

## Restructure Business Case

Initiating Manager	Department
Terry Stevens	Estates
Summary Proposal	Date
To restructure the management staffing to be able to meet the assigned cost saving target of £66,000 per annum.	30 <sup>th</sup> April 2018

### 1. Background / Introduction

The impact of the in-year cuts of £2 million, together with the College's progressive financial recovery plan, is significant to the College's operation. We have identified the impact of funding reductions and are now sharing this with staff as we need to ensure the College is sufficiently prepared to respond to policy changes and priorities, and at the same time achieve a greater level of stability this year and beyond. As a result, the College will be carrying out a number of workforce reforms/restructures/reviews.

The document sets out information relating to a review of the Estate's Services provision. The document invites comments from interested and affected parties during the consultation period which will end on 13<sup>th</sup> June 2018.

This proposal is structured to meet 4 out of the College's 6 strategic objectives as follows:

- Innovation, creativity leading to greater effectiveness
- Sustaining financial stability
- Workforce development
- Future-proofing, sustaining and growing the market share

### 2. Current Structure

#### Current Structure

Currently the Estates department is made up of 10 FTEs as follows.

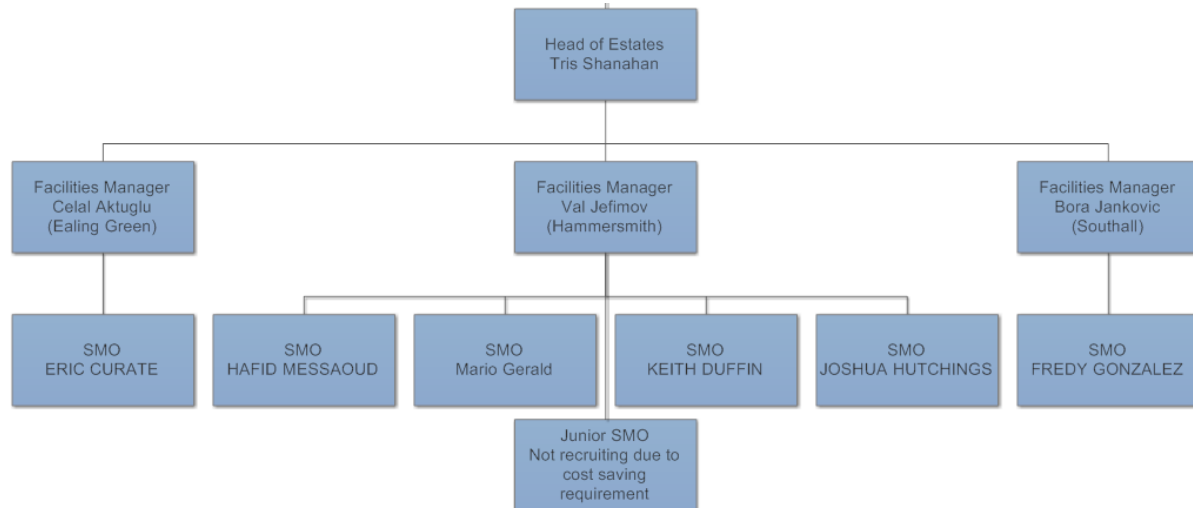
The Head of Estates is accountable to the Assistant Director, Infrastructure Services and directs the site-based Facilities Managers (x3) on all aspects of buildings compliance, service contracts, maintenance and works implementation.

Each site-based Facilities Manager has access to a pool of Site Maintenance Officers (SMO) (x6) who conduct the necessary duties required of the college operations within the remit of the department across all sites at which the college operates. This includes low level maintenance, deliveries distribution, classroom & exams setups and basic maintenance and improvement works etc.

The current organisational structure was implemented in 2016 following the necessity to improve service quality, effectiveness and to save costs. This reduced the staffing cost of the Estates department by c.£90k annually.

The team currently service Acton College and from September 2018, when Acton closes, will service the Park Royal Construction Centre and the Southall Waterside Construction Academy (a net increase to 5 sites).

### Organisational chart



### Weaknesses/Obstacles

The operational team members (SMOs) operate across all sites five days per week and the simplicity of the structure ensures that team members work equally and any individual absences can be covered within the team with little or no negative effect on service delivery. However, the SMO structure is carefully balanced for the number of sites and the total amount of activity that is carried out at each site, therefore currently 6 SMOs are required to deliver the required service levels across 4 sites.

Although planned in the 2016 restructure, the Junior Site Maintenance Officer role was not recruited to and was therefore deleted earlier in 2018 as a cost cutting exercise, saving c.£25k annually from the original proposal. As a result, there is no capacity within the Estates operational team to cater for unexpected eventualities, any significant growth in site activities or increase in the number of sites at which the college operates.

The Head of Estates role is pivotal to the function of the department and for the college to ensure buildings compliance and mitigate associated risks. The role is accessible and is the consistent central point of contact for all future and current estates matters across all sites. However, the Head of Estates role includes a significant amount of administration and planning therefore there is a dependency on admin support and for Facilities Managers to deal independently with daily routine tasks to ensure the department remains aligned with business need and is compliant with statutory requirements.

### Cost

The actual cost of the current structure is £342,022 per annum.

### 3. Proposed Structure

#### Changes needed

The changes needed to achieve the department's assigned cost cutting target of 19.3% at £66,000 can be achieved by the following: -

- Delete the post of Facilities Manager (3 x FTE) which will save £112,007.
- Create a new post of Facilities Service Manager (1 x FTE) at a cost of £46,000.

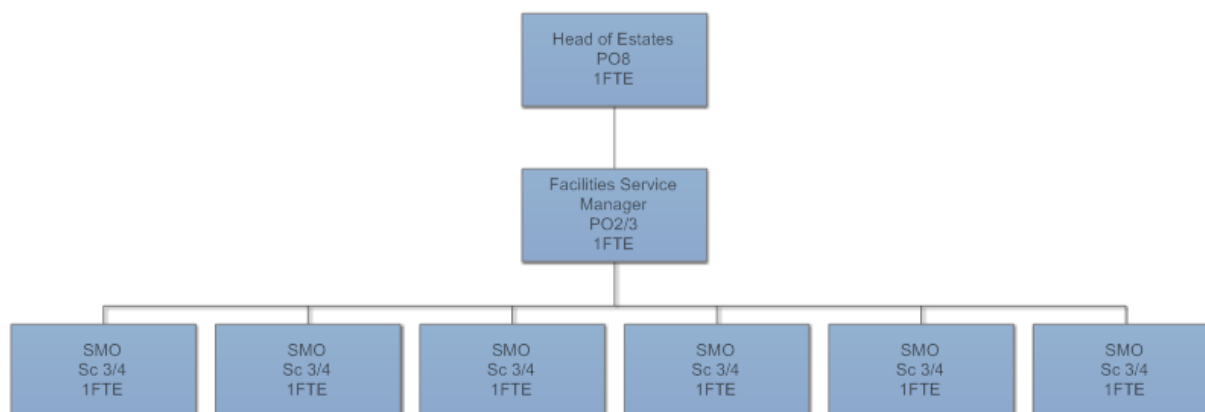
#### Anticipated Benefits

- Centralised management and coordination of all operations across college sites to improve consistency of service
- Greater flexibility for deployment of resources
- Improve continuity for external contractors
- Improve effectiveness of maintenance schedule (reduce risks)
- Improve customer satisfaction
- Better team focussed approach
- Improve value for money

#### Details of proposed structure headcount, FTE

- 1 FTE Head of Estates (PO8)
- 1 FTE Facilities Service Manager (PO2/3)
- 6 FTE Site Maintenance Officer (Scale 3/4)

#### Organisational chart



#### Cost

The actual cost of the proposed structure is £276,015 per annum.

This equates to an annual cost decrease of £66,007.

#### Processes change

The proposed new role of Facilities Service Manager will be responsible to ensure staff resources are deployed as required in line with college wide business need and function as required and logged through the centralised Helpdesk system.

College staff, at any site at which the college operates, will be required to give advanced notice of their planned requirements in line with the Estates Department Service Level

Agreement.

A reactive response may not always be possible as the complete centralisation of resource allocation is a significant change to the current site-based response structure.

This centralisation also applies to non-planned eventualities, including emergency maintenance incidents where response and resolution times will naturally increase.

### **3. Implications of not undertaking Proposal**

The assigned staff cost cutting target of 19.3% cannot be achieved.

### **4. Alternatives**

There are no staff cost reduction alternatives proposed at present.

However, all alternatives will be considered as part of the consultation process with staff and unions.

### **5. Selection arrangements**

#### **Ringfencing arrangements**

As it is proposed for 3 FTE Facilities Managers posts to be deleted, the recruitment of the Facilities Service Manager, will be ringfenced to the current postholders.

### **6. Risks**

- Low staff morale – High
- Increased response times to work requests due to reduced staffing levels - High

### **7: Concluding comments**

Issue of this document represents the start of the consultation process and assumptions are not being made about the changes that will be implemented or the number of posts that may be deleted.

It is recognised that this will be a difficult period for many members of staff. We wish to state that numbers of redundancies will be kept to the minimum possible and that redeployment and other opportunities will be carefully explored for all potentially redundant staff. The College remains committed to avoiding compulsory redundancies.

The College has an Employee Assistance Programme available to all staff and their household families, 24/7 that can provide support and practical information.

Formal consultation responses must be addressed to John Humphreys, Director of Human Resources and received by **1<sup>st</sup> June 2018**.

## 8. Timescales

<b>Stages</b>	<b>Detail</b>	<b>Deadline</b>
<b>1.</b>	Sent to SLT	14 <sup>th</sup> May 2018
<b>2.</b>	Sent to JNC	18 <sup>th</sup> May 2018
<b>3.</b>	Consultation meeting with staff	w/c 21 <sup>st</sup> May 2018
<b>4.</b>	One to one consultations (as requested)	23 <sup>rd</sup> May – 8 <sup>th</sup> June 2018
<b>5.</b>	End of consultation period	13 <sup>th</sup> June 2018
<b>6.</b>	Comments and revised proposal to be fed back (formal meeting).	15 <sup>th</sup> June 2018
<b>7.</b>	Expression of Interest (EOI) sent	18 <sup>th</sup> June 2018
<b>8.</b>	Closing date of EOI.	21 <sup>st</sup> June 2018
<b>9.</b>	Notification to applicants of interviews.	22 <sup>nd</sup> June 2018
<b>10.</b>	Interviews take place.	27 <sup>th</sup> June 2018
<b>11.</b>	Offer / At Risk Letters Issued	29 <sup>th</sup> June 2018
<b>12.</b>	New Structure in place.	1 <sup>st</sup> July 2018