

Sustainable Development Select Committee		
Report Title	Regeneration and Asset Management Division – Structural Re-organisation (Lewisham Future Programme – 2015/16)	
Key Decision	No	Item No. 4
Ward	All Wards	
Contributors	Director of Regeneration and Asset Management	
Class	Part 1	Date: 20 January 2015

REASONS FOR LATENESS AND URGENCY

This report was not available for the original dispatch because the timing for this report clashed with the staff consultation period for the proposed re-structure. The report is urgent and cannot wait until the next meeting because delaying it will mean the proposed structure, if accepted, cannot be implemented on time to allow the necessary savings to be made and would also impact on the delivery of the work programme of the division.

Where a report is received less than 5 clear days before the date of the meeting at which the matter is being considered, then under the Local Government Act 1972 Section 100 (b) (4), the Chair of the Committee can take the matter as a matter of urgency if he is satisfied that there are special circumstances requiring it to be treated as a matter of urgency. These special circumstances have to be specified in the minutes of the meeting.

1. Purpose:

- 1.1 A Regeneration & Asset Management Review is one of the 19 projects included within the Lewisham Futures Programme which aims to identify £95m of savings over the next three years. The division is tasked to deliver £9m as part of the programme through a number of strands, including a structural re-organisation of the division.
- 1.2 The proposals contained in this report sets out the approach being taken to structurally re-organise the Regeneration and Asset Management Division in order to realign resources in an effective way to assist with the delivery of savings as part of the Lewisham Future Programme.
- 1.3 The proposed structure is designed to be flexible whilst retaining core skills and management information. It seeks to retain key skills and provide the structure for staff to share systems and processes across the division where possible and support the delivery of corporate priorities.
- 1.4 Initial proposals were considered by Mayor and Cabinet as part of the Revenue Budget Savings Report for 2015/16 on 12th November 2014. The outline proposals were agreed subject to further work and consultation with staff and final approval by Mayor and Cabinet. This report seeks to update the Sustainable Development Select Committee on the proposals, progress to date as well as provide a timeline for

delivery.

2. Recommendations:

- 2.1 Members are invited to scrutinise these proposals and provide feedback to the Mayor ahead of the Mayor and Cabinet meeting on 11th February 2015 at which a final decision will be sought on the proposals.

3. Policy Context:

- 3.1 The Council's vision is to work together to 'make Lewisham the best place in London to live, work and learn'. This vision is set out in *Shaping our future*, Lewisham's Sustainable Community Strategy 2008-20. The contents of this report are consistent with the Council's policy framework. It supports the achievement of Lewisham's Sustainable Community Strategy priority outcome(s)

- **Empowered and responsible** – where people can be actively involved in their local area and contribute to supportive communities
- **Dynamic and prosperous** – where people are part of vibrant localities and town centres well-connected to London and beyond

- 3.2 Lewisham's core values are to:

- Put service to the public first
- Respect all people and all communities
- Invest in employees
- Be open, honest and fair in all we do.

- 3.3 Lewisham has ten enduring corporate priorities which outline the Council's distinctive contribution to the delivery of *Shaping Our Future* – Lewisham's Sustainable Community Strategy. These include: Community leadership and empowerment; Clean, green and liveable; and Strengthening the local economy.

- 3.4 The proposed structure and delivery model will ensure a commercial approach that provides new opportunities for the broadest spectrum of stakeholders in a sustainable and enduring way. The approach will offer more autonomy for the borough, which is outcome focused and has a sound knowledge base from which to deliver agreed smart outcomes.

4. Background:

- 4.1 The Lewisham Future Programme is the Council's approach to making the transformational changes necessary to reposition itself strongly for the future while living within the financial resources at its disposal. This is guided by the Council's enduring values and principles agreed in 2010 aimed at delivering significant savings and engendering greater efficiencies in the delivery of priorities across the authority.
- 4.2 As noted above, a review of Regeneration & Asset Management is one of the 19 projects included within the Lewisham Futures Programme which aims to identify £95m of savings (or net new income) over the next three years. As part of the £9m net savings which Regeneration & Asset Management Division have been asked to

identify, £600k has been determined to come from a reduction in staffing spend. This is in addition to a further saving of £250k identified within the 2014/15 savings targets which have been delayed pending this restructure. These proposals identify £700k of that £850k target leaving £150k to be found from further proposals yet to be identified.

- 4.3 In seeking to make the division sustainable and fit-for-purpose for the future, a root and branch re-structure of the service areas is proposed. This will ensure that the service can respond to the internal and external influences and opportunities associated with delivering regeneration and investment programmes and managing property and highway assets within the borough.
- 4.5 The proposed structure seeks to retain a knowledgeable resource base from which services can be delivered and outcomes managed. It also proposes that the commercial team and Programme Management Office is established to drive transparency and performance across the Division.
- 4.6 It seeks to minimise the impact of changes in services by streamlining management arrangements, identifying synergies between the services, and prioritising those aspects of the services which have the most impact. The model will use a core team that, in the main, commissions, monitors and manages services that focuses the strategic management and delivery of assets across the built environment.
- 4.7 The core strands of the approach are set out below together with the two key stages and timeline for implementation.

5. Proposals:

- 5.1 The proposed structure has four core strands or groups. These new groupings will enable staff to focus on providing a service which will deliver the right outcomes for residents and users of the borough's built environment including the highways network & public realm. It has been designed to support the longer term growth, transformation and regeneration of Lewisham.
- 5.2 The next section provides a brief description of each strand, key roles and the interrelationships with each other.

5.2.1 Asset Strategy & Technical Support

This group will lead on Asset strategy/planning and liaison across the authority to align the use of and where appropriate drive value from assets. It will also act as the technical expert for the division. They will;

- i. Monitor the external and internal influences on the management and use of our assets and property portfolio
- ii. Monitor opportunities to fund and, in conjunction with colleagues in the Capital Delivery Team, deliver capital and investment projects. Ensuring at all times that the use of assets is optimised across the authority from a strategic perspective
- iii. Provide the Council with professional and technical advice on corporate strategies and policies for the built environment.

- iv. Ensure that national and corporate sustainability objectives and targets are embedded within the thinking and actions of the division.
- v. Oversee the Regeneration Strategy, transport policy and strategy and Asset Management Plans across the division.
- vi. Oversee the Building Control function

5.2.1 Commercial & Investment Delivery (incl. a Programme Office function (PMO))

This group will provide strategic and professional leadership on commercial management and investment strategies for the division. Working with colleagues in corporate finance they will drive financial and operational performance transparency into the division. They will be responsible to ensure that;

- i. Resources are properly allocated and accounted for
- ii. Operational performance is reported diligently and accurately
- iii. Projects, programmes and investments are established and delivered on sound commercial terms.

In addition this team provides and manages a P.M.O. which will ensure transparency and consistency of processes and efficient and effective use of systems across the division. They will be responsible to ensure that statutory compliance requirements are met across the division and will retain a limited capacity to respond to technical queries that are unable to be dealt with by the corporate business support hub.

5.2.2 Capital Programme Delivery

- i. This team will lead on the approach and delivery of capital projects for the division as a whole and, as appropriate, for other areas within the authority. They will work in tandem with colleagues in Customer, CYP and Community Services to assist with the bringing together of a corporate approach to establishing and delivering projects in support of corporate priorities.
- ii. They will establish, monitor and deliver all stages of the project lifecycle in tandem with colleagues elsewhere in the division and with consultants / delivery partners as necessary.
- iii. Working with colleagues in the Commercial team they will be responsible for the establishment of reporting procedures, measures and indicators to ensure the regular, diligent and transparent reporting of projects and programmes for the division.

5.2.3 Operational Asset Management (day to day delivery)

This group will have responsibility for day to day operations across the highway and property asset base.

- i. They will take primary responsibility for the planned and reactive maintenance of our property and highway assets and ensure that the day to day statutory obligations are met across all asset classes.
- ii. The team will manage the process of managing assets from routine inspections through the commissioning of design solutions and upkeep and maintenance of a diverse asset base. This will include the management of the authorities;
 - School PFI contracts
 - Corporate FM contracts
 - Term maintenance contract for highways
 - Planned maintenance contract for highways
 - Ad-hoc commissioning of repairs and maintenance contracts
 - Corporate energy contracts
- iii. In addition, (supported by colleagues across the division) this group will manage the physical aspects of the entire property portfolio that is the current responsibility of this division. That includes the corporate (operational) estate, the commercial estate and the 'grey estate'
- iv. They will be responsible to ensure that there is proper transparency of the commercial position regarding leases, tenancies, licences, rents and obligations across the estate and for keeping proper updated records for the division's entire portfolio.
- v. They will be responsible for the delivery of the statutory Network Management functions.
- vi. In summary the Operations team will be responsible for on-going day to day business delivery.

5.3 The proposed restructure is being delivered in two stages.

5.3.1 Stage 1:

This stage involved a realignment of the following service areas in the division: Transport (Highways), Corporate Asset Services and Programme Management into one cohesive and efficient unit under the Director of Regeneration and Asset Management. Additionally, responsibility for Building Control was integrated from Customer Services Directorate to the division. The outcome was the creation of four new Service Group Manager (SGM) roles with responsibility for leading, managing and providing clear direction to the teams within their respective groups. These are SGM Operational Asset Management; SGM Commercial & Investment Delivery; SGM Capital Programme Delivery; SGM Asset Strategy & Technical Support.

It also involved a transfer of the Catford Complex receptionists, civic support services and post room services staff to the Public Services team in the

Customer Services Directorate, pending the conclusion of the wider corporate business support review.

5.3.2 Stage 2:

The second stage of the process involves the creation of teams to support the four SGM roles developed as part of the first stage. It requires the deletion of a number of roles across the current structure and creation of new ones where necessary to provide and support the key functions and outcomes to be delivered.

There are a total 128 staff in the current structure (excluding the Director and the 4 SMG roles in phase 1) and 99.6 proposed for the new structure – a reduction of 28.4 staff. New teams and team profiles have been created as part of the new structure and the associated job descriptions and person specifications have been agreed in accordance with HR protocols and procedures. A summary of the affected roles/posts are set out in tables 1 and 2 below.

Table 1: Posts/roles proposed to be deleted:

Group	Role	Grade	No of posts
Operational Asset management	Sustainability & Fuel Poverty Project Officer	PO1	1
Operational Asset management	Energy Efficiency Officer	PO1	1
Operational Asset management	FM Regulatory Compliance Officer	PO2	1
Operational Asset management	FM Planned Maintenance Officer	PO2	1
Operational Asset management	FM Mechanical & HVAC Compliance Officer	PO2	1
Operational Asset management	FM Fire & Safety Operations Officer	PO3	1
Operational Asset management	Senior Accommodation Officer	PO3	2
Operational Asset management	Property Advisor	PO3	1
Operational Asset management	FM Operations Manager	PO5	1
Operational Asset management	Energy Manager	PO5	1
Operational Asset management	Building Services Manager	PO6	1
Operational Asset management	Energy Technician	Sc4	1
Operational Asset management	FM Contract Officer	SO1	1
Operational Asset management	FM Contracts & Building Manager	PO8	1 (vacant)
Operational Asset management	Property Asset Manager	SMG1	1 (vacant)
Operational Asset management	Valuations Services & Development Manager	SMG1	1 (vacant)
Programme Management	Property Systems Senior Officer	PO1	2
Programme Management	Data & Recording Management Officer	PO2	1

Programme Management	Property Systems Information Manager	PO5	1
Regulatory Control	Service Group Manager Regulatory Services	SMG3	1
Regulatory Control	Building Control Officer	Sc5	1
Regulatory Control	Group Admin Officer	SO2	1
Commercial & Investment Delivery	Performance Programme Manager	SMG1	1
Transport	Engineer	PO1	2 (1 vacant)
Transport	CAD Operator	PO1	1
Transport	Street Works Inspector	PO1	2 (1 vacant)
Transport	Policy Officer	PO2	1
Transport	Principal Quality Inspector	PO3	0.6
Transport	Structural Engineer	PO5	1
Transport	Inspector	SO1	3
TOTAL			34.6 (5 vacant)

Table 2: Posts in the new structure including new posts that have been created and the effect on existing roles are set out in the table below:

Group	Role	New / Existing post	Indicative grade	Action proposed
Commercial & Investment Delivery	Programme Office & Performance Manager	New	PO8	Initially ringfenced to existing displaced staff who are eligible to apply
Commercial & Investment Delivery	Communication & Stakeholder Engagement Manager	Refreshed and change in job title from Strategic Regeneration Communications Manager	PO7	None - existing post holder matched
Commercial & Investment Delivery	Risk & Compliance Officer	New	PO4	Initially ringfenced to existing displaced staff who are eligible to apply
Commercial & Investment Delivery	Performance & Process Officer	Refreshed and change in job title from Management Support Officer	PO2	None - existing post holder matched
Commercial & Investment Delivery	R&AM Systems Manager	New	PO5	Initially ringfenced to existing displaced staff who are eligible to apply
Commercial	R&AM Systems	Refreshed and	PO3	Downsizing to 1

& Investment Delivery	Officer	change in job title from Property Systems Assistant Manager		post from 2 through selection process, change in job title.
Commercial & Investment Delivery	Casework and Process Officer	Refreshed and change in job title from Caseworker	SO2	None - existing post holder matched
Commercial & Investment Delivery	Regulatory Commercial Manager	New	PO3	Initially ringfenced to existing displaced staff who are eligible to apply
Capital Programme Delivery	Senior Programme Manager	Refreshed and change in job title from Programme Manager	SMG1 x2	One existing post holder matched, and one post initially ring-fenced to existing displaced staff who are eligible to apply
Capital Programme Delivery	Senior Project Manager	Refreshed and change in title from Programme Manager	PO7	None - existing post holder matched
Capital Programme Delivery	Programme & Projects Manager	Refreshed and change in job title from Policy and Programme Manager	PO6	None - existing post holder matched
Capital Programme Delivery	Project Manager	Refreshed	PO5 x2	Downsizing to 2 posts from 7 through selection process
Capital Programme Delivery	Project Officer	New	PO3 x2	Internal/external recruitment
Asset Strategy & Technical Support	Planning & Development Manager	New	SMG1	Internal/external recruitment
Asset Strategy & Technical Support	Senior Planning & Development Surveyor	New	PO7	Internal/external recruitment
Asset Strategy & Technical Support	Civil / Structural Engineering Manager	New	SMG1	Internal/external recruitment
Asset Strategy & Technical Support	Highways Engineering Manager	Refreshed and change in job title from Engineering Manager	PO7	None - existing post holder matched
Asset Strategy &	Senior Engineer	Existing	PO4 x2	Downsizing to 2 posts from 4

Technical Support				through selection process
Asset Strategy & Technical Support	Building Control Manager	Refreshed and change in job title from Team Leader Full Plans	PO6	None - existing post holder matched
Asset Strategy & Technical Support	Senior Area Surveyor	Existing	PO5	Initially ringfenced to existing displaced staff who are eligible to apply
Asset Strategy & Technical Support	Area Surveyor	Existing	PO4	Downsizing to 1 post from 2 through selection process
Asset Strategy & Technical Support	Structural Engineer	Existing	PO4 (0.6 FTE)	Vacant post, internal/external recruitment
Asset Strategy & Technical Support	Area Surveyor	Existing	PO3	Downsizing to 1 post from 2 through selection process
Asset Strategy & Technical Support	Senior Plans Officer	Existing	PO1	None - existing post holder matched
Asset Strategy & Technical Support	Building Control Officer	New	Sc6	Initially ringfenced to existing displaced staff who are eligible to apply
Asset Strategy & Technical Support	Asset Management Planning Manager	Refreshed and change in job title from Sustainable Resources Group Manager	SMG1	None - existing post holder matched
Asset Strategy & Technical Support	Policy & Development Manager	Refreshed	PO8	None - existing post holder matched
Asset Strategy & Technical Support	Sustainability & Climate Change Policy Officer	Refreshed and change in job title from Climate Change Policy Lead	PO3	None - existing post holder matched
Asset Strategy & Technical Support	Development Officer	Existing	PO1	None - existing post holder matched
Asset Strategy & Technical Support	Road Safety & Sustainable Transport Manager	Existing	PO6	None - existing post holder matched
Asset Strategy &	Cycling Programme	Existing	PO3	None - existing post holder matched

Technical Support	Manager (fixed term contract)			
Asset Strategy & Technical Support	Travel Co-ordination Officer	Existing	PO1	None - existing post holder matched
Asset Strategy & Technical Support	Travel Co-ordination Administrator	Existing	Sc6	None - existing post holder matched
Asset Strategy & Technical Support	Travel Co-ordination Assistant	Existing	Sc3	None - existing post holder matched
Asset Strategy & Technical Support	Road Safety Officer	Existing	PO1 x2	None - existing post holders matched
Asset Strategy & Technical Support	School Crossing Patrollers	Existing	Sc2 x30	None - existing post holder matched
Operational Asset Management	Contracts and Commissioning Manager	New	SMG1	New post, internal/external recruitment
Operational Asset Management	PFI Contracts Manager	New	PO7	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Facilities Management & Regulatory Contracts Manager	New	PO7	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Senior Contract Officer	New	PO4 x2	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Contract Officer	New	PO1	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Estates Manager	New	SMG1	New post, internal/external recruitment
Operational Asset Management	Senior Estates Surveyor	New	PO7 x2	New post, internal/external recruitment
Operational Asset Management	Estates Surveyor	New	PO5 x2	New post, internal/external recruitment
Operational Asset Management	Estates Surveyor (graduate)	New	PO1	New post, internal/external recruitment

Operational Asset Management	Assets Manager	New	SMG1	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Asset Compliance Manager	New	PO4	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Asset Compliance Inspector	Refreshed and change in job title from FM Regulatory, FM Planned Maintenance and FM Mechanical & HVAC Compliance Officers	PO2 x2	Downsizing from 3 to 2 through selection process
Operational Asset Management	Utility Engineer	Refreshed and change in job title from Energy & Sustainability Engineer	PO3	None - existing post holder matched
Operational Asset Management	Utility Management Officer	New	PO3	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Utility Technician	New	Sc6	Initially ringfenced to existing displaced staff who are eligible to apply
Operational Asset Management	Assets Network Manager	Refreshed and change in job title from Support Service Manager	PO5	None - existing post holder matched
Operational Asset Management	Asset Network Co-ordinator	Refreshed and change in job title from Network Co-ordinator	PO3	None - existing post holder matched
Operational Asset Management	Statutory Authority Co-ordinator	Existing	PO1	None - existing post holder matched
Operational Asset Management	Claims Inspector	Existing	PO2	None - existing post holder matched
Operational Asset Management	Street Works Permitting Officer	Existing	SO1 x3	None - existing post holders matched
Operational Asset Management	Asset Network Inspector	New	SO2 x4	Initially ring-fenced to existing displaced staff who are eligible to apply
TOTAL				99.6

- 5.4 Staff consultation on the proposals commenced on 18th December 2014 and was due to end 12th January but a short extension was agreed till 14th January. This has subsequently impacted on the planned management response date of 16th January. The feedback and management response will be incorporated into a report to Mayor and Cabinet for approval.
- 5.5 A provisional timetable for delivering the proposed structure is set out below and a full structure chart is attached as appendix 1. It is expected that the new structure will be fully implemented on 1st June 2015 subject to Mayor and Cabinet approval on 11th February 2015.

Provisional Timetable:

Consultation begins Papers issued to staff and Trade Unions	18 th Dec 2014
Consultation feedback from staff and unions	14 th Jan 2015
Management response	w/c 19 th Jan 2015
Select Committee Review	w/c 19 th Jan 2015
JCC meeting if required	w/c 26 th Jan 2015
CJC meeting if required	w/c 2 nd Feb 2015
Referred to Mayor & Cabinet for final decision	11 th Feb 2015
If agreed by Mayor and cabinet, Staff invited to apply for new posts JDs and PSs available	13 th Feb 2015
Closing date for receipt of applications	20 th Feb 2015
Short listing and selection process	23 rd Feb – 6 th Mar 2015
Issue notices of redundancy and offers for posts in new structure	w/b 9 th Mar 2015
Redundancy appeals if applicable	TBA
Commence further stages of recruitment/selection as necessary	16 th Mar 2015
Proposed implementation date for new structure	1 st June 2015

6. Financial Implications:

- 6.1 The proposals have been designed to deliver a total saving of £700k including a pre-existing savings commitment of £250k for 2014/15. The potential redundancy costs have been agreed through ER/VR panel. To achieve the full £850k saving a further £150k will need to be found from alternative proposals yet to be developed.

7. Legal Implications:

7.1 There are none directly arising out of this report

8. Human Resource Implications:

8.1 The proposals as set out in the restructure programme and approach has significant human resource implications and these are being addressed through the council's reorganisation protocols and processes.

9. Environmental Implications:

9.1 There are no direct environmental implications arising out of this report.

10. Equalities Implications:

10.1 An equalities impact assessment will be carried out as part of the proposals.

11. Crime and Disorder

11.1 There are no specific crime and disorder implications arising from this report.

Appendix

Appendix 1: Proposed Organisation Chart

List of Background documents

Short Title Of Document	Date	Contact
Lewisham Future Programme 2015/16 Revenue Budget Savings Report	Nov 2014	Selwyn Thompson

If you would like further information on this report please contact Rob Holmans,
Director of Regeneration and Asset Management on ext 47908