

# Corporate Property 2020

## News for Corporate Property employees

ISSUE NUMBER 10 / December 2019

I was pleased to have the opportunity to meet with over 800 of you at one of our 24 presentations across Derbyshire during November and December. We also took 28 staff down to Suffolk to meet both Vertas and Concertus colleagues.

The purpose of these first round of presentations was to share in general terms the overall Corporate Property 2020 programme and to start to explain what it means for employees of Derbyshire County Council.

In January we will start the next phase which is detailed consultation with those employees who it is intended will transfer to the new organisations. At this stage that will only be cleaning and caretaking staff and design staff. Those of you in these staff groups will receive more details in the new year. We will also be inviting the trade unions to these consultation sessions.

In this newsletter I wanted to answer some of the questions that were raised during the presentations. In January I will explain in more detail what we mean by TUPE and what happens to terms and conditions.

I do appreciate for many of you the whole idea of transferring to a new employer is a worry, but I can assure you that Derbyshire County Council, Vertas and Concertus want to make this as least stressful as possible and I hope when we meet again in January I will be able to put your minds at rest.

May I also take the opportunity to wish you all a merry Christmas and a peaceful and happy new year.

**Dave Massingham**  
Director of Property

### **Will the new joint ventures companies be owned 50/50 and will the decision making and the profits be shared equally?**

The joint venture companies will be owned 51% by the Suffolk companies and 49% by Derbyshire County Council, this is for financial reporting reasons. However, the decision making will be 50/50 and any profits made will also be shared equally.

### **Will the joint venture companies operate only in Derbyshire?**

The council already works closely with neighbouring councils, and in particular Nottinghamshire County Council. Because of this link the joint venture will be able to work in Nottinghamshire as well as in Derbyshire, provided that organisations in the county wish to take advantage of the services on offer.

### **Will there be opportunities for training in the new joint ventures?**

The joint ventures will use a number of new procedures and computer systems and it will be necessary for all staff working in the joint ventures to be trained to use them. In addition both Vertas

and Concertus have a positive approach to the development of their staff. The new joint ventures will have the same approach to staff training and development so that they can deliver better services to their customers.

### **Will the lead contractor for construction be a framework only or will we have a special relationship with them?**

The lead contractor, which is the organisation we want to procure to take over the delivery of some construction jobs will be important to the county council and will have a special relationship with the council, over and above a framework contractor. That is why we are calling it the lead contractor.

### **If Suffolk successfully developed arms-length companies why isn't Derbyshire doing this by itself?**

When new council companies are created they take time to settle down before they start adding value to their council. By working in partnership with Suffolk, Derbyshire is immediately able to benefit from years of expertise and hit the ground running, in order that we can improve services to our customers.

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### **Several private sector facilities management companies have failed. Why should a council joint venture be any different?**

When we were first considering options for Corporate Property we looked at why some organisations had not been successful. There are many reasons for this, but two of the biggest reasons are poor management and not understanding the public sector. Both Vertas and Concertus have invested heavily in the staff and their managers and the joint ventures will also do this in Derbyshire. They are also owned by the public sector and have maintained that public sector ethos which is so hard for private companies to copy.

### **Why are we doing a joint venture with Suffolk and not councils in Derbyshire?**

In England there are a few good examples of local authority owned property companies. We considered the best ones and made a decision to work with Suffolk. None of the other councils in Derbyshire work for schools to the extent we do or have the breadth of services the county council has and none of them have a joint venture we could work with.

### **Why will the joint venture be better at retaining contracts with schools?**

Vertas has a strong commercial approach and is good at offering different services to different customers. By offering this variety and better meeting the needs of its customers this will help in winning new customers and keeping existing customers. The joint ventures will also introduce new procedures to reduce costs, which will help us be more competitive in winning new work from schools.

### **Even though we are moving into new joint ventures will there be an increase in staff?**

Initially the joint ventures will use Concertus and Vertas staff in Suffolk to help with such things as

payroll, training, marketing, finance, HR. In due course some of these functions will need to be based in Derbyshire. The new joint ventures will want to win more work for more customers in Derbyshire and Nottinghamshire, this will need yet more cleaning, caretaking and design staff.

### **Are there any further briefing meetings for employees?**

We'll be arranging a series of consultation meetings in January with all employees who will be transferring to one of the new organisations and if you will be affected you will receive an invitation in the new year. Representatives from the new joint venture companies will be attending those meetings so you will have the opportunity to ask them any questions you might have.

### **Can I book my holidays for 2020?**

If you wish to book time off after 1 April 2020 you should follow your usual procedure to ask your manager if your request can be approved. Managers need to make sure that there is sufficient cover available at all times.

### **What happens if I don't want to transfer to the new employer?**

Employees do not have a choice of transferring or not. The council will no longer provide caretaking, cleaning and design services and employees working in these areas will not remain with the council. Employees who opt not to transfer will be effectively resigning from their post.

### **What happens to my pension?**

The new organisation has two options:

- to continue your membership of the Local Government Pension Scheme, (LGPS). For this to happen, the new employer would need to formally join the Derbyshire Pension Scheme, or
- to provide a broadly comparable pension scheme where the benefits are at least as good as, or better than the LGPS. The pension scheme they offer would need to be approved by a Government Department.

At the moment we are working with the new organisations and as soon as we have more information we will let you know.