style-type: none"> <li>• Communication with leaseholders needs to be clearer to assure them that costs are being controlled or provide clear explanation for why costs are increasing</li> <li>• There needs to be more rigour around the budget setting process, with regular reporting that holds budget holders to account for any variances.</li> <li>• Budget holders need to be accountable for any variances.</li> </ul>

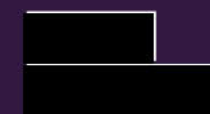
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Findings	Comments and Supporting Information	Areas to Take Forward
<p>Apportioned costs</p>	<ul style="list-style-type: none"> <li>Some of the employee costs are charged back on a time-basis (such as resident staff costs, cleaners' costs and housing officers), which is likely to vary from year to year depending on how much time they spend on a particular block. We are told that the residential costs are allocated fully to the service charge as the accommodation is provided for out-of-hours and emergency call outs, however residents feel that this is not an entirely fair apportionment of these costs.</li> <li>The car park attendants' costs are apportioned according to a % set out in the individual lease agreements.</li> <li>Residents are aware of this and have raised a concern with percentage used to allocate other BEO costs, including corporate overheads received from other City departments to the SC account. Residents feel that there is asymmetry between pressure to reduce Landlord non-SC account costs and the more passive, 'no-liability' nature of the SC account costs.</li> </ul>	<ul style="list-style-type: none"> <li>There should be clear communication with leaseholders on how overheads are apportioned.</li> <li>In line with best practice, costs should be apportioned out in a fair and consistent manner. There should be clear analysis of activities undertaken, time required, salary and staffing on costs. Current methodologies of attributing costs (timesheets and standard percentages) need to be reviewed for accuracy and fairness.</li> <li>Some organisations have moved to a fixed fee as with larger service charges they felt the percentage approach was becoming disproportionate.</li> </ul>
<p>Repairs</p>	<ul style="list-style-type: none"> <li>General repairs are one of the larger and more variable elements of service charges costs. There does not seem to be an asset management plan or cyclical repairs plan in place, with works being tendered on a piece-meal basis rather than a competitive tender for major works. This has a direct impact on the costs that leaseholders are facing.</li> <li>With the stock condition survey now undertaken, a five year major works and redecoration programme is being developed, which will be shared with leaseholders in due course.</li> </ul>	<ul style="list-style-type: none"> <li>With the stock condition survey undertaken, an asset plan should be developed, with major works tendered out to ensure leaseholders realise value for money.</li> <li>Residents should be consulted on the detailed plan of works, when they will be carried out, procurement and cost.</li> <li>Monitoring of progress across major works programmes and spend should be included in performance reporting.</li> </ul>

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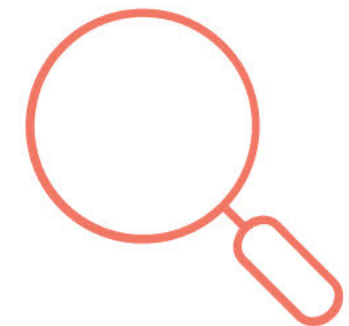
# Other observations: Summary

During the review we had 121 discussions with 35 members of staff and 45 residents. We would thank to both staff and residents for their time and input into this review. During our discussions we observed the following;

- Both staff and residents were keen to engage with and input into the review.
- Staff and residents were very open and honest during discussions and very happy to answer questions and provide examples and additional information where requested.
- In particular, staff were very helpful and responsive to our requests for data and information.
- Both staff and residents put forward positive and constructive suggestions for areas they felt could be improved.

Whilst the nature of the report necessarily focuses on those areas that were identified as being areas for improvement, it is important to acknowledge the positive aspects that were found during the review.

- Staff and residents have a real sense of pride in the Barbican.
- There is a desire by both staff and residents to work more collaboratively together.
- Residents recognised and acknowledged the value they place on staff within the Barbican Estate Office, in particular the sense of safety and security they get from having familiar staff on site, naming car park attendants and lobby porters particularly.
- Staff are committed to improving services and put forward constructive suggestions for doing this
- Resident engineers are very knowledgeable about the estate infrastructure, which is complex in nature.
- There was evidence of regular communication between staff and residents.



# 3. External review



# External review – Overview

As part of this project , we have completed a **benchmarking review** to compare the Barbican Estate Office against other housing providers in the following areas:

- Estate leasehold management and service charge best practice
- Sickness, staffing numbers and salary levels against comparator organisations
- Repairs and maintenance cost against comparator organisations

This information, alongside the findings outlined in Section 2 of this report, provides an initial assessment of how Barbican Estate Office compares and can also be used to inform the future design and options to be completed in the next stage of this review.

It should be noted that although a useful tool, benchmarking should be treated with some care. For example, no two organisations; are directly comparable in terms of priorities or activities, operate the same staffing structures, use the same systems, pay and reward structure or financial model. These are all variables which impact on the number of staff required and cost structure of an organisation, leading to wide differences across organisations. As such, **care should be taken when reviewing benchmarking results, they should be seen as ‘indicative of a direction of travel’ rather than provide a precise definition or target for what the costs or numbers of a structure should or could be.**

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With that in mind, we have compared Barbican Estate Office against organisations from sectors which can be seen as broadly comparable but also looking across the housing sector

The following slides provides a summary overview of the key findings from the benchmarking exercise.



# External review – Leasehold Management Best practice



In order to understand best practice in regard to leasehold management we have referred to the **Association Residential Managing Agents (ARMA)** to outline key principles associated with best practice. Founded in 1991, ARMA has the aim bring together professionals involved in private residential block management and set high standards in residential block management.

Additionally, the **Royal Institute for Charter Surveys (RICS)**, a world leading professional body for qualifications and standards in land, property, infrastructure and construction have developed the *Service Charge Residential Management Code* aimed at providing a framework of best practice for landlords of leasehold residential properties and managing agents. In section four of this report we have undertaken an assessment of the current as is Barbican position against several best practice principles. The following slide outlines some best practice in specific relation to service charge setting.

## ARMA Consumer Charter

- Be **honest, fair, open** and **transparent** and provide a timely and professional service with access to the information needed
- Act with **skill, care, diligence** and without discrimination
- Make sure that all their **staff** are appropriately **trained** and **knowledgeable**
- Have written **terms of business**
- Provide their **complaints handling** procedure specifying the ombudsman scheme to which they subscribe
- Comply with all relevant **legal requirements** and relevant codes of practice;
- **Avoid conflicts of interest**
- Maintain clear, **accurate** and up-to-date **financial records**
- Ensure that any client **money** held is held **separately** from the **managing agent's** other monies
- Hold appropriate Professional Indemnity **Insurance**

## RICS – Summary of Code

The Code promotes desirable practices in the management of residential leasehold properties and aims to: Improve general standards and promote best practice, ensure the timely issue of all documentation including budgets and reduce the causes of disputes. **Key areas of the code:**

- **Ethics including conflicts of interest** - Professional ethics are the standards of performance and service that the general public can expect to receive from a professional managing agent
- **Duties of a managing agent** – Compliance with legislation and leases and monitor quality and cost of services and manage properties in a open and transparent way.
- **Complaints and disputes** – Clear procedures in place for handling complaints and dealing with disputes.
- **Accounting for other people's money** – Clear understanding and transparency of the meanings of 'client money' and 'client'.
- **Service charges, ground rent and admin charges** – Identify what costs are recoverable as a service charge and when they are due for payment and should advise clients if their instructions deviate with clear budgeting/ estimating processes.
- **Health and safety** – Ensure all buildings/estates under management meet the relevant standards under the health and safety statute and regulations.
- **Repairs and other services** - Leaseholders should be told how and to whom repairs should be reported with a clear scheme inspections to inform programme of planned and cyclical works.
- **Contractors and suppliers** – Clear criteria for selection and robust procedures in place for monitoring all contractors including checking standard of work carried out.



# External review – Service charge best practice

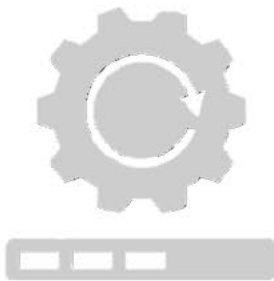


**Calculating Service Charge Budget** – Suitable due diligence and professional expertise should be used to make an assessment of expenditure required to maintain the development and services for the forthcoming period (typically a year) and beyond. Similar to when securing instructions, here too organisations must not purposely underestimate costs or provide leaseholders with misleading estimates of future contributions required. The best information available should be used to inform the budget estimate:

- actual costs where contracts are already in place and/or the actual costs for the following period have already been agreed
- estimates based on likely out-turn of current year, actual accounts for the last completed financial year
- Compare the previous year's actual spend when budgeting for the next year
- comparable evidence from similar schemes, which is often the best information available for some costs on new developments

Where service charge costs are not known, the budget should be set by the appropriate budget holder with knowledge of their area, and this can be appropriately apportioned to service charges and budget holders are accountable for increasing accuracy of setting budgets.

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**Accounting for service charges** - An annual statement should be issued to leaseholders following the end of each service charge period, giving a summary of the costs and expenditure incurred and a statement of any balance due to either party to the lease. It is also recommended that explanatory notes are included. The accounts should be transparent and reflect all of expenditure in respect of the account period.

Initial service charge demands should be accompanied by a copy of the approved budget. This budget should have sufficient detail to enable leaseholders to understand the nature of the charges being levied and the rationale behind the level of estimated expenditure. To allow comparison between years, there should be a standard format for presentation to leaseholders. Organisations should notify leaseholders of significant departures from the budget and should be willing and able to explain the reasons for them in a clear and concise way that is easy to understand.

Service charge accounts should be subject to an **annual examination** by an **independent accountant**.



# External review – Benchmarked costs

On this slide we have benchmarked the Barbican’s total service charge cost per property against peer median. Overall, the Barbican has **higher** service charge costs per property **which is primarily driven through annually recurring items**: costs of management and supervision, salary costs, general repairs and maintenance, electricity and heating and open spaces, compared to non-annually recurring items: major works and supplementary revenue projects. A high proportion of Barbican’s annual recurring costs (31%) is through staff salary costs and reflects the additional services the Barbican provides which we do not typically see with modern estate management such as daily rubbish collection and 24/7 concierge cover. Another high expenditure item is general repairs and maintenance, which we have detailed in the next slide.

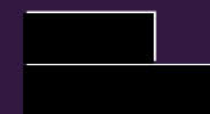
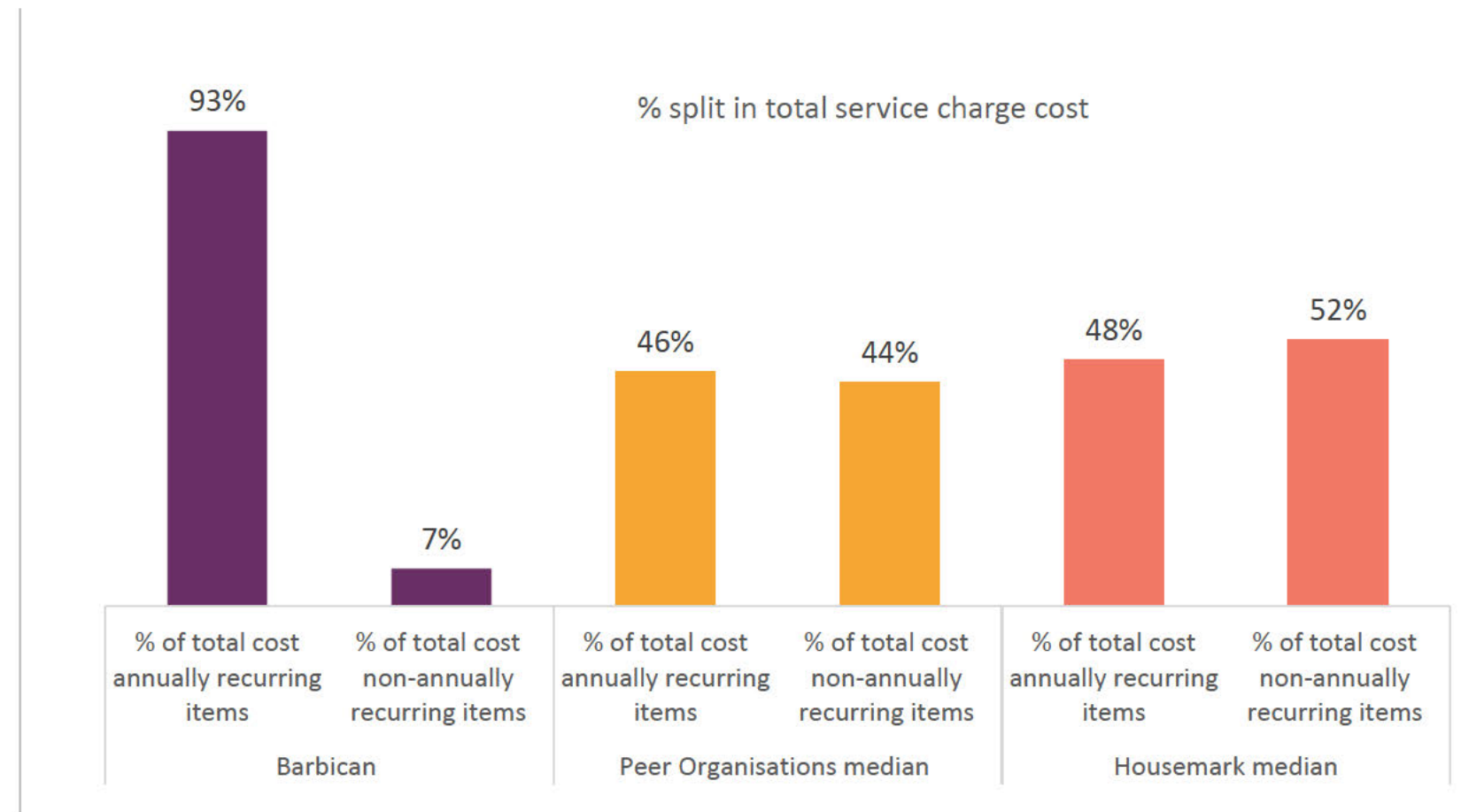
Lastly, when compared to peers, the Barbican’s split of service charge costs between annual recurring items and non-annual recurring items is significantly weighted towards the former and we typically would expect a more balanced split as shown by the chart below.

	Service charge cost per property	Annual recurring items cost per property	Non-Annually Recurring Items cost per property
Barbican	£5,724	£5,304	£420
Peer Median*	£4,193	£1,919	£1,829
HouseMark Median**	£3,289	£1,578	£1,711

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\*London based housing providers (HAs, LAs and ALMOs) with 5,000 units or fewer.

\*\*Total of 30 housing providers (HAs and LAs), London based





# External review - Maintenance and Repairs

Based on actual 2021/22 figures **general repairs** for the Barbican estate totalled circa £2.44m and **total maintenance and repairs** circa **£3.47m** and hence a significant proportion (30%) of total service charge costs. Below we have benchmarked overall repairs and maintenance costs (excluding any major works) against peer organisations with supporting context and analysis.

Additionally it is our understanding and confirmed through the City of London’s Asset Manager that the current **schedule of rates** for repairs is in line with the industry recognised Building Cost Information Service (BCIS) rates.

Another supporting point to note is the lack of **data and information** available to monitor the **performance** of repairs and maintenance and in turn critically hold any contractors to account, while also displaying transparency and value for money to both the BEO and customers. Typically, and in line with standard practice, we would expect a set of key performance indicators (KPIs) which are regularly collected and monitored to track performance – Standard KPIs include number of first time repairs, repairs completed in target time, and resident satisfaction among others.

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	Total repairs and maintenance cost per property
Barbican	£1,725
Lower Quartile	£903
Peer median	£1,102
Upper Quartile	£1,352
Range (min and max)	£693 - £3,187

**In summary,** this analysis shows:

- When compared to other housing providers the Barbican’s repairs and maintenance cost per property is higher than peers at £1,725 per property compared to a median of £1,044 property and upper quartile of £1,347.
- It is important to provide context that our benchmarked group consists of small sized (fewer than 5,000 units) housing associations who have a property stock that may vary in condition. This includes a mix of newer builds and some legacy stock which typically has higher associated repairs and maintenance expenditure. Nevertheless a likely driver behind the higher repairs and maintenance costs when compared to peers at the Barbican is due to the fact it is a listed building.



On this slide we focus on providing an analysis of the **Barbican's overall staffing** numbers against peer organisations which includes small LAs and London HAs. There is an obvious link between organisation size and number of roles required within the staffing structure therefore we have used the metric of roles FTE per 1,000 units providing further insight into whether an organisation is over or under-resourced.

	All roles FTE per 1,000 units	Housing Management FTE per 1,000 units	Estate Services FTE per 1,000 units
Barbican*	26	2.25	51.75
Lower Quartile	3.7	3.0	1.1
Average	9.3	4.3	8.2
Upper Quartile	12.8	5.7	15.3
Range (min and max)	2.4 – 29.5	1.2 – 6.3	0.7 – 23.9

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**\*Total FTEs for BEO excludes 4 Resident Engineers roles and the House Officer for Commercial Properties.**

**Please note to reflect that leasehold housing management is less intensive than non-leasehold management which the majority of our peers undertake we have reduced our benchmarked peers FTE numbers by 30%.**

**In summary,** this analysis shows:

- The BEO has significantly more total staff members for its size when compared to peers. Out of our sample size the BEO had the highest FTE roles per 1,000 units.
- The higher levels of staff within the Barbican Estate Office is primarily driven by significantly higher numbers of estate management staff, mostly frontline workers including Cleaners. For the majority of organisations benchmarked, cleaning roles are not included in the formal organisation structure and strongly indicates these roles are contracted out to a third party.
- In addition, benchmarked organisations did have estate management roles including supervisors and concierges however significantly fewer roles for the number of properties managed and often concierges were not a 24/7 service. It is important to note that a key difference with Barbican is that the number of “Estate Concierges” also referred to as Car Park Attendants is driven by the number of car parks within the Barbican hence the higher numbers than others in the benchmark group..
- We have also analysed the span of control of each supervisor who oversees cleaner and concierge roles. Although the majority of our peer group outsource these roles, the ones who directly employ generally have a lower number of concierges and cleaners to manage, the supervisor roles would include other aspects of facilities e.g., wider maintenance roles, contractor management, etc, with circa 12-15 roles typically being managed per Supervisor.
- For housing management roles, the BEO is conversely lower compared to peers and below the lower quartile level.

Benchmark organisations are not directly comparable e.g. affordable housing which has different priorities e.g. income protection

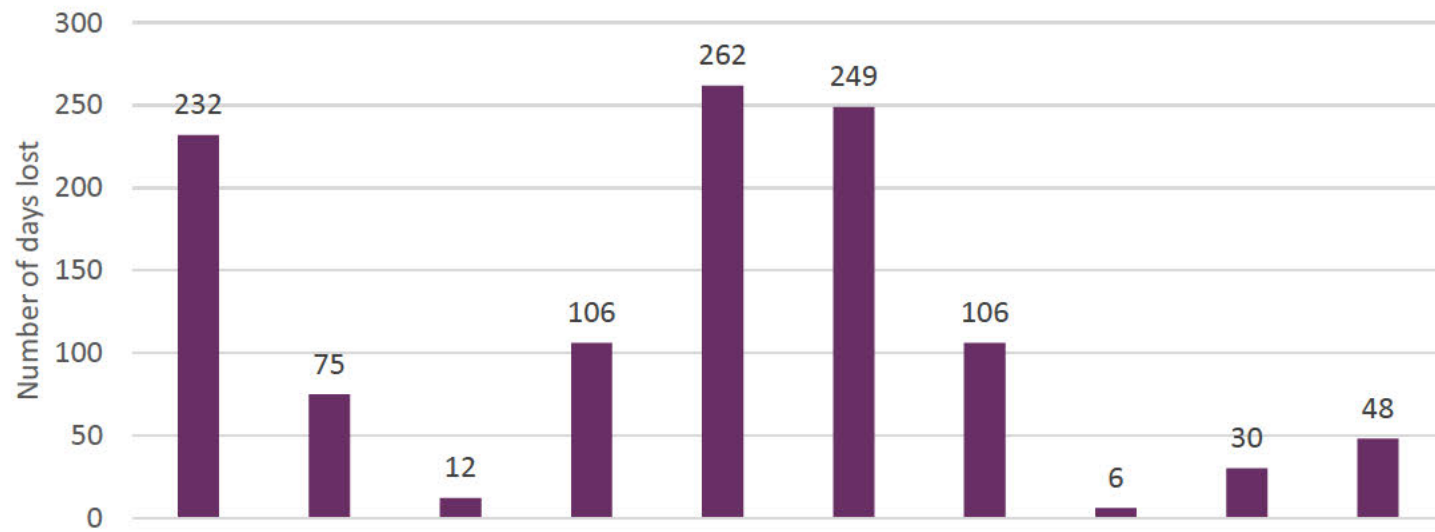


# External Review – Benchmarked sickness

The chart below shows a breakdown of Barbican Estate Officer **staff sickness** from Dec 2021 to Dec 2022. Analysis shows the total number of days lost was 1,126 (12,307 working hours) equating to total days lost per worker of 12.2, which is significantly higher when compared to the UK average\* of 4.6 days and 6.8 days for workers in caring, leisure and other service occupations.

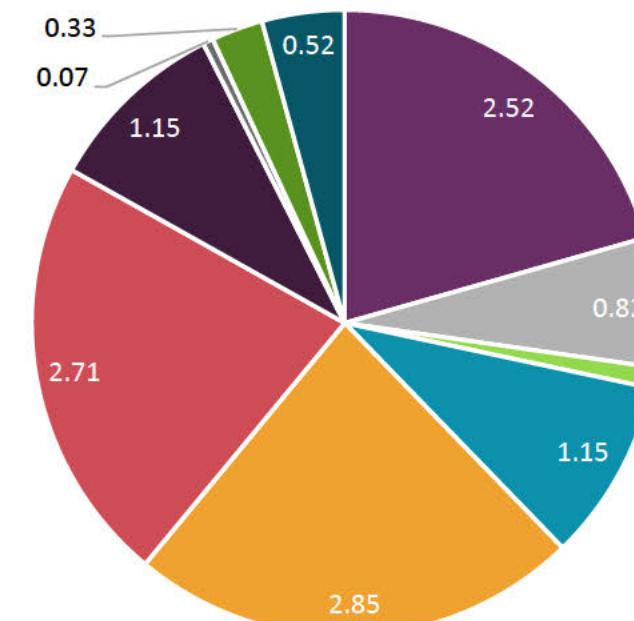
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Total days lost (01/12/2021 – 01/12/2022)



Sickness reason

Average days lost per worker (01/12/2021 – 01/12/2022)



Office for National Statistics – Sickness in the UK Labour Market 2021 - <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/labourproductivity/articles/sicknessabsenceinthelabourmarket/2021>



# External review – Benchmarking staff salary and benefits

Below we have detailed the **core benefits** for Barbican staff and comparison against three comparator groups, London based LAs, Non LA housing providers and [REDACTED] e.g. cleaning companies, security companies, staff agencies.

Overall results indicates that benefits offered to Barbican staff is broadly aligned to other London LA's but more generous than Non LA housing providers. However, against more commercial service organisations, who would commonly employ roles such as cleaner, porter, concierges, the benefits provided to Barbican staff is significantly higher, with most offering only statutory benefits.

This is further demonstrated on the next slide where we compare the total reward of three BEO roles, Concierge, Cleaner and Resident Engineer.

Benefit	Barbican staff provision	London based Las	Non LA housing provider	Commercial Service Organisations
Pension	21% superannuation contribution	All organisations offered the LGPS Defined Benefit with contributions ranging 18% - 21%	All organisations offered a Defined Contribution Median percentage was 8.5%	All organisations offered the statutory minimum of 3%
Annual Leave	28 days (plus ability to buy additional leave)	Average annual leave entitlement was 26 days, which increase to 30 after 5 years	Average annual leave entitlement was 27 days, which increase to 30 after 5 years	All organisations offered the statutory minimum – 20 days excluding bank holidays
Sick Pay	Enhanced sick pay provision	38% of organisations had enhanced sick leave provisions up to 12 months paid	40% of organisations had enhanced sick leave provisions up to 6 months paid	All organisations statutory sick pay only
Flexible Working	Yes - Through formal City of London application process and 'Flexi Leave days'	50% of organisations offered flexible working	80% of organisations offered flexible working	No benefit
Training & Development	Offer sponsorship of professional development	13% of organisations offered sponsorship of professional development	60% of organisations offered sponsorship of professional development	No benefit

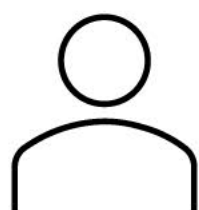
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# External review – Benchmarking staff salary and benefits

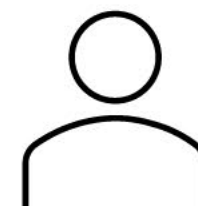
Below we have detailed the total reward package for the Resident Engineer and Concierge roles and compared the salary to peer organisations. This shows that against peer organisations, the total reward offered to Barbican staff is significantly higher than roles in other organisations in the sample.

## Resident Engineer



	Resident Engineer (BEO)	Peers
<b>*Base annual salary</b>	██████████	██████████
<b>London Living Wage</b>	£5,970	£5,500
<b>Pension</b>	██████████	██████████
<b>Total reward package</b>	██████████	██████████
<b>Other</b>	<ul style="list-style-type: none"> <li>Council tax and water rates are also paid.</li> <li>Accommodation provided on Barbican</li> <li>28 days holiday excluding bank holidays</li> </ul>	<ul style="list-style-type: none"> <li>26 – 30 days holiday excluding bank holidays</li> </ul>

## Concierge



### BEO Resident Engineers Peer Comparison

Base annual salary - 6% more  
 London Living Wage - 8% more  
 Pension - 268% more  
 Total reward package - 17% more

### BEO Lobby Porters Peer Comparison

Base annual salary - 21% less  
 Pension - 579 % more  
 Total Salary Package - 27% more  
 \*\*Included in above, not paid separately

	CPA/ Lobby Porter (BEO)	Peers Lobby Porter
<b>*Base annual salary</b>	██████████	██████████
<b>London Living Wage</b>	£5,970	£5,500
<b>**Contract hours</b>	██████████	
<b>**Unsociable hours</b>	██████████	
<b>Pension</b>	██████████	██████████
<b>Total salary package</b>	██████████	██████████
<b>Other</b>	28 days holiday excluding bank holidays	20 days holiday excluding bank holidays

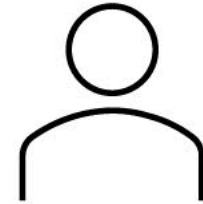
\*All BEO staff in 2022/23 got a £1000 winter payment which is excluded from our review

\*\*Based on current shift pattern

# External review – Benchmarking staff salary and benefits

Below we have detailed the total reward package for the Cleaner role and compared the salary to peer organisations. This shows that against peer organisations, despite the higher initial salary, the total reward offered to Barbican cleaners is higher than roles in other organisations in the sample, with pension and holiday being the main differences..

## Cleaner



	Cleaner (BEO)	Peers
<b>*Base annual salary</b>	████████	████████
<b>London Living Wage</b>	£5,970	£5,500
<b>Pension</b>	████████	████████
<b>Total reward package</b>	████████	████████
<b>Other</b>	<ul style="list-style-type: none"> <li>28 days holiday excluding bank holidays</li> </ul>	<ul style="list-style-type: none"> <li>20 days holiday excluding bank holidays</li> </ul>

BEO Cleaners  
Peer Comparison

Base annual salary - 9% less  
Pension - 637% more  
Total reward package - 7% more

*\*All BEO staff in 2022/23 got a £1000 winter payment which is excluded from our review*



# 4. Summary, conclusions and next steps



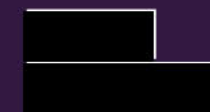
# Assessment of as is position against best practice (1)

Key
Red – Not aligned, requires some fundamental changes to fully align
Amber – Closely aligned, requires some small changes to fully align
High Green – Aligned

On the following slides we have assessed the Barbican Estate Office and services provided against key elements of the ARMA and RICS best practice principles.

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Best practice principle	Barbican Assessment	Supporting comments
Be <b>honest, fair, open</b> and <b>transparent</b> and provide a timely and professional service with access to the information needed	Red	<p>This review has found</p> <ul style="list-style-type: none"> <li>There is a lack of performance reporting and financial control frameworks in place to provide residents with the required information and reassurance of how services are being operated and financially controlled</li> </ul>
Act with <b>skill, care, diligence</b> and without discrimination	Amber	<p>The review has found</p> <ul style="list-style-type: none"> <li>Staff work hard to meet the expectations of residents and provide good quality services</li> <li>Staff such as residents engineers are very knowledgeable about the estate and the estate infrastructure</li> <li>Staff such as Supervisors have not been given the training to develop their leadership skills</li> <li>Staff are battling internal processes and barriers to service as outlined in Section 2 of this report, which is impacting their ability to focus on improving the efficiency and effectiveness of services</li> </ul>
Make sure that all their <b>staff</b> are appropriately <b>trained</b> and <b>knowledgeable</b>	Amber	<ul style="list-style-type: none"> <li>Staff such as residents engineers are very knowledgeable about the estate and the estate infrastructure</li> <li>Staff such as Supervisors have not been given the training to develop their leadership skills</li> </ul>
Have written <b>terms of business</b> and <b>documented processes</b>	Red	<ul style="list-style-type: none"> <li>There are some SLA's in place, but need to be reviewed</li> <li>There is a lack of documented processes and hence it is hard to understand who is responsible for certain tasks and where handoffs and escalations exist.</li> </ul>
Provide their <b>complaints handling</b> procedure specifying the ombudsman scheme to which they subscribe	Amber	<ul style="list-style-type: none"> <li>Whilst there is a complaints process in place, the process for capturing and resolving informal complaints was not evidenced during this review.</li> </ul>





# Assessment of as is position against best practice (2)

Key
Red – Not aligned, requires some fundamental changes to fully align
Amber – Closely aligned, requires some small changes to fully align
High Green – Aligned

Best practice principle	Barbican Assessment	Supporting comments
Avoid conflicts of interest	Amber	<ul style="list-style-type: none"> <li>Given the Corporation’s role across the wider Barbican estate, there are inherently conflicts of interest. It is important that City of London demonstrates openly and transparently where these occur.</li> </ul>
Maintain clear, accurate and up-to-date financial records	Red	<p>This review has found</p> <ul style="list-style-type: none"> <li>There is a lack of performance reporting and financial control frameworks in place to provide residents with the required information and reassurance of how services are being operated and financially controlled.</li> </ul>
Accounting for other people’s money – Clear understanding and transparency of the meanings of ‘client money’ and ‘client’.	Red	<p>This review has found</p> <ul style="list-style-type: none"> <li>Service Charge Accounts are complex and difficult to understand</li> <li>Residents lack confidence in the transparency of data being provided</li> </ul>

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# Assessment of as is position against best practice (3) – Service Charge

Key
Red – Not aligned, requires some fundamental changes to fully align
Amber – Closely aligned, requires some small changes to fully align
High Green – Aligned

Best practice principle	Barbican Assessment	Supporting comments
<b>Calculating Service Charge Budget -</b> Diligence and professional expertise to make an assessment of expenditure required to maintain the development and services for the forthcoming period		The review has found: <ul style="list-style-type: none"> <li>• Service charge costs vary significantly from the budget figures which could be due to unrealistic budget setting to start with, incorrect coding of expenditure to service charge recovery, or poor budget control</li> <li>• Budget holders not held to account for any significant variances from budget figures</li> <li>• Significant variances across all different accounts of service charges, noting though that some of these are out of the control of the BEO.</li> <li>• No evidence of previous year's actual figures feeding into budgeted figures for the next period</li> </ul>
<b>Accounting for service charges -</b> Clear annual statement should be issued to leaseholders following the end of each service charge period, giving a summary of the costs and expenditure. Independent external review.		The review has found: <ul style="list-style-type: none"> <li>• Communication with leaseholders is not clear and simple to follow</li> <li>• Difficult to compare with previous year costs</li> <li>• No clear explanations provided for any differences between estimate figures and actual</li> <li>• No independent external review of service charge costs</li> </ul>



# Summary and conclusions

The next few slides provide a **summary of our findings** from this review and the conclusions reached. These can be grouped under **four main headings**: *Roles, Structure and Ways of Working, Culture and Behaviours, Performance and Financial Reporting and Property Management*.

## Roles, structure and ways of working

- The organisational structure and roles as currently defined, are a barrier to the staff within the BEO fully discharging their responsibilities and accountabilities to the residents of the Barbican Estate, who are paying for the services being delivered to them.
- In addition, the fact a number of services, with significant touch points into residents e.g. repairs, is not within the control of the Head of BEO reduces the ability for the Head of BEO to have the required oversight and control to ensure this service is running efficiently and effectively.
- The fact the Service Charge and Revenues Manager does not have a reporting line into the Head of BEO, reduces the ability for the Head of BEO to have accountability and oversight of the Service Charge Account for residents.
- Roles and structures have been developed reactively to deal with short term issues e.g. cleaning supervisors, without the necessary insight into how this supports the effective and efficient delivery of required services to residents and taking into account the roles and services most valued by the residents. This means there is a lack of clarity in role responsibilities resulting in duplication of activity across some roles.
- According to the benchmarked staffing numbers for Estate Management, the BEO are higher than you would find in some other property organisations, however caution needs to be taken in relation to this as they reflect services that are not often found in other property organisations e.g. Car Park Attendants 24/7, daily rubbish collections from individual properties, full-time cleaners on site all day during Monday to Friday.
- There has been little detailed activity analysis undertaken on roles to see where time is being spent, whether this is value add activity and whether there is too little or too much resource to meet the service demands.
- Poor resource planning, performance management and people management practices are resulting in higher than average use of overtime and agency workers which is an expensive way of resourcing services/
- High levels of staff sickness and poor performance management is requiring significant amounts of resource to deal with people issues, compounded by the lack of training and experience of Supervisors.
- Informal ways of working and communicating have developed that result in it being difficult to oversee and track all issues raised and whether they have been effectively resolved. It also means staff spend lots of time passing on and chasing issues.
- Policies have been implemented without understanding whether they are fit for purpose for the Barbican Residential Estate and no documented processes or ways of working have been developed to inform and guide staff.



# Summary and conclusions

## Culture and Behaviours

- Residents have lost trust and confidence in their landlord and staff of both the BEO and City of London feel they have to justify everything they do. It was clear from the discussions we had with both staff and residents that there is a desire to work more effectively and in partnership with each other.
- There is a lack of a performance driven culture and holding to account within the BEO and City of London, this applies to both staff and contractors. Therefore individuals and contractors are not being held to account for their individual performance, contribution and behaviours.
- Within the wider City of London, things appear to move slowly e.g. stock condition surveys, restructures, which results in both staff and residents losing confidence that promised changes will ever happen.
- Ways of working are outdated and there are no firm plans when technology will be delivered to update ways of working within the BEO.
- Whilst there are many strategies across the City of London including net zero targets, they doesn't appear to be a firm plan or timescales for how these will be delivered into the Barbican Residential Estate or if there are, they have not been communicated effectively to residents. The Barbican Estate is briefly referenced in the City of London wide strategy plan (2019 – 2023, Healthy Homes Vibrant Communities) but there is little indication of how the strategy relates specifically to the Barbican estate and what the future long term strategy is.

## Performance and Financial Reporting

- There is a lack of financial reporting frameworks, with little evidence of how budgets are set and costs controlled.
- Service charges are based on estimates from the previous year as opposed to budget setting or even previous years actual costs. This means service charges will fluctuate each year and residents will continue to have significant surcharges that have not been planned for.
- There is a lack of robust performance reporting and benchmarking, which means residents are unable to gain the required assurance that services being delivered are effective and deliver value for money. Additionally, there is no robust contractor performance framework (or KPIs) to hold contractors to account.
- Information is supplied to residents when requested but is complex to understand and often fails to give the required answers, assurance or inform the resident of the potential impact on them. Reporting to leaseholders assumes knowledge of complex terms, which may not be the case.
- There is a need for a streamlined approach to performance and financial reporting at a Committee level, that provides each Committee with the required information and assurance but in an agreed, standardised format to reduce the resources required to undertake this activity but easily accessible for residents.



# Summary and conclusions



## Property Management

- The previous lack of investment across the estate is contributing to higher repair costs and this is evidenced through the benchmarking that indicates that Service Charges are more heavily weighted towards the annually recurring items rather than non-annually recurring items which includes major works.
- General repairs are one of the larger and more variable elements of service charges costs. There does not seem to be an asset management plan in place, with works being tendered on a piece-meal basis rather than a competitive tender for major works. This has a direct impact on the increasing costs that leaseholders are facing.
- However, we note that the stock condition survey has now been undertaken and a five year major works and redecoration programme is being developed and will be shared with leaseholders in due course.

On the **next slide**, we detail the areas of focus and next steps for Stage 2 of this project, based on the finding from this review.

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# Next Steps

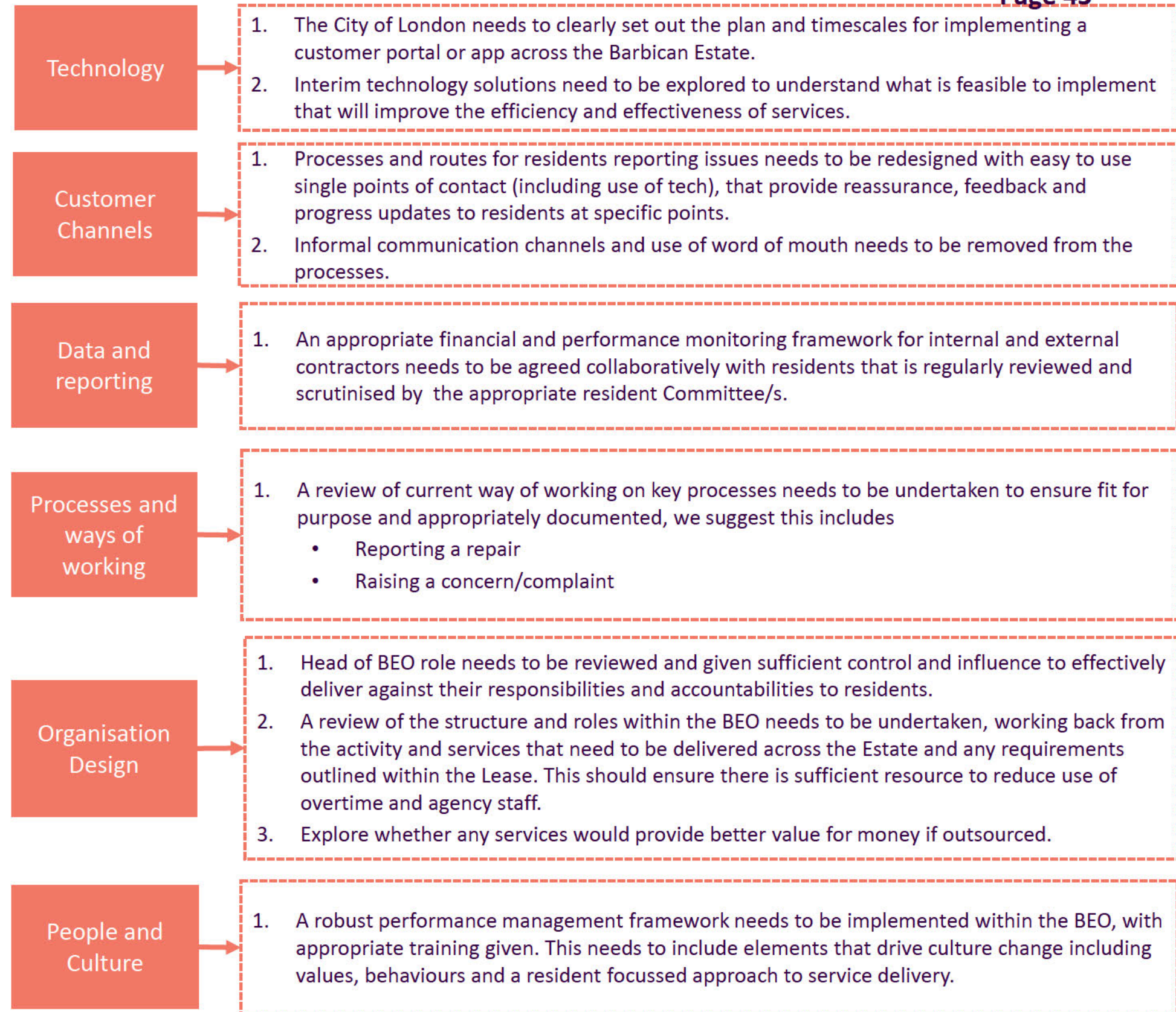
This report provides the **baseline understanding** of the Barbican Estate Office (BEO) and services delivered to Barbican Estate Leasehold Residents which will be used to guide the priorities and future design of the BEO as part of the next stage of this project. It should be noted that:

- The main purpose of this interim report is to develop and ensure that there is a single baseline understanding of the context for the further development of the BEO.
- The findings set out in this report also provide an external validation of the key issues that should be addressed as part of its development.

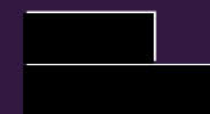
In our view and based on the findings of the work to date, the **key priorities** areas of focused required in the next stages of design include:

1. Ensuring the overall organisation model and design provide both the clarity and levels of authority to ensure key accountabilities and responsibilities to residents can be fully discharged and meet the service demands residents expect, value and pay for.
2. Review and document key processes to ensure there is the ability to oversee all levels of activity and that processes are fit for purpose and effectively use available technology to drive efficiency and effectiveness.
3. Advise on approaches to ensure improved performance and financial reporting.
4. Advise on improved budgeting and cost control across all areas of operations to ensure it is fit for purpose.
5. Improve the communication with leaseholders on service charges to ensure it is easier to understand.

To be more specific, below is a summary of the areas which will require focus in the next stages of work:



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# Appendix 1 – Scope, Methodology and Project Plan

The following slides detail the scope, methodology and outcomes of this review as detailed in the Heads of Terms.

### Scope of Project

The purpose of this project is to undertake an independent review of the BEO to investigate and report on the current issues identified above. We expect the review to be undertaken from the residents' perspective and will cover:

- value for money
- service charges
- supervision and management costs
- efficiency savings
- cleaning – costs and level of service
- the role of the CPA's
- providing services in-house or externally
- processes and procedures, including use of technology
- performance management
- collaboration.
- the organisational structure of the BEO considering all the above.
- provision of services to the BEO from the Corporation.

This project is limited to the Barbican Residential Estate only. The Barbican Arts Centre, the schools on the estate, the commercial properties, and St Giles Church are not within in the scope of this project.



## Methodology

The way in which the review is undertaken and completed is up to the discretion and preferences of the provider but, we would expect it to be evidence based and include at least the following:

- detailed desktop study of current practice, processes, and procedures.
- analysis of relevant data including budgets, expenditure, complaints, and satisfaction data.
- interviews, surveys and/or focus groups.
- contact with both staff, residents, long leaseholders (resident and non resident), and their respective representative bodies.

The level of stakeholder consultation is entirely up to the provider however, this must be adequate to support the findings of the review and the subsequent recommendations for proposed changes to structures, processes, and operational procedures.

## Outcomes

The review is intended to help us provide a well-performing customer service function for the Barbican Residential Estate that supports the following outcomes in the City Corporation’s Housing Strategy 2019-23:

- Quality homes that meet the needs of our residents and communities.
- Well-managed estates that people are happy and proud to live in.
- Thriving and connected communities where people feel at home and flourish.

These outcomes also support the aims of the City of London’s Corporate Plan 2018-23 objectives to:

- Contribute to a flourishing society.
- Support a thriving economy.
- Shape outstanding environments.

The recommendations should also address, where appropriate, our compliance with regulatory standards for housing and the provisions of the lease.









# Appendix 2

# Summary survey findings

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# Staff and Resident Survey - Introduction

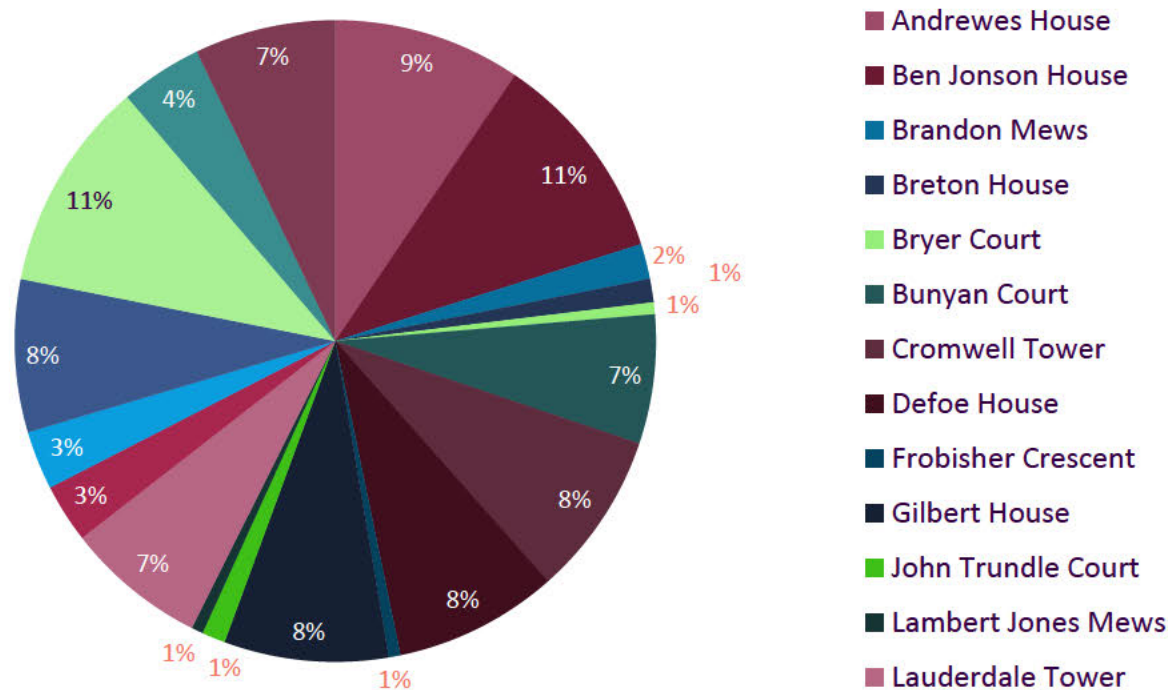
## Resident Survey - About the Survey

The survey was a primarily qualitative based and contained 10 questions covering areas such as current strengths and weakness, recommended improvements and views on service charge breakdown, transparency and value for money,

The survey was sent to 1,400 residents with 175 responded to the Survey, giving a response rate of 12.5%.

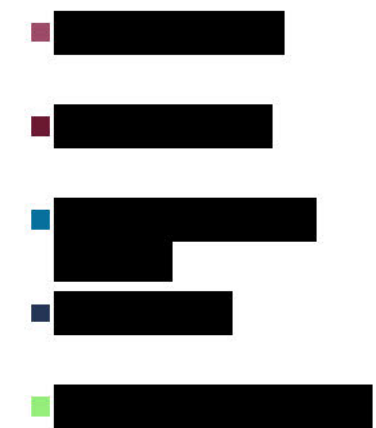
Below shows a split of respondents by block:

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[Redacted text block]

[Redacted text block]





# Resident Survey – Key words

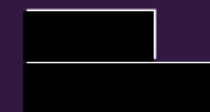
This word cloud presents the commonly found words for areas **most valued** by residents. The larger the word, the more commonly reported the duty.

This word cloud presents the commonly found words for areas of **weakness** by residents. The larger the word, the more commonly reported the duty.

Consistency  
 Professionalism  
**Porters**  
 Maintenance services  
 Responsiveness  
 Community feel  
 Transparency  
**Reliability**  
 Efficiency

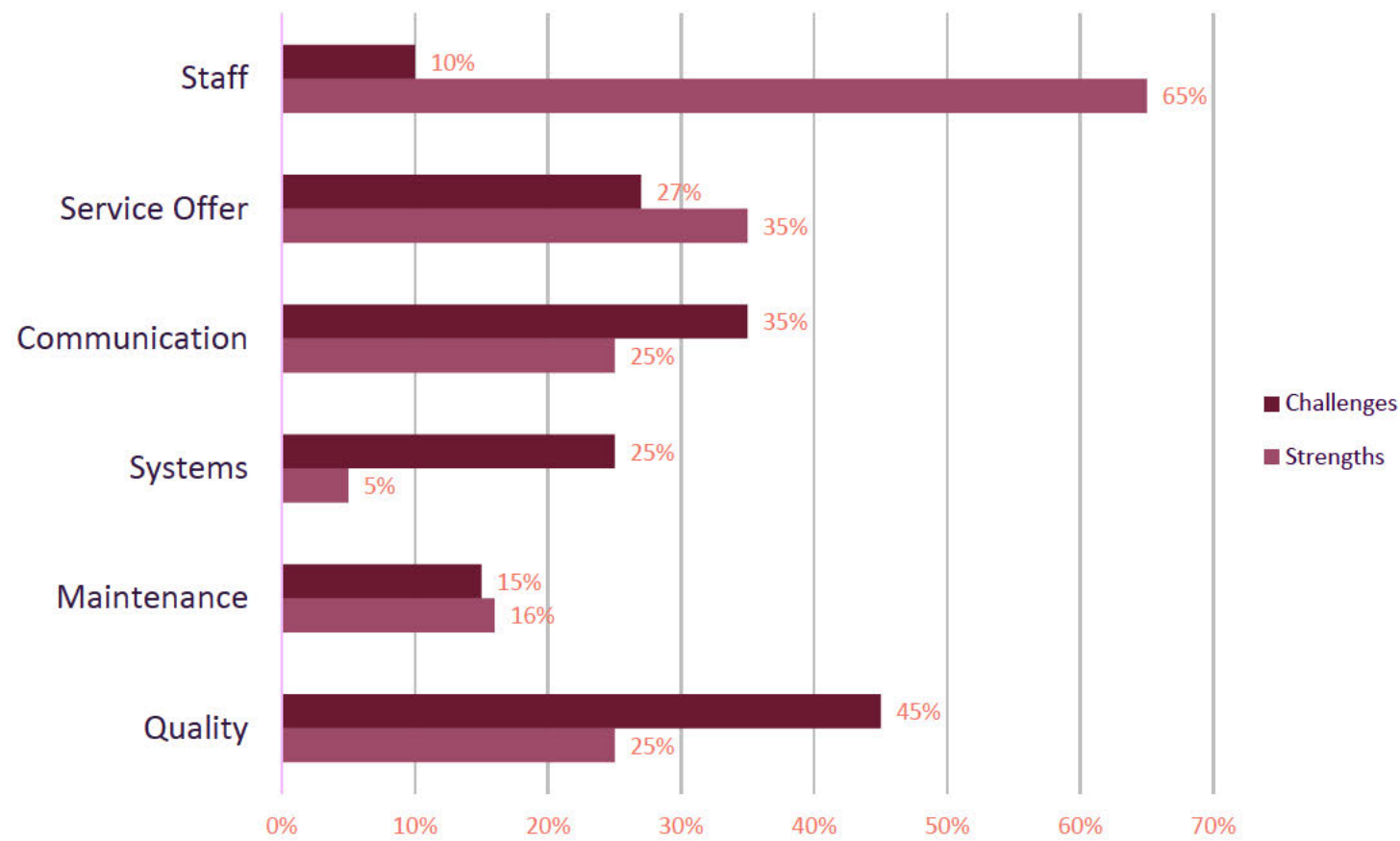
**Repairs**  
 Personal Control  
 Administration  
 BEO Management  
 Communication  
**Quality**  
 Cost  
 Unprofessional Staff

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# Resident Survey – Strengths, challenges and improvements

In the chart below we have categorised identified **strengths and challenges** from the resident survey by key area.



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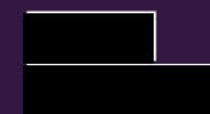
Below are some of statements made by residents

### Key Findings – Recommended Improvements

- A common theme from the resident responses was the need for a more responsive repairs office. Key themes mentioned that House Officers were frequently on leave with no cover, who are often the means of reporting repairs.
- Better maintenance and more responsive repairs, such as by introducing an online system or customer portal to understand status of a repairs request.
- Responses suggest improving communications and clarity around the service charge and what it entails. Some recommendations also suggested adding multiple payment options, such as quarterly.

### Key findings – Service charges

- Most responses suggest the make-up of the service charge is complex and needs more detail to aid understanding. Key themes suggest the detail provided is outdated and needs to be updated.
- Resident responses suggest they are not kept well informed. Suggestions include digital communications and more notice.
- Resident responses varied in relation to consultation regarding future spend impacting service charge. Some residents did not feel they were consulted at all, whereas other residents felt the monthly consultations were too much.





# Staff Survey – Key words

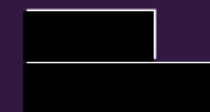
This word cloud presents the commonly found words for areas **most valued** by staff members . The larger the word, the more commonly reported the duty.

skills benefits  
 House Officers  
 inspections vital link  
 estate management notices  
 house group meetings  
 landlords approval applications  
**communication**  
 good relationship with residents  
 main point of contact for residents  
**support**  
 collaboration satisfaction  
 ownership of problems  
 sharing knowledge  
 teamwork Fire safety advice  
 leadership  
 dedication

This word cloud presents the commonly found words for areas of **weakness or challenges** by staff members. The larger the word, the more commonly reported the duty.

concern  
 double standards  
 attitudes of visitors  
 job descriptions  
 special treatment uspet  
 reporting repairs  
 demotivation  
 poor communication  
**structure**  
 self managing  
 lack of staff

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# Staff Survey – Strengths, challenges and improvements

Below are some of statements made by BEO staff members:

## Key Findings – Recommended Improvements

- A common theme across staff responses was the need for more clarity on structures. This includes better understanding of what each role does across the team, clarity in reporting lines and better communication across the team.
- Another recommended improvement was to review shift patterns to reduce costs. This includes having less concierge working at night where demand is reduced and reducing overtime worked when covering holiday and sickness shifts.
- A common theme across staff responses was also to introduce an online repairs portal where residents can log repairs. This will free up the House Officers to complete other more value added tasks.

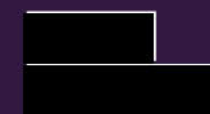
Below are some of statements made by BEO staff members:

## Clarity on role and service offering

- Staff responses indicated that staff are unsure of what other roles within the BEO provide. In particular this is due to:
  - Home working of the BEO team
  - The expected role and what is actually delivered differs
  - In particular, this sits around the property services team

## Any other comments

- Staff responses indicate low morale and poor health (high sickness rates) across the team, which has been attributable to the longevity of the restructure process (over 5 years).





# Barbican Estate Office Review

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## Interim Summary Report – Appraisal of current services



Julie Leo  
Darren Smith

Report Date  
December 2022

Altair has been commissioned to undertake an **independent review** of the **efficiency, cost effectiveness and value for money** of services delivered by the Barbican Estate Office to residents of the estate.

This **interim report** sets out our **key findings for the first stage of the project**, which is to undertake **detailed appraisal of the current services**.

Details of the activities undertaken are set out in the table to the right.

Oversight of the project is being carried out by the Project Board which consists of the Chair of Residential Consultation Committee, the Interim Head of the BEO and the Assistant Director of Housing and Barbican alongside the project lead from Altair.

Prior to considering the detailed findings set out in this report, it is worth setting out some key points on the **purpose** of this report and how it should be used. **Key points include:**

- The main purpose of this report is to develop and **ensure a single baseline understanding of the context for the further development of how the BEO should operate** to ensure the services it delivers are good quality and demonstrate value for money for those residents who pay for the services through their service charge account. It provides the foundation on which the next stages of work will be completed and provides a single reference point for all stakeholders.
- The findings set out in this stage of the project also provide an **external validation** of the key issues that should be addressed. Many of the areas cited in this report will already be known to the BEO and resident leaseholders, but there is value in having those areas externally validated and set-out in preparation of prioritisation in Stage 2.

Activity	Purpose	Additional information
Discussions with staff	To provide insight and specificity into the functions and ways of working at the BEO.	Discussions completed with 35 staff members covering all functions and roles within the BEO and those delivering services to the BEO.
Discussions with residents and BRC members	To gain the view of residents on the services provided by the BEO.	121 discussions with more than 45 residents including House Chairs, Residents Consultation Committee (RCC) members and the Chair and Deputy Chair of BRC. More than 30 written correspondence from residents.
Survey	To gather views from as many staff and residents as possible.	Staff Survey issued to 80 staff with 8 responses Resident Survey issued c1400 residents with 175 responses.



Below is a summary of the key themes identified during this review.

## Customers

- Roles within the BEO structure require the influence, control and oversight to discharge their responsibilities effectively and ensure a customer first culture.
- In addition, there needs to be a greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.
- There needs to be greater accountability by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.

## Processes

- Processes need to be fully documented to ensure they are understood and consistent in approach.
- Roles require further clarity of what activity sits in which role to avoid duplication.
- Budgeting and cost control requires improvement
- Policy and processes need to be reviewed to ensure they are fit for purpose and need meet the needs of the Barbican residents.
- Informal channels for reporting issues such as repairs need to be removed to ensure there is improved visibility of the issue and reduce the number of roles involved in reporting and dealing with issues.

## Organisational Design

- There needs to be improved oversight and control of all services across the Barbican Estate.
- Roles need to be based on the demands of the service and value to residents.
- Resource planning requires improvement to reduce the spend on overtime and agency staff.
- Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.
- Improved focus on staff support and wellbeing, including regular 121's and team meetings being held.
- Improved training for staff, particularly around people issues and performance management.

Below is a summary of the key themes identified during this review.

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## People and Culture

- There needs to be improved collaborative working between residents, BEO and City of London to improve trust and confidence of residents in their landlord and staff and contractors who deliver services to the Barbican Estate.
- Improved communications between the BEO and residents, in particular written communications need to be plain English and written from the audience rather than the writers perspective.
- Increased focus on improving staff morale, including ensuring regular 121's and team meetings are carried out.
- Progress with key actions promised by the City of London needs to be quicker to improve the confidence of both BEO staff and residents.
- Contractor/project management requires improvement

## Technology and Systems

- Staff need to have the required access to all systems and be trained on their effective use.
- Improved use of technology to improve efficiency and effectiveness of services.
- There needs to be a clear plan to use technology to improve future efficiencies and quality of services including the roll-out of a resident portal.

## Performance and Data

- Data and information requires greater insight and narrative.
- Budgeting and cost control requires improvement.
- A detailed framework for regular and consistent financial and performance reporting needs to be implemented including trend information.
- Budget holders are accountable for reporting on and communicating to residents on both the financial and overall performance of the services they deliver to the Barbican Estate, including any contractors who deliver services on their behalf.



# Other observations

During the review we had 121 discussions with 35 members of staff and 45 residents. We would thank to both staff and residents for their time and input into this review. During our discussions we observed the following;

- Both staff and residents were keen to engage with and input into the review.
- Staff and residents were very open and honest during discussions and very happy to answer questions and provide examples and additional information where requested.
- In particular, staff were very helpful and responsive to our requests for data and information.
- Both staff and residents put forward positive and constructive suggestions for areas they felt could be improved.

Whilst the nature of the report necessarily focuses on those areas that were identified as being areas for improvement, it is important to acknowledge the positive aspects that were found during the review.

- Staff and residents have a real sense of pride in the Barbican.
- There is a desire by both staff and residents to work more **collaboratively together**.
- Residents recognised and acknowledged the value they place on staff within the Barbican Estate Office, in particular the sense of safety and security they get from having familiar staff on site, naming car park attendants and lobby porters particularly.
- Staff are committed to improving services and put forward constructive suggestions for doing this
- Resident engineers are very knowledgeable about the estate infrastructure, which is complex in nature.
- There was evidence of regular communication between staff and residents.



# Key conclusions

The next few slides provide a **summary of our findings** from this review and the conclusions reached. These can be grouped under **four main headings**: *Roles, Structure and Ways of Working, Culture and Behaviours and Performance and Financial Reporting and Property Management*.

## Roles, structure and ways of working

- The organisational structure and roles need to be redefined to ensure they enable staff within the BEO to fully discharge their responsibilities and accountabilities to the residents of the Barbican Estate, who are paying for the services being delivered to them.
- In addition, the Head of BEO role needs to have the required oversight and control to ensure service are running efficiently and effectively, this includes Repairs and the Service Charge Account for residents.
- Roles and the organisational structure within the BEO need to supports the effective and efficient delivery of required services to residents and take into account the roles and services most valued by the residents.
- There needs to be improved clarity in role responsibilities, eliminating any duplication of activity across roles.
- A review of the roles and structure within the BEO needs to take place, in particular ensuring that the number of roles in the structure (including those at a leadership level) are right to meet the agreed service specifications and demands of the service, which on initial analysis show there to be higher staff numbers in some parts of the BEO than is required.
- Alongside ensuring resource levels are appropriate for the demands of the service, resource planning needs to be improved to reduce the reliance on agency workers and staff having to work overtime and the associated costs.
- Training and support for leaders on people issues and performance management needs to be undertaken.
- Informal ways of working and communicating have developed that result in it being difficult to oversee and track all issues raised and whether they have been effectively resolved. It also means staff spend lots of time passing on and chasing issues.
- Policies need to be reviewed to ensure they are fit for purpose for the Barbican Residential Estate
- Policies and processes need to be fully documented to inform and guide staff and ensure they are applied in a consistent manner.

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# Key conclusions cont....

## Culture and Behaviours

- Improve collaborative working between residents, BEO and the City of London to improve trust and confidence of residents in their landlord and staff and contractors who deliver services to the Barbican Estate.
- To ensure that staff are clear on their performance objectives, key service indicators and expected delivery approach they should have regular performance reviews. There should also be regular team meetings on general developments.
- Contractors should be held to account for the performance and costs of the services they provide to the Barbican Estate.
- There needs to be an improved focus to deliver against key objectives so staff and residents have confidence that promised changes will happen.
- There needs to improved use of technology to update ways of working across the BEO.
- There are a wide range of strategies across the City of London including net zero targets, there needs to be clearer plans and timescales in place for how these will be delivered into the Barbican Residential Estate. As an example the Barbican Estate is briefly referenced in the City of London wide strategy plan (2019 – 2023, Healthy Homes Vibrant Communities) but there is little indication of how the strategy relates specifically to the Barbican estate and what the future long term strategy is.

## Performance and Financial Reporting

- Financial reporting frameworks need to be improved to give further insight into how budgets are set and evidence of how costs are being controlled.
- There need to be a robust performance reporting framework developed and agreed to provide residents with the required assurance that services being delivered are effective and deliver value for money, this should include contractor performance.
- Information supplied to residents needs to be simple to understand, avoid jargon and provide the answers residents are seeking, including on any impact on them or the services charges they pay.
- There is a need for a streamlined approach to performance and financial reporting at a Committee level, which provides each Committee with the required information and assurance but in an agreed, standardised format to reduce the resources required to undertake this activity but enable residents to easily access.

# Key conclusions cont....



## Property Management

- The previous lack of investment across the estate is contributing to higher repair costs and this is evidenced through the benchmarking that indicates that Service Charges are more heavily weighted towards the annually recurring items rather than non-annually recurring items which includes major works.
- General repairs are one of the larger and more variable elements of service charges costs. Larger scale works need to be identified earlier and competitively tender for as major works, rather than on an ongoing piece meal basis, which has a direct impact on the increasing costs that leaseholders are facing.
- However, we note that the stock condition survey has now been undertaken and a five-year major works and redecoration programme is being developed and will be shared with leaseholders in due course., this should include details on how works will be procured, and project managed.



# Next steps

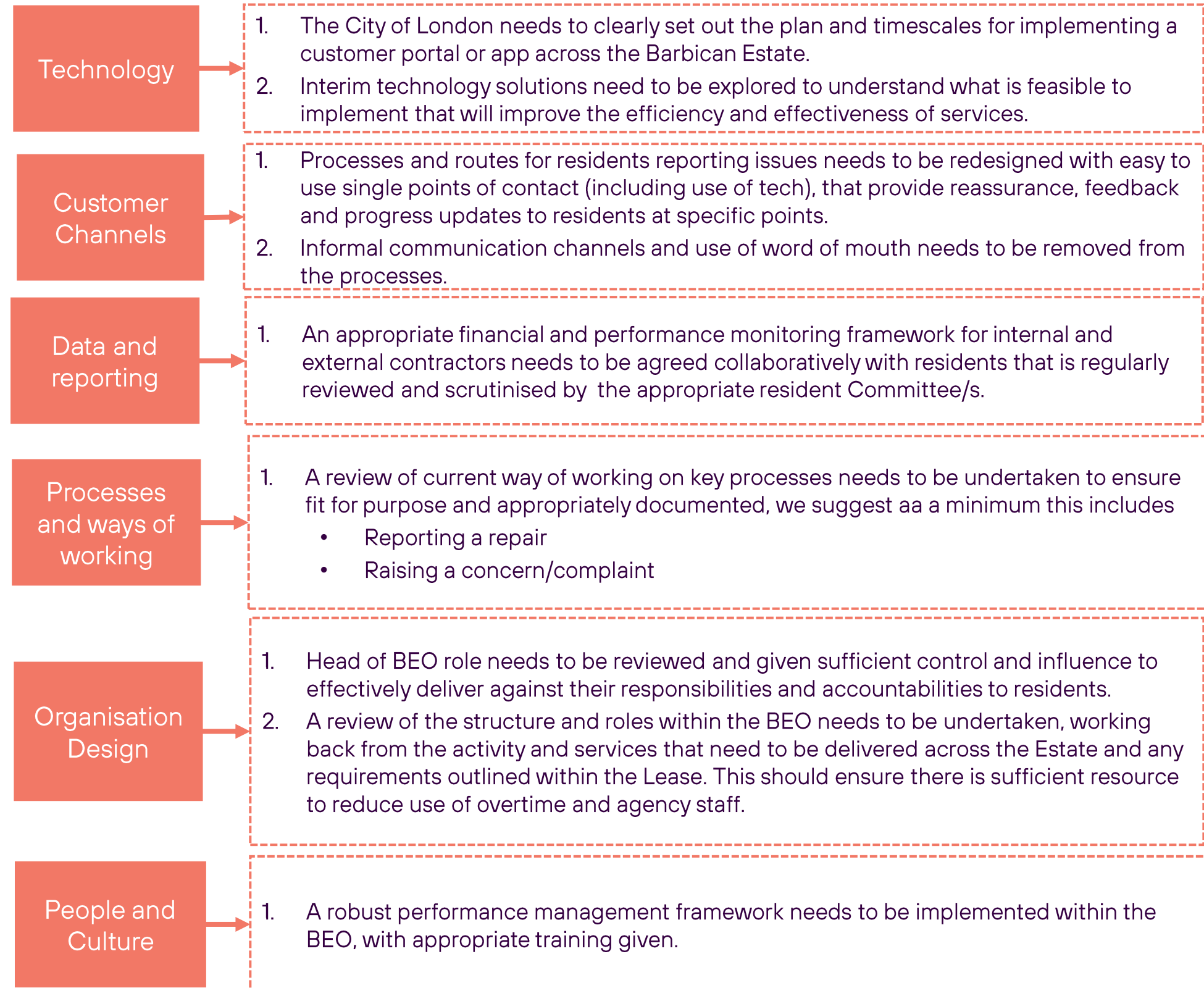
**This report** provides the **baseline understanding** of the Barbican Estate Office (BEO) and services delivered to Barbican Estate residents which will be used to guide the priorities as part of the next stage of this project. It should be noted that:

- The main purpose of this interim report is to develop and ensure that there is a single baseline understanding of the context for the further development of the BEO.
- The findings set out in this report also provide an external validation of the key issues that should be addressed as part of its development.

In our view and based on the findings of the work to date, the **key priorities** areas of focused required in the next stages of design include:

1. Ensuring the overall organisation model and design provides both the clarity and levels of authority to ensure key accountabilities and responsibilities to residents can be fully discharged and meet the service demands residents expect, value and pay for.
2. Review and document key processes to ensure there is the ability to oversee all levels of activity and that processes are fit for purpose and effectively use available technology to drive efficiency and effectiveness.
3. Advise on approaches to ensure improved performance and financial reporting.
4. Advise on improved budgeting and cost control across all areas of operations to ensure it is fit for purpose.
5. Improve the communication with leaseholders on service charges to ensure it is easier to understand.

To be more specific, below is a summary of the areas which will require focus in the next stages of work:



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*Confidential*

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# Barbican Estate Office Review

## Stage 2 Report – Options Development and Recommendations



Report Date  
February 2023



# Contents

Our report is addressed to the Project Board members overseeing the review of the Barbican Estate Office. We stress that our report is confidential and prepared for the addressees only. It should not be used, reproduced or circulated for any other purpose, whether in whole or in part without our prior written consent, which consent will only be given after full consideration of the circumstances at the time.

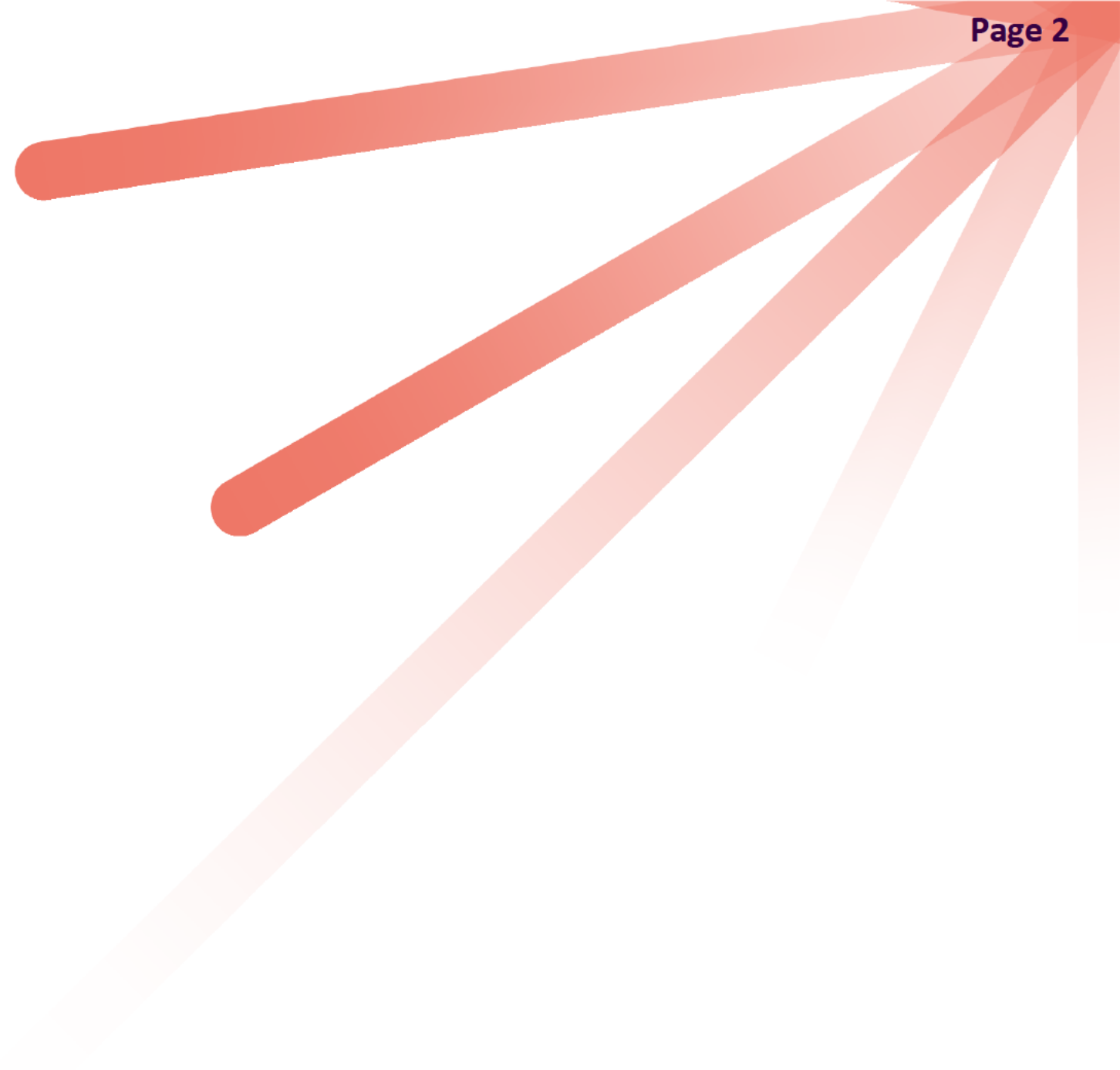
If the report is released to a third party without prior consent from Altair, we do not acknowledge any duty of care to the third party and do not accept liability for any reliance placed on the report.

Section	Page
<b>1. Introduction and overview of Stage 1</b>	3
<b>2. Recommendations</b> <ul style="list-style-type: none"> <li>• Organisational structure, culture &amp; roles</li> <li>• Key processes redesign</li> <li>• Performance and financial reporting</li> <li>• Budgeting and cost control</li> <li>• Service charge communication</li> <li>• Performance and financial reporting</li> </ul>	8
<b>3. Alternative options to consider</b>	49
<b>3. Implementation plan</b>	76
<b>4. Appendices</b> <ul style="list-style-type: none"> <li>• Appendix 1 – Current BEO Structure Chart</li> </ul>	81

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# Introduction



# Scope, context and objectives of the review

To provide further context, details are provided below on the scope, background and key objectives of this review.

Purpose	The <b>purpose</b> of this project is to undertake an independent and detailed critical appraisal of the current services provided by the Barbican Estate Office (BEO) and identify ways to improve the cost efficiency, overall effectiveness and value for money of the services provided to Barbican residents. In addition, the landlord (City of London), is seeking to deliver required efficiency savings against the Landlord's Account.
Overview and scope of the project	<p>The <b>scope</b> of the review is limited to the Barbican Estate Office and covers:</p> <ul style="list-style-type: none"> <li>• value for money, service charges, supervision and management costs, efficiency savings, cleaning – costs and level of service</li> <li>• the role of the Car Park Attendants</li> <li>• provision of services in-house v externally</li> <li>• processes and procedures, including use of technology, performance management, collaboration with residents</li> <li>• the organisational structure of the BEO considering all the above</li> <li>• provision of services to the BEO from the Corporation</li> </ul>
Specific drivers which the review is intended to address	<p>There are a number of <b>specific areas</b> that the review needs to address. These include:</p> <p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• ability to demonstrate value for money</li> <li>• increasing service charge costs,</li> <li>• overall supervision and management costs of the BEO</li> <li>• required efficiency savings on both the Landlord's Account and Service Charge Account</li> </ul> <p><b>Ways of working</b></p> <ul style="list-style-type: none"> <li>• across roles within the BEO</li> <li>• effectiveness of current policies and processes</li> <li>• approaches to performance management</li> <li>• collaboration with residents</li> </ul>
Objectives of this review	<ul style="list-style-type: none"> <li>• Complete a detailed critical appraisal of the current service provided to residents focussing on the eight drivers identified above, including costs, structures, benefits, outputs and activities</li> <li>• Gain the views of residents, staff and other key stakeholders</li> <li>• Provide insight into how others in the wider housing and local authority sectors are addressing similar issues and provide example of best practice (taking account of the uniqueness of the Barbican Estate).</li> <li>• Identify and develop recommendations for improvement</li> </ul>
Outputs from this review	<ul style="list-style-type: none"> <li>• Delivery of the scope of works within the identified timescales</li> <li>• Detailed critical appraisal of the current services provided by Barbican Estate Office</li> <li>• Options for improvement</li> <li>• Final report and action plan, including recommendations for improvement, impact of changes required on residents, staff and any key stakeholders, cost implications, expected measurable benefits</li> </ul>

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# Stage 2 - Introduction

Altair has been commissioned to undertake an **independent review** of the **efficiency, cost effectiveness and value for money** of services delivered by the Barbican Estate Office to residents of the estate.

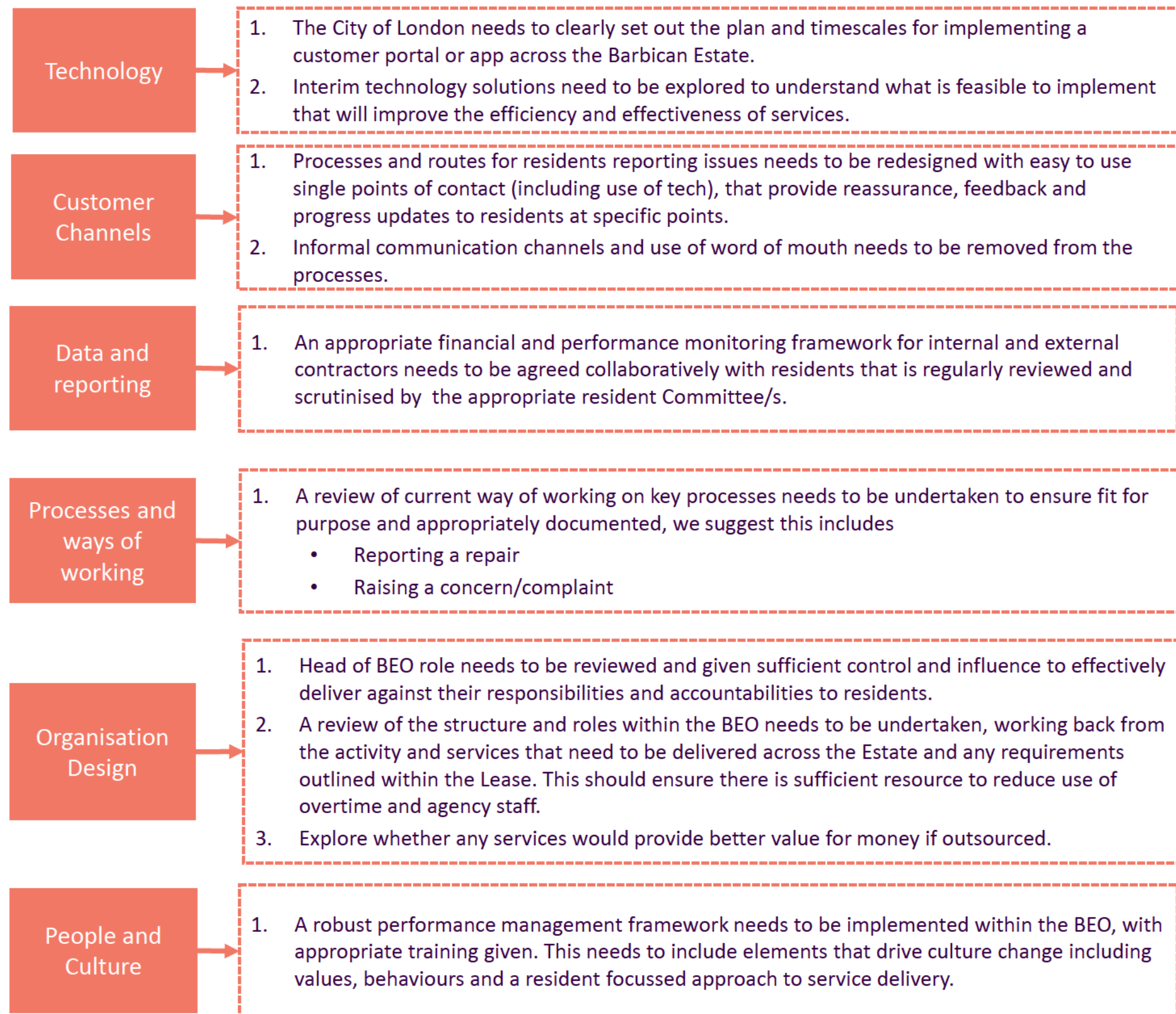
The work commenced early November 2022 and an interim report was produced at the end of December 2022. The **interim report** set out our **key findings from the first stage of the project**, which was to undertake a **detailed critical appraisal of the current services**, in line with the agreed scope for the project (as summarised on the previous slide). The interim report provided the baseline findings of the current service appraisal, which was used to guide the priorities for this stage of the project.

Details of the areas identified as requiring focus in Stage 2 of the project are summarised to the right and the key themes found from the Stage 1 review are detailed on the next two pages of this report.

Prior to considering the detailed recommendations set out in this report, it is worth setting out some key points on the **purpose** of this report and how it should be used. **Key points include:**

- The main purpose of this report is to **provide recommendations that address the issues identified as part of the detailed critical appraisal of the current services** provided to Barbican residents, which have been discussed and agreed with Project Board members and shared more widely with both residents and staff.
- There are recommendations in this report which will require further consultation with both residents and staff.
- There are recommendations in this report have wider dependencies and therefore will require a phased approach to full implementation.
- The recommendation are outlined under four main sections of the report covering
  - ✓ Organisational structure, culture and roles
  - ✓ Redesign of key process
  - ✓ Financial & Performance Reporting
  - ✓ Budgeting, cost control and service charges

To be more specific, below is a summary of the areas which require focus in this stage of the work:



# Key themes identified from Stage 1

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# Key themes

Below is a summary of the **key themes** identified during Stage 1 of this review.

## Customers

- Roles within the BEO structure require the influence, control and oversight to discharge their responsibilities effectively and ensure a customer first culture.
- In addition, there needs to be a greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.
- There needs to be greater accountability by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.

## Processes

- Processes need to be fully documented to ensure they are understood and consistent in approach.
- Roles require further clarity of what activity sits in which role to avoid duplication.
- Budgeting and cost control requires improvement.
- Policy and processes need to be reviewed to ensure they are fit for purpose and need meet the needs of the Barbican residents.
- Informal channels for reporting issues such as repairs need to be removed to ensure there is improved visibility of the issue and reduce the number of roles involved in reporting and dealing with issues.

## Organisational Design

- There needs to be improved oversight and control of all services across the Barbican Estate.
- Roles need to be based on the demands of the service and value to residents.
- Resource planning requires improvement to reduce the spend on overtime and agency staff.
- Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.
- Improved focus on staff support and wellbeing, including regular 121's and team meetings being held.
- Improved training for staff, particularly around people issues and performance management.



# Key themes

Below is a summary of the **key themes** identified during Stage 1 of this review.

## People and Culture

- There needs to be improved collaborative working between residents, BEO and City of London to improve trust and confidence of residents in their landlord and staff and contractors who deliver services to the Barbican Estate.
- Improved communications between the BEO and residents, in particular written communications need to be plain English and written from the audience rather than the writers perspective.
- Increased focus on improving staff morale, including ensuring regular 121's and team meetings are carried out.
- Progress with key actions promised by the City of London needs to be quicker to improve the confidence of both BEO staff and residents.
- Contractor/project management requires improvement

## Technology and Systems

- Staff require access to all systems and be sufficiently trained on their effective use.
- Improved use of technology to improve efficiency and effectiveness of services.
- There needs to be a clear plan to use technology to improve future efficiencies and quality of services including the roll-out of a resident portal.

## Performance and Data

- Data and information requires greater insight and narrative.
- Budgeting and cost control requires improvement.
- A detailed framework for regular and consistent financial and performance reporting needs to be implemented including trend information.
- Budget holders are accountable for reporting on and communicating to residents on both the financial and overall performance of the services they deliver to the Barbican Estate, including any contractors who deliver services on their behalf.





# Key Recommendations (Phase 1)

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## Organisational structure, culture and roles



# Organisational structure, culture and roles

In this section we **address the following areas** identified from the Stage 1 review.

## Organisational Design

- Roles within the BEO structure require the influence, control and oversight to discharge their responsibilities effectively and ensure a customer first culture.
- Roles require further clarity of what activity sits in which role to avoid duplication.
- Roles need to be based on the demands of the service and value to residents.
- Resource planning requires improvement to reduce the spend on overtime and agency staff.

## People & Culture

- In addition, there needs to be a greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.
- Increased focus on improving staff morale, including ensuring regular 121's and team meetings are carried out.
- Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.
- Improved training for staff, particularly around people issues and performance management.

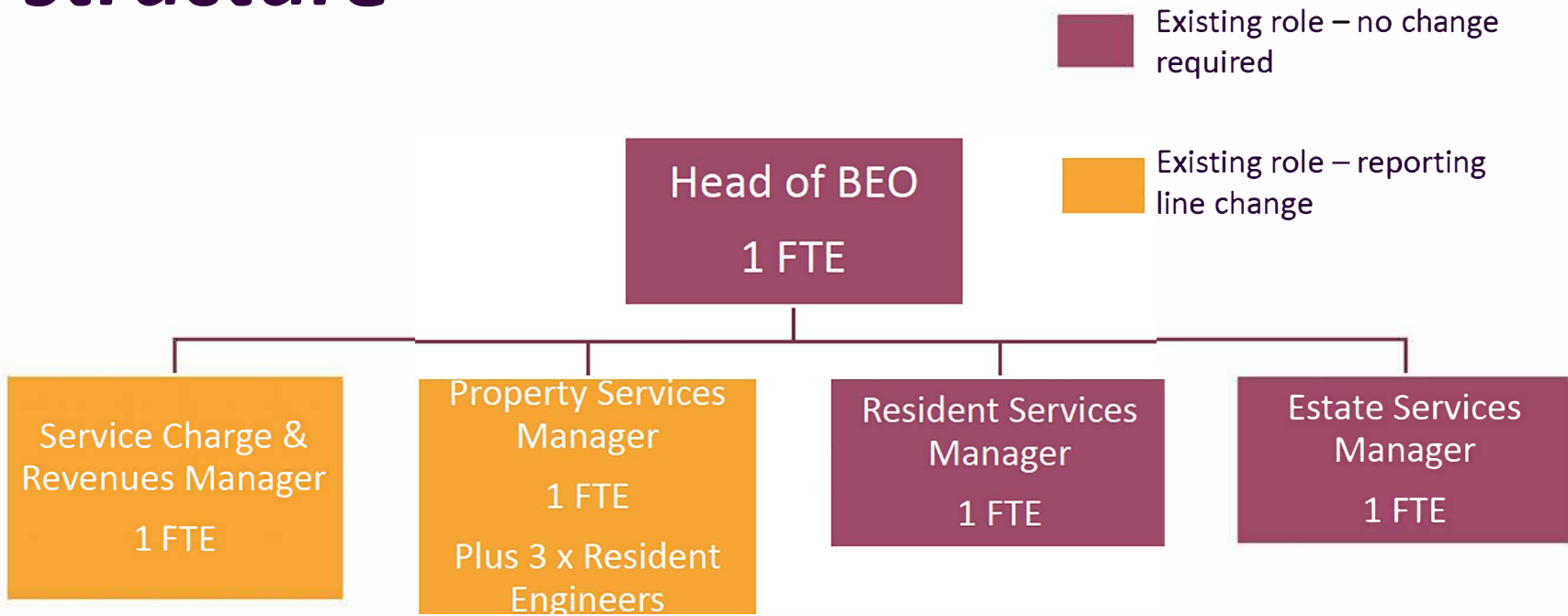
In the **following slides**, we set out a number of **specific recommendations** in relation to:

- Senior leadership structure and roles reporting directly into the Head of BEO.
- Service charge and revenues function and the role of the Commercial Property Officer.
- Roles within the Property Services function.
- Cleaner roles.





# Recommendation 1 - Senior Leadership structure



## Key Features

- This leadership structure would move the reporting line for the Service Charge & Revenues Manager from Assistant Director of Housing and Barbican to Head of BEO and the Property Services Manager from the Head of Repairs and Maintenance to Head of BEO, this also includes the team reporting into the Property Services Manager.
- This would enable the Head of BEO to have full oversight and control over activity carried out on the Service Charge account and service delivery of repairs, with this being one of the largest elements of Service Charge.
- This would significantly increase the responsibility and accountability of the Head of BEO role bringing in accountability for both the overall Service Charge account and budget for Barbican of around ██████\* per annum (previously under the remit of Assistant Director). It would also include full accountability for the Property Services function (repairs and maintenance) including contract management and performance of ██████ (note this does not include major investment programmes covered later in the report). This would require the role to be fully dedicated to the delivery of services for the Barbican Estate..

\* Circa £18- £19 Million per annum

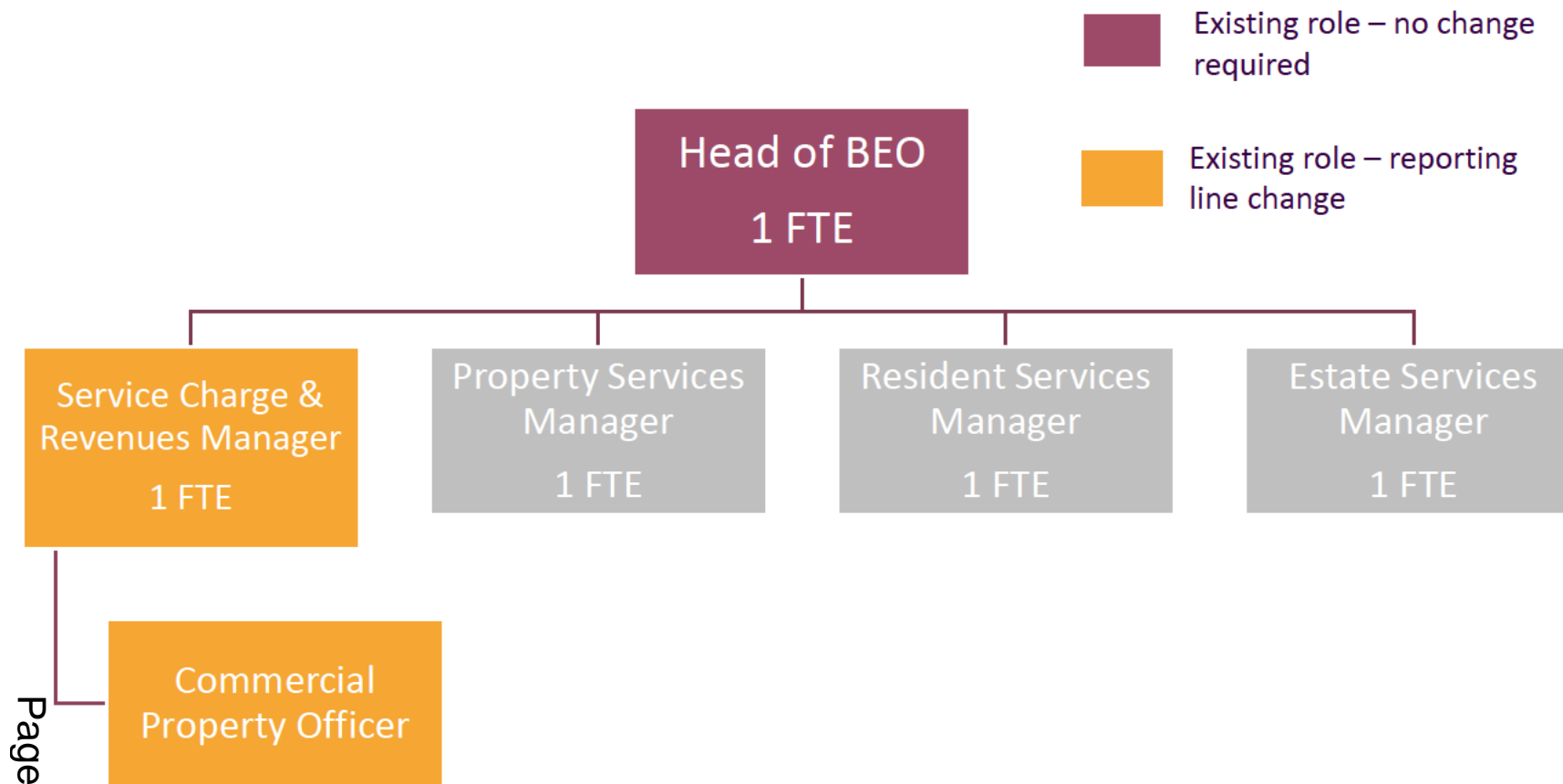
## Impact Assessment

Impact	RAG Rating
Cost/Savings	No savings/no additional cost
Staff	Reporting line changes required. This would also greatly increase the responsibility and accountability of the Head of BEO role which would need an urgent redesign and re-evaluation
Residents	Should deliver an improved service
Ease of implementation	Requires reporting line changes, no additional cost/investment, may impact on wider City TOM for repairs

Benefits	Challenges
<ul style="list-style-type: none"> <li>• Brings core elements of service delivery and service charging under the direct remit of the Head of BEO, enabling the Head of BEO to have increased control over service delivery of repairs and maintenance and service charge account activities.</li> <li>• Enables residents to have a “client side” property function and expertise to oversee the quality and effectiveness of the repairs and maintenance services.</li> </ul>	<ul style="list-style-type: none"> <li>• Existing Service Charge &amp; Revenues Manager and Property Service Manager will have a change in reporting line.</li> </ul>



# Recommendation 2 - Service Charge & Revenues function



## Key Features

- As part of our recommended future structure, we have identified an opportunity to give the existing Commercial Property Officer role a wider remit in relation to maximising income generation for commercial activity across the Barbican Estate, focussing on car parks and storage areas.
- From the first stage review, it was identified that Area Estate Services Managers were struggling with capacity to deal with storage and car parking enquiries. City of London is therefore missing key opportunities to maximise the income potential in this area.
- This role would contribute to increased income for the City.
- This role may also provide back-up/support to the Service Charge & Revenues Manager, currently identified as a role that has no identified succession plan.

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Benefits	Challenges
<ul style="list-style-type: none"> <li>• Brings revenue activity under one single area of accountability.</li> <li>• Makes use of existing commercial skills and knowledge in the team</li> <li>• Gives City of London increased capacity and focus to maximise revenue from car parking areas and storage.</li> <li>• Frees up capacity of Area Estate Services Manager role.</li> </ul>	<ul style="list-style-type: none"> <li>• Existing Commercial Property Role may need to be increased from 0.5 FTE to 0.75 - 1 FTE, [REDACTED]</li> <li>• Will require a change in reporting line for the Service Charge &amp; Revenues Manager.</li> </ul>

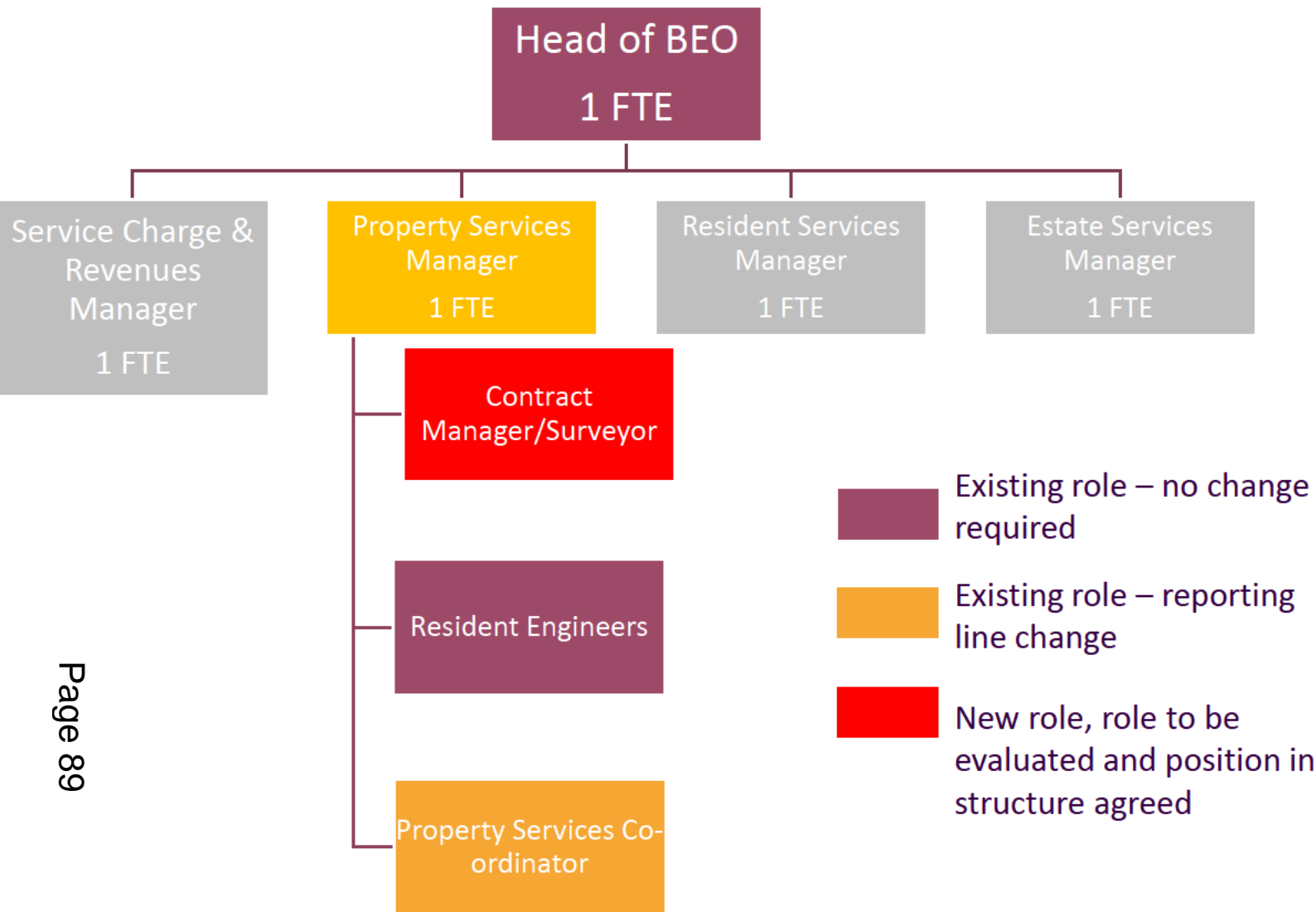
## Impact Assessment

Impact	RAG Rating
Cost/Savings	[REDACTED]
Staff	Reporting line changes required
Residents	Should deliver an improved service
Ease of implementation	Requires reporting line changes, [REDACTED] additional cost/investment, but this may off-set elsewhere





# Recommendation 3 - Property Services function



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### Key Features

- As part of reporting the Property Services Manager into Head of BEO, we have identified an opportunity to extend the skills set within this function. This includes a Surveyor/Contract Manager and to introduce a co-ordinator role [REDACTED], overseeing repairs reporting and activity and in turn reduces time spent by House Officers and others chasing repairs. Repairs calls for the Barbican will still go through the Property Services Desk.

Benefits	Challenges
<ul style="list-style-type: none"> <li>Brings vital surveying, technical and contract management expertise into the team to support the Head of BEO with monitoring repairs delivery and quality [REDACTED] cost effectiveness and support with major investment work projects.</li> <li>Brings existing resources directly into the BEO team who can oversee repairs reporting and activity including work in progress, outstanding repairs.</li> <li>Will improve the level of overall contractor/project management across the Barbican estate.</li> <li>Delivers additional capacity into House Officer roles</li> </ul>	<ul style="list-style-type: none"> <li>Cost of additional surveying/contract manager role.</li> <li>[REDACTED]</li> </ul>

### Impact Assessment

Impact	RAG Rating
Cost/Savings	Potential cost increase [REDACTED] and through improved contractor management.
Staff	Reporting line changes required, [REDACTED]
Residents	Additional cost of new role, improved service moving to one point to contact but this will require an efficient service desk that provides confidence to residents.
Ease of implementation	Requires reporting line changes, additional cost/investment £52k, consultation with residents on additional cost elements



# Recommendation 4 - Cleaning

service

Currently there are 28 cleaners working across the Barbican Estate. 2 of the cleaners focus full-time on the north and south podium areas and these roles are paid for by the City of London. The remaining 26 are paid for by leaseholders. Currently 12 of the cleaners are agency staff.

Below is an analysis of the cleaning specification and tasks. This has been put together based on a copy of the tasks and specification and discussions with the Estate Manager, Area Estate Supervisors and Cleaners themselves. The current specification sets out the allocated time per task based on current ways of working (although some efficiency is built based on activity analysis undertaken as part of this review). The optimal column is based on potential further efficiencies that could be made as more efficient ways of working were adopted, this would also include reviewing the equipment the cleaners currently use,

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						Current	Optimal		
Daily Task	Current specification	Optimal working				Total hours per annum	Total hours per annum		
Rubbish Collection 2050 flats	2 hours	2 hours	5 days per week x 52 weeks of the year						
Entrance areas, lift lobby, garage entrances	1 hour	1 hour	5 days per week x 52 weeks of the year						
84 lifts	1 hour	45 mins	5 days per week x 52 weeks of the year						
Reporting issues	10 mins	5 mins	5 days per week x 52 weeks of the year						
Internal post distribution	10 mins	0 mins	5 days per week x 52 weeks of the year						
	4.20 hours	3.50 hours							
x 26 cleaners	109.2 hours	91.0 hours	5 days per week x 52 weeks of the year			28,392	23,660		
<b>Weekly tasks</b>									
Adhoc cleaning	30 mins	30 mins	Once a week x 52 weeks of the year			676	676		
Store areas	2 hours	2 hours	Once a week x 52 weeks of the year			2,704	2,704		
94 corridors and staircases to clean	3 hours	1.5 hours	Once a week x 52 weeks of the year			4,056	2,028		
<b>Monthly tasks</b>									
Areas to deeper clean (assume 10 per month)	2 hours	2 hours	Once a month x 52 weeks of the year			624	624		
					Total	36,452	29,692		
		Current hours	37 hours per week or 1,717 hours per annum						





# Recommendation 4 - Cleaning

## service

The analysis on the previous page sets out the allocated time per task based on current ways of working (although some efficiency is built based on activity analysis undertaken as part of this review). The optimal column is based on potential further efficiencies that could be made as more efficient ways of working were adopted, this would also include reviewing the equipment the cleaners currently use,

This suggests that, based on the current ways of working and detailed analysis of the activities undertaken, [REDACTED]

With further revised ways of working, this could reduce to 17.2 FTE.

### Impact Assessment

Impact	RAG Rating
Cost/Savings	[REDACTED] <span style="color: green;">■</span>
Staff	[REDACTED] <span style="color: green;">■</span>
Residents	[REDACTED] <span style="color: green;">■</span>
Ease of implementation	[REDACTED] <span style="color: orange;">■</span>

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# Organisational structure, culture and roles – Summary of

## recommendations



Below is a summary of the specific recommendations made in this section of the report.

Recommendation	What issue/s does this resolve	Ease of implementation
Change reporting line of Service Charge & Revenues Manager	<ul style="list-style-type: none"> <li>Improved oversight and control of the Service Charge account for the Head of BEO role.</li> <li>Gives the Head of BEO role the accountability to enable the role to discharge its responsibilities to residents.</li> <li>Enables all revenue activity for the Barbican to have a single line of accountability and oversight.</li> </ul>	Green
Change reporting line of Property Services Manager	<ul style="list-style-type: none"> <li>Improved oversight and control of repairs service delivery for the Head of BEO role.</li> <li>Gives the Head of BEO the technical expertise within the team to oversee the quality and cost effectiveness of the repairs service and repair contractors.</li> </ul>	Orange
Bring all commercial and revenue activity under the remit of the Service Charge and Revenues Manager	<ul style="list-style-type: none"> <li>Makes use of existing skills sets within the team.</li> <li>Gives additional focus and capacity to maximise income from car park areas and storage.</li> <li>Frees up capacity from the Estate Services team.</li> </ul>	Green
Recruit a Surveyor/Contract Manager	<ul style="list-style-type: none"> <li>Brings additional technical expertise and experience into the Property Services function.</li> <li>Provides additional capacity to oversee the quality and effectiveness of costs of contractors work.</li> <li>Will improve the level of the overall contractor/project management across the Barbican estate.</li> <li>Able to provide technical input to more complex repairs issues.</li> <li>Can act as a conduit between repairs, contractors and the Barbican residents.</li> <li>Frees up capacity of house officers and other roles in chasing repairs.</li> </ul>	Green





# Organisational structure, culture and roles – Summary of recommendations

Recommendation	What issue/s does this resolve	Ease of implementation
Create a Property Co-ordinator role within the Barbican Property team	<ul style="list-style-type: none"> <li>• Can provide insight and reporting to assist with the monitoring of repairs delivery including work in progress, outstanding jobs.</li> <li>• Can act as a conduit between the Property Services desk and Barbican team.</li> <li>• Frees up capacity of house officers and other roles in chasing repairs.</li> </ul>	
<div style="border: 1px solid black; padding: 5px;">                         Review the cleaning service &amp; its management structure                     </div>	<ul style="list-style-type: none"> <li>• Matches the resources to the cleaning service specification and identifies ways of streamlining tasks</li> <li>• Builds in capacity for holidays, sickness, training and 121's.</li> <li>• Therefore reduces the spend on overtime and agency staff.</li> <li>• </li> </ul>	<div style="background-color: #90EE90; padding: 5px;">Stage 1</div> <div style="background-color: #FFD700; padding: 5px;">Stage 2</div>

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# Organisational structure, culture and roles – Summary of recommendations

In addition, during the Stage 1 review we identified a number of **other areas** that require **focus and change**. These are:

- Performance Management.
- Resource Planning, specifically where there is no additional capacity built into resource levels to cover holidays, etc.

**Below** are our **specific recommendations** in relation to these areas. We advise these are implemented as soon as possible.

Recommendation	What issue/s does this resolve	Ease of implementation
Implement the use of the City of London’s established performance management framework, values and behaviours. This should include: <ul style="list-style-type: none"> <li>• Setting of objectives and targets linked to KPI’s</li> <li>• Regular 121 meetings to provide support and discuss performance against targets, objectives and behaviours.</li> <li>• 121 appraisals for each member of staff in line with the City of London’s requirements.</li> <li>• Regular team meetings to discuss performance, improve team communication and identify areas of focus/continuous improvement.</li> </ul>	<ul style="list-style-type: none"> <li>• Greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.</li> <li>• Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.</li> <li>• Improved focus on staff support and wellbeing, including regular 121’s and team meetings being held.</li> <li>• Improved training for staff, particularly around people issues and performance management.</li> <li>• Managing and improving sickness absence levels.</li> <li>• Improving motivation levels amongst staff.</li> </ul>	
Create a pool of CPA/LP roles who can support with covering holidays, sickness, etc.	<ul style="list-style-type: none"> <li>• Roles need to be based on the demands of the service and value to residents.</li> <li>• Resource planning requires improvement to reduce the spend on overtime and agency staff.</li> <li>• Increased focus on improving staff morale, including ensuring regular 121’s and team meetings are carried out.</li> </ul>	





[Redacted]

[Redacted]

[Redacted]	[Redacted]	[Redacted]
[Redacted]	<ul style="list-style-type: none"> <li>Savings and efficiencies will be delivered through the action plan. Detailed reviews of each element of the BEO service delivery.</li> </ul>	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]

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[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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**Page 18-19: The 'Summary of Costs and Savings from Recommendations' has been redacted to allow validation during the formal change management programme. The review has indicated potential shared savings of around £1 million across the Service Charge and Landlord accounts.**



# Key Recommendations (Phase 1)

## Redesign of key processes

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# Introduction - Redesign of key processes

In this section we **address the following areas** identified from the Stage 1 review.

## Processes

- Processes need to be fully documented to ensure they are understood and consistent in approach.
- Roles require further clarity of what activity sits in which role to avoid duplication.
- Policy and processes to be reviewed to ensure they are fit for purpose and need meet the needs of the Barbican residents.
- Informal channels for reporting issues such as repairs need to be removed to ensure there is improved visibility of the issue and reduce the number of roles involved in reporting and dealing with issues.

## Customers

- Greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.
- Education and communication of new processes for residents to ensure understanding of processes and that they are used.

## Technology and systems

- Improved use of technology to improve efficiency and effectiveness of services.
- There needs to be a clear plan to use technology to improve future efficiencies and quality of services including the roll-out of a resident portal.

In the **following slides**, we set out a number of recommendations in relation to future process redesign. In designing the future processes, we have worked within a number of **best practice principles**, which include;

- Customers will have a primary clear, and sufficiently skilled point of contact, supported by clear transfer of responsibilities between teams.
- Interaction with residents should be focused on providing excellent customer service.
- Clarity on roles with clear split of responsibilities, duplication will be minimised, with activities consolidated where possible.
- Interactions between teams is seamless with reduced silo working and improved communication.
- Where possible, steps in the process should be automated or form part of a workflow in order to maximise efficiency and reduce human error.
- Processes are supported by clear guidance for both BEO staff and residents and standardised approach in place for quality control work sign off.
- Ensuring there is access to the right technology infrastructure to operate effectively and efficiently.
- Data should be utilised to inform future service delivery improvement and demonstrate value for money key stakeholders.





# Introduction - Redesign of key processes

One of the **key priorities** identified in Stage 1 of our review is to assess current core process critical to service delivery and model 'to be' future state processes for each key area to ensure there is the ability to oversee all levels of activity and that processes are fit for purpose and factor in best practice to drive efficiency and effectiveness. Supporting each "to be" model we have also produced process maps which graphically demonstrate the steps that are taken to complete a task or deliver a service and help us to understand what is really happening in a current process or set-out how a process should work in future [REDACTED]

The key processes we have identified and agreed with the Project Board as part of this exercise include:

**Process 1 - General repairs** – Repairs process from reporting a repair to quality inspection and completion.

**Process 2 – Resident Services** –Process of other resident issues and queries, includes complaints and service failure and service charge query.

**Process 3 - Spare keys storage** – [REDACTED]

**Process 4 - Parcel collection** – [REDACTED]

For general repairs and resident services, we have summarised the key features of the "to be", redesigned model and undertaken an impact assessment to provide further detail and context, covering, key drivers, targeted benefits and considerations such as activities to support implementation including long term options. For processes of spare keys storage and parcel collection, we have detailed the current as is position and future options for consideration with supporting pros and cons.

# Process 1 - General repairs, Introduction

## Overview of the current 'as is' process

From our stage 1 review the following key findings were outlined:

- **Inconsistent customer experience** in reporting a repair and can be through multiple teams/channels (e.g. Property Services Desk, BEO Reception, House Officers, Cleaners, CPAs and Resident Engineers).
- Once a repair has been reported, **limited reassurance** provided to the resident about the **progress** and **resolution of issues**, therefore creating “failure demand” into both the Property Services desk and other roles such as the House Officers.
- **Lack of formalised documentation/** guidance that **categorises** a repair – e.g. emergency repair, appointment repair
- **Status of repair** is **not easily accessible** for customers and leads to uncertainty and frustration. Partly due to Civica system needing to be embedded.
- **Lack of robust, detailed performance monitoring**, critical in holding contractors to account and to provide insight for trends analysis and insight in to longer term issues.
- **Lack of quality information** including work specifications, post inspections, recalls, etc

In the **following two slides** for each process we have **summarised** the **key features** of the “to be” model and undertaken an impact assessment to provide further detail and context, covering, key drivers, targeted benefits and considerations such as activities to support implementation including long term optimal model. We have additionally RAG rated each recommendation to assess the ease of implementation.

## To be' map - General repairs process steps

The general repairs process, defined as: *An item of day to day repairs and/or routine maintenance undertaken in response to a request from a Barbican customer.*

The general repairs process map is split into the following **key stages**, please note a detailed process map of the redesigned process.. This is based on maximising the use of technology and improved ways of working.

- **Stage 1 – Reporting and Diagnosis** – All steps involved in a customer reporting a potential repair. One channel route for reporting a potential repair, short to medium term through the Property Service Desk and longer term through online customer portal. Clear system in place to ensure no duplication of orders to ensure one version of the truth.
- **Stage 2 – Scheduling** – Clear scheduling of appointments with both repair operative and customer with clear communication. Short term through text message, long term through text and online portal.
- **Stage 3 – Carrying out the Repair** - Repairs operative uses device to show that job has started and carries out repair if safe to do so. Operative indicates when a job is complete on their device and will update job codes and complete.
- **Stage 4 – Follow-on works** – System creates alerts when variations requests are made, these are actioned and the follow on process is. If the job cannot be completed first time, the Repairs Operative will book a follow on appointment with the customer before they leave.
- **Stage 5 – Quality Checks and Completion** – System sends a customer satisfaction survey on completion of a job, this should include date and time of visit, details of repair and time taken and cost. If a QA inspection is needed, the Supervisor will contact the resident to arrange this, any repairs that have not been completed satisfactory, a follow on job will be raised.





# Process 1 - General repairs – ‘To be’ process map – Impact Assessment

Key features of the proposed ‘to be’ Model (RAG colour denotes ease of implementation)	The case for change Key Drivers/ issues identified in Stage 1	Targeted Benefits	Key Considerations and Activities to Support Implementation
Reporting a repair through a single point communication channel into the City of London Property Service Desk	<ul style="list-style-type: none"> <li>Currently there is an inconsistent customer experience in reporting a repair and can be through multiple teams/channels (e.g. Property Services Desk, BEO Reception, House Officers, Cleaners, CPAs and Resident Engineers).</li> </ul>	<ul style="list-style-type: none"> <li>✓ Ease of access and clarity for residents to report a repair.</li> <li>✓ Roles such as Housing Officers are not having to focus on out of scope tasks like chasing repairs and reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented alongside a clear and effective communications plan to help residents understand the communication channels – this is particularly important for residents less IT literate.</li> <li>Capability and capacity of resources operating the service desk to manage demand on the service., therefore improving this service and residents confident in using this to report repairs.</li> <li>Effective communication and education around new processes to residents</li> </ul> <p><i>Long term consideration: Online portal for residents to report a repair.</i></p>
All new repairs reported by BEO residents and active repair updates are logged onto [redacted] to ensure one version of the truth and no duplication of orders	<ul style="list-style-type: none"> <li>Currently several different data storage locations for repairs data which increases the risk of data inaccuracies and difficult for residents to obtain status update on repairs.</li> <li>Once a repair has been reported, limited reassurance provided to the resident about the progress and resolution of issues, therefore creating “failure demand” into both the Property Services desk and other roles such as the House Officers.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Reduced likelihood of job order duplication.</li> <li>✓ Through one central logging system, complete transparency to all stakeholders (residents, BEO).</li> <li>✓ Enables greater use of data for performance monitoring purposes.</li> <li>✓ Residents are able to obtain up to date information on the repair status.</li> </ul>	<ul style="list-style-type: none"> <li>Coordination with contractors to ensure all repairs are updated in line with new process.</li> <li>Implementation alongside data governance framework.</li> <li>Within the interim period residents will need to call or email the Service Desk for an update.</li> <li>Option – if a contractor is responsible for a repair does BEO or the contractor manage the contact from the point of engagement with the resident?</li> </ul> <p><i>Long term consideration: Residents are able to obtain status updates through online portal.</i></p>
Clear process of scheduling and diagnosis of repair to be undertaken by central team within City of London (CoL) through [redacted] – Typical/ simple repairs can be diagnosed by a scheduler, where more complex jobs, the CoL Property team are engaged to advise	<ul style="list-style-type: none"> <li>Occasions where repairs are not diagnosed correctly and leads to residents being frustrated due to increased likelihood of repeat jobs.</li> <li>Lack of formalised documentation/ guidance that categorises a repair – e.g. emergency repair, appointment repair.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Standardised approach to diagnosis (through resident questionnaire and asking for photos of issue) leads to increased accuracy of first time diagnosis.</li> <li>✓ Clear process to ensure the right expertise are utilised earlier in the process at the diagnosis stage.</li> </ul>	<ul style="list-style-type: none"> <li>Alignment with communication plan to ensure residents are informed on the initial diagnosis process through diagnostic questionnaire.</li> <li>Guidance and training to ensure service desk have the capability to correctly diagnose a repairs issue.</li> <li>Strengthen the coordination between Property Service Team and Service Desk.</li> </ul> <p><i>Long term consideration: Resident complete questionnaire via online portal, system is then able to automate diagnosis and schedule appointment. System is able to automatically diagnose simple repairs, more complex jobs will still require human input.</i></p>
Clear split of responsibility between onsite Resident Engineer and contractors – e.g. type of repair.	<ul style="list-style-type: none"> <li>Lack of formal documentation detailing the split of responsibility between a Resident Engineer and when a contractor should be used.</li> <li>Resident Engineers completing jobs outside their skillset can lead to a reduced quality of service.</li> <li>Giving work to contractors that Resident Engineers can do can increase costs.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Right expertise are used for each job.</li> <li>✓ Reduced chance of Resident Engineers undertaking jobs outside their role.</li> </ul>	<ul style="list-style-type: none"> <li>Recommendation is dependent to an extent on the future organisation design.</li> </ul> <p><i>Long term consideration: NA</i></p>

# Process 1 - General repairs – ‘To be’ process map – Impact Assessment

Key features of the proposed ‘to be’ Model (RAG colour denotes ease of implementation)	The case for change Key Drivers/ issues identified in Stage 1	Targeted Benefits	Key Considerations and Activities to Support Implementation
A level of consistency from Repairs Operative even when using different of contractors. E.g. process of ID check, risk assessment etc.	<ul style="list-style-type: none"> <li>In line with best practice there should be a minimum consistency across repairs service.</li> <li>Interaction with residents should be focused on providing excellent customer service.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Residents are provided with a consistent level of service delivery – improved customer service/ reduced complaints.</li> </ul>	<ul style="list-style-type: none"> <li>Coordination with contractors on updated process requirements.</li> </ul> <p><i>Long term consideration: When retendering contracts requires embedding of process requirements with specification.</i></p>
Clear guidelines on repairs timings for different repairs, e.g. emergency repairs are attended to within four hours, all repairs completed.	<ul style="list-style-type: none"> <li>Evidence provided from residents where repairs have been ongoing for a period of time with no resolute or action.</li> <li>No documentation provided outlining timings.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Residents are clear on when repairs are expected to be completed.</li> <li>✓ Enables service delivery performance (including contractors) and value for money to be demonstrated/ evidenced.</li> </ul>	<ul style="list-style-type: none"> <li>Coordination with BEO future communications plan to ensure customers are clear on type of repairs and agreed timings.</li> <li>Data to be fed into performance framework.</li> </ul> <p><b>Long term consideration: NA</b></p>
Clarity and transparency on case management to ensure follow on works are customer complaints are managed correctly.	<ul style="list-style-type: none"> <li>Jobs being closed when repair has not been fully completed – leads to duplication with new repair jobs being created and ultimately frustrated customers.</li> <li>If job cannot be completed, systems need to be updated accordingly outlining follow on works/ next steps.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Greater transparency to all stakeholders (residents, BEO) through one central logging system.</li> <li>✓ Residents are able to obtain up to date information on the repair status and any follow on works.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening coordination between Service Desk and Property Services Team.</li> <li>Alignment with resident complaints process.</li> <li>Coordination with contractors to ensure system is updated.</li> </ul> <p><i>Long term consideration: Depending on future technology roadmap there may be opportunities to strengthen repairs case management including integration with online portal.</i></p>
Quality inspection embedded within process to ensure high quality of service and holding contractors to account. Also includes feedback survey completed by residents.	<ul style="list-style-type: none"> <li>Quality inspection should be independent from contractor.</li> <li>Inspections extended to include Resident Engineer jobs.</li> <li>Processes are supported by clear guidance and standardised approach in place for quality control work sign off.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Residents are kept informed and included in the approval and sign off / case closure.</li> <li>✓ Residents given the opportunity to provide meaningful feedback on level of service. Additionally provides BEO with rich, live data and insight.</li> </ul>	<ul style="list-style-type: none"> <li>Option - Consideration on what level of contracted jobs should be inspected. Currently 15% of all jobs are selected for inspection (typically we would see it around 10%). Depends on the organisation design for number and scope of Resident Engineers.</li> <li>Feedback survey in short term needs to be sent manually.</li> </ul> <p><b>Long term consideration: Automation of feedback survey.</b></p>
Data gathered informs an agreed set of performance metrics to demonstrate value for money	<ul style="list-style-type: none"> <li>Lack of robust, detailed performance monitoring, critical in holding contractors to account and to provide insight for trends analysis for longer term issues.</li> <li>Escalating costs of repairs and as part of the review an inability to provide robust KPI's and performance framework for monitoring repairs, first time fix, follow on works, etc which we would expect to be routine information made available.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Greater data available for performance monitoring – holds contractors to account and demonstrate value for money and service delivery to residents.</li> <li>✓ Increased likelihood of identifying longer term issues / recurring repairs.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening coordination between Service Desk and Property Services Team.</li> <li>Alignment with future BEO performance framework</li> <li>Monitoring of metrics needs appropriate senior oversight – suggest initially the contract manger/ surveyor and then Head of BEO.</li> </ul> <p><b>Long term consideration: Potential use of benchmarking to appraise services.</b></p>



# Process 2 – Resident Services, Introduction

## Overview of the current 'as is' process

Outside repairs there are a range of other Resident Services areas that are reported by residents and managed by the BEO staff, the most frequent include: Reporting a failure in service, complaints, ASB and estate security and residents raising a query in relation to service charge. From our stage 1 review the following key findings were outlined:

1. **Reporting a failure in service and complaints** - Whilst there is a complaints process in place, the process for capturing and resolving informal complaints or any overarching performance monitoring is not in place. Additionally where a resident has raised a failure in service (e.g. cleaning standards) this is not formally documented anywhere and little evidence on how this informs service improvement.
2. **Residents raising a query in regard to service charge** – No formal process documented for managing a customer query in regard to service charges including who is responsible for managing the resident query and engagement and what level of expertise is required when investigating and resolving.

In the **following two slides** we have each process we have summarised the key features of the to be model and undertaken an impact assessment to provide further detail and context, covering, key drivers, targeted benefits and considerations such as activities to support implementation including the long term optimal model. We have additionally RAG rated each recommendation to assess the ease of implementation.

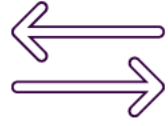
## To be' map – Resident Services process steps

The resident services process, defined as: *All non-repairs resident issues and queries, includes reporting a failure in service, complaints and estate security and residents raising a query in relation to service charge.* Although each process has separate sub processes they all follow the same key stages.

- **Stage 1 – Reporting and logging** – All steps involved in a customer reporting/ raising a query or issue, for all three sub processes when reporting within working hours, this should be through the Service Desk who manages the initial resident engagement and logs issue/query. Only the ASB/ estate security can be reported outside working hours.
- **Stage 2 – Delegation and assessment** – Process steps involved in delegation to specific teams from the Service Desk and formulating an action plan and follow up/ engagement with resident – for all three sub-processes it is critical the resident is kept informed on all key milestones.
- **Stage 3 – Implementation and escalation** – Following an assessment of the issue/query the respective team will implement the action plan (service charge query may require expertise from Service Charge & Revenue Manager). Where the issue/query cannot be resolved an escalation process must be actioned with the appropriate senior BEO staff member involved.
- **Stage 4 – Feedback and case close** – Final actions involved in closing a case, including sign off/ approval from resident and completion of feedback form which forms part performance monitoring framework to inform future service improvement.



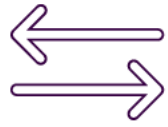
# Process 2 – Resident Services – ‘To be’ process map – Impact Assessment



Key features of the proposed 'to be' Model (RAG colour denotes ease of implementation)	The case for change Key Drivers/ issues identified in Stage 1	Targeted Benefits	Key Considerations and Activities to Support Implementation
Across all processes			
<b>Single point of contact</b> through Service Desk for <b>initial reporting</b> of all resident complaints, service failure and service charge queries .	<ul style="list-style-type: none"> <li>Currently there is an inconsistent customer experience in reporting a non-repair issue or query and can be through multiple teams/channels (e.g. Property Services Desk, BEO Reception, House Officers, Cleaners, CPAs and Resident Engineers).</li> </ul>	<ul style="list-style-type: none"> <li>✓ Ease of access and clarity on point of contact for residents in reporting non-repair issue/query.</li> <li>✓ Roles such as Resident Service Officers are not having to focus on out of scope tasks like logging resident services issues.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented alongside a clear and effective <b>communications plan</b> to help residents understand the communication channels – this is particularly important for residents who are less IT literate.</li> <li>Resident Service Officers remain the key relationship manager/resident champion.</li> </ul> <p><i>Long term consideration: Utilisation of an online portal for customers to report a resident services issue/ query.</i></p>
Completion of resident <b>feedback</b> survey prior to case closure	<ul style="list-style-type: none"> <li>No formal, structured way for residents to provide feedback of services provided to inform service improvement.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Ensures residents feel they are being listened to.</li> <li>✓ Gathers useful data and information to inform performance management.</li> </ul>	<ul style="list-style-type: none"> <li>Feedback survey in short term needs to be sent manually and fed into performance framework.</li> </ul> <p><i>Long term consideration: Utilisation of an online portal for residents to complete a feedback survey.</i></p>



# Process 2 – Resident Services – ‘To be’ process map – Impact Assessment



Key features of the proposed ‘to be’ Model (RAG colour denotes ease of implementation)	Key Drivers/ issues identified in Stage 1	Targeted Benefits	Key Considerations and Activities to Support Implementation
Reporting a service failure and complaint process			
<p>All complaints received, including informal ones, are logged and actioned and followed up, with positive customer experience prioritised.</p>	<ul style="list-style-type: none"> <li>Although there is a complaints process in place, evidence this is not always followed in practice.</li> <li>No evidence of any associated metrics to inform performance management.</li> </ul>	<ul style="list-style-type: none"> <li>Enables residents to feel they are being listened to and ensures full accountability of BEO to respond to all resident complaints.</li> <li>Gathers useful data and information to inform performance management and service improvement.</li> <li>Shows the BEO is acting on feedback from customers regarding the tone and approach of complaints handling process.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented alongside a clear and effective communications plan to help residents understand the communication channels – this is particularly important for residents who are less IT literate.</li> <li>Requires clear logging and tracking of each complaint case.</li> </ul> <p><i>Long term consideration: Utilisation of an online portal for residents to report and monitor complaint correspondents. Potentially for automation of delegation of simple complaints to appropriate team.</i></p>
<p>Publicised complaints procedure for residents including where complaint cannot be resolved by BEO (stage 1 and 2),</p>	<ul style="list-style-type: none"> <li>No evidence residents are informed of the existence complaints handling procedure, including response times for the various stages.</li> <li>No evidence of the full contact details of the Ombudsman.</li> </ul>	<ul style="list-style-type: none"> <li>Residents have full understanding and are reassured on how the complaints procedure works including external options where complaint cannot be resolved internally.</li> <li>Accountability of BEO to follow clear procedure.</li> </ul>	<ul style="list-style-type: none"> <li>Response times for first and second stage complaints to be agreed.</li> <li>Implemented alongside a clear and effective communications plan to help residents understand the end to end complaints process.</li> </ul> <p><i>Long term consideration: NA</i></p>
Resident service charge query			
<p>All individual resident contact in regard to service charge queries through Resident Services Officer &amp; Manager (Service Charge &amp; Revenue Manager provides expertise but no customer contact)</p>	<ul style="list-style-type: none"> <li>Interaction with residents should be focused on providing excellent customer service through customer facing specific roles.</li> </ul>	<ul style="list-style-type: none"> <li>Residents are provided with a consistent customer experience. Clarity on point of contact for residents in regard to service queries</li> <li>Improved focus for the SC team and roles are not stretched to cover other ‘non-financial’ elements (resident query management and legal tasks).</li> </ul>	<ul style="list-style-type: none"> <li>All residents are formally notified of service charge estimates for the year and have a formal consultation period. Residents should be encouraged to report any service charge queries within the formal consultation period.</li> <li>Resident Service Officers and Manager need appropriate training to ensure equipped to deal with queries and also need access to the relevant information.</li> </ul> <p><i>Long term consideration: Potential use of online portal for residents to view service charge details (amount due/ balance etc).</i></p>
<p>Where formal Resident Committees discuss service charge, the appropriate roles and expertise are utilised including representation from the BEO Service Charge &amp; Revenue Manager</p>	<ul style="list-style-type: none"> <li>Evidence that some residents are unaware of the service charge setting process and outcomes.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate use of expertise to inform resident committee groups of service charge setting process.</li> </ul>	<ul style="list-style-type: none"> <li>Understanding of how all residents (not only resident committee members) are informed of the service charge process and outcomes needs to be detailed.</li> </ul> <p><i>Long term consideration: NA</i></p>

# Process 3 – Key storage

Redacted for security reasons

In addition to general resident services and repairs the BEO currently undertakes **other services** for residents, including resident **parcel collection and storage and spare keys storage**. On the next two slides we have detailed the current as is position and future options for consideration with supporting pros and cons. It should be noted however that both services are highly valued by a number of residents and therefore any changes will require careful consideration in consultation with residents.

Option (RAG colour denotes ease of implementation)	Details/ context	Pros and cons		Key Considerations
		Pros	Cons	
<b>Spare Key Storage</b>				
1. Keep as current as is	<ul style="list-style-type: none"> <li>[Redacted]</li> <li>[Redacted]</li> <li>[Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✗ [Redacted]</li> <li>✗ Duplication of roles between BEO reception and CPAs.</li> </ul>	<ul style="list-style-type: none"> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>
2	<ul style="list-style-type: none"> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ [Redacted]</li> <li>✓ Clarity for residents</li> <li>✓ Clear split of roles and responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>✗ [Redacted]</li> <li>✗ Admin time commitment for BEO staff</li> </ul>	<ul style="list-style-type: none"> <li>• If this option is selected then clear guidance through communications plan to ensure updated policy is understood.</li> </ul>
3.	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ No liability on BEO</li> <li>✓ In line with City of London Target Operating Model (TOM)</li> <li>✓ Alignments with lease agreement</li> </ul>	<ul style="list-style-type: none"> <li>✗ [Redacted]</li> <li>✗ High risk of push back/ challenge from residents</li> </ul>	<ul style="list-style-type: none"> <li>• Would require careful consideration and consultation with residents</li> <li>• Need to ascertain lease requirements to retain keys for residents</li> </ul>



# Process 4 – Parcel collection

Redacted for security reasons

Option (RAG colour denotes ease of implementation)	Option details	Pros and cons		Key Considerations
		Pros	Cons	
<b>Parcel Collection</b>				
1. Keep as current as is	<ul style="list-style-type: none"> <li>[Redacted]</li> <li>[Redacted]</li> <li>[Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✗ Example of where roles have developed informally and without the required insight into what residents value or what provides good VfM to residents</li> <li>✗ Outside lease agreement of service to be delivered by BEO staff.</li> <li>[Redacted]</li> <li>[Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>• Would require an update of governance documentation (job descriptions, policies) to embed.</li> <li>• If this option is selected, we would strongly recommend formalising [Redacted] to ensure consistency and data accuracy.</li> </ul>
Page 107	<ul style="list-style-type: none"> <li>• In terms of service delivery no change to the current as is process, [Redacted]</li> <li>• Supported by clear logging system and reporting process.</li> </ul>	<ul style="list-style-type: none"> <li>✓ [Redacted]</li> <li>✓ Reduced liability on BEO.</li> </ul>	<ul style="list-style-type: none"> <li>✗ [Redacted]</li> <li>[Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>• If this option is selected, we would strongly recommend formalising and improving the logging system (one approach) to ensure consistency and data accuracy.</li> </ul>
3. [Redacted]	<ul style="list-style-type: none"> <li>• [Redacted]</li> <li>[Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✗ Medium disruption to resident current service delivery</li> <li>✗ [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>
4. [Redacted]	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>	<ul style="list-style-type: none"> <li>✓ No liability on BEO for goods being damaged or lost.</li> <li>✓ [Redacted]</li> <li>✓ In line with lease agreement.</li> </ul>	<ul style="list-style-type: none"> <li>✗ [Redacted]</li> <li>✗ Significant time commitment in the planning and implementation.</li> <li>✗ Significant disruption to resident current service delivery - High risk of push back/ challenge from residents</li> </ul>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>

# Key Recommendations (Phase 1)

## Budgeting, cost control and service charges

Page 108





# Budgeting, Cost control and Service charges

In this section we **address the following areas** identified from the Stage 1 review.

## Customers

- There needs to be greater accountability by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.

## Processes

- Budgeting and cost control requires improvement

## People and Culture

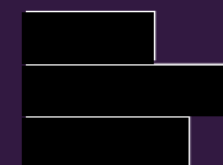
- Improved communications between the BEO and residents, in particular written communications need to be plain English and written from the audience rather than the writers perspective.

## Performance and Data

Budget holders are accountable for reporting on and communicating to residents on both the financial and overall performance of the services they deliver to the Barbican Estate, including any contractors who deliver services on their behalf.

In the **following slides**, we set out a number of recommendations in relation to budgeting, cost control and communication with leaseholders. We have worked within a number of **best practice principles**, which include:

- Budgeting timetable
- Accountability and ownership of costs
- Demonstrating value for money
- Leaseholder input
- External validation of accounts
- Clear, accessible and timely communication with leaseholders



# Budgeting and Cost Control

## Overview of the current 'as is' process - service charge budgeting process:

The service charge account consists of five key areas and the budgeting process for each area is detailed below.

**Customer care** – includes the proportion of costs of management and supervision. The budget is made up of the staff salaries, apportioned on a time basis.

**Estate management** – the budget includes the resident engineer's costs (salaries and accommodation) and the salaries for the Cleaners and Lobby Porters and around 33% of car park attendant salaries. The budget is made on the basis of a fully staffed team and makes a provision for overtime and agency workers.

**Property management** – covers the repairs and maintenance works and the energy costs for communal areas. The estimates for planned repairs are based on the contract prices (e.g. window cleaning, general maintenance). Other repairs are on scheduled rates of works, and during the budgeting process, the average of the costs incurred over the last five years are taken into account and then inflated. The finance team also gets input from the technical team for maintenance costs. For energy, the finance team are provided with a unit rate to be used for budgeting. This element of the budgeting process is the most variable part.

**[REDACTED]** – relates to the ground's maintenance. The staff salaries feed into the budget, with 85% charged to the service charges account (these are for maintenance of private gardens\_ and the remainder to the landlord account (which represents areas designated as City Walkways).

**Major works** – A stock condition survey has been completed and there is a high level plan for the planned works, but further planning work is being undertaken before the formal approval process can begin to procurement.. Therefore, the technical team provides cost estimates for each block at the start of the year and the finance team incorporate those estimates.

The service charge estimates for the financial year are carried out in April and shared with the leaseholders, with the first quarterly payment due in June. The City carries out its budgeting in October so the service charge budgeting could be brought earlier. The reconciliation for the previous year's service charge cost is carried out in August, and the balancing amount is calculated. Leaseholders are notified of the difference and the adjustment is made in the September payment.

Any increases in costs, as long as they are reasonable, are passed on to the leaseholder which is in line with the legislation. The finance team have monthly meetings with the technical team to review spend on repairs and maintenance. Repairs and maintenance is also reviewed at two further budgets meetings **xx**

Estimates are not changed in the year to give confidence to leaseholders on the budgeting process and avoid any potential confusion. However, residents do then not receive any reforecasts based on actual spend.



# Budgeting and Cost Control – best practice

## Best practice

### Apportioning costs

Costs between different departments should be apportioned in an appropriate way e.g. time basis (staff time spent on relevant activities) or by number of units in a block. It should be done in a fair, consistent and transparent manner to ensure costs are allocated to the right departments. If the Resident Engineers carry out non-service charge elements, these are recharged accordingly.

In addition the apportionment of overheads for use of City of London departments should also be reviewed to ensure there is a fair and consistent approach and that is transparent to residents.

### Allow sufficient time for the budgeting process

As there are a number of different departments that feed into the budgeting process, the budget timetable needs to be set such that there is time to review the data provided by other teams and scrutinise and challenge if necessary. For BEO, the technical team provide repairs and maintenance cost estimates to the finance team and so there needs to be sufficient time in the timetable for these cost estimates to be reviewed. Service charge costs increasing year on year, with actual service charge costs being c. 29% higher than budgeted figures for the last financial year so more scrutiny is required in the budgeting process.

### Cost control culture

During the budgeting process, best practice states that the costs of the previous 12 months should be established. One-off items from the previous year should be excluded, and one-off items for the coming year added on. Other costs (such as payroll) should be inflated appropriately. Variable service charges, by their very nature, are likely to vary year on year but taking previous years into account will help to reduce the extent of the balancing charge required to be paid after year-end.

BEO looks at the last five years and makes the relevant adjustments. Certain costs, such as payroll costs, will be relatively easier to budget compared to repairs and maintenance costs which are more likely to be volatile. However, there needs to be ownership of the costs in the budget, with a team responsible for taking measures to control costs and reduce significant variances and held accountable. Best practice states that service charges ownership is at housing and operational teams, not finance. Controlling costs in the service charge account should be embed in the culture of the team, similar to how costs for other accounts are controlled. The monthly review meetings should be used to explore the variances in costs in more detail and acknowledge current economic climate.

Sufficient time should be given to ensure the appropriate scrutiny and challenge of the budget by residents.



# Budgeting and Cost Control – best practice

## Best practice

### Check periodically that value for money is being obtained for the services being provided

As part of the budgeting process, service contracts should be checked to ensure they are still appropriate and provide good value. The technical team, should determine if the level of repairs is higher than the norm and if so, take extra care to review the maintenance contract to ensure the service standard is met and value for money achieved. The team should also benchmark services between similar schemes to identify outliers.

There should be a continuous review of charges across the estate with emphasis on high cost areas for further investigation. This can then result in service redesign or consultation on ongoing services. For example, certain non-urgent works could be delayed and carried out as part of a larger tendering process to realise value for money through economies of scale.

### Leaseholder input

BEO follows due process regarding tendering processes and requirements of section 20 but may wish to consider producing a schedule for contracts due in the next to help with future planning.

### External examination of the accounts

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There can also be additional requirements set out in the occupancy agreement. For example, it is usual for leases to include an absolute obligation on the landlord to provide the summary of relevant costs and for that summary to be audited. The current statutory position is that a resident paying a variable service charge can request the landlord to provide accounts known as a written summary of relevant costs, 'certified' by an independent qualified accountant, and defined by the legislation as a registered auditor.

Organisations that do not carry out a full external audit on service charges do an internal audit instead in line with best practice, and as a way to provide assurance to leaseholders. BEO currently does not carry out any form of audit on service charges. In order to give assurance that service charges demonstrate value for money, BEO may wish to consider carrying out an external validation. The rationale for carrying out such a review would need to be communicated clearly with the leaseholders as they may pick up the costs of such an exercise.





# Service Charge Communication

## Communication

Currently, BEO sends a letter in June with the estimates for the service charges for the coming year and provides comparison against the previous year estimates. Another letter is then sent in September detailing the balancing payment for the previous year with an explanation for the differences. Last year, a further letter was sent in November to provide an update on the rising costs and the impact it would have on the service charge costs.

As detailed in our stage 1 report, BEO needs to improve the communication with leaseholders on service charges to ensure it is easier to understand. Best practice principles on communication with leaseholders is that they should receive clear, accessible and timely information.

## Clear

- Communication needs to be clear and easily understandable, written in plain English with less jargon.
- Communication should be written from the readers' perspective, with the residents in mind.
- Any data included in the documents should be presented in such a way that it allows easy comparison between different years.
- There could be the option to include graphs and charts as long as they are clear and easy to understand.
- There should be clear explanations for any variances between the estimated figures and not just state the what but explain the why.
- A detailed plan of works and when they will be carried out should be shared with leaseholders to ensure they are aware of future cost increases.



# Service Charge Communication

## Communication

### Accessible

- BEO is using the City of London website to provide the additional service charge information, with leaseholders able to download the documents onto their computer to review at a later date. Need to ensure this is publicised to all residents.
- There is also the option to request paper copies, if required.

### Timely

- Due to the reporting cycle, the actual cost for the previous financial year is not provided until the middle of the next financial year. Therefore, the letter sent to leaseholders in June compares the upcoming service charge with the budgeted costs for the previous year. This can be misleading as the actual costs for the previous year were c,29% higher than the budget figures.
- BEO should consider carrying out the reconciliation of the previous year service charges by June so that the budget figures for the upcoming year can be compared against actual costs incurred in the previous year,
- BEO should also consider communicating with leaseholders on a quarterly basis to keep them updated on expected changes to future costs (such as increases to energy costs or more information on the major works programme).

In order to visually illustrate the recommended changes we have summarised the service charge and performance monitoring annual cycle on page 60.





# Budgeting, cost control and service charges – summary of recommendations

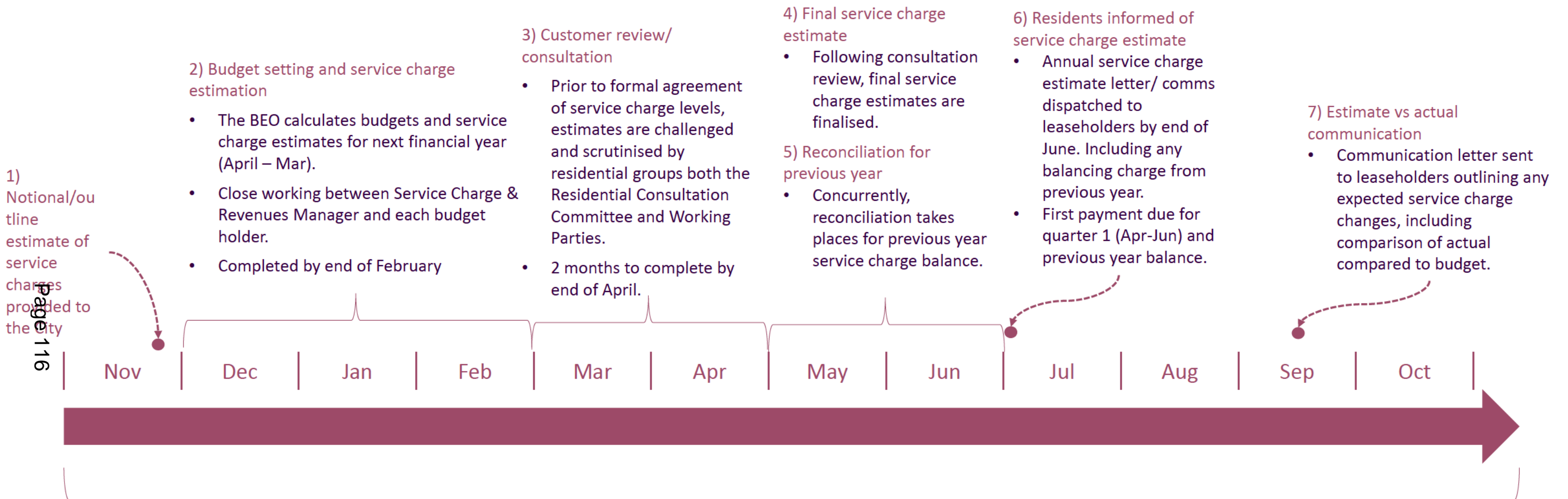
Below is a summary of the recommendation made in this section of the report.

Recommendation	What issue/s does this resolve	Ease of implementation
Carry out an independent, external validation of the service charges	<ul style="list-style-type: none"> <li>Greater accountability needed by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.</li> </ul>	
Start the budgeting process earlier to ensure all costs provided by other teams can be sufficiently reviewed by the finance team	<ul style="list-style-type: none"> <li>Improvement in the budgeting process.</li> <li>Allow time to review service contracts to ensure they are still appropriate and provide good value.</li> <li>Ensure costs are being correctly apportioned to the different accounts.</li> <li>Include budget formulas for transparency</li> </ul>	
Embed a culture change where costs are being reviewed on a regular basis and measures taken to control them by the budget holder e.g. the monthly review meetings should be used to explore the variances in costs in more detail	<ul style="list-style-type: none"> <li>Ensure there is ownership of the costs in the budget by the budget holder, alongside a demonstrable responsibility for taking measures to control costs and reduce significant variances and be accountable to residents for any variances.</li> </ul>	
Review the communication letters sent to leaseholders to address some of the concerns raised in our Stage 1 report and provide training to staff where necessary.	<ul style="list-style-type: none"> <li>The contents of the letters includes what we would expect to be included.</li> <li>However, communication needs to be clear, written in plain English with less jargon and offer detailed explanations for any variances.</li> <li>Communication should be written from the readers' perspective, with the residents in mind.</li> <li>Any data included in the documents should be presented in such a way that it allows easy comparison between different years.</li> </ul>	
Carry out the reconciliation of the previous year service charges by June	<ul style="list-style-type: none"> <li>The budget figures for the upcoming year can be compared against actual costs incurred in the previous year.</li> <li>Improved communication with leaseholders.</li> </ul>	
Communicate with leaseholders on a quarterly basis	<ul style="list-style-type: none"> <li>This will allow BEO to keep leaseholders updated on expected changes to future costs (such as increases to energy costs or more information on the major works programme)</li> </ul>	



# Service charge and performance monitoring cycle

On this slide we have summarised the recommended service charge and performance monitoring **annual cycle** timetable.



- Performance monitoring against agreed KPIs and service standards (ongoing throughout year)
- Across the whole year several agreed performance indicators are monitored to ensure service levels are upheld and value for money is being delivered.
  - Critically it is the budget holders who are accountable for managing their respective costs.



# Key Recommendations (Phase 1)

## Financial & Performance Reporting

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# Introduction – Performance Framework

In this section we **address the following areas** identified from the Stage 1 review.

## Organisational Design

- Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.

## Customers

- There needs to be greater accountability by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.

## Performance and data

- Data and information requires greater insight and narrative.
- A detailed framework for regular and consistent financial and performance reporting needs to be implemented including trend information.

In the **following slides**, we set out a number of **recommendations** in relation to future performance framework and monitoring redesign. In designing the future framework, we have worked within a number of **best practice principles**, which include

- Golden thread throughout performance framework, from objectives through to performance indicators and aligned targets.
- Clear lines of reporting and timings to appropriate governance groups.
- Appropriate data assurance and governance procedures to uphold robustness and accuracy of data and information
- Agreed set of performance indicators and success measures (targets) to monitor and inform service improvement
- Clear roles and responsibilities to manage and coordinate performance framework

Following our key recommendations we have **set out a high level performance framework**, which identifies the key residential governance groups engaged in performance reporting including their respective roles and responsibilities and outlined **typical performance measures**.





# BEO Performance Reporting - Governance Groups

## Key features of future Performance Framework:

- **Consistent KPIs** reported to all governance groups.
- For each Residential Consultation Committee, meetings take place on **quarterly basis** and hence performance reporting to be in line with meeting cycle.
- **House Groups** provided with same KPIs but on a more **detailed breakdown relating to their block/tower**.
- **Format** of reporting to be **consistent** and critically factor in historic data to show **trend analysis**.
- Working parties provided with performance data when required from standard performance report.
- Reporting to all committees and **managed** and coordinated by **BEO**.
- **This is the current governance model which requires further review based on the Governance review by Town Clerks department and the outcome of this review.**

### Barbican Residential Committee

- Delegated authority for approval covering all aspects of BEO: estate management, property services/ contractor performance, major works and finance ( including service charge and budgeting)

BEO is the service provider to all groups including coordinating and managing the performance framework

### Barbican Estate Office (service provider)

- Responsible for coordinating and managing performance framework including providing performance information to each residential governance group.
- Each team (finance, property service, estate management) are responsible for overseeing their respective KPIs.
- Contractor performance managed through Contract Manager/Surveyor (role TBC)
- Coordinates and liaises with the City of London on performance monitoring when required.

### Residential Consultation Committee

- Committee is used for consultation purposes.
- Higher level performance reporting covering all aspects of BEO: estate management, property services/ contractor performance, major works and finance (service charge and budgeting)

### House Groups

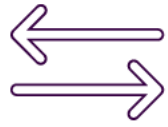
- 22 House Groups representing each Barbican Building
- Same KPIs as other governance groups but provided on a each specific House Group for more detailed breakdown.

### RCC Working Parties

- Working parties to discuss and follow up on specific aspects of the Barbican, e.g., service charge, asset and property maintenance, service level standards, underfloor heating
- No formal cycle of reporting

# Future BEO Performance Framework –

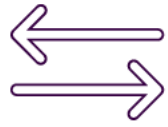
## Recommendations



Key features of the proposed 'to be' interim Model <small>(RAG colour denotes ease of implementation)</small>	The case for change <small>Key Drivers/ issues identified in Stage 1</small>	Targeted Benefits	Key Considerations and Activities to Support Implementation
<p>Agreed set of key performance indicators (KPIs) linked to objectives covering all aspects of the BEO, which provide a golden thread through all areas of performance reporting</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 120</p>	<ul style="list-style-type: none"> <li>Currently there is no formalised performance reporting framework or agreed KPIs which are regularly reported. The performance information we have received has data gaps and does not cover all elements of housing and estate management across the Barbican.</li> <li>As an example the performance information for repairs and maintenance is fragmented and hence it is difficult to hold contractors to account or display transparency of performance and VfM to residents.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Up to date real time data and analytics to be used to inform services.</li> <li>✓ Ability for the BEO to demonstrate level of value for money.</li> <li>✓ Ability for residents to understand performance and draw insights across a range of areas.</li> </ul>	<ul style="list-style-type: none"> <li>Requires level of consultation with residents to agree list of KPIs covering all aspects of the BEO, both repairs and resident services. May want to align/ factor in the City of London performance framework. Recommend a 'golden thread' from key objectives through to KPIs consistently monitored.</li> <li>Typically we would expect a set of key performance indicators (KPIs) which are regularly collected and monitored to track performance – KPIs include finance/ budgets, number of first time repairs, repairs completed in target time, number of ASB cases and resident satisfaction, major works among others.</li> <li>Recommendation that KPIs also cover internal people aspects such as sickness, labour turnover etc. To be reporting to the BEO/ internally only.</li> <li>Consider the use of targets for each KPI, however this may be challenging given there is no overall corporate strategy or key objectives to align to.</li> <li>Longer term consider potential use of benchmarking to assess the BEOs performance against peers.</li> </ul>
<p>Clear schedule of reporting to all key governance groups including standardised reporting across the BEO to each Housing Committee with transparency on timings and roles involved in gathering data/ info.</p>	<ul style="list-style-type: none"> <li>Currently no standard form of reporting across the BEO both internally or to Resident Committee groups. Gathering data is very time intensive and is generally the responsibility of the Housing Officer. Information is supplied to residents when requested but is complex to understand and often fails to give the required answers, assurance or inform the resident of the potential impact on them. Reporting to leaseholders assumes knowledge of complex terms, which may not be the case.</li> <li>There is a need for a streamlined approach to performance and financial reporting at a Housing Committee level, that provides each Committee with the required information and assurance but in an agreed, standardised format to reduce the resources required to undertake this activity but easily accessible for residents.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Streamlined approach to reporting providing insight and assurance while not being too time intensive.</li> <li>✓ Ability for residents to understand performance and draw insights across a range of areas.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent KPIs reported to all governance groups. For each Residential Committee, meetings take place on quarterly basis and hence performance reporting to be in line with meeting cycle. House Committee groups provided with same KPIs but on a more detailed breakdown based on patch.</li> <li>Format of reporting to be scoped out and agreed, however recommendations are that reporting is kept high level and streamlined and easy for audience to understand while providing assurance. Recommended use of historic data to identify trends and where performance is lower than target additional context and steps to remediate should be outlined.</li> </ul>
<p>Oversight and accountability from senior leadership to analyse KPIs data to inform future service improvement</p>	<ul style="list-style-type: none"> <li>No evidence that senior leadership across the BEO monitor on a regular basis performance information or data is strategically used to inform service improvement.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Senior leadership take accountability in driving service improvement.</li> <li>✓ Senior leaders are kept regularly informed</li> </ul>	<ul style="list-style-type: none"> <li>Recommend that in addition to providing performance data to each residential Housing Committee, each team leader (estate services, repairs, service charge/ finance) more regularly monitor KPIs with role of the Head of BEO to provide overall oversight and engages/informs with City of London leadership where appropriate.</li> </ul>



# Future BEO Performance Framework – Recommendations



Key features of the proposed 'to be' interim Model (RAG colour denotes ease of implementation)	The case for change Key Drivers/ issues identified in Stage 1	Targeted Benefits	Key Considerations and Activities to Support Implementation
Key internal and external contractors are held to account through robust suite of KPIs and regular meetings.	<ul style="list-style-type: none"> <li>Currently not all KPIs within contracts are used to monitor external contractor performance.</li> <li>Additionally, there is no robust contractor performance framework (or KPIs) to hold contractors to account.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Contractor are held to account and may be incentivised to improve their services</li> <li>✓ Demonstrates to all stakeholders including residents level of service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Consultation required with key contractors to ensure agreement regarding future KPIs and frequency of monitoring/ meetings. May have to align to current contractor management agreement in place.</li> <li>Dependent on organisational design, the newly created contractor manager role may be tasked with engaging with and overseeing contractor performance.</li> <li>Longer term recommend any agreed contractor KPIs are factored into specification when retendering.</li> </ul>
Data is collected accurately and consistently to inform KPIs as part of a broader data governance approach	<ul style="list-style-type: none"> <li>In defining the KPIs there is a need to understand where data can be gathered and where data gaps may exist.</li> <li>No evidence currently there is any data governance procedures in place to ensure the robustness and accurate being reported.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Data is robust, reliable and accurate</li> <li>✓ Stakeholders have confidence in the data that is being reported.</li> </ul>	<ul style="list-style-type: none"> <li>Short term recommendation is focused around where the data currently exists and where there are gaps to populate on a regular basis agreed KPIs. There is a need to implement and embed the appropriate data governance policies and procedures including assigning responsibility for each team leader to ensure their data is accurate.</li> <li>Longer term, depending on the future tech roadmap the potential use of an online portal could provide regular, automated data.</li> </ul>
Resident feedback should be meaningful and gathered on a regular, live basis	<ul style="list-style-type: none"> <li>Currently residents are sent a feedback survey once a year and it is unclear what the purpose of the data gathered.</li> <li>No other evidence of feedback being sought from residents.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Feedback is meaningful and residents feel like their views and feedback is factored into service improvement.</li> <li>✓ Regular and consistent resident feedback for the BEO to utilise to improve service delivery</li> </ul>	<ul style="list-style-type: none"> <li>Recommend in addition to the annual survey, live, regular data is gathered for a range of key services. Practically and in line with our recommended process redesign, residents are sent a short feedback survey at the end of each case. The survey can be tailored depending on the case type (ASB, repairs etc).</li> <li>In the short term it will likely be the responsibility of the property services desk to manually send out feedback survey, however long-term depending on the tech roadmap (including online portal) this process should be aimed to be automated.</li> </ul>
Financial and budget reporting should be reviewed regularly by budget holders to control costs	<ul style="list-style-type: none"> <li>Costs faced by leaseholders are currently increasing, with significant variances from budget figures</li> <li>Budget holders should be provided with regular finance performance figures to ensure measures can be put in place to stop costs spiralling</li> </ul>	<ul style="list-style-type: none"> <li>✓ Budget holders take ownership of the costs and investigate any significant variances from budget figures early on</li> <li>✓ Easy to compare performance against budget and previous period</li> </ul>	<ul style="list-style-type: none"> <li>Financial reporting should be included in the wider performance framework including being reported to governance groups and include the following: <ul style="list-style-type: none"> <li>○ Reports to budget holders provided on a timely basis (monthly/ quarterly), information should be easy to understand and have balanced information looking at past performance, actual data and budget figures, include key financial ratios in the reporting that are to be monitored consider visuals, if appropriate.</li> </ul> </li> </ul>

# Recommended BEO Performance Framework

On the following slides we have provided an overview of the recommended performance framework including KPIs and example targets, tolerances levels to inform RAG ratings and reporting groups. Please note targets and tolerance levels are just examples and typically what we would expect however final levels will need to be agreed with relevant governance groups.

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annual tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Customer Committee	House Groups*
<b>Property Management</b> - These performance measures are in relation to the property management of the Barbican Estate including day to day repairs, cyclical maintenance works and major works.										
PM1	Total number of repairs – Total repairs completed by the BEO (to be monitored and compared year on year).	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM2	% Emergency repairs within target - Number of emergency repairs completed within 4hours/24 hours including making good	Property Services Manager	100%	100%	100% - 90%	<90%	✓	✓	✓	✓
PM3	% Appointed repairs exceeding target working days for completion - Number of repairs completed in more than 20 working days compared to total number of repairs ordered excluding emergencies	Property Services Manager	<5%	<5%	5% - 10%	<10%	✓	✓	✓	✓
PM4	% Split of repairs carried out by Resident Engineers and external contractors	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM5	% of repairs requiring a recall / repeat - % of repairs that cannot be completed first time and require a follow up appointment.	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM6	Average time to complete Appointed Repairs - Number of days (average) to complete a repair (ex emergencies)	Property Services Manager	<10 working days	<10 working days	10 -20 working days	<20 working days	✓	✓	✓	✓
PM7	% Appointed Repairs completed on first visit - Number of repairs completed on first visit compared to total number of repairs ordered excluding emergencies	Property Services Manager	85%	85%	85% - 75%	< 75%	✓	✓	✓	✓
PM8	% of planned testing activities completed within planned timescales – Planned tests include emergency lighting, lifts	Property Services Manager	100%	100%	100% - 90%	<90%	✓	✓	✓	✓
PM9	% of inspections completed – Total repair inspections completed within time (total inspections equal 15% of all repairs).	Property Services Manager	100%	100%	100% - 95%	<95%	✓	✓	✓	✓

\* House Groups provided with the same KPIs as other governance groups but on each specific building (patch based) giving a more detailed breakdown.



# Recommended BEO Performance Framework

On the following slides we have provided an overview of the recommended performance framework including KPIs and example targets, tolerances levels to inform RAG ratings and reporting groups. Please note targets and tolerance levels are just examples and typically what we would expect however final levels will need to be agreed with relevant governance groups.

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annual tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Consultation Committee	House Groups
<b>Property Management</b> - These performance measures are in relation to the property management of the Barbican Estate including day to day repairs, cyclical maintenance works and major works.										
PM10	Average cost per repair	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM11	% of failed inspections – Percentage of repair inspections that do not pass the quality assessment threshold.	Property Services Manager	<5%	<5%	5-10%	>10%	✓	✓	✓	✓
PM12	<b>Major Works KPIs</b> – For all major works/ capital programmes a set of KPIs should be measured, examples: <ul style="list-style-type: none"> <li>• Time taken to complete works (standards agreed based on work type)</li> <li>• Cost KPIs - estimate vs actual</li> <li>• Quality - any/number of defects.</li> <li>• Resident satisfaction (measured by client-not contractor)</li> <li>• Wider contract KPIs - social value, shared savings etc.</li> </ul>	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	
<b>Resident Services</b> - These performance measures are in relation to the resident services across the Barbican Estate and any non-repair areas.										
RS1	Number of Issues – Total number of issues and repeat issues before they go into formal complaint.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS2	Number of stage 1 complaints – Number of current complaints at the stage 1 level.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS3	Number of stage 2 complaints - Number of current complaints escalated to stage 2 level.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS4	% of total complaints that are unresolved cases	Resident Services Manager	0%	0%	0% – 5%	>5%	✓	✓	✓	✓
RS5	% calls answered within service level – Year to date calls answer within target time. Monitoring also splits out between Property Service Desk and Resident Services.	Resident Services Manager	90%	90%	90% - 85%	<85%	✓	✓	✓	✓

# Recommended BEO Performance Framework

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annual tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Consultation Committee	House Groups
Resident Services - These performance measures are in relation to the resident services across the Barbican Estate and any non-repair areas.										
RS6	% of tenants transacting online/ portal – long term metric for how many tenants using online portal	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS7	Tenant satisfaction % – Overall level and then split between repairs, cleaning, security, car pars, delivery of the capital programme (based on customer feedback at point of service rather than annual survey).	Resident Services Manager	85%	85%	85% -75%	<75%	✓	✓	✓	✓
Finance – These performance measures relate to the financial viability and budgeting across the Barbican Estate Office.										
	% of service contracts checked to ensure they are still appropriate and provide good value	Service Charge & Revenues Manager	100%	100%	100% - 95%	<95%	✓			
F5	% of service charge queries responded and resolved within target time	Service Charge & Revenues Manager	Target time to be agreed	Target time to be agreed	Target time to be agreed	Target time to be agreed	✓	✓	✓	✓
F6	% annual change in service charge levels	Service Charge & Revenues Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
F7	% difference of actual variable (e.g. repairs) service charge cost against budget – This metric will be split across the five service charge areas, Major works, Open spaces, Property management, Estate management, Customer care.	Service Charge & Revenues Manager	0%	0%	0% - 5%	>5%	✓	✓	✓	✓





*Confidential*

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# Barbican Estate Office Review

## Summary of Stage 1 and Stage 2 Report



Report presented by  
BEO Review Project Board

Our report is addressed to members of the Barbican Residents Committee and Residents Consultation Committee. We stress that our report is confidential and prepared for the addressees named above only. It should not be used, reproduced or circulated for any other purpose, whether in whole or in part without our prior written consent, which consent will only be given after full consideration of the circumstances at the time.

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It should also be noted that this report contains sensitive information that should not be shared outside the BRC and RCC membership, including information that may identify individual people.



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# Introduction and objectives of the review

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# Introduction

The **purpose** of this project is to undertake an independent and detailed review of the current services provided by the Barbican Estate Office (BEO) and identify ways to improve the cost efficiency, overall effectiveness and value for money of the services provided to Barbican residents. In addition, the landlord (City of London), is seeking to deliver required efficiency savings against the Landlord's Account.

There are a number of **specific areas** that the review needed to address. These included:

- increasing service charge costs and ability to demonstrate value for money,
- overall supervision and management costs of the BEO
- required efficiency savings on both the Landlord's Account and Service Charge Account
- effectiveness of current policies and processes
- approaches to performance management

The first stage of the project was to undertake a detailed, critical appraisal of current services. Following this an interim report was produced. A summary of which was shared with BEO staff and resident committee chairs and members.

The findings set out in that report also provided **external validation** of the key issues that should be addressed. Many of the areas cited in this report were already known to the BEO staff and residents, but there is value in having those areas externally validated and set-out in preparation of prioritisation in Stage 2.

All findings referenced in this and other reports is based on evidence collated through the activities carried out as part of this review. This detailed on the next page.

It was clear from the outset that engagement with residents and staff was a critical part of this review. Below provides a snapshot of how both residents and staff have been engaged with the review, which ensured that their views were then used in shaping the options and recommendations set out later in this report.

As well as engagement with residents and staff, key stakeholders including the Chair and Deputy Chair of the Barbican Residents Committee were also spoken to.

A significant number of documents were also reviewed, as detailed below.

Activity	Purpose	Additional information
Discussions with staff	To provide insight and specificity into the functions and ways of working at the BEO.	<b>Discussions with 35 staff members</b> covering all functions and roles within the BEO (including car park attendants, concierges and cleaners) and those delivering services to the BEO (including property services and asset management). Discussions with staff took place without leaders or supervisors present. In addition we spent time observing the work of the car park attendants and concierges.
Discussions with residents and BRC members	To gain the view of residents on the services provided by the BEO.	<b>121 discussions with more than 45 residents</b> including House Chairs, Residents Consultation Committee (RCC) members and the Chair and Deputy Chair of BRC. <b>Reviewed more than 30 written correspondence from residents.</b>
Survey	To gather views from as many staff and residents as possible.	Staff Survey issued to 80 staff with 8 responses Resident Survey issued c1400 residents with 175 responses.
Documents reviewed	To provide insight and specificity into the functions and ways of working at the BEO.	<b>Over 100 documents were submitted and reviewed</b> and included financial data and reporting, outputs from resident surveys and resident feedback and complaints, service charge information and residents communications relating to these and wider resident communications, job descriptions, salary and terms and conditions information, outputs from staff surveys, policies, processes and operating procedures and performance data where available,

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# Key themes identified from review of current services

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# General observations

During the review we had 121 discussions with 35 members of staff and 45 residents. We would thank to both staff and residents for their time and input into this review. During our discussions we observed the following;

- Both staff and residents were keen to engage with and input into the review.
- Staff and residents were very open and honest during discussions and very happy to answer questions and provide examples and additional information where requested.
- In particular, staff were very helpful and responsive to our requests for data and information.
- Both staff and residents put forward positive and constructive suggestions for areas they felt could be improved.

Whilst the nature of the report necessarily focuses on those areas that were identified as being areas for improvement, it is important to acknowledge the positive aspects that were found during the review.

- Staff and residents have a real sense of pride in the Barbican.
- There is a desire by both staff and residents to work more collaboratively together.
- Residents recognised and acknowledged the value they place on staff within the Barbican Estate Office, in particular the sense of safety and security they get from having familiar staff on site, naming car park attendants and lobby porters particularly.
- Staff are committed to improving services and put forward constructive suggestions for doing this
- Resident engineers are very knowledgeable about the estate infrastructure, which is complex in nature.
- There was evidence of regular communication between staff and residents.
- The interim Head of BEO had already identified some of the areas highlighted in this review and work has commenced on improving these including use of agency workers and overtime, improving resource planning, ensuring all leaders receive the appropriate training including managing performance and ensuring all staff receive regular performance reviews and regular team meetings take place.



# Identified areas for improvement

The summary interim report detailed the areas where improvement is required. As a reminder and in summary key areas identified that required focus were

- **Roles and staffing structure.** It was clear from the evidence gathered that the existing structure within the BEO is a barrier to the Head of BEO having the ability to have oversight of day to day services being delivered to residents and the control in being able to improve, change and develop services in a timely way to ensure those services continue to meet the demands of the residents.
- **Service delivery is reactive in nature and viewed over the short-term.** There is a lack of clarity and duplication across roles. Roles have been developed to resolve short term issues, whilst trying to maintain levels of service delivery. This has resulted in a lack of clarity in some roles, duplications across some roles and has also resulted in layers of leadership to support the maintenance of services that are essentially at a point of trying to meet the growing demands of residents in a reactive way because there has not been the capacity (and to some extent the capability) to look beyond the short-term.
- **Lack of detailed activity analysis of roles.** Detailed Linking to the point above, there has been little detailed activity analysis undertaken on roles to see where time is being spent, whether this is value add activity and whether there is too little or too much resource to meet the service demands. However, it should be noted the interim Head of BEO has done more work on this since arriving and detailed activity analysis on areas such as cleaning has been done as part of this review.
- **Performance Management.** There has been a lack of consistent and robust performance management. This is an area that is now being addressed and leaders within BEO are currently going through training in this area and all staff now have regular 121's and team meetings.
- **Absence Management.** There are high levels of staff sickness which is requiring significant amounts of resource to deal with, further compounded by the lack of training given to Supervisors to support them in this.
- **Too many channels to reporting issues.** Informal ways of working and communicating have developed that result in it being difficult for staff to oversee and track all issues raised and whether they have been effectively resolved. It also means staff spend lots of time passing on and chasing issues.
- **Poorly documented processes.** Policies and processes have been implemented without understanding whether they are fit for purpose for the Barbican Residential Estate and during the review it was difficult to locate formal process documents that help and guide staff. However this is an area that is now being addressed.
- **Lack of trust and confidence.** Residents have lost trust and confidence in their landlord. Staff of both the BEO and City of London feel they have to justify everything they do, which is pulling on capacity of BEO staff. It was clear from the discussions we had with both staff and residents that there is a desire to work more effectively and in partnership with each other.
- **Technology.** There needs to improved use of technology to update ways of working across the BEO. There was evidence through the review that BEO is behind the curve in relation to the use of technology to drive improvement and efficiency



# Identified areas for improvement cont...



- **Value for money.** There was little evidence of how costs are controlled or targets set for budget holders to drive improved value for residents.
- **Service Charging.** Service charges are based on estimates from the previous year as opposed to budget setting or even previous years actual costs. This means service charges will fluctuate each year and residents will continue to have significant surcharges that have not been planned for.
- **Performance reporting.** There is a lack of robust performance reporting and benchmarking, which means residents are unable to gain the required assurance that services being delivered are effective and deliver value for money. Additionally, there is no robust contractor performance framework (or KPIs) to hold contractors to account.
- **Communications.** Information is supplied to residents when requested but is complex to understand and often fails to give the required answers, assurance or inform the resident of the potential impact on them. Reporting to leaseholders assumes knowledge of complex terms, which may not be the case.

In summary, the current structure and ways of working are not sustainable. Change is required to enable the service to move from being reactive to proactive and support a customer first culture where there is the capacity and capability to continually improve and develop services and meet the demands of residents. Ways of working need to be changed and modernised, making better use of technology to improve efficiency and effectiveness. There needs to be improved data and reporting that is more easily accessible so staff and residents can have the oversight and confidence in robust and transparent reporting.

# Recommendations

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## Organisational structure, culture and roles

# Organisational structure, culture and roles

In the **following pages**, we set out a number of **specific recommendations** that are aimed at resolving some of the issues identified in the earlier section of this report:

All of these recommendations can be implemented with manageable levels of impact on residents, staff and future costs and therefore we advise these are implemented as soon as possible.

However, as well as recommendations, we were also tasked with identifying options where further improvements and cost savings can be made. We address these later in the report, acknowledging that these are more transformative in nature and therefore are options to be explored further but they are not recommendations.

It is also important to acknowledge that the recommendations will deliver benefits. Many organisations seek to implement too many changes at once. As well as being disruptive to service delivery it also means that organisations are often unable to deliver changes within the necessary timescales due to the pull on capacity and it also makes the measurement of benefits arising from the changes more challenging. Therefore we recommend a phased approach to the implementation of any changes, particularly where this change is more transformative.



# Organisational structure, culture and roles – Summary of recommendations

During the initial review of services, we identified a number of areas that require **focus and a change in approach**. These are:

- Performance Management.
- Resource Planning, specifically where there is no additional capacity built into resource levels to cover holidays, etc.

**Below** are our **specific recommendations** in relation to these areas.

Recommendation	What issue/s does this resolve/benefits delivered	Ease of implementation
Implement the use of the City of London’s established performance management framework, values and behaviours. This should include: <ul style="list-style-type: none"> <li>• Setting of objectives and targets linked to KPI’s and service delivery to residents.</li> <li>• Regular 121 meetings to provide support and discuss performance against targets, objectives and behaviours.</li> <li>• 121 appraisals for each member of staff in line with the City of London’s requirements.</li> <li>• Regular team meetings to discuss performance, improve team communication and identify areas of focus/continuous improvement.</li> </ul>	<ul style="list-style-type: none"> <li>• Greater emphasis on seeing things from a customer perspective and improved accountability for the customer experience.</li> <li>• Performance management needs to be robust and consistent across all roles and linked to key performance indicators of services delivered across the Barbican as well as upholding the values and behaviours expected.</li> <li>• Improved focus on staff support and wellbeing, including regular 121’s and team meetings being held.</li> <li>• Improved training for staff, particularly around people issues and performance management.</li> <li>• Managing and improving sickness absence levels.</li> <li>• Improving motivation levels amongst staff.</li> </ul>	Already in progress
Create a pool of CPA/LP roles who can support with covering holidays, sickness, etc.	<ul style="list-style-type: none"> <li>• Roles need to be based on the demands of the service and value to residents.</li> <li>• Resource planning requires improvement to reduce the spend on overtime and agency staff.</li> <li>• Increased focus on improving staff morale, including ensuring regular 121’s and team meetings are carried out.</li> </ul>	Already in progress

# Organisational structure, culture and roles – Summary of



## recommendations

Below is a summary of the specific recommendations made in this section of the report.

Recommendation	What issue/s does this resolve/benefits delivered	Ease of implementation
Bring Property Services (e.g. Resident Engineers) and Service Charge & Revenues into the Barbican Estate Team, reporting directly to Head of Barbican Estate Office	<ul style="list-style-type: none"> <li>Improved oversight and control of these functions for the Head of BEO role to give a single line of accountability..</li> <li>Gives the Head of BEO role the accountability to enable the role to discharge its responsibilities to residents.</li> <li>Improved service to residents</li> </ul>	
Bring all commercial and revenue activity under the remit of the Service Charge and Revenues Manager	<ul style="list-style-type: none"> <li>Makes use of existing skills sets within the team.</li> <li>Gives additional focus and capacity to maximise income from car park areas and storage.</li> <li>Frees up capacity from the Estate Services team.</li> </ul>	
Recruit a Surveyor/Contract Manager that reports into the Property Services Manager, (defined above).	<ul style="list-style-type: none"> <li>Brings additional technical expertise and experience into the BEO team.</li> <li>Provides additional capacity to oversee the quality and effectiveness of costs of contractors work.</li> <li>Able to provide technical input to more complex repairs issues.</li> <li>Can act as a conduit between repairs, contractors and the Barbican residents.</li> <li>Frees up capacity of house officers and other roles in chasing repairs.</li> <li>Will give greater capacity for cyclical maintenance programmes, currently sitting under major repairs to move back to Property Services.</li> </ul>	
Create a Property Co-ordinator role within the Barbican Property team	<ul style="list-style-type: none"> <li>Can provide insight and reporting to assist with the monitoring of repairs delivery including work in progress, outstanding jobs.</li> <li>Can act as a conduit between the Property Services desk and Barbican team.</li> <li>Frees up capacity of house officers and other roles in chasing repairs.</li> </ul>	

# Organisational structure, culture and roles – Summary of

## recommendations

Recommendation	What issue/s does this resolve/benefits delivered	Ease of implementation
Review the cleaning service, using the detailed analysis carried out as part of this review.	<ul style="list-style-type: none"> <li>• Matches the resources to the cleaning service specification and identifies ways of streamlining tasks.</li> <li>• Builds in capacity for holidays, sickness, training and 121's. However holidays and time off need to also be better managed.</li> <li>• Therefore reduces the spend on overtime and agency staff.</li> <li>• Provides an opportunity to review the leadership structure needed to manage cleaning team.</li> </ul>	
Review the role of supervisors and managers to ensure there is clarity on the purpose of the role, their key responsibilities, expected leadership behaviours and their role in driving the right culture across the team. This needs to be supported by improved training for leaders within BEO, particularly in terms of people practices and performance management (as identified earlier)	<ul style="list-style-type: none"> <li>• Improved clarity of key responsibilities</li> <li>• Remove duplication</li> <li>• Improved performance</li> <li>• Improved staff morale and wellbeing</li> </ul>	



# Additional options to consider

## Organisational structure, culture and roles

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# Organisational structure, culture and roles – Additional options to consider

In the previous section, we identified a set of recommendations across organisational structure, process redesign, budgeting and cost control and performance reporting, that can be implemented with manageable levels of impact on residents, staff and future costs. We advise these are implemented as soon as possible.

In this next section, we identify some further options, which have been considered and impact assessed as part of this review. However they will require further discussion and consideration by residents, the BEO staff and City of London before decisions are made.

**These are not specific recommendations**, but give further insight into the options available to remodel roles and services to be more efficient and effective in a more transformative way.

Below is a **summary** of the **additional options that have been explored as part of this review** and which residents, BEO staff and City of London may wish to explore further following the implementation of the recommendations outlined in this report, if approved. to be considered. It is important to note **these are not recommendations**.

Alternative option for consideration	Key Features	What issue/s does this resolve
Service Delivery		
Single accountability structure	<ul style="list-style-type: none"> <li>This model consolidates and brings together the Estate Services team and Estate Management teams.</li> <li>There are various options of how the structure can be developed below the Resident Services Manager and these are detailed in the next box below.</li> </ul>	<ul style="list-style-type: none"> <li>Will bring services under one single point of accountability and improved visibility and oversight of issues.</li> <li>Will remove duplication from roles.</li> <li>Will provide roles with the necessary oversight and control to discharge their duties effectively.</li> </ul>
Resident Services team – House Officer model	<ul style="list-style-type: none"> <li>This is designed to support the House Officer role in being a resident champion and looks to explore ways to consolidate the services for a specific tower/block within the remit of House Officer role.</li> </ul>	<ul style="list-style-type: none"> <li>Will bring services under one single point of accountability and improved visibility and oversight of issues at the lowest level possible.</li> <li>Will remove duplication from roles</li> <li>Will provide roles with the necessary oversight and control to discharge their duties effectively.</li> </ul>
Alternative approach to delivering concierge services and management of car parks.	<ul style="list-style-type: none"> <li>This option takes a fundamentally different approach to delivering security and concierge services across the estate that will reduce the link between concierge services and management of the car parks, thereby basing roles on delivery of services residents value rather than the number of car parks.</li> </ul>	<ul style="list-style-type: none"> <li>Roles need to be based on the demands of the service and value to residents.</li> </ul>

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# Summary of additional options

Alternative option for consideration	Key Features	What issue/s does this resolve
Role of the Resident Engineer/Duty Manager		
<p>Review the Resident Engineer role to ensure their technical expertise is being used to it's maximum potential and identify areas where there capacity is being taken on non-technical repairs. Explore areas where they can develop in-house technical support, to reduce the reliance on contractors.</p>	<ul style="list-style-type: none"> <li>This is likely to give additional value for money with no change in service and better use of the Resident Engineers skill-set.</li> <li>During the review 25% of the resident engineers time was not formally recorded and more work needs to be done to record and categorise this work..</li> </ul>	<ul style="list-style-type: none"> <li>Roles need to be based on the demands of the service and value to residents.</li> </ul>
<p>Review the Duty Manager role.</p>	<ul style="list-style-type: none"> <li>Analysis carried out during this review shows that 15% of what the Duty Manager responds to is considered an actual emergency. In most property organisations, these types of emergency repairs/call-outs are triaged through an out of hours number and an emergency engineer sent where required, within a specified service level agreement timescale. We understand this is how emergency call-outs operate across the rest of City of London estates.</li> </ul>	<ul style="list-style-type: none"> <li>Roles need to be based on the demands of the service and value to residents.</li> </ul>

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# Redesign of key processes

As part of the review, we were tasked with reviewing ways of working within the Barbican Estate office, policies and procedures and use of technology. We concentrated on those processes that were most commonly used by residents and had the highest impact on resident's service experience, this includes reporting repairs and property issues and raising general issues and queries e.g., service charges, formal complaints, etc.

We have produced detailed process maps based on a new “to be” state, the detail of which have been shared and agreed by Project Board. However, we wanted to share with BRC and RRC members the **best practice principles**, we have worked to which includes;

- Customers will have a **primary** clear, and **sufficiently skilled point of contact**, supported **by clear transfer of responsibilities between teams**.
- Interaction with residents should be **focused on providing excellent customer service**.
- Clarity on roles with clear split of responsibilities, **duplication will be minimised**, with activities consolidated where possible.
- Interactions between teams is seamless with **reduced silo working and improved communication**.
- Where possible, **steps in the process should be automated** or form part of a workflow in order to maximise efficiency and reduce human error.
- Processes are supported by **clear guidance for both BEO staff and residents** and **standardised approach in place for quality control** work sign off.
- Ensuring there is **access to the right technology infrastructure** to operate effectively and efficiently.
- Data should be utilised to **inform future service delivery** improvement and **demonstrate value for money** key stakeholders.

The process maps are extremely detailed, so we have not included in this report. However, the principles from these can then be used to undertake detailed process mapping for the other processes within Barbican Estate Office. This will need the Implementation/Transformation Team to see implement and see this through to its conclusion.



# Budgeting, cost control and service charges

In the **following slides**, we set out a number of recommendations in relation to budgeting, cost control and communication with leaseholders. We have worked within **best practice principles**, which include:

- Budgeting timetable
- Accountability and ownership of costs
- Demonstrating value for money
- Leaseholder input
- External validation of accounts
- Clear, accessible and timely communication with leaseholders

# Budgeting, cost control and service charges – summary of recommendations

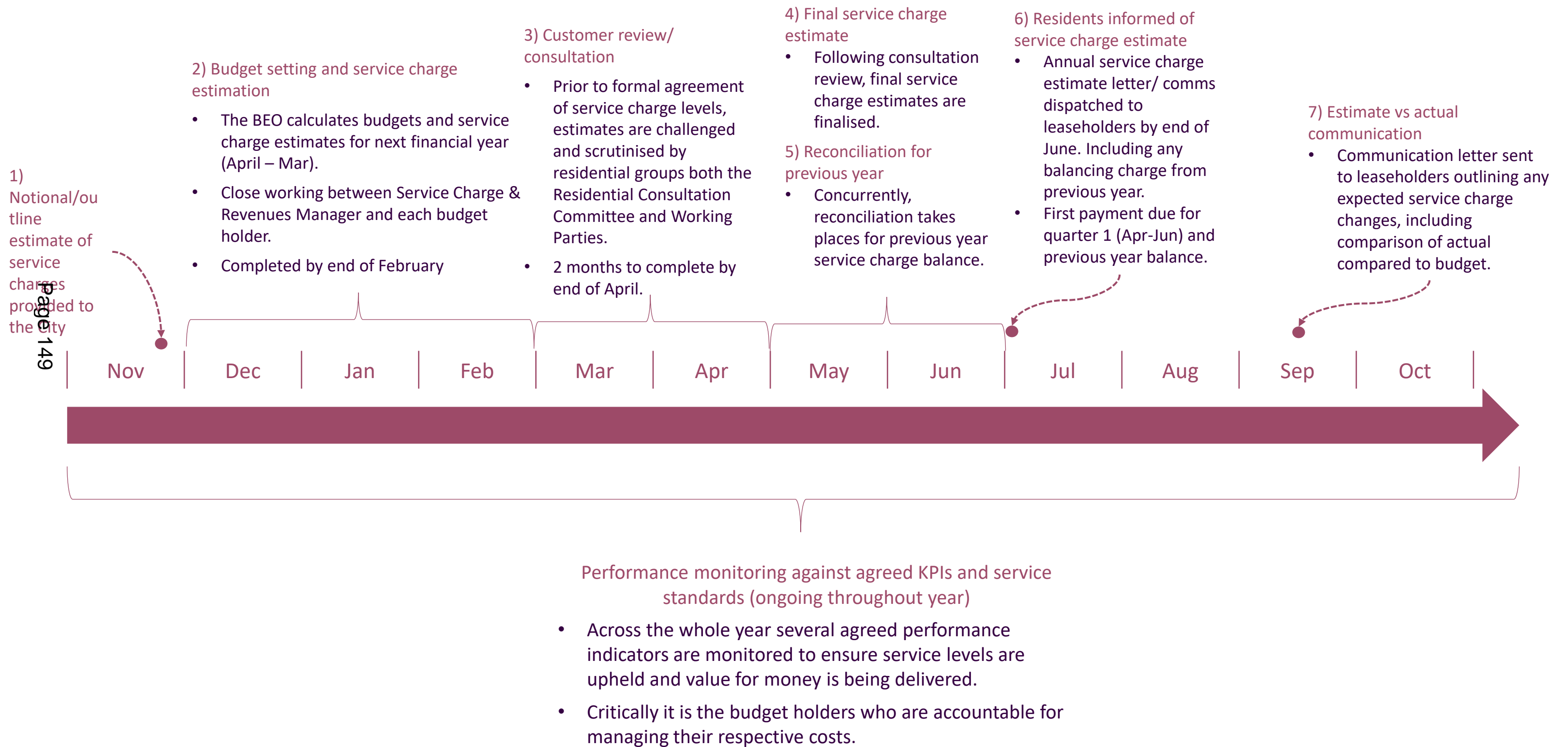
Below is a summary of the recommendation made in this section of the report.

Recommendation	What issue/s does this resolve	Ease of implementation
Carry out an independent, external validation of the service charges	<ul style="list-style-type: none"> <li>Greater accountability needed by budget holders to leaseholders to demonstrate the efficiency and value for money of the services they provide on an ongoing basis.</li> </ul>	
Start the budgeting process earlier to ensure all costs provided by other teams can be sufficiently reviewed by the finance team, this includes a review of the approach taken to apportioning overhead costs e.g. HR and other support services.	<ul style="list-style-type: none"> <li>Improvement in the budgeting process.</li> <li>Allow time to review service contracts to ensure they are still appropriate and provide good value.</li> <li>Ensure costs are being correctly apportioned to the different accounts.</li> <li>Include budget formulas for transparency</li> </ul>	
Embed a culture change where costs are being reviewed on a regular basis and measures taken to control them by the budget holder (the person who authorises and approves spend) e.g. the monthly review meetings should be used to explore the variances in costs in more detail	<ul style="list-style-type: none"> <li>Ensure there is ownership of the costs in the budget by the budget holder, alongside a demonstrable responsibility for taking measures to control costs and reduce significant variances and be accountable to residents for any variances.</li> </ul>	
Review the communication letters sent to leaseholders to address some of the concerns raised in as part of the initial review of services and provide training to staff where necessary.	<ul style="list-style-type: none"> <li>The contents of the letters includes what we would expect to be included.</li> <li>However, communication needs to be clear, written in plain English with less jargon and offer detailed explanations for any variances.</li> <li>Communication should be written from the readers' perspective, with the residents in mind.</li> <li>Any data included in the documents should be presented in such a way that it allows easy comparison between different years.</li> </ul>	
Carry out the reconciliation of the previous year service charges by June	<ul style="list-style-type: none"> <li>The budget figures for the upcoming year can be compared against actual costs incurred in the previous year.</li> <li>Improved communication with leaseholders.</li> </ul>	
Communicate with leaseholders on a quarterly basis	<ul style="list-style-type: none"> <li>This will allow BEO to keep leaseholders updated on expected changes to future costs (such as increases to energy costs or more information on the major works programme)</li> </ul>	



# Service charge and performance monitoring cycle

On this slide we have summarised the recommended service charge and performance monitoring **annual cycle** timetable.



# Financial & Performance Reporting

In the **following slides**, we set out a number of **recommendations** in relation to future performance framework and monitoring redesign. In designing the future framework, we have worked with **best practice principles**, which include

- Golden thread throughout performance framework, from objectives through to performance indicators and aligned targets.
- Clear lines of reporting and timings to appropriate governance groups.
- Appropriate data assurance and governance procedures to uphold robustness and accurate of data and information
- Agreed set of performance indicators and success measures (targets) to monitor and inform service improvement
- Clear roles and responsibilities to manage and coordinate performance framework

In appendix 1 we have **set out** a **high level performance framework**, which identifies the key residential governance groups engaged in performance reporting including their respective roles and responsibilities and outlined **typical performance measures**.

This will need to be approved by the resident committees.



# Recommended BEO Performance Framework

On the following slides we have provided an overview of the recommended performance framework including KPIs and example targets, tolerances levels to inform RAG ratings and reporting groups. Please note targets and tolerance levels are just examples and typically what we would expect however final levels will need to be agreed with relevant governance groups.

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annual tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Customer Committee	House Groups*
<b>Property Management</b> - These performance measures are in relation to the property management of the Barbican Estate including day to day repairs, cyclical maintenance works and major works.										
PM1	<b>Total number of repairs</b> – Total repairs completed by the BEO (to be monitored and compared year on year).	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM2	<b>% Emergency repairs within target</b> - Number of emergency repairs completed within 4hours/24 hours including making good	Property Services Manager	100%	100%	100% - 90%	<90%	✓	✓	✓	✓
PM3	<b>% Appointed repairs exceeding target working days for completion</b> - Number of repairs completed in more than 20 working days compared to total number of repairs ordered excluding emergencies	Property Services Manager	<5%	<5%	5% - 10%	<10%	✓	✓	✓	✓
PM4	<b>% Split of repairs carried out by Resident Engineers and external contractors</b>	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM5	<b>% of repairs requiring a recall / repeat</b> - % of repairs that cannot be completed first time and require a follow up appointment.	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM6	<b>Average time to complete Appointed Repairs</b> - Number of days (average) to complete a repair (ex emergencies)	Property Services Manager	<10 working days	<10 working days	10 -20 working days	<20 working days	✓	✓	✓	✓
PM7	<b>% Appointed Repairs completed on first visit</b> - Number of repairs completed on first visit compared to total number of repairs ordered excluding emergencies	Property Services Manager	85%	85%	85% - 75%	< 75%	✓	✓	✓	✓
PM8	<b>% of planned testing activities completed within planned timescales</b> – Planned tests include emergency lighting, lifts	Property Services Manager	100%	100%	100% - 90%	<90%	✓	✓	✓	✓
PM9	<b>% of inspections completed</b> – Total repair inspections completed within time (total inspections equal 15% of all repairs).	Property Services Manager	100%	100%	100% - 95%	<95%	✓	✓	✓	✓

\* House Groups provided with the same KPIs as other governance groups but on each specific building (patch based) giving a more detailed breakdown.

# Recommended BEO Performance Framework

On the following slides we have provided an overview of the recommended performance framework including KPIs and example targets, tolerances levels to inform RAG ratings and reporting groups. Please note targets and tolerance levels are just examples and typically what we would expect however final levels will need to be agreed with relevant governance groups.

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annul tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Consultation Committee	House Groups
<b>Property Management</b> - These performance measures are in relation to the property management of the Barbican Estate including day to day repairs, cyclical maintenance works and major works.										
PM10	<b>Average cost per repair</b>	Property Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
PM11	<b>% of failed inspections</b> – Percentage of repair inspections that do not pass the quality assessment threshold.	Property Services Manager	<5%	<5%	5-10%	>10%	✓	✓	✓	✓
PM12	<b>Major Works KPIs</b> – For all major works/ capital programmes a set of KPIs should be measured, examples: <ul style="list-style-type: none"> <li>• Time taken to complete works (standards agreed based on work type)</li> <li>• Cost KPIs - estimate vs actual</li> <li>• Quality - any/number of defects.</li> <li>• Resident satisfaction (measured by client-not contractor)</li> <li>• Wider contract KPIs - social value, shared savings etc.</li> </ul>	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC	TBC
<b>Resident Services</b> - These performance measures are in relation to the resident services across the Barbican Estate and any non-repair areas.										
RS1	<b>Number of Issues</b> – Total number of issues and repeat issues before they go into formal complaint.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS2	<b>Number of stage 1 complaints</b> – Number of current complaints at the stage 1 level.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS3	<b>Number of stage 2 complaints</b> - Number of current complaints escalated to stage 2 level.	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS4	<b>% of total complaints that are unresolved cases</b>	Resident Services Manager	0%	0%	0% – 5%	>5%	✓	✓	✓	✓
RS5	<b>% calls answered within service level</b> – Year to date calls answer within target time. Monitoring also splits out between Property Service Desk and Resident Services.	Resident Services Manager	90%	90%	90% - 85%	<85%	✓	✓	✓	✓

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# Recommended BEO Performance Framework

KPI No.	Key Performance Indicator (KPI)	BEO Lead (for reporting)	Annual Target (examples)	Annual tolerances (examples)			Reporting Group			
				Green	Amber	Red	Barbican Estate Office	Barbican Residential Committee	Residential Consultation Committee	House Groups
<b>Resident Services</b> - These performance measures are in relation to the resident services across the Barbican Estate and any non-repair areas.										
RS6	% of tenants transacting online/ portal – long term metric for how many tenants using online portal	Resident Services Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
RS7	Tenant satisfaction % – Overall level and then split between repairs, cleaning, security, car pars, delivery of the capital programme (based on customer feedback at point of service rather than annual survey).	Resident Services Manager	85%	85%	85% -75%	<75%	✓	✓	✓	✓
<b>Finance</b> – These performance measures relate to the financial viability and budgeting across the Barbican Estate Office.										
	% of service contracts checked to ensure they are still appropriate and provide good value	Service Charge & Revenues Manager	100%	100%	100% - 95%	<95%	✓			
F5	% of service charge queries responded and resolved within target time	Service Charge & Revenues Manager	Target time to be agreed	Target time to be agreed	Target time to be agreed	Target time to be agreed	✓	✓	✓	✓
F6	% annual change in service charge levels	Service Charge & Revenues Manager	TBC	TBC	TBC	TBC	✓	✓	✓	✓
F7	% difference of actual variable (e.g. repairs) service charge cost against budget – This metric will be split across the five service charge areas, Major works, Open spaces, Property management, Estate management, Customer care.	Service Charge & Revenues Manager	0%	0%	0% - 5%	>5%	✓	✓	✓	✓



## Approval of review recommendations - Barbican Estate Transformation Programme

Not started

Progress Key: In progress

Completed

Number	Recommendation (What do we need to do?)	Officer Responsible	Progress	Start date	Deadline	Outcome (what will residents see as a result?)	Comments and Additional Actions
1. Approval of review recommendations and governance							
1.1	Presentation on recommendations to Barbican Residential Committee and Residents Consultation Committee on	Altair		Completed	Completed	Understanding and engagement with review recommendations.	Completed - 24/5/2023
1.2	Feedback from residents on the Altair recommendations seen by the Barbican Residential Committee in conjunction with the Resident Consultation Committee	Chair - Resident Consultation Committee		08/09/2023	08/09/2023	Improve efficiency and customer/resident service, oversight by Interim Head of BEO.  Feedback from residents considered by the Barbican Residential Committee	
1.3	Approval of recommendations by Barbican Residential Committee	Head of Barbican Residential Estate		08/09/2023	08/09/2023	Stakeholder input and agreement on direction of travel. Agreement on frequency of monitoring progress against plan.	A special meeting of the Barbican Residential Committee has been set up for the 9th of August 2023 to ensure momentum and delivery of action plan
1.4	Engage and inform Ward Members	Head of Barbican Residential Estate		Started	Ongoing	Elected Members will be kept fully up to date in regard to process and implementation. Agree a regular reporting and feedback mechanism.	This will be done on an ongoing basis throughout the implementation of this programme
1.5	Streamline the approach to performance and financial reporting at committee level to provide each committee with required information and assurance in an agreed, standardised format.	Housing Consultant, Head of Barbican Residential Estate and Service Charge & Revenue Manager		10/01/2023	02/01/2024	Provide residents with appropriate and accurate and trusted information	
1.6	Establish Executive BEO Transformation delivery & oversight group with BRC, RCC and officers to ensure progress and delivery of plan.	Exec DCCS		27/7/23	ongoing 2023-2025	To ensure effective delivery of Barbican Estate office transformation plan, including resident engagement and sufficient resourcing of delivery.	Existing BEO steering group meeting fortnightly will lead the project. Working sub groups will be established for individual areas.
1.7	Agree capacity required to ensure effective delivery of transformation programme	Exec DCCS, Head of BRE		07/01/2023	Ongoing	To ensure effective delivery of Barbican Estate office transformation plan, including resident engagement.	Additional project officer & Housing consultant capacity in place & funded by CoLC. Reviewing further additional capacity.

The progress of this action plan will be monitored by the Barbican Estate Transformation Programme Board.

This Programme Board is made up of the following individuals:

- Executive Director of Community and Childrens services
- Housing Consultant
- Head of Barbican Residential Estate
- Assistant Director - Barbican & Property Services
- HR Officer
- Finance Officer
- Strategy & Projects Officer
- Chairman of the Barbican Residents Association
- Chairman of the Residents Consultation Committee
- Elected Members of the City of London Corporation

## Phase 1 - Organisational Design - Barbican Transformation Programme

Progress Key: Not started  
In progress  
Completed

Number	Recommendation (What do we need to do?)	Officer Responsible	Progress	Start date	Deadline	Outcome (what will residents see as a result?)	Comments and Additional Actions
<b>2. Recruitment of the Head of Barbican Residential Estate</b>							
2.1	Recruit to Head of Barbican Residential Estate (BRE)	Housing Consultant, Chair RCC & Executive Director - DCCS		07/01/2023	30/11/23	Permanent appointment to Head of BEO role, leading the delivery of continuing improvement in the BEO.	Job description completed, job evaluation underway, recruitment consultant selection process underway. Recruitment process to commence in September. Agree Member and resident involvement in selection process.
<b>New job profile for Head of Barbican Residential Estate (BRE) drafted and agreed</b>							
3.1	Assess and identify optimal organisational structure to achieve cost savings, and improve efficiency and effectiveness	Head of Barbican Residential Estate & HR Business Partner		14/8/2023	11/01/2023	To ensure structure in place to deliver an effective & VFM BEO. Costings for several organisational options for approval - Barbican Residential Committee	Develop detailed plan & options appraisal to facilitate implementation of a cost efficient and effective service.
3.2	Line management change of Service Charge & Revenue Manager from Assistant Director Housing to Head of BRE	AD Housing and Barbican		14/8/2023	31/8/2023	To enhance clarity, transparency and accuracy of service charges	Initial consultation has been carried out and there were no objections
3.3	Line management change of Property Services Manager & team from Head of Repairs & Maintenance to Head of BEO.	AD Housing and Barbican		14/8/2023	31/09/2023	Improved efficiency and dedicated BEO service.	Discussions with staff to commence in August.
3.4	Increase working hours of Commercial Officer and change line management to Service Charge and Revenue Manager	AD Housing and Barbican & Head of Barbican Residential Estate		Completed	Completed	Increased remit of Commercial Property Officer to maximise income generation for commercial activity across the Barbican Estate focusing on car parks and storage areas. Increased capacity across the customer facing services	Initial consultation has been carried out and there were no objections. Completed.
3.5	Develop and implement a succession plan for the Head of Service Charge & Revenue role.	AD Housing and Barbican & Head of Barbican Residential Estate		14/8/2023	31/01/2024	Future proof the management of service charge accounts through successful recruitment and sufficient handover period.	
3.6	Develop a new role profile for the Contract Manager/Surveyor role and recruit to post	AD Housing and Barbican & Head of Barbican Residential Estate		31/8/2023	31/10/2023	Residents will see a single point of accountability for repairs leading to more effective reporting and timely action on repairs.  Accountability for repairs and asset management sits with the Head of Barbican Residential Estate	<b>Action:</b> Set up recruitment process for Contract Manager/Surveyor role
3.7	Reduce use of overtime and agency staff.	Head of Barbican Residential Estate		Started	01/01/2024	Quarterly reports include financials and improve resource planning to reduce spend on overtime and agency staff	

3.8	Explore whether any services would provide better quality & value for money if outsourced	Head of Barbican Residential Estate		12/01/2023	04/01/2024	A report will be presented to Barbican Residential Committee on services recommended for outsourcing/retaining in house services.	
<b>4. Review Property Services (Resident Engineers)</b>							
4.1	Draft job profile for Property Co-Ordinator role and recruit to post	Head of Barbican Residential Estate		10/01/2023	01/01/2024	Residents will see a single point of contact for all repair issues and capacity within property services increased.	
4.2	Revise Property Services offer	Head of Barbican Residential Estate		TBC	TBC	Improved VFM and efficiencies to the service charge account	
<b>5. Review the Cleaning Service</b>							
5.1	Review the cleaning service and its management structure	Head of Barbican Residential Estate		11/01/2023	30/01/2024	Demonstrate VFM against outsourcing options	
5.2	Review the working rotas and allocation of activities for cleaners	Head of Barbican Residential Estate & Estate Services Manager		14/8/23	30/9/2023	Residents will see a published cleaning specifications, standards, schedule of inspections and reports	Inspections now live, specifications currently in development
<b>6. Review the Car Park Service</b>							
6.1	Create pool of Car Park Attendants and Lobby Porters who can support with covering holidays and sickness	Head of Barbican Residential Estate		30/09/23	31/11/2023	Residents will see greater service quality through a reduction in lost hours of Car Park Attendants and Lobby Porters	Recruitment has been challenging in the current employment environment and we discussing alternatives with Unions
6.2	Review the future of the car park service	Head of Barbican Residential Estate		10/01/2023	30/04/24	Residents could see increased cost savings and efficacies to the service charge account	
<b>7. Review Repairs and Resident Services</b>							
7.1	Review and implement new processes for general repairs, resident services, spare key storage, parcel collection and effectively communicate timelines for different repairs	Head of Barbican Residential Estate, Resident Service Manager and Estate Service Manager		10/01/2023	30/11/2023	Residents will see improvements in service quality	
<b>8. Performance Management</b>							
8.1	Implement the use of the City of London's established performance management framework, values and behaviours, including regular 121's and team meetings for all staff	Head of Barbican Residential Estate, Resident Services Manager and Estate Services Manager		09/01/2023	Ongoing	Residents will see improvements in service standard evidenced through a site of KPIs agreed by SLA Working Party	Training and cycle of meetings completed. Audit on quality and cycles outstanding
8.2	Develop and implement a clear, robust performance management framework with agreed key performance indicators for ongoing monitoring for all Barbican Estate staff.	Head of Barbican Residential Estate		10/01/2023	31/11/2023	Residents will see improvements in service standard evidenced through a site of KPIs agreed by SLA Working Party	
8.3	Carry out full training needs analysis to ensure all required learning and development activity is identified.	Head of Barbican Residential Estate		10/01/2023	30/11/2023	To ensure staff are supported through effective training and development.	Inclusion in the transformation programme
8.4	Roll out customer service training for all staff to assist culture change, including values, behaviours and resident focused approach.	Head of Barbican Residential Estate		01/01/2024	30/04/2024	Residents will see improved levels of customer service through greater staff training	Inclusion in the transformation programme



8.5	Develop an annual training programme for Barbican Estate staff	Head of Barbican Residential Estate & Learning and Development Team		04/01/2024	Ongoing	Ensure staff skill sets are appropriate to customer demands and needs	Developed from appraisals and training needs analysis
8.6	Improve resource planning to reduce spend on overtime and agency staff	Head of Barbican Residential Estate, Estate Services Manager and Service Charge and Revenue Manager		10/01/2024	31/3/2024	Evidence VFM - Target of 30% saving 23-24 actuals	Due to historical custom and practice the reduction in overtime is incremental (HR advice)
8.7	Implement training for managers and supervisors related to performance management	Head of Barbican Residential Estate		Completed	Ongoing	To ensure effective management of staff performance & service delivery.	Completed & ongoing linked to personal development plans
8.8	Produce a KPI dashboard for the Barbican Estate to improve performance, accountability and transparency	Head of Barbican Residential Estate		12/01/2023	31/3/24	Provide residents with a suite of KPIs to provide robust scrutiny, transparency and accountability	

## Phase One - Process Re-Design - Barbican Transformation Programme

Progress Key:

- Not started
- In progress
- Completed

Number	Recommendation (What do we need to do?)	Officer Responsible	Progress	Start date	Deadline	Outcome (what will residents see as a result?)	Comments and Additional Actions
<b>9. Change Management</b>							
9.1	Consult with Barbican Staff on proposed changes and set out the impact of any process design changes on staff roles	Head of Barbican Residential Estate		01/09/2023	04/01/2024	N/A	<p><b>Action:</b> Conduct a series of workshops to establish purpose, tasks and construct customer experience journey maps.</p> <p><b>Action:</b> Develop a Policy and procedure matrix, identify lead officers provide review and completion deadlines.</p> <p><b>Action:</b> Consultation with recognised Trade</p>
9.2	Set out a detailed programme for implementing changes to ways of working to deliver new processes	Head of Barbican Residential Estate		10/01/2023	TBC	To review and streamline processes using technology, ensuring maximum efficiency for staff and residents.	
9.3	Review the management of Service Level Agreements	Head of Barbican Residential Estate, Resident Service Manager & SLAWP		01/09/2023	30/12/2023	Residents will see a revised set of service standards that will simplify the service and improve performance	
9.4	Ensure all processes are properly documented and available to staff and residents	Head of Barbican Residential Estate		Started	31/1/2024	Residents will have improved access to information in a way that suits them best	
<b>10. Complaints</b>							
10.1	Review and improve process for raising a concern or complaint	Head of Barbican Residential Estate		Started	31/09/2023	Residents will be able to report complaints more easily and will have a clear idea on the process that will be followed, such as response times and various stages of a complaint and resolution.	
10.2	Improve routes for residents reporting issues with easy-to-use single points of contact.	Head of Barbican Residential Estate & Resident Service Manager		Started	Ongoing	Residents will see an increased service quality and will find it easier to contact the City Corporation	Draft enquiry form produced which is currently being consulted on with residents
10.3	Provide clear communication, feedback and progress updates to residents on a regular basis on aspects relating to the delivery of this programme.	Head of Barbican Residential Estate & Resident Service Manager		Started	Ongoing	Residents will see better and timely communications	Resident being meeting planned for September 23 to update all interested residents on planned changes.
<b>11. Communications</b>							
11.1	Review and improve communications and develop a Communications Strategy	Head of Barbican Residential Estate		Started	01/01/2024	Residents will see easier to understand and improved communication from the City Corporation	
11.2	Agree communications framework collaboratively with residents and Head of Barbican Residential Estate	Head of Barbican Residential Estate		09/01/2023	30/10/2023	Customers: Focus on customer experience & customer first perspective, Education and communication of customers	

11.3	Increase the number of held residents email addresses in our database.	Resident Service Manager		09/01/2023	31/12/2023	By increasing the percentage of resident emails we hold on record, residents will see better communication and will be kept up to date in a more informed way of important information relating to the estate	The number of held e-mail addresses of residents on our database is 70% of all properties. Residents have raised concerns that our newsletters are not topical enough.  <b>Action: Review newsletter communications and frequency</b>
11.4	Provide communications training to Barbican Estate staff.	Head of Barbican Residential Estate		Started	01/10/2023	Improved written and verbal communication with residents	
<b>12. IT &amp; Technology</b>							
12.1	Improve best practice in the use of IT including the development of resident portals	Head of Barbican Residential Estate		Started	TBC	Residents will see an improved service quality and will find it easier to pay service charges or interact with the City Corporation in a more efficient and easier way	
12.2	Consult with residents on any impact or future access to services where appropriate	Resident Service Manager		Started	31/12/2023	Residents will have greater opportunity to have their voices heard and contribute in a co-productive way	
<b>13. People Management</b>							
13.1	Manage and reduce staff sickness absence levels amongst our staff	Head of Barbican Residential Estate		Started	Ongoing	Staff will be supported. Residents will see lower levels of sickness amongst our staff. Residents will also see an increased service capacity and service quality	Development of a programme with the Health and Well-being Team
13.2	Review long-term absence cases to ensure appropriate actions are progressed in line with City Corporation processes.	Head of Barbican Residential Estate		Completed	Completed	Days lost to sickness are reduced	Confirm all sickness absence cases now in line with City sickness absence procedures
<b>14. Contract Management</b>							
14.1	Implement quality checks and performance reviews of contractors from a client perspective.	AD Housing and Barbican & Head of Barbican Residential Estate		09/01/2023	Ongoing	Residents will see an increased service quality and contractors will be clear and deliver against expectations	



## Phase One - Budgeting, Cost Control and Performance Monitoring - Barbican Transformation Programme

Number	Recommendation (What do we need to do?)	Officer Responsible	Progress	Start date	Deadline	Outcome (what will residents see as a result?)	Comments and Additional Actions
<b>15. Budget Management</b>							
15.1	Carry out an independent, external review & validation of resident service charges	Housing Consultant		Started	01/10/2023	Improving budgeting process: simplify accounting, foreshorten budget timetable; strengthen process of justification of budgets and spends to residents, regularise reporting	Review the current service charge accounting processes
15.2	Review Budgeting timetable to ensure all costs provided by other teams can be sufficiently reviewed	Head of Barbican Residential Estate and Service Charge & Revenue Manager		Started	04/01/2024	Improve accuracy in service charge accounts	
15.3	Carry out the reconciliation of the previous year service charges	Service Charge & Revenue Manager		Started	05/01/2024	Demonstrate to residents that robust financial controls, due process and scrutiny have been applied to service charge accounts	
<b>16. Budget Performance</b>							
16.1	Agree the proposed budget performance reporting framework at committee and agree a reporting cycle for each	Head of Barbican Residential Estate		11/01/2023	04/01/2024	Agree appropriate financial and performance monitoring framework by appropriate resident committees.	House Officer Report to House Groups and Resident enquiry form in consultation.
16.2	Identify the data sources for the performance framework	Head of Barbican Residential Estate		11/01/2023	04/01/2024	Provide accurate and verifiable data	Linked to civica project
16.3	Outline the process and reporting cycle for producing the performance framework	Head of Barbican Residential Estate		11/01/2023	04/01/2024	Provide residents with timely, accurate and trusted information	
16.4	Implement regular review of financial and performance monitoring framework for internal and external contractors	Head of Barbican Residential Estate		10/01/2023	12/01/2023	Demonstrate a contract management culture, accountability and transparency of service charge expenditure	
16.5	Provide clear annual statement to leaseholders following the end of each service charge period giving a summary of costs and expenditure.	Service Charge & Revenue Manager		Started	04/01/2024	Provide accurate and transparent service charge accounts	
16.6	Improve the quality of information on service charges to ensure that it is clear, accessible, accurate and value for money	Head of Barbican Residential Estate and Service Charge & Revenue Manager		Started	04/01/2024	Provide clear, house and estate based, explanations for key variances between estimated and actual expenditure	
<b>17. Budget Communication</b>							
17.1	Ensure clear communication to leaseholders on how overheads are apportioned.	Head of Barbican Residential Estate and Service Charge & Revenue Manager		Started	04/01/2024	Provide clear accountability for the costs and service level agreement provided by Col	Carry out analysis of activities undertaken, time required, salary and staffing on-costs and communicate to leaseholders.

Not started

In progress

Completed

17.2	Carry out detailed review of budgeting process to provide confidence to leaseholders.	Housing Consultant, Head of Barbican Residential Estate and Service Charge & Revenue Manager		09/01/2023	04/01/2024	A formal report on discovery and recommendations to Committee leading to increased understanding and confidence in budgeting process.	
17.3	Ensure regular reporting that holds budget holders to account for any variances.	Head of Barbican Residential Estate and Service Charge & Revenue		Started	01/10/2023	Formalised and timely reporting of variances to residents	
<b>18. Asset Management</b>							
18.1	Produce and publicise a 5-year asset management plan arising from the completed stock condition survey	Head of Major Works		Started	TBC	Published 5 year asset management plan to ensure effective management of the Barbican estate	
18.2	Tender all major works to ensure leaseholders see value for money	Head of Major Works		Started	TBC	Committe reports demonstrating VFM	
18.3	Ensure consultation with residents on the detailed plan 5 year asset management plan for major works – when they will be carried out, procurement and costs	Head of Major Works		Started	TBC	Engagement and transparency on major work expenditure to residents	
18.4	Ensure that monitoring of progress across major works programmes and spend is included in performance monitoring	Head of Barbican Residential Estate & Head of Major Works		10/01/2023	Ongoing	Regular reporting on project plan and expenditure	

<b>Committee(s)</b> Barbican Residential Committee	<b>Dated:</b>
<b>Subject:</b> Senior Officer Recruitment	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>1, 2, 3, 4, 9, 10, 11, 12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>NA</b>
<b>What is the source of Funding?</b>	<b>NA</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>NA</b>
<b>Report of:</b> Executive Director Community & Children's Services	<b>For Decision</b>
<b>Report author:</b> Judith Finlay, Executive Director Community & Children's Services	

### Summary

Under the Senior Officer Recruitment Procedure, a Chief Officer should report the recruitment of a senior officer and summarise a suggested recruitment timeframe. This report notes the recruitment of a senior officer and summarises a recruitment plan.

### Recommendation(s)

Members are asked to:

- Note the report.

### Main Report

#### Background

1. The Head of the Barbican Estate Office has been covered by an interim postholder for the last 12 months. It has been agreed to recruit permanently to this role.

#### Current Position

2. The post is a critical senior management position and will be expected to lead on the implementation of recommendations emerging from a recent independent review by the external consultancy, Altair. The role and responsibilities have been assessed internally within the Department and TOM phase two and evaluated as a key role in the Housing Division.
3. The job description for the Head of the Barbican Estate Office has been updated and the person specification reviewed to better reflect the duties of the post holder. The role has been renamed Head of the Barbican Residential Estate to better reflect the responsibilities of the post holder.



4. There has also been a review of the operational management responsibilities to reflect additional reporting lines as well as a greater emphasis on the strategic responsibilities of the role. The requirements for the post holder to transform the quality of the service with increased accountability to residents has also been strengthened.
5. Due to the changes that have been made to the role, and its additional responsibilities, the job will be re-evaluated to ensure that the grade reflects the new responsibilities and change in reporting lines.

### **Proposals**

6. Following discussions with the Chairs of the Barbican Residential Committee and Barbican Residents Consultative Committee, and in accordance with the Senior Officer Recruitment Procedure, the Chairs of both committees will be involved in the permanent recruitment process.

### **Corporate & Strategic Implications**

7. This is a key senior managerial post critical to leading and providing strategic, operational, financial and stakeholder management of the Barbican estate. The postholder will be responsible for ensuring high standards in accordance with the policies laid down by the City of London Corporation and its statutory landlord obligations for the management of large-scale residential estates.
8. There will be a small cost associated with the recruitment campaign and this will be met from the Department's Local Risk budget.

### **Conclusion**

9. It is intended to have recruited to the post of Head of Barbican Residential Estate by the autumn of 2023.

### **Judith Finlay**

Executive Director Community & Children's Services

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