



Belfast City Council

Report to:	Strategic Policy and Resources Committee
Subject:	VFM Review of Security and Review of Civic HQ: Progress Update
Date:	24 January 2014
Reporting Officer:	Ronan Cregan, Director of Finance and Resources Gerry Millar, Director of Property and Projects
Contact Officer:	George Wright, Head of Facilities Management Mark McBride, Head of Finance and Performance Charlie Thompson, Principal Consultant, Efficiency Unit

1	Relevant Background Information
	VFM Review of Security
1.1	Since agreement by the Strategic Policy and Resources Committee on 18 May 2012 for a VFM review of Security to be undertaken the Director of Finance and Resources and the Director of Property and Projects have provided regular updates on the progress of the review to Members.
1.2	In order to assist in the development of a preferred operating model for the Council's manned guarding and CCTV/ alarm monitoring and to establish the extent to which this could be achieved and delivered on a voluntary basis, it was agreed by SP&R on 22 November 2013 that a trawl for "expressions of interest" in voluntary redundancy among Security Unit employees likely to be affected by the review could commence. The trawl was therefore undertaken in December 2013.
1.3	Civic HQ Review A report in relation to the re-structuring of the Civic HQ Unit was presented to the Committee at its meeting of 22nd November 2013, and approved (Appendix 1).
2	Key Issues
	VFM review of Security
2.1	<u>Proposed option</u> Officers have now scoped the potential costs, savings and organisational design implications resulting from each potential operating model and a preferred option and structure has now been identified.
2.2	The proposed option will result in a reduction of 11 FTE posts from the current Security Unit and can be implemented on a voluntary basis. The current and proposed Security Unit structures can be found in Appendices 2 and 3.

2.3	The current security arrangements at Duncrue will remain unchanged and Dunbar Link and Raphael Street operations will be kept under review. Please see Appendix 3 for a summary of the proposed changes.						
2.4	<p><u>Benefits of the proposed model</u></p> <p>The proposed Security model offers a number of benefits which address many of the key issues identified by IJA:</p> <ul style="list-style-type: none"> • Reduces annual costs by in excess of £300,000, achieved by a reduction in employee costs, specifically salaries and overtime costs; • Enhances the security presence at City Hall; • Maximises use of access control technology in key locations – CWB; Digital Services – ensuring that staff are deployed to sites where they add maximum value; • Addresses the issues that the Control Room in its current state is expensive and adds limited value • Removes physical staff from sites where they add limited value. 						
2.5	<p>Review of Civic HQ</p> <p>A report in relation to the re-structuring of the Civic HQ Unit was presented to the Committee at its meeting of 22nd November 2013, and approved. This revised structure is made up of a number of underlying structural changes which are summarised below for members' information:-</p> <ul style="list-style-type: none"> • a total of 12 posts (full-time and part-time) have been deleted from the current structure ; and • a total of 13 new (full-time and part-time) posts have been created. <p>(NB The full structure was set out in appendix of the SP&R report of 22nd November 2013 attached as Appendix 1 of this report).The net annual additional cost (excl. on-costs) of the revised structure is as follows:-</p>						
2.6	<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Cost of new posts:</td> <td style="text-align: right;">£189,196</td> </tr> <tr> <td>Savings from deleted posts</td> <td style="text-align: right;"><u>£155,814</u></td> </tr> <tr> <td>Net annual cost:</td> <td style="text-align: right;">£33,382 (as reported to SP&R 22/11/13)</td> </tr> </table>	Cost of new posts:	£189,196	Savings from deleted posts	<u>£155,814</u>	Net annual cost:	£33,382 (as reported to SP&R 22/11/13)
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Savings from deleted posts	<u>£155,814</u>						
Net annual cost:	£33,382 (as reported to SP&R 22/11/13)						
2.7	The HR implications of this review will be managed in accordance with the council's normal policies and procedures.						
2.8	In the course of the review, 2 members of staff (Civic HQ Manager & Tour Services Officer) made application for voluntary redundancy under the council's standard protocol. At the time of writing the report of 22 November 2013 it was not possible to						
2.9	quantify the cost. The overall one-off cost to the council will be £134,328.						
2.10	<p>Trade union engagement</p> <p>There has been regular consultation with staff and trades unions and this will continue during the implementation phase to address any operational issues that may arise. Three of the recognised trade unions have indicated their broad agreement with the principles underpinning the proposed Security model. Specifically, they have noted the enhanced use of access control technology, integration of the operational Security posts and the use of external contractors to support manned guarding and CCTV monitoring provision. The fourth trade union, NIPSA, has indicated that they will provide their feedback in advance of the committee meeting, in order that a verbal update can be provided.</p>						

	<p>The trade unions did, however, note that their priorities for the implementation phase of the review are that:</p> <ul style="list-style-type: none"> • Final agreement of the new structure would be dependent upon the grade of the new post; • The proposals for the Digital Services building should be reviewed to determine the potential for BCC staff to provide night shift cover; • All applications for VR are accepted; and • They are fully involved and consulted during the implementation phase of this review. <p>Next steps</p> <ul style="list-style-type: none"> • Further engagement with staff and trade unions will take place to evaluate the requests for voluntary redundancy and to ensure the proposed Security structure is implemented by April 2014 line with agreed HR policies and procedures. • The Head of Facilities, with support from the Corporate Efficiency Unit, will continue to keep under review the proposed operating model to identify the scope to deliver further efficiency savings for 2015/16 and to allow for consideration of the wider LGR implications for the Service.
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3	Resource Implications
3.1	<p>Financial Implications:</p> <ul style="list-style-type: none"> • The proposed Security option will result in ongoing annual efficiency savings in excess of £300,000. Any initial costs to facilitate the proposal will be funded from existing operational budgets. The anticipated payback period is 1.4 years with no additional cost to the ratepayer. • The proposed Civic HQ structure will result in a net annual cost of £33,382.
3.2	<p>Human Resource Implications:</p> <ul style="list-style-type: none"> • Reduction in the number of Security Unit FTE by 11. • A net increase of 2 Civic HQ FTE.

4	Equality and Good Relations Implications
4.1	There are no equality or good relations implications associated with this report.

5	Recommendations
5.1	<p>The Committee is requested to note the information and progress made in each review as set out above, and to authorise officers to continue with the development and implementation of the revised structures on the basis outlined above.</p> <p>A detailed report on the Security Review will be brought the Committee prior to the commencement of the new financial year.</p>

6	Decision Tracking

7.	Key to abbreviations
	VFM – Value for Money VR – Voluntary redundancy FTE – Full time equivalent IJA - Ian Johnston Associates LGR – Local Government Reform IJA - Ian Johnston Associates

8.	Documents Attached
	Civic HQ SP&R report 22nd November, 2013 (Appendix 1) Current Security Unit Structure (Appendix 2) Proposed Security Unit Structure (Appendix 3) Summary of changes by site as a result of the proposed option (Appendix 4)



BELFAST CITY COUNCIL

Report to:	Strategic Policy & Resources Committee
Subject:	Review of Civic HQ unit
Date:	22 nd November 2013
Reporting Officer:	Gerry Millar, Director of Property & Projects
Contact Officer:	George Wright – Head of Facilities Management (Ext. 5206)

1	Relevant Background Information
1.1	Members will be aware that the Civic HQ Unit manages the reception and telephonist staff in a number of council properties, and also manages the City Hall public and private tour service, liaises with function organisers in relation to civic and non-civic functions in the City Hall and provides a 'client' role for most city-centre council properties.
1.2	Members will also be aware that the Property & Projects Department is in the process of carrying out service reviews on most aspects of its current operations, with a view to improving services and identifying efficiencies where possible. Reviews of the Procurement, Security, Project Management, Fleet Management, Business Support and Property Maintenance units have already been carried out in this regard.
1.3	<p>The Civic HQ unit has not been reviewed from a structural or functional perspective in the last ten years, and it is the department's belief that the current structure, functional arrangements and existing job descriptions have become outdated and unfit for purpose. This has become more evident since the re-opening of the City Hall in 2009 and the changes in its business environment, most notably:-</p> <ul style="list-style-type: none"> • a sustained 40% increase in tours & tourists; • a sustained 22% increase in civic and non-civic functions; • the requirement to provide reception cover in additional buildings such as Adelaide exchange; • an enhanced 'client' role in terms of the upkeep, maintenance and servicing of the council's principal civic buildings; • new 'client' responsibilities for the Duncrue and ISB/Seymour House sites from 2013/14 onwards; • new responsibilities in terms of managing access-control systems and a potential increase in the incidence of such systems; • increasing use of the East exhibition space and the City Hall grounds; • increased workload in tours, access control and aspects of functions work are being covered via agency and or overtime arrangements; • potential additional responsibilities for new city-centre council accommodation

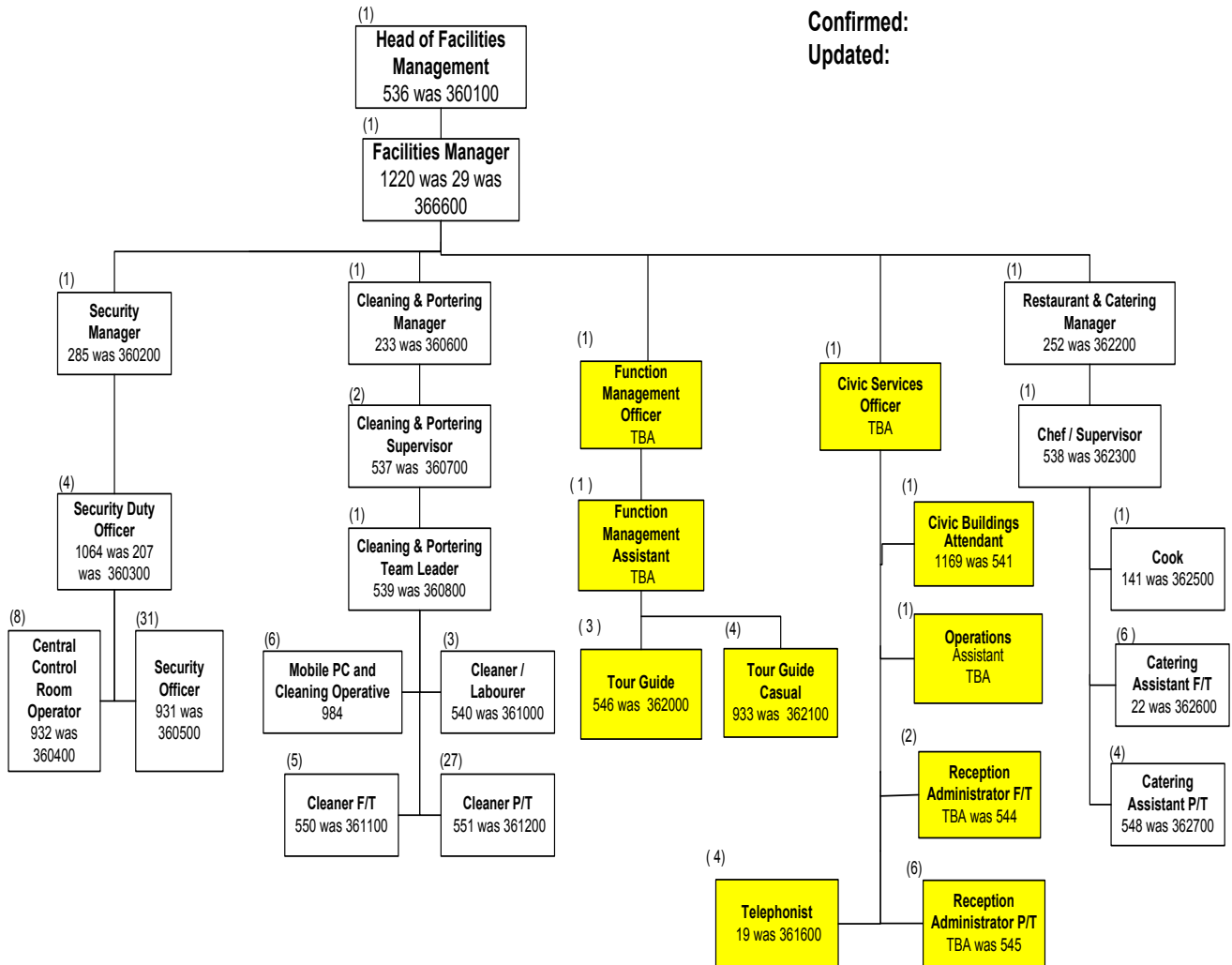
1.4	<p>and enhanced memorabilia and tour offerings; <i>and</i></p> <ul style="list-style-type: none"> the transfer of telephony responsibilities to Digital Services.
1.5	<p>Consequently, permission for a structural review was sought and granted by CMT in June 2012. The review was carried out in-house with Corporate HR support, and the review's findings and recommendations were endorsed by CMT in November 2013. However the review's recommendations require the approval of the Committee under the current Scheme of Delegation.</p>
1.6	<p>The structure proposed (see Appendix 1) recognizes the changes in the unit's business environment in terms of increases in tours and tourists, increases in the scale and scope of function-management activity and liaison needed and the increasing requirements in terms of the use of access-control systems etc.</p>
1.7	<p>The structure consists of 2 main strands, with the public-facing tours and functions work comprising one strand and the largely internal civic services (reception, telephony, access-control, handyperson etc) comprising the other, with both strands co-operating to deliver the 'client' role at variety of sites (now incl. both ISB & Duncrue).</p>
1.8	<p>The review also recognizes that the job descriptions, duties and rostering arrangements in relation specifically to Reception staff require updating, and also that these need to be flexible enough to cope with future changes (e.g. potential new city-centre office space etc).</p> <p>Overall, the review recommends a nett increase of 2 FTE posts. In order to achieve this some posts have been deleted, some new posts created and other posts will have the council's categorisation or re-designation processes applied. Should any redundancy situations arise during this phase these would be dealt with solely on a voluntary basis, and some staff have already indicated a willingness to avail of this opportunity should it arise.</p>

2	Key Issues
2.1	<p>The key issue is that the Civic HQ Unit is facing a sustained increase in the scale and scope of its work and is currently coping through the use of agency and overtime, plus an enhanced reliance on casual staff.</p>
2.2	<p>The proposed new structure would align the unit's resources with the increased demands being made upon it, and would recognize the changes in business environment which have occurred and those which may potentially arise in the near future (notably council accommodation, enhanced memorabilia & tour offers etc).</p>
2.3	<p>Overall, the review would result in a modest nett increase in the number of front-line posts and there would obviously be some additional costs (see below), but these must be viewed in the context of the enhanced service. These new posts would also assist the council in terms of its ongoing employability obligations under the Investment Programme.</p>

3	Resource Implications
3.1	<p>The overall financial implications of this review are anticipated to be as follows:-</p> <ul style="list-style-type: none"> the overall additional cost of the review would be £33,382 per annum (£41,480 incl. on-costs); there may potentially be additional one-off costs in terms of voluntary redundancy payments and actuarial payments in respect of pension release, although it is not possible to quantify these at time of writing.
4	Equality and Good Relations Implications
4.1	There are no direct equality or good relations implications arising from this report.
5	Recommendations
5.1	It is recommended that the Committee approves the establishment of the 2 new posts set out above, and also the revised reporting lines as set out in Appendix 1.
7	Key to Abbreviations
	None.

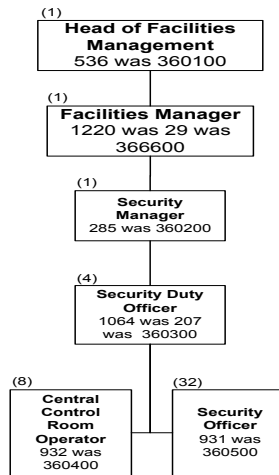
Property & Projects – Facilities Unit

Status: Proposed Option
 Approval:
 Date:
 Confirmed:
 Updated:



Appendix 2

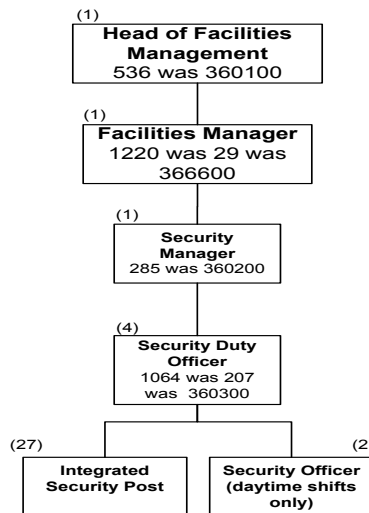
Property & Projects – Current Security Unit Structure



Total Permanent Posts = 47 including Head of Facilities Management

Appendix 3

Property & Projects – Proposed Security Unit Structure



Total Permanent Posts = 36 including Head of Facilities Management

Appendix 4

Site	Current situation	Proposed	IJA finding	Comments
City Hall	Staffed by BCC Security Officers and Control Room Operators with external contractors used as required Security Officer and Control Room Operator posts are separate	Integration of Security Officer and Control Room Operator posts which enables an enhanced pool of Security staff.	Previous Security operations inefficient with the Control Room adding limited value	Proposed model will address issues regarding inefficiency and use of overtime
Cecil Ward Building	Manned guarding provided by BCC staff	Replace by access control technology	Potential to replace manned guarding with access control technology and support from the City Hall pool as required.	Achieves reduction in staffing costs
Adelaide Exchange	Manned guarding provided by BCC staff	Remove BCC manned guarding	Manned guarding presence already supplied by landlord. Potential to remove BCC manned guarding.	Achieves reduction in staffing costs
Digital Services	Manned guarding provided by BCC staff	Replace by access control technology and support partly with less expensive external contractor staff.	Potential to replace manned guarding with access control technology and support partly with external contractor staff.	Achieves reduction in staffing costs
Duncrue Complex	Manned guarding provided by BCC staff	No change	24 hr security cover required. BCC to determine if appetite for externalisation exists and if so externalise to reduce costs further.	
Dunbar Link	Manned guarding provided by BCC staff	No change	Review to determine potential use of access control	To be kept under review.
Raphael	Manned guarding	No change	Review to	To be kept

St car park	provided by BCC staff		determine potential use of access control	under review.
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