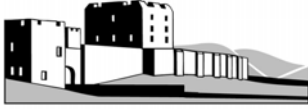


# REPORT TO EXECUTIVE

**CARLISLE  
CITY COUNCIL**



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**PORTFOLIO AREA: INFRASTRUCTURE ENVIRONMENT AND  
TRANSPORT**

Date of  
Meeting:

3 APRIL 2003

Public

Key  
Decision:

Yes

Recorded in Forward  
Plan:

Yes

Inside Policy Framework

**Title:** COMMERCIAL & TECHNICAL SERVICES / CHA  
TRANSFER

**Report of:** HEAD OF COMMERCIAL & TECHNICAL SERVICES

**Report  
reference:** CTS 10/03

**Summary:** The report briefly summarises the current situation and identifies the need for additional temporary resources which can be met from existing budgets.

**Recommendations:** As report

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## 1.0 BACKGROUND INFORMATION AND OPTIONS

1.1 The scale and nature of organisational change within the Commercial & Technical Services (CTS) Unit is significant. The implementation of a new structure, the culture change defined by the Council, the termination of the sewerage contract with United Utilities and preparation to transfer the housing maintenance work to CHA at the end of September 2003 are all factors which are being addressed.

1.2 With the exception of one outstanding post the organisational structure came into operation on 10 February and the process of adapting the accommodation at Bousteads Grassing is underway. The contract with United Utilities will terminate on 31 March 2003 with four employees transferred to UU under T.U.P.E. regulations.

1.3 The Council successfully transferred the housing stock to Carlisle Housing Association in December 2002. It needs to be recognised that there is a substantial amount of work to be undertaken to ensure the transfer of 150 employees and an effective repairs / improvements business on 30 September 2003. Progress to date this has been achieved by the redirection of existing resources within the Authority. These include:

- Secondment of an accountancy assistant (included on the T.U.P.E. list) to Bousteads Grassing to contribute to the development of amended financial information systems.
- IT resources allocated to the re-design of management information systems for both CHA and the Council.
- Changes to the management arrangements within the housing repairs team to contribute to the change process.

1.4 There are however a number of areas where additional non-recurring resources are required, both to facilitate the transfer and to progress the culture change within the unit whilst maintaining / improving service delivery. A brief outline of these is as follows:

(i) The transfer of 150 employees and the resolution of a range of issues associated with terms and conditions of employment will require additional Personnel resources. The precise nature will be discussed and agreed with the Head of Member and Employment Services. It is considered that an additional person for 6 months would be required.

(ii) There are a raft of systems and procedures which will need to be amended and developed, both to achieve separation and begin to embed the cultural change. Capacity needs to be created to investigate options and action the optimum solutions.

(iii) The key management personnel within the existing housing repairs function will transfer to CHA, and as the transfer approaches then the potential for conflicts of interest increases. The provision of a Council 'client' over the next 6 months will be extremely important and mirrors the principles implemented during the stock transfer process in Housing.

1.5 The precise nature of these resources are currently being developed and the Portfolio Holder will be kept fully briefed through this process.

1.6 The total estimated one-off cost of these additional resources is £70,000. This cost can be met from within existing 2002/03 budgets without impact upon surplus levels included in the budget.

## **2. CONSULTATION**

2.1 The relevant officers within the CTS unit and other Business Units have been consulted.

## **3. RECOMMENDATIONS**

3.1 It is RECOMMENDED that the proposals for additional resources are approved.

## **4.0 REASONS FOR RECOMMENDATIONS**

To ensure that the transfer of the housing repairs / improvement function to CHA is successfully achieved for 1/10/2003 and that the changes required to enable the CTS unit achieve corporate goals are delivered.

## **5. IMPLICATIONS**

5.1 Staffing / Resources – Temporary additional employees may be appointed or external resources used.

5.2 Head of Finance – The profit projection for the DSO for 2002/03 is projected at £700,000, of which £600,000 has been budgeted for. The additional £100,000 would be available to meet the costs of £70,000 identified in the report, subject to the Executive agreeing to carry forward the budget to 2003/04.

5.3 Legal - N/A

5.4 Corporate -The proposals are fully supported.

5.4 Risk Management - Failure to provide additional resources may well impact on the ability to deliver the corporate changes.

5.5 Equality Issues - N/A

5.6 Environmental - N/A

5.7 Crime and Disorder - N/A