



ADUR & WORTHING
COUNCILS

Executive Members for Resources
Date: 5 January 2022
JAW/017/21-22
Decision to be taken on or after
14 January 2022

Key Decision: No

Ward(s) Affected: All

Housing Services Transformation, specialist HR Resource

Report by the Chief Executive

Executive Summary

1. Purpose

- 1.1 The Housing Service, which includes Adur Homes, Housing Needs, Tenancy Services, Private Sector Housing and performance and strategic functions, is undergoing a transformation to improve performance, customer satisfaction and to deliver an efficient service with the customer at its heart. As the service is the largest in terms of the numbers of staff, it requires specialist HR advice and support to deliver the changes to roles and responsibilities to drive these improvements. This expertise is not available in house.
- 1.2 In parallel to the housing transformation initiative, it is intended to complete a review of the organisational structure over the forthcoming months, and the specialist resources acquired will be available to support this programme of work as well.
- 1.3 Approval for a budget of £100,000 to fund this work is sought which will partially be met from within internal resources and partially from reserves. This is to mitigate risk to the authority and to deliver an orderly and timely change to roles and responsibilities.

2. Recommendations

2.1 The Executive Member of Resources is asked to:-

- i) Approve the additional budget of £55,000 (£25,000 in 2021/22 and £30,000 in 2022/23) to fund specialist HR consultancy resource for 12 months, with additional administrative support;
- ii) To approve the release of £55,000 from reserves as follows:
 - £25,000 from the HRA Business Improvement reserve in 2021/22;
 - £12,000 from the Adur Capacity Issues reserve in 2022/23; and
 - £18,000 from the Worthing Capacity Issues reserve in 2022/23.

3. Context

- 3.1 Within the Adur and Worthing HR Team, there is not the capacity nor the specialist expertise available required to deliver the people element of the transformation programme at the scale required.
- 3.2 Without this specialist expertise, the Council is heavily exposed to the possibility of costs via Employment Tribunals or being unable to implement the required target operating model to improve performance in the service at the pace needed and potentially reduce costs.
- 3.3 There is considerable political and community pressure as well as internal desire to significantly improve the form and function of the housing service.
- 3.4 In parallel to this significant project, a review is currently underway of the structure of the organisation. It is intended to use this resource to support this programme of work as well.

4. Issues for consideration

- 4.1 The HR team does not have the capacity to support the transformation programme within the Housing department. Consequently approval is sought to create a budget of £100,000 for specialist HR support funded partially from existing resources and partially from reserves.
- 4.2 The alternative option is to do nothing and leave the housing service performing poorly which is attracting a lot of negative press and complaints from our customers. We could try to press ahead with the restructure with in house resources which leave the council very exposed to legal disputes related to employment issues.

4.3 The course of action is being recommended because it is the only viable option to conduct the transformation at pace with the lowest level of risk to the council's finances and reputation.

5. Engagement and Communication

5.1 Engagement has taken place with CLT, OLT and within the Housing Service as well as the HR Team

5.2 There is no external collaboration proposed

5.3 There is no relationship between this work and directly with the community, it is for an internal process.

5.4 Once the decision has been made, it will be communicated to all stakeholders internally - CLT, OLT and the HR and Housing Service.

6. Financial Implications

6.1 The employment of specialist HR resources will cost £100,000 for the next year. It is expected that the resources will be in place after Christmas and so the cost will be split across two financial years and three budgets - Adur General Fund, Worthing General Fund and Adur's Housing Revenue Account.

	2021/22	2022/23	Total
	£	£	£
Housing Revenue Account	25,000	45,000	70,000
General Fund			
Adur		12,000	12,000
Worthing		18,000	18,000
Total cost	<u>25,000</u>	<u>75,000</u>	<u>100,000</u>

6.2 Whilst the HRA has a consultancy budget of £80,000, this has already been committed in 2021/22 to consultants who are supporting Adur Homes in addressing health and safety issues including electrical inspections, asbestos inspections, and fire safety. Consequently no funding is available for this financial year.

6.3 In addition, there are no budgets within the General Fund available to fund this work, consequently the Council will need to access its reserves to put funding in place. The Councils have the following reserves available to fund one off transformational work:

- HRA Business Improvement Reserve - £109,000
- Adur Capacity Issues Reserve - £715,000 (of which £465,000 remains unallocated)
- Worthing Capacity Issues Reserve - £1,668,000 (of which £1,021,000 remains unallocated)

7. Legal Implications

- 7.1 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 7.2 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.3 s1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation
- 7.4 Section 1 of The Local Government (Contracts) Act 1997 provides that every statutory provision conferring or imposing a function on a local authority confers the powers on the local authority to enter into a contract with another person for the provision or making available of assets or services, or both for the purposes of, or in connection with, the discharge of the function by the local authority.
- 7.5 It is important to ensure that payroll services are consulted prior to taking on a Consultant to ensure that requirements to comply with tax and national insurance contributions at source are dealt with by the Council.

Background Papers

None.

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Sustainability & Risk Assessment

1. Economic

- There is no impact on economic development.

2. Social

2.1 Social Value

- There is no impact on specific groups within our communities.

2.2 Equality Issues

- There are no equality issues with this report.

2.3 Community Safety Issues (Section 17)

- There is no impact on community safety from this report.

2.4 Human Rights Issues

The report or its request does not impinge on anyone's Human Rights.

3. Environmental

- There are no environmental implications from this report.

4. Governance

- There are no implications for or alignment with the Councils' priorities, specific action plans, strategies or policies.
- There are no implications to the Councils' reputation or relationship with our partners or community.
- There are no implications for resourcing, risk management (including health and safety), the governance of either Council.