

<b>Committee(s)</b>	<b>Dated:</b>
Courts Sub, Policy and Resources Committee	09/02/2017
<b>Subject:</b> Facilities Management Review Update	<b>Public</b>
<b>Report of:</b> The Secondary and the Town Clerk	<b>For Information</b>
<b>Report author:</b> Charles Henty, Secondary of London Richard Horner, Town Clerk's	

### Summary

This report updates Members on departmental progress in relation to the Corporation's Strategic Asset Management - Facilities Management (FM) Review Project.

### Recommendation(s)

Members are asked to:

- Note the report.

### Main Report

#### Background

1. In May 2016 the City Corporation's Strategic Asset Management (SAM) Programme Board selected the Central Criminal Court as the first department to undertake a FM review.
2. The objectives of this initial 'pilot' of the FM review process was to set up a project team to work with the CCC to:
  - Establish base-line information on the current structure and models for FM management services including staff numbers and reporting lines.
  - Update all contract details including values and renewal dates across the department assessing any potential contract and resource changes required.
  - Create and support the implementation of service specifications, service and operating level agreements, quality and key performance indicators.

- Recommend alignment and simplification of responsibilities necessary to implement the new operating model, including identification of potential savings from new staffing structures.
- Assist the implementation of the new operating model across the City Corporation.
- Investigate the role, merits, models, possible composition, remit and location of an Asset Management Team and develop an asset management plan.
- Provide regular programme implementation updates to SAM Programme governance groups.

### **Current Position**

3. This pilot is now complete, with the following implementation activities being progressed.
  - The review of the FM operating model identified a number of gaps and operational risks. In line with the approved corporate operating model we have now appointed an interim Business Services Manager and we are progressing the appointment of a Building Manager. This will help mitigate some of the identified 'key personnel' risks and the insufficient 'intelligent client' roles.
  - The CCC boiler maintenance staff are being transferred via TUPE to Interserve, the company who are replacing the old steam boilers through the capital programme of works. The intention was to reduce the operational risk to the City Corporation and provide greater opportunity for the staff involved. However on-going discussions with Interserve have highlighted a potential cost issue and different options are being explored. A verbal update on the current position will be given to the Committee at the meeting.
  - The in-house cleaning services have been reviewed and tested for value for money and an opportunity to make savings has been identified. The FM Review team are currently addressing a few remaining details requiring further clarification in the cleaning specification, primarily in dealing with non-core cleaning functions which the team currently carry out. A committee report is being drafted to seek approval from the Establishment Committee to consult with staff on the option to outsource this service.
  - A similar value for money exercise of the security services has identify little cost benefit from changing the current arrangements, but work is now required to establish better practices around quality and performance management of the in-house team in line with corporate best practices. The security service has been reviewed a number of times over the past 18 months. After the last review in 2016 and completion of a service specification, a request was made to HMCTS to agree the staffing uplift indented by the Police Review. This was passed to HMCTS in November

and we currently await a decision. Should no decision be forthcoming, a request will be made for the City Corporation in February to agree the uplift which should be possible within the provisions of the Corporate Security Budget. The uplift is required to cover the increase in risk and profile of cases following the HMCTS and Senior Judiciary's review in 2016. Not only will the case profile increase, the complement has not been uplifted in response to the general threat on mainland UK. Whilst it would be possible to contract out this service, the current complexities and profile would make a transition to an external supplier challenging.

- We are now completing a review of the maintenance teams, which has concluded that a smaller in-house team is required to be based at the CCC to perform reactive and emergency works. This service will be supplemented as required with additional maintenance staff based at the Guildhall and through greater use of the new Buildings Repairs and Maintenance contract when that becomes operational in the July 2017.

4. The next steps:

- Take a proposal to the Summit Group prior to seeking Committee approval to consult with staff on proposed changes to the delivery of cleaning services.
- Produce Operating Level Agreements/Service Level Agreements to provide greater clarity around roles and responsibilities and Key Performance Indicators to help monitor quality and performance.
- Work with Corporate Property Group of City Surveyors to produce an Asset Management Plan for the CCC to bring together departmental and corporate initiatives.
- Review and where possible, standardise Job Descriptions and Person Specifications.
- Continuing to engage with HMCTS to establish their degree of satisfaction with the CCC FM services provided, develop Service Level Agreements and an up-to-date Memorandum of Understanding for the delivery of these services.

5. Members should note that funding for both service areas are governed by the Schedule of Responsibility with Her Majesty's Courts and Tribunal Service, (HMCTS) who pay 95% of those costs. Consequently financial savings would be passed back to HMCTS on the same ratio.

## **Conclusion**

6. It is planned that the new FM operating model and associated plans to delivery transformation changes and deliver savings will be completed within the next 6 months.

7. The Committee will be informed of any decisions to change the current in house services in due course.

### **Appendices**

- None.

### **Charles Henty, Secondary of London, Town Clerk's Department**

T: [020 7248 3277]

E: [Charles.hentye@cityoflondon.gov.uk](mailto:Charles.hentye@cityoflondon.gov.uk)

### **Richard Horner, SAM Programme – FM Review Town Clerk's Department**

T: [020 7332 1403]

E: [richard.horner@cityoflondon.gov.uk](mailto:richard.horner@cityoflondon.gov.uk)