

# Report

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| Report to:       | <b>Housing and Technical Resources Committee</b>   |
| Date of Meeting: | <b>5 February 2020</b>   |
| Report by:       | <b>Executive Director (Housing and Technical Resources)<br/>Executive Director (Finance and Corporate Resources)</b> |

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| Subject: | <b>Re-design of Out of Hours Emergency Repairs Service</b> |
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update the Committee on progress with the negotiations with Trades Unions in developing a revised model of service delivery for the Out of Hours Emergency Repairs Service

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that progress with the negotiations with the Trades Unions be noted; and
- (2) that the amended proposal for the Re-design of the Out of Hours Emergency Repairs Service, as detailed within Section 6 of this report, be approved for implementation.

## 3. Background

3.1. At the Housing and Technical Resources (Special) Committee meeting held on 6 February 2019 an efficiency saving was proposed, which related to a “Re-design of the Out of Hours Standby Service”. Following a discussion on this proposal the Committee agreed to recommend to the Executive Committee that:-

- ♦ over the next 6 months the Executive Director (Housing and Technical Resources) to continue to negotiate with the Unions to devise a new service delivery model and begin implementation as early as possible
- ♦ the Executive Director (Housing and Technical Resources) should bring a paper to the Housing and Technical Resources Committee outlining the mutually agreed model for implementation in 2020/2021
- ♦ the Executive Director (Housing and Technical Resources) should bring a report to a future meeting of the Housing and Technical Resources Committee and Executive Committee at the end of 6 months and update on progress

3.2. The Executive Committee meeting held on 13 February 2019 approved the recommendations made by the Housing and Technical Resources (Special) Committee subject to a further amendment to remove the word “mutually” from the second recommendation.

- 3.3. In line with the actions agreed by the Committees as noted above, an update report was placed on the agenda for the Housing and Technical Resources Committee on 4 September 2019, however this was subsequently withdrawn by the Chair of the Committee immediately prior to the meeting, following a communication issued by the Unite the Union convenor, in order to allow elected members adequate time to consider this information.
- 3.4. Subsequently it was agreed to hold further meetings, to discuss the issues raised by the Trades Unions. Two further meetings have since taken place, on 3 October 2019 which included representatives from the political groups, Trades Unions and service management as well as a further meeting of elected members held on 16 December 2019.

#### **4. Current Out of Hours Emergency Repairs Service Arrangements**

- 4.1. As part of the ongoing work across the Resource to minimise the financial implications of premium cost overtime, Property Services established a group to review overtime payments.
- 4.2. The Overtime Review Group is chaired by the Head of Property Services and consists of operational service managers from the Building Services Contracts and Maintenance Sections, officers from Finance, Personnel, and representatives from Trades Unions. The meetings of the Group commenced in 2017 and remain ongoing.
- 4.3. The largest area of overtime spend was identified as being within the service related to the Out of Hours Emergency Repairs Service and a review of this service commenced to assess any options for service re-design.
- 4.4. The Out of Hours Emergency Repairs Service is currently delivered by trades operatives from Property Services through a voluntary standby arrangement.
- 4.5. This arrangement involves a rota of approximately 100 trades operatives, who provide cover for the Out of Hours Emergency Repairs Service in one week blocks.
- 4.6. Depending on availability, operatives can be allocated multiple numbers of weeks standby over the course of any year and the payments for this are as set out in the nationally agreed COSLA Schedule for Standby Duty for Officers other than Social Work Officers.
- 4.7. Operatives currently receive a fixed payment of £90.95 per week for being on standby with an additional call out payment of £14.52 for the 2 hour period following the initial call-out. Operatives are also entitled to an overtime payment from the time they receive the call until they return home.
- 4.8. In addition to the direct payments made to operatives, there are further costs incurred by the Repairs Service relating to Out of Hours repairs, including:-
- ◆ overtime payments to operatives when daytime repair work extends beyond the operatives' normal working day
  - ◆ operatives working on the Out of Hours Emergency Repairs Service are entitled to a minimum 11 hour rest period following completion of their last repair. As a result of this, service teams need to re-plan and re-programme scheduled works depending on an operative's availability on the day following their out of hours work.

- 4.9. The full cost of the Out of Hours Emergency Repairs Service in financial year 2016/2017, when the review of the current arrangement commenced, was £0.673 million. A breakdown of this is noted in Table 1 below:-

**Table 1**

| <b>Trades</b>                                      | <b>On Call Allowance</b> | <b>Standby Allowance</b> | <b>Overtime Payments</b> | <b>Total Additional</b> |
|--|--------------------------|--------------------------|--------------------------|-------------------------|
| Electrician x 3                                    | £0.026 m                 | £0.013 m                 | £0.139 m                 | £0.178 m                |
| Joiner x 3   | £0.033 m                 | £0.013 m                 | £0.159 m                 | £0.205 m                |
| Plumber x 3  | £0.034 m                 | £0.013 m                 | £0.173 m                 | £0.220 m                |
| <b>Total</b>                                       | <b>£0.093 m</b>          | <b>£0.039 m</b>          | <b>£0.471 m</b>          | <b>£0.603 m</b>         |
| Cost of Rest Periods                               |                          |                          |                          | £0.040 m                |
| Cost of overtime to cover extended daytime repairs |                          |                          |                          | £0.030 m                |
| <b>Total</b>                                       |                          |                          |                          | <b>£0.673 m</b>         |

## **5. Proposal for a Re-designed Out of Hours Emergency Repairs Service**

- 5.1. During the first stage of the review of the Out of Hours Emergency Repairs Service, a detailed analysis of the demand in 2016/2017 was carried out, which identified that a total of 9,181 repairs/calls were attended/received. The assessment of when these repairs took place determined:-

- ◆ Between 4.00pm – midnight Monday to Friday
  - average of 14.47 jobs per day
- ◆ Between midnight – 8.00am Monday to Friday
  - average of 1.18 jobs per day
- ◆ Between 1.00pm – 4.00pm Friday
  - average of 16.83 jobs per day
- ◆ Saturdays and Sundays
  - average of 17 jobs per day

- 5.2. From this information it was determined that premium overtime payments could be reduced through the establishment of a dedicated workforce to provide the service. Using the statistical information on the number of calls received and the time period they were received in, it was further concluded that the most efficient and effective model of delivery would be through two dedicated teams of 9 operatives, each comprising 3 plumbers, 3 joiners and 3 electricians. The teams would be required to work on a shift pattern which reflected the anticipated demand of the service, as follows:-

- ◆ Monday to Friday - 1.00pm to midnight
- ◆ Saturday and Sunday - Staggered start times covering from 8.00am to midnight

- 5.3. The teams would work on a weekly rotating pattern of 4 days working and 4 days rest, with the active team also providing emergency cover from midnight until the new shift commenced at 8.00am through a standby arrangement whereby 1 operative from each trade would remain “on call” over this period.

5.4. The additional benefits to be derived from this proposal include:-

- ◆ the re-designed service will have additional in-built resilience, as it will be contractual and not be reliant on volunteers
- ◆ response times are anticipated to improve as, for the majority of calls, operatives will be available to be dispatched as soon as the call is received
- ◆ increased opportunity to complete all works needed on the initial visit
- ◆ the service will be dedicated to emergency calls only, however, based upon the ongoing assessment of demand, it is considered likely that there will be capacity within the teams, to allow for some additional functionality to be considered
- ◆ service disruption due to operatives working on the Out of Hours Service not being available during the next working day due to the required rest time will be avoided
- ◆ 3 new additional fixed term jobs will be created for the first year, whilst a full assessment is carried out on the actual demand against that which was forecast and if required these will be made permanent

5.5. The initial financial assessment of the proposed re-designed service noted that it would deliver an estimated saving of £425,000 per year.

## **6. Negotiations with Trades Unions**

6.1. Following the special meeting of the Housing and Technical Resources Committee held on 6 February 2019, and the Executive Committee held on 13 February 2019, the Executive Director (Housing and Technical Resources) convened a series of meetings with Trades Unions representatives.

6.2. During the initial meetings the Trades Unions did not propose any alternative delivery models they wished to be considered to the model, noted in Section 5 above, and there were no operational issues identified which would prevent the proposed re-designed service to be implemented. The focus of the discussions was therefore on reaching a compromise to the Terms and Condition package for this proposal and to respond to any areas of concern raised by the Trades Unions. This led to amendments to the original proposal as noted below:-

- ◆ Approved Electrician and Advanced Plumber grade to be retained if the operatives are engaged in the new team
- ◆ increased working week from the originally proposed 35 hours to the 37 hours, to enable operatives to maintain their current contractual hours
- ◆ altered start and finish times and reduced break times
- ◆ standby payment to be contractual and included within the operative's salary.

6.3. A financial assessment of these amendments to the original proposal noted that this would reduce the estimated saving to £253,000 per year.

6.4. Following development of the improved terms and conditions package, Trades Union representatives undertook engagement with their members. The feedback from this engagement from those who attended was that there was very limited interest in participating in the proposed service delivery model.

## **7. Alternative Service Delivery Model Proposal**

7.1. At the review group meeting held on 26 June 2019, the Unite the Union deputy convenor who was in attendance stated a wish to present an alternative option for the delivery of the Out of Hours Emergency Repairs Service. This was subsequently confirmed on 3 July 2019 as being:-

Proposal to revert to previous standby arrangements

Service split into 3 geographical areas

- Area 1 (East Kilbride, Rutherglen and Cambuslang)

- Area 2 (Hamilton, Bothwell, Uddingston, Larkhall)

- Area 3 (Clydesdale)

One of each trade in every area from 4.30pm – 8.00am

- payment

- on call allowance £150

- £25 per job and overtime payments to commence after 2 hours.

- 7.2. Financial modelling of this proposal was undertaken by Finance and Corporate Resources, based on the 2016/2017 base position (Table 1) with inflation added to bring the estimated costs up to 2019/2020 levels.

**Table 2 – Financial Assessment of Unite the Union Proposal**

| <b>Cost</b>                                | <b>Current</b>       | <b>Proposed</b>        |
|--|----------------------|------------------------|
| Standby Allowance                          | £90.95 per week x 9  | £150 per week x 9      |
| On Call Duties                             | £14.52 rate per call | £25 rate per call      |
| Overtime Payments                          | £509,650             | <b>Saving £158,173</b> |
| Rest Periods                               | £ 43,820             | £ 43,820               |
| Overtime to cover extended daytime repairs | £ 32,460             | £ 32,460               |
| <b>Total Cost</b>                          | <b>£731,299</b>      | <b>£727,576</b>        |
| Change to Current Costs                    |                      | £ 3,724                |

- 7.3. The financial impact of moving from the current model to the alternative model proposed was assessed as a net saving of £3,724.
- 7.4. Advice on the proposal was also provided by Personnel Services and it was confirmed that it was not in line with the nationally agreed COSLA Schedule for Standby Duty for Officers other than Social Work Officers, currently in place across all other council services. Any change to this agreed position would firstly require to be further reviewed as there may be implications for other Resources and Services delivered by the Council.
- 8. Recommendations**
- 8.1. Following the meeting held with representatives of the political groups, Trades Unions and service management held on 3 October 2019, it was decided to carry out an exercise to assess the level of interest in participating in the new model from the existing workforce. Correspondence was issued to trades operatives within both the Building Services Maintenance and Contracts teams to ask if they would be interested in participating in the proposed new team. There were nine positive responses from 1 plumber, 2 electricians and 6 joiners received.
- 8.2. On the basis of the above, it is therefore recommended that the option for the re-designed Out of Hours Emergency Repairs Service, as set out within Section 6 of this report, incorporating the amended terms and conditions agreed with the Trades Unions, be agreed for implementation.

## 9. Employee Implications

- 9.1. If approved the recommended option will be communicated and trades operatives will be asked if they wish to participate in the new Out of Hours Emergency Repairs Service. It is planned that the team will initially be filled from the existing workforce, within the current establishment. Should there not be sufficient take up from the existing workforce, the service will look to recruit to the posts externally using vacancies from the existing establishment.
- 9.2. In addition, the following posts will be added to the Housing and Technical Resources establishment on a fixed term basis for 1 year. These posts have been graded using the Council's job evaluation scheme:-

| Post                                | Proposed Number of Posts (18 FTE transferred to dedicated service) | Grade         | SCP Range   | Hourly Rate     | Annual Salary     | Gross Cost (inc on costs 30.3%) |
|-------------------------------------|--|---------------|-------------|-----------------|-------------------|---------------------------------|
| Building Services Operative (Trade) | 3.0  | G2 L4 - G3 L2 | SCP 55 - 65 | £16.04 - £18.06 | £30,018 - £34,840 | £117,339 - £136,191             |

- 9.3. Following implementation, workload and staffing across the Maintenance Service will be continually assessed as part of the Service's ongoing workforce planning.

## 10. Financial Implications

- 10.1. The proposed changes to existing service delivery as recommended in paragraph 8.2. are summarised below detailing the proposed saving of £0.253 million:-

| Trades               | Existing Model  | Revised Model   | Total Movement  |
|----------------------|-----------------|-----------------|-----------------|
| 18 Staff FTE         | £0.719 m        | £0.868 m        | (£0.149 m)      |
| Standby Allowance    | £0.093 m        | £0.031 m        | £0.062 m        |
| On Call Allowance    | £0.040 m        | £0.015 m        | £0.025 m        |
| Cost of Rest Periods | £0.040 m        | £0.013 m        | £0.027 m        |
| Overtime             | £0.471 m        | £0.063 m        | £0.408 m        |
| 3 Additional FTE     | £0.000 m        | £0.120 m        | (£0.120 m)      |
| <b>Total</b>         | <b>£1.363 m</b> | <b>£1.110 m</b> | <b>£0.253 m</b> |

- 10.2. As noted in 5.4 above, the revised model includes 3 new fixed term posts for the first year, whilst a full assessment is carried out on the actual demand against the forecast. Once this assessment is complete the establishment will be adjusted as required.

## 11. Climate Change, Sustainability and Environmental Implications

- 11.1. There are no issues in relation to climate change, sustainability and environment included in this report.

## 12. Other Implications

- 12.1. Negotiations with the Trades Unions in order to best address any issues raised the terms and conditions package on offer to operatives engaged on this Service have been ongoing since March 2019.

### **13. Equality Impact Assessment and Consultation Arrangements**

- 13.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 13.2. Following the Executive Committee on 13 February 2019 employees were informed of the process of negotiation to be undertaken and Trades Unions further consulted with their members over the course of June 2019.
- 13.3. Should the proposals for the re-designed service be approved, the intention would be to offer the opportunity to engage in the new service to the existing workforce within Property Services and carry out the recruitment through April and May 2020.
- 13.4. Operatives currently volunteering for the existing standby system will be kept fully informed of any changes and the timescales for these.

**Daniel Lowe**

**Executive Director (Housing and Technical Resources)**

**Paul Manning**

**Executive Director (Finance and Corporate Resources)**

7 January 2020

### **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Focused on people and their needs
- ◆ Accountable, effective, efficient and transparent
- ◆ Ambitious, self-aware and improving
- ◆ Excellent employer
- ◆ Improve the availability, quality and access of housing

### **Previous References**

- ◆ Housing and Technical Resources Committee, 7 February 2019
- ◆ Executive Committee, 13 February 2019

### **List of Background Papers**

- ◆ None

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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