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| Committee: | Employees' Consultative Committee |
| Date: | 28 October 2009 |
| Subject: | INFORMATION REPORT – Progress Report – Peer Review of the HARP Project in Housing |
| Responsible Officer: | Andrew Trehern, Corporate Director, Place Shaping |
| Portfolio Holder: | Councillor Paul Osborn, Portfolio Holder Performance, Communications and Corporate Services |
| Exempt: | No |
| Enclosures: | Appendix 1 – Scope and Stages Report Appendix 2 – Summary of Issues – Housing Management Appendix 3 – Action Notes Meeting 22 September 09 Appendix 4 – ECF Minutes 27 April 09 Appendix 5 – ECF Minutes 3 September 09 Appendix 6 – Results of Trade Union's Staff Survey Appendix 7 – BTP Quality Assurance Report |

Section 1 – Summary

This is an interim progress report in respect of the Peer Review of the HARP Project in Housing.

The Peer Review has been led by the Corporate Director Place Shaping and involved current (ie. September/October 09) Housing managers and Unison & GMB branch officers. The Review has been progressed in a wholly positive way by all involved.

Although the report by its nature will be primarily comprised of negative statements, it must be recognised that the substantial investment in technology which the HARP Project has introduced to the Housing Department, will undoubtedly deliver substantial efficiency and customer service gains, and has equipped staff with modern business tools.

It is clear from the work of the Review Group to date that the issues listed below have impeded the implementation of the HARP Project in some of the relevant units within the Housing Department, and caused some damage to relations between Housing Department Senior Management, and staff & their trade union representatives:-

- Consultation with trade union branch officers was not always undertaken in an appropriate, consistent, timely and effective way.
- Engagement with staff throughout the project was not undertaken in an consistent way.
- Planning for the realisation of the cost gains which were to be derived from the project, was ineffective, resulting in pressure to find savings to achieve the HARP targets.
- Implementation was not taken forward in accordance with the requirements of the protocol for managing organisational change.
- There were no plans for ongoing reviews following implementation of the new systems.
- There was no effective response to the concerns that were being raised by Unison and GMB on behalf of their members.

The Peer Group Review has provided a platform for the interim Divisional Director Housing Services and Senior Trade Union Officers to discuss the concerns which are referenced within the report, and to agree how the necessary improvement and action plans will now be developed in a collaborative way.

A final report in respect of this Peer Review, which will be focused on improvement and future action, will be presented to the next meeting of the Employee Consultative Committee.

This report presents the problem issues which have impeded the effective implementation of HARP within Housing. The issues have been presented in a frank and open way, with a view to ensuring that “organisational learning” can be taken forward effectively. It is essential that the focus remains on improvement and that blame is avoided.

This report is an interim progress report in respect of the Peer Review of the HARP Project in Housing.

FOR INFORMATION

Section 2 – Report

Summary of Key Actions

As a consequence of the Peer Review, Housing Services have made the following commitments:

- To invite Unions to monthly direct report meetings which will be structured in accordance with Housing's six month priority action plan.
- To adhere to a 5 day response protocol with concerns discussed at Housing/Union monthly direct report meetings.
- To discuss a consultation plan with the unions in accordance with the Protocol for Managing Change as soon as possible for any potential change that has implications for employee conditions.
- To consult unions on the work being carried out to prepare the organisation for inspection and in particular in the service improvement review.
- To openly discuss the findings of the staff survey and agree the next steps.
- To implement the stress audit and ensure the Unions are kept informed.

Background

Employee's Consultative Forum on 27th April 2009 decided that; "a Peer Review be established to review the process and identify any lessons to be learnt from the Housing Services restructuring, to agree any outstanding information requirements, and to consider the impact of the service in the context of the service improvement agenda," (Copy of the relevant minute is attached at appendix 4)

The Corporate Director Place Shaping was commissioned in July 2009 to undertake a Peer Review.

Employee's Consultative Forum on 3rd September 2009 received a verbal update from the Corporate Director Place Shaping and the Interim Head of Asset Management, and it was decided:-

1. "A meeting be held during the week following the Forum whereby the Unions, management and Human Resources if appropriate, would have the opportunity to put forward issues to enable the Corporate Director of Place Shaping, as the lead officer of the Peer Group Review, to form a view as to the best way to proceed;
2. The minutes of the Forum for the previous two years be examined and outstanding issues be identified with the Unions to enable them to be tracked. Part of the response from Housing Management would be an agreed plan of action to address the points raised in collaborate partnership;
3. That the issues to be considered by the Peer Review Group include stress assessments for staff, the feasibility studies or, if not available, the business cases for voluntary severance; agency cover for staff shortages and contact by staff with Union representatives;
4. That a report be submitted to the next meeting".

(Copy of the relevant minute is attached at Appendix 5)

Membership of the Peer Group

The Peer Review Group is comprised of:-

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| Andrew Trehern | Corporate Director Place Shaping |
| Gary Martin | Branch Secretary Unison |
| John Dunbar | Branch Secretary GMB |
| Kathleen McDonald | Equalities Officer GMB |
| Lynne Ahmed | Unison Steward |
| Lynne Pennington | Interim Divisional Director Housing Services |
| Jon Dalton | Service Manager Housing Needs |
| Timothy Hurley | Interim Resident Services Manager Adults and Housing |
| Louisa Ofori | BTP HR SNR Professional |

Terms of Reference and Commencement of the Review

The terms of reference for the review, which were agreed with the Trade Union officers and the Divisional Director of Housing Services, are set out in appendix 1, together with the agreed stages for the review.

The Peer Review Group met on Tuesday 22nd of September 2009 for an initial round table meeting.

The purpose of this meeting was to provide the Housing Management and Trade Union officers to present the issues relevant to the review and to agree follow up actions necessary to enable the Peer Review to be taken forward in a positive and collaborative way.

Initial Round Table Meeting – Issues – Housing Management

The Divisional Director of Housing Services gave a presentation on the issues which have been discussed by the Housing Management team. A copy of the presentation is attached at Appendix 2, and the issues are summarised below:-

HARP went live in October 2008 and is considered to be working well in Housing Needs, **but has been slow to implement within Resident Services**, partly as a result of the deployment of temporary managers. HARP has been re-launched within this service unit and progress is now being made.

Some staff and the Trade Unions have expressed dissatisfaction with the level of consultation that took place and a **failure to follow the Protocol for Managing Organisational change**. The Divisional Director of Housing Services has acknowledged these shortcomings and has clearly expressed a commitment to ensure that this failure does not reoccur in the future.

Some elements of Resident Services performance have deteriorated since the introduction of HARP. Whilst the recession could have contributed to increased current and former tenant arrears it is likely that deletion of two posts previously responsible for this service have also contributed to the deterioration of performance.

It has not been possible to find the documented feasibility studies which led to the decision to implement the HARP Project within Housing Services. However the Business Transformation Programme, HARP, Full Business Case, dated 28 November 2007, sets out the drivers for the implementation of HARP within Housing, together with the benefits to be realised.

Voluntary Severance Impact Assessments. Business Cases for the posts subject to voluntary severance have been provided to the trade unions for information. However, it needs to be noted that the deletion of only two of the six posts, appears to have been driven by the HARP Project.

Staff Risks Assessments. A number of Housing Department staff have undertaken risk training. The Director of Housing Services intends to implement a comprehensive programme of Risk Assessments throughout the department.

Staff and Trade Union Counter Proposals. It is clear from the notes of meetings that the trade union officers were engaged over an extended period of time in respect of the HARP Programme and prior to this related departmental organisational change projects. However, it is clear that this engagement was relatively superficial and failed to generate the essential dialogue of challenge, which effective engagement of the trade union branch officers can produce.

Impact on the Corporate Service Improvement Agenda. It is recognised by all involved that good progress in respect of HARP implementation has been made in the Housing Needs Service. All files are now electronic and the operational and customer service benefits are clearly been realised. However, there is a clear indication that performance in one area of Residents Services activity has diminished as a result of the implementation of the HARP Project. The Director of Housing Services is acting to ensure that these concerns are now addressed in a timely way.

Initial Round Table Meeting – Issues raised by Trade Union Officers

The Trade Union Officers expressed concerns which broadly reflected the issues presented by the Divisional Director of Housing. However, the Trade Unions raised additional issues:-

- Management accountabilities need to be clearly documented and there needs to be effective performance management of managers
- Communication needs to be effective throughout the Housing Department, and Trade Union officers need to be given the opportunity to become proactively involved in key issues at the earliest stages of planning
- There is concern being expressed by staff in respect of the future of the Housing Service. These concerns need to be recognised by managers and there needs to be an effective management response
- The improvement plan which is produced as part of the service improvement review needs to be presented as an effective working document
- There are concerns regarding the deployment of consultants and the lost opportunities for staff development that this may create

The Director of Housing Services, has advised that all of the issues which have been raised by the trade unions as part of the Peer Review, will be taken forward for action within the service improvement project.

Initial Round Table Meeting – Proposed Actions – Housing Management

The Divisional Director of Housing Services has proposed that a number of actions should be implemented to overcome the difficulties experienced as a result of the implementation of the HARP project, to improve the overall performance of the Housing Service and to engender effective working relationships with staff and Trade Union officers:-

- Service Improvement Review to be undertaken within Housing
- Trade Union officers to participate in the Housing Departments “direct report meetings”
- Consult Trade Unions and staff on the work being carried out to prepare the Housing Department for service inspection and the improvement review
- Openly discuss the findings of the Trade Union and Corporate Staff Surveys and to agree action required in respect of issues raised
- Implement effective arrangements for stress audits
- Engage Trade Union officers in the development of the Housing Departments service plans and the proposals for the recruitment of the permanent senior management team
- Consult trade unions as soon as possible and in accordance with the protocol for managing change in any change situation that has implications for employee conditions

Initial Round Table Meeting – Action Points

Appendix 3 provides a copy of the action points agreed at the Initial Round Table Meeting.

Second Round Table Meeting

The second meeting of the Review Group took place on Thursday 15th October 2009.

Feedback on the action points referred to above is summarised:-

| No | Action Required | Progress |
|-----------|---|--|
| 1 | Jon Dunbar has requested facility time to enable GMB to deal with the HARP Peer Review and related issues. | Divisional Director Housing (DDH) has agreed one additional day facility time for GMB each week. Discussions regarding implementation remain on-going. |
| 2 | It has been agreed that this issue will be dealt with outside of the Peer Review. | |
| 3 | Service Improvement review to be undertaken within housing to produce an improvement plan that will help prepare the department for inspection. Housing Quality Network will be undertaking this work which will involve consultation with relevant stakeholders and will be formally agreed by the end of the calendar year. | Unison and GMB are generally supportive of the Service Improvement Review, but have raised concerns regarding the use of consultants. DDH has given an undertaking to ensure that GMB and Unison are engaged effectively throughout the Review. |

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| | Briefing note has been provided. |
| 4 | <p>Protocol to establish standards for management response to staff and trade union enquiries to be compiled and formally agreed.</p> <p>DDH has agreed that enquiries from trade unions, will receive a response from managers within five days.</p> <p>Housing managers have been briefed on this requirement. Any failure to meet this target has been discussed at the Direct Reports/Union meetings.</p> |
| 5 | <p>Status note to be compiled in respect of the Housing Caretaker's Service Review.</p> <p>Statement to be produced.</p> |
| 6 | <p>Briefing note to be compiled to summarise scope and extent of consultation activity undertaken within the Adults and Housing Directorate, leading up to the implementation of the HARP initiatives.</p> <p>Briefing note has been produced in draft by the BTP HR SNR Professional.</p> <p>This has yet to be agreed with the trade unions.</p> <p>It is clear that the requirements of the Change Management Protocol were not followed in full.</p> |
| 7 | <p>Compile a catalogue of minute and or notes of meetings relevant to the implementation of the HARP project initiatives.</p> <p>A catalogue of minutes/notes has been compiled and demonstrates that consultation took place over an extended period of time.</p> <p>However, the key issues were not always addressed in a satisfactory way.</p> |
| 8 | <p>It has been agreed that this issue will be dealt with outside of the Peer Review.</p> |
| 9 | <p>The management of stress risk assessments and the related action and or development plans is to be reviewed.</p> <p>Additional training for managers is to be undertaken, following which action plans will be developed as required.</p> |
| 10 | <p>Summary of consultants deployed within the Housing department from the commencement of the HARP project to date is to be compiled. Summary to include value of fees paid and or pending.</p> <p>Summary has been provided as requested.</p> |
| 11 | <p>Kathleen MacDonald has asked if GMB can attend interviews for the senior management team posts which will be subject to recruitment. Attendance at the interview to be strictly as an observer.</p> <p>GMB involvement has been agreed in principle.</p> |

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| 12 | Meeting with trade unions to agree way forward in respect of the sheltered housing wardens role to be convened in a timely way. | Meeting took place on Friday 16 th October. |
| 13 | GMB and Unison to be engaged in the development and implementation of the Housing Department Priority Action Plan. The action plan to incorporate all development actions required as part of the HARP Peer Review. | Agreed between DDH and trade unions that action is being taken as required. |
| 14 | GMB and Unison to be invited to participate in direct report meetings and the compilation of the forward plan for these meetings. | DDH is in the process of agreeing timetable with the unions. |
| 15 | GMB and Unison to advise Lynne Pennington of any outstanding information requirements. | Trade unions accept that they have now been provided with information which exists, relevant to requests submitted to date. |
| 16 | GMB and Unison to advise the outcome of the trade union's staff survey. | Copy of the trade union survey results is attached at Appendix 6. |
| | | It has been agreed by DDH that the findings of the staff survey will be discussed openly and an action plan will be developed to address development and improvement requirements. |

Business Transformation Programme - HARP - Full Business Case - 28 November 2007

The above report provided the businesses cases for the Housing Service Group Transformation, Revenues and Benefits Replacement Document Management System and Planning Service Transformation, as part of the Corporate Business Transformation Programme.

For the Housing Service Group Transformation Project, the document set out:-

- Current situations and issues
- Housing Service Group Requirements
- Housing Scope of Work
- Housing Solution
- Integrations for Housing
- Housing Needs Cashable Benefits
- Housing Residents Services Cashable Benefits
- Housing Needs Non Cashable Benefits
- Housing Residents Services Non Cashable Benefits

The cashable benefits targeted to be produced from the Housing HARP programme are summarised below:-

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|---------------------------|---------------------|------------|
| Housing Needs | Process Time Saving | £1,657,000 |
| | Space Saving | £339,000 |
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| Housing Resident Services | Process Time Saving | £1,290,000 |
| | Space Saving | £242,000 |
| | | |
| | | £3,528,000 |

BTP Savings are calculated over a ten year period so the average value of the saving each year, over the ten year period, is £352,800 pa.

Voluntary Severance Scheme

The Voluntary Severance Scheme was used to enable six staff posts to be deleted. In 2010/11 the deletion of these six posts will reduce salary costs by £192,507.

The business case for two of the posts references the HARP Project as being the driver for the deletion of the posts.

HARP Project Cost Reductions

At the time of drafting this progress report work remains ongoing to understand how the targeted BTP savings have been/will be realised.

Corporate HARP Project – Quality Assurance report – March 2009

Appendix 7 provides an overview of the progress review undertaken in March 2009 in respect of the HARP Project. The attached document provides a comprehensive overview of a range of lessons learnt.

Conclusion

This is an interim report, which presents information, as it is currently available and understood, to Members of the Employee Consultative Forum. Some of the information may be subject to change as further research is undertaken.

The final report of the Peer Review of the HARP Project in Housing will be presented to the next meeting of the Employee Consultative Forum.

Section 3 – Further Information

No further information

Section 4 – Financial Implications

The financial implications of implementing HARP are set within the report and work is ongoing to ensure these are fully realised.

Name: Jennifer Hydari
Date: 20 October 2009



on behalf of the
Chief Financial Officer

Section 5 - Contact Details and Background Papers

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Background Papers:

- Appendix 1 – Scope and Stages Report
- Appendix 2 – Summary of Issues – Housing Management
- Appendix 3 – Action Notes Meeting 22 September 09
- Appendix 4 – Extract ECF Minutes 27 April 09
- Appendix 5 – Extract ECF Minutes 3 September 09
- Appendix 6 – Results of Trade Union’s Staff Survey
- Appendix 7 – BTP Quality Assurance Report