

PUBLIC

Corporate Property 2020 Employee Briefings

November / December 2019

Dave Massingham - Director of Corporate Property

Corporate Property 2020

Corporate Property 2020

News for Corporate Property employees

ISSUE NUMBER 1 / March 2019

Welcome to the first Corporate Property 2020 newsletter

This newsletter is to keep you up to date with the changes that we are going to make to the Corporate Property service over the next year or so.

In February the council's Cabinet decided to accept the recommendations of a report by consultants Ernst Young. Ernst Young were asked to review our service so that it is fit for purpose and can deliver financial savings. This means we need to change the way we deliver services.

You can find out more about the review and our website at derbyshire.gov.uk/corporateproperty2020

Please have a look at the website and if you've any questions please send them to us at corporateproperty2020@derbyshire.gov.uk

The changes that we must make to service delivery are part of the council's intergrating council approach. Our aim is to make the service sustainable, fit for the future and fit ensure we are providing best value for money.

The next few years are going to prove really challenging for us all, but I know that by working together we can provide an even better service for the people of Derbyshire.

Dave Massingham
Director of Property

Keeping you informed

- We will keep employees informed of the changes to come by:
- Sending out this monthly newsletter with your pay slips
- Keeping our websites up to date
- derbyshire.gov.uk/corporateproperty2020
- Holding weekly briefings for managers
- Holding weekly meetings with the Trade Unions
- Meeting with specific groups of staff so plans are developed that affect their particular service.

What did Cabinet agree?

On 28 February 2019 Cabinet approved the implementation of the recommendations of the Ernst Young review. These are:

- To develop a long term strategy for Corporate Property
- The production of an asset management plan
- The creation of a new model for Corporate Property
- The operationalisation of the Facilities Department
- The externalisation of the Design Department
- The externalisation of the Maintenance Department
- The externalisation of the Landscaping Department
- The externalisation of the Cleaning Department
- The externalisation of the Caretaking Department
- The externalisation of the Repairs Department

Corporate Property 2020

News for Corporate Property employees

ISSUE NUMBER 4 / June 2019

Going Green

The council spends nearly £10m a year on its energy and water bills. In May the council launched its Climate and Carbon Reduction Manifesto. This has set a target to reduce greenhouse gas emissions by 35% by 2022 as a commitment to make the council carbon neutral. As council property accounts for about 70% of overall emissions, Corporate Property will have an important part to play in this.

Our energy team are an important part of the management. On average they save nearly £100,000 a year checking bills, meter read looking for anomalies in energy consumption.

You may have seen Display Energy Centres on our buildings, like the one below. These are a joint venture with Suffolk County Council and a company that it owns called Vertas.

Suffolk, through Vertas, already provide cleaning and caretaking services to other councils and schools and have a good track record of providing quality services.

If the report is agreed by cabinet we will now spend some time meeting with Suffolk to work out the future arrangements in detail.

If we do go ahead then employees in this area would be transferred to work for the company that we would set up with Suffolk.

These examples show how asset management, property maintenance and facilities management come together to save money, improve our buildings and improve the council's green credentials.



Corporate Property 2020

News for Corporate Property employees

ISSUE NUMBER 7 / September 2019

Cabinet decision

On 11 September the council's cabinet is due to discuss a report which sets out how some parts of Corporate Property will be delivered in the future. If cabinet agree the report we will start to talk to Suffolk County Council about setting up a joint caretaking services.

The report also asks cabinet to give the go-ahead for all construction services projects that cost more than £50,000.

A new approach to selling our surplus properties is also set out in the report, and if cabinet agree then we will start to talk to an organisation called Public Sector Plc (PSP) about setting up a partnership to support the Council with this work.

There's more information in the rest of the newsletter, on our website at derbyshire.gov.uk/corporateproperty2020

We will be organising a give you more information across the county for a questions. These will be as soon as we have dates you know.

In the meantime if you please send them to corporateproperty2020@derbyshire.gov.uk

Kind regards,
Dave Massingham
Director of Property

Cleaning and caretaking services

As we explained in the first edition of this newsletter, back in February cabinet decided that we would find another organisation to run cleaning and caretaking services on our behalf.

Since then we've looked at lots of different options as to how we might do this and our recommendation to cabinet, which they will look at in detail on 11 September, is that we look to set up a joint venture with Suffolk County Council and a company that it owns called Vertas.

Suffolk, through Vertas, already provide cleaning and caretaking services to other councils and schools and have a good track record of providing quality services.

If the report is agreed by cabinet we will now spend some time meeting with Suffolk to work out the future arrangements in detail.

If we do go ahead then employees in this area would be transferred to work for the company that we would set up with Suffolk.

This process is known as Transfer of Undertakings (TUPE) and means that employees who their employer or transfer of services.

TUPE means that you will keep your own pension and some of the conditions of employment information on TUPE at derbyshire.gov.uk/TUPE

Our expectation would be that the new company would complete the transfer over.

Corporate Property 2020

News for Corporate Property employees

ISSUE NUMBER 8 / October 2019

Staff briefings

I'm pleased to be able to let you know that the report setting out a new way forward for the service was agreed by the council's cabinet on 11 September.

We've now arranged a series of briefings for all our employees so we can keep you up to date with our plans for the future.

At each briefing I'll give a short presentation about how our plans will affect you and your job. There will also be challenges from HR and we are asking the Trade Unions if you would like to attend.

After the presentation you will be able to ask questions, and we'd anticipate that each session will take around an hour and a half.

Please look at the list of briefings which are listed below and overleaf. We've organised them for different staff groups, cleaning and caretaking employees and all other corporate property employees and in different venues across the county. Please pick the most appropriate one for you and you only need to go to one session.

If your session is not in your normal working time you will be able to claim additional hours and travel expenses. Please talk to your line manager about how to do this.

I look forward to seeing as many of you as possible at the briefings.

Kind regards
Dave Massingham
Director of Property

Meetings for cleaning and caretaking colleagues

If you are a member of our cleaning and caretaking team please find the closest talk to head side to book your place. We've organised most of these sessions to be outside of the times that most of our cleaners and caretakers work.

If you book onto a session that is outside of your normal working hours you will be able to claim additional hours and travel expenses. You can and you will need to sign in to each session when you arrive. You only need to go to one session.

Date	Time	Venue	Room	To book please
12 Nov	14:30 – 16:00	County Hall, Matlock	Committee Room 1	01629 539929
20 Nov	12:45 – 14:15	County Hall, Matlock	Committee Room 2	01629 539929
30 Nov	14:15 – 15:45	County Hall, Matlock	Committee Room 2	01629 539929
22 Nov	12:30 – 14:00	Sweadlow Learning Centre, Rink Drive, Sweadlow	Gresley & Cadley Room	01629 533560
28 Nov	14:30 – 16:00	Sweadlow Learning Centre, Rink Drive, Sweadlow	Gresley & Cadley Room	01629 533560
29 Nov	09:30 – 11:00	Disposables Depot, Derby Depot	Large Meeting Room	01629 539929
29 Nov	13:30 – 15:00	Disposables Depot, Derby Depot	Large Meeting Room	01629 533560
4 Dec	10:00 – 11:30	Chesterfield Library, Greendale Ave, Long Eaton, Aulsebrook	Burton Room	01629 533560
5 Dec	14:30 – 16:00	Aulsebrook HUB, Compton Road, Chesterfield	Ceremony Room	01629 533560
6 Dec	09:30 – 11:00	Ganesley Community Centre, Meland Castle Road, Ganesley	Group Work Room	01629 533230
6 Dec	13:00 – 14:30	Ganesley Community Centre, Meland Castle Road, Ganesley	Hall	01629 539929

- Website: www.derbyshire.gov.uk/corporateproperty2020
- Questions: corporateproperty2020@derbyshire.gov.uk.

Agenda

- Why are we doing this?
- What are we doing?
- What does this mean for me and my team?
- When will this happen?

Why are we doing this?

1. Council financial savings £70m over next 5 years
2. An Enterprising Council
 - Value for money
 - Efficient and effective
 - Best results for our residents
 - No one size fits all (i.e. delivering a service ourselves or use an external organisation)
 - Bold, innovative and commercial mind-set
 - Proud of Derbyshire and ambitious for our public services
3. Better and fewer buildings shared with other organisations (asset management)

What are we doing?

- A lot!
- All of Corporate Property is affected
- New ways of working, a new culture
- Working with new partners

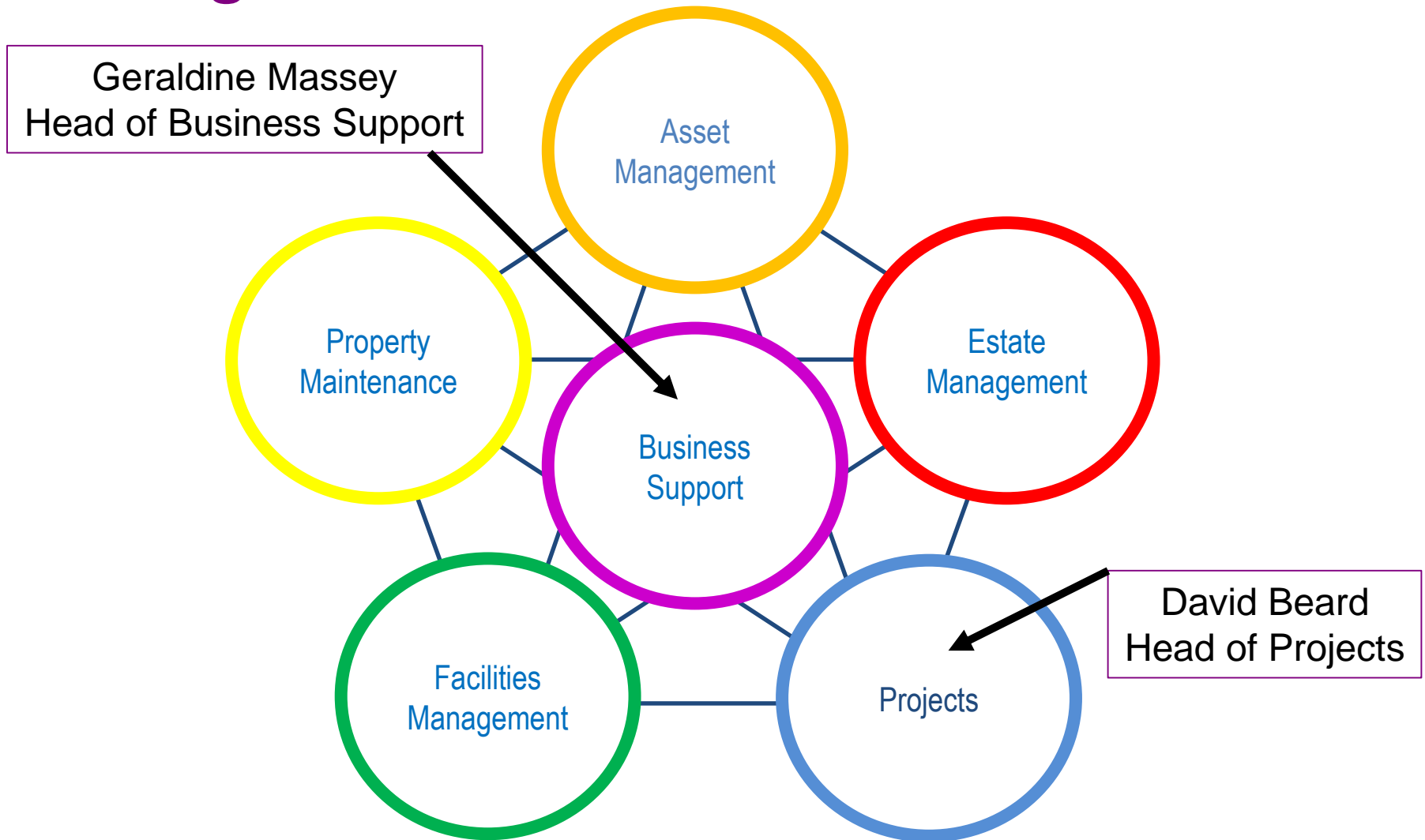
ENTERPRISING

Ernst Young – Key Findings

- ✓ Externalise – cleaning, caretaking, grounds maintenance, design & construction
- ✓ R&M: hybrid service
- ✓ Client Engagement
- ✓ Disposal Strategy
- ✓ Full Corporate Landlord
- ✓ Data
- ✓ Asset Management Framework
- ✓ Service strategy
- ✓ Asset commercialisation
- ✓ Health & safety – transfer to corporate

What are we doing?

Organisation



What are we doing?

Externalisation

- NOT ABOUT
 - VER or redundancy ✗
 - Privatisation ✗
 - Reducing employment terms & conditions ✗
- IT IS
 - Improving services to customers ✓
 - Investing in staff ✓
 - Best in class partners ✓
 - Enterprising / Commercial ✓
 - Includes a DCC arms length company ✓

What are we doing?

Externalisation

1. Joint Venture with Suffolk County Council
2. Partnership with PSP
3. Lead contractor for construction
4. Dynamic Purchasing System for small contractors
5. Framework for large construction projects



Suffolk County Council (Suffolk Group Holdings)

Vertas Group

- Facilities Management
- 3000 staff
- Cleaning, caretaking, grounds maintenance...
- Services to schools
- 2018/19 – Dividend to SCC £1.1m



Concertus

- Design & Property Consultants
- Architecture, QS, engineering...
- BIM Level 2 (Govt. requirement)



1. New Joint Venture Company

- Arms length company of Derbyshire CC
- Share profits equally
- Staff work for the new company
- Commercial, i.e. marketing, new customers, greater freedoms, training & development...
- Phase 1 (April 2020)
 - Cleaning & Caretaking
 - Design Services
- Phase 2 (July 2020)
 - Grounds Maintenance

New Joint Venture Company




- Discussions – early days
- Derbyshire WITH Suffolk County Council,
‘arms length public sector company’
- Cabinet report in January 2020
- Issues to consider include:
 - Location, Equipment, Name, Governance (decision making & approvals),
 - Employees, training, recruitment, payroll, structures
 - IT – time recording, well-being, communications

2. Public Sector Plc

- PSP
 - 19 local authority partnerships
 - Relational Partnering
 - ‘Infinite’ Expertise
 - Access to finance
 - CIPFA (VFM assessment)
- Derbyshire - Corporate Property
 - Outcomes – Property Disposal to deliver:
 - Housing
 - Commercial development
 - Revenue savings & Capital Receipts...
 - ‘*Insourcing*’ – will use Corporate Property & the new JV



3. Construction

- Difficulties:
 - Reduction in workloads (*Local authority spending on Education has fallen every year since the introduction of academisation in 2010-11. (MHC&LG 06/19)*)
 - Profitability
 - Recruiting staff
 - Not 'core' requirement for Derbyshire
- Options:
 - i. Carry on as we are 
 - ii. Close down the business 
 - iii. A new future for construction 

3. Construction

- New future (Dec 2020)
- Appoint a lead contractor, who has:
 - Skills & Training for staff
 - New opportunities, more workload
 - Greater job security
- Staff transfer
- OJEU Procurement

4. & 5. Construction

- Dynamic Purchasing System (DPS) for small Derbyshire contractors
 - Easier for small businesses to work with us
 - Meets procurement regulations
- Frameworks – various
 - For large contractors
 - In addition to the Lead Contractor

What does it mean for me?

Cleaning & Caretaking

- Joint Venture is a new company
- Staff transfer (TUPE) to the JV April 2020
- Same staff, same schools, same salaries
- Improvements:
 - Review with each school what they want, can we do it at less cost and better?
 - New customers
 - Training for staff, better equipment
 - Easier to recruit
 - More support for supervisors....

What does it mean for me?

Design services

- Joint venture is a new company
- Staff transfer (TUPE) to the JV April 2020
- Marketing & Business development
- Grow the business, new projects, new clients
- New systems – BIM
- More employee opportunity

What does it mean for me?

TUPE: Lead Contractor & New Joint Venture

- Transfer of Undertakings (protection of Employment) Regulations 2006
- Protection includes pay, holidays, etc.
- Measures – e.g. pay date change
- Local Government Pension Scheme (LGPS)

What does it mean for me?

Construction & Maintenance

- < £10,000 – *reactive maintenance*
 - Business units, mobile operatives, statutory compliance...
- £10000 to £50,000 – *minor works*
 - Similar to DFG projects
- > £50,000 – *projects*
 - Feasibility – Internal design
 - Detailed design – New JV company
 - Construction – Lead Contractor & Frameworks
- Lead Contractor
 - OJEU
 - TUPE applies

Who sits where to be determined

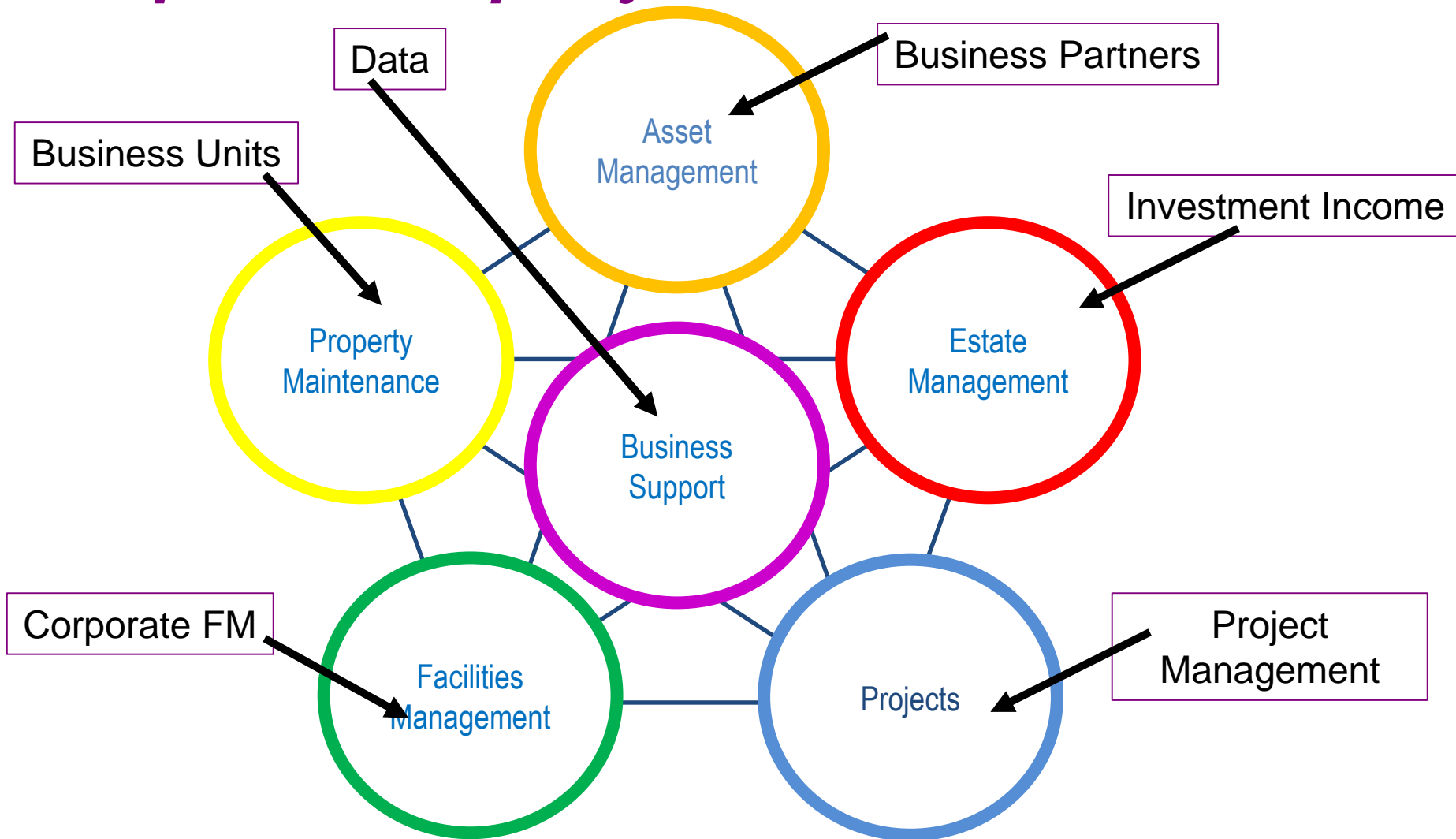
What does it mean for me?

Corporate Property

- Transformation in all sections in Corporate Property
- Engage new Heads of Service & Employees
- New staffing structures – still working geographically
- What works & what doesn't work?
- Example – More commercial opportunities ?
 - Joiners shop – Fire doors, bespoke joinery
 - Roofing Team
 - DFG (Disability Facilities Grant)
- Lessons from other Councils
 - Do in phases
 - Changing structure does not by itself improve performance, but behaviour and culture does

What does it mean for me?

Corporate Property



What does it mean for me?

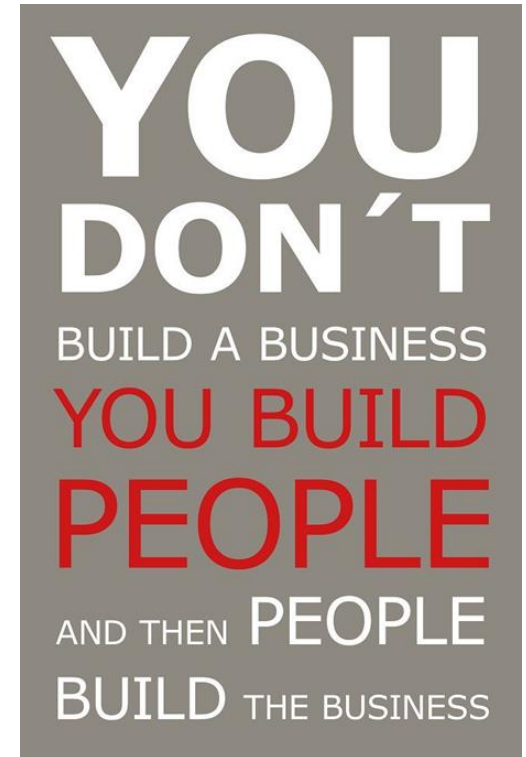
TUPE & New Joint Venture

- Transfer of Undertakings (protection of Employment) Regulations 2006
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- Local Government Pension Scheme (LGPS)

When will this happen?

- Cabinet report – January 2020
- New JV Company – April 2020
 - TUPE Cleaning & Caretaking
 - TUPE Design Staff
 - Grounds Maintenance – July 2020
- Future Phases & Corporate Property Transformation
 - Manager & Staff engagement from January 2020 to June 2020
 - Implementation from June 2020 onwards
- Lead Contractor – December 2020

Questions



- Website:
www.derbyshire.gov.uk/corporateproperty2020
- Questions:
corporateproperty2020@derbyshire.gov.uk.