

<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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