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Co-ordinator

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27 October 2020

To: All Members of the Staffing and Remuneration Committee

Dear Member,

Staffing and Remuneration Committee - Monday, 2nd November, 2020

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

5. **CHANGES TO THE ROLE OF ASSISTANT DIRECTOR CORPORATE GOVERNANCE (PAGES 1 - 4)**
  
6. **HR SENIOR MANAGER RESTRUCTURE IMPLEMENTATION (PAGES 5 - 8)**
  
7. **CLOSURE OF THE LONDON ENERGY PROJECT (LEP) (PAGES 9 - 14)**

Yours sincerely

Emma Perry,  
Principal Committee Co-ordinator

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**Report for:** Staffing & Remuneration Committee

**Title of Report** Changes to the role of Assistant Director Corporate Governance

**Report authorised by** Zina Etheridge, Chief Executive

**Lead Officer:** Richard Grice

**Ward(s) affected:** All

**Report for Key/ Non-Key Decision:** Non-key

## 1. Describe the issue under consideration

- 1.1 The current span of services for which the role of Assistant Director of Corporate Governance is responsible, which include the Monitoring Officer function, Legal Services, Committee Services, Elections, Audit and Fraud is both wide and varied when compared with the rest of London. This, together with the impact of Covid 19 on the forthcoming 2021 elections and a key personnel change within the elections team, has given cause to review and change the way in which the responsibility for these services is configured.
- 1.2 The changes which are described in this report lead to the deletion of the post of Assistant Director of Corporate Governance and the displacement of the current post holder.
- 1.3 This Committee is being asked to approve the terms of release to the post holder based on this displacement.

## 2. Cabinet Member Introduction

Not applicable.

## 3. Recommendations

- a) That the Committee notes the content of the report;
- b) That the Committee approve the severance payment to the Assistant Director of Corporate Governance following consideration of exempt information as set out in Appendix 1 of the report.

**4. Reason for decision**

- 4.1 These service changes have led to the displacement of the Assistant Director of Corporate Governance and this Committee is asked to approve the severance payment connected to the displacement of the post holder, which the post holder is entitled to receive.

**5. Alternative options considered**

- 5.1 This change to the way in which services are configured is being implemented in line with the Councils restructure procedure and as such there are no alternative options to those that are being proposed.

**6. Background information**

- 6.1 The Monitoring Officer role in Haringey is responsible for a much wider spread of services than many other London Councils. In addition to being the Monitoring Officer and having responsibility for Legal Services (which includes Registrars), the role is also responsible for Committee services, Audit, Fraud and Elections.
- 6.2 The nature and scale of Haringey's ambitions mean that both the legal function and the role of Monitoring Officer are in themselves more challenging and require more input than in many other Boroughs.
- 6.3 With an experienced elections team in place the span of responsibility has been manageable, however the resignation of the current Elections Manager will affect the overall balance, partly because of the level of additional oversight his departure will necessitate but also due to the additional level of risk management and logistics that will be required for the May 2021 elections at a time of Covid 19 Pandemic.
- 6.4 The Fraud and Audit team could be more directly aligned with the Finance Service and will now come under the responsibility of the Director of Finance as they do in most other local authorities.
- 6.5 Leadership of the Elections Service will transfer to the Chief People Officer (who has managed this function in a neighbouring London Borough).
- 6.6 Consequently the role of AD Corporate Governance would be deleted and a new post of Monitoring Officer and Chief Legal adviser (final job title to be confirmed) would be established to act as the Monitoring Officer and lead Legal Services and Committee Services.
- 6.7 The new role has currently been evaluated at grade HC3A. Whilst not the main driver, this change will also enable the potential for a saving in the senior management structure.
- 6.8 As the Monitoring Officer is a Statutory role the reporting line would remain directly to the Chief Executive to ensure that the Monitoring Officer is most effectively enabled to play their role.

- 6.9 The deletion of the post of Assistant Director of Corporate Governance leads to the displacement of the current post holder. In accordance with the Council's restructure procedure this displacement means that a redundancy situation exists.

### **7. Contribution to strategic outcomes**

- 7.1 The restructure aims to establish a structure which will assist in the strategic leadership of the Council, and in delivery of the priorities identified in the Borough Plan.

### **8. Statutory Officers' comments**

#### **8.1 Finance**

The costs arising from the displacement of the Assistant Director of Corporate Governance will be met from Corporate Budgets.

The new role has currently been evaluated at HC3A (para 6.7), a lower grade than the deleted role. However, as the role hasn't yet been advertised, and it is still uncertain at what point in the range the new incumbent will be appointed on, it is prudent to not assume an organisational saving at this point, particularly given the strategic importance of this role and service to the Council overall.

#### **8.2 Procurement**

Not applicable

#### **8.3 Legal**

- 8.3.1 The Deputy Monitoring Officer and the Principal Lawyer Corporate Employment and Education have been consulted in the preparation of this report.
- 8.3.2 In accordance with Part 3 Section E Section 3 of the Constitution, the Chief Executive as the Council's statutory Head of Paid Services may make changes to the establishment for all staff including the Strategic Leadership Team and Statutory Officers as a result, such changes to be contained within existing budgets and in accordance with agreed procedures and legislative requirements.
- 8.3.3 The severance payment is under £100,000, therefore under the Council's Pay Policy Statement 2020/21, the payment does not need approval of this Committee. However, the post holder's terms of release and severance payment must be in accordance with the Council's procedures regarding organisational change, the Council's Redundancy Scheme, the Constitution, and any statutory or contractual requirements and or entitlements. As such, members do not have discretion to reduce these payments.

**9 Equality**

A full EqIA was not required due to the small impact upon the profile of the workforce.

**10 Use of Appendices**

Appendix 1 (exempt)

**11 Local Government (Access to Information) Act 1985**

Appendix 1 is exempt as it contains information classified as “exempt” information under paragraphs 1 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972: namely that it contains information relating to any individual and also information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority

**Report for:** Staffing & Remuneration Committee

**Title of Report** Human Resources Senior Management Restructure implementation

**Report authorised by** Richard Grice, Director of Customers, Transformation and Resources

**Lead Officer:** Dan Paul, Chief People Officer

**Ward(s) affected:** All

**Report for Key/ Non Key Decision:** Non Key

**1. Describe the issue under consideration**

- 1.1 The internal recruitment to the Human Resources restructure has been completed. As part of this, existing employees in the service were interviewed for new roles, where applicable.
- 1.2 The post of Head of HR Operations was deleted by this restructure. The employee who was acting into that post was interviewed in a ring fence for the new post of Head of HR Support Services, but was unsuccessful.
- 1.3 The employee is therefore redundant. This report is being made to Committee under the Council's Pay Policy 2020/21, as the cost of the proposed redundancy exceeds £100,000.

**2. Cabinet Member Introduction**

Not applicable.

**3. Recommendations**

- a) That the Committee notes the content of the report;
- b) Approve the compulsory redundancy pay package in accordance with the Council's Pay Policy Statement 2020/21 following consideration of exempt information as set out in Appendix 1 of the report.

**4. Reason for decision**

- 4.1 The implementation of the HR Restructure has resulted in this compulsory redundancy, which requires approval in line with the Pay Policy 2020/21

## **5. Alternative options considered**

- 5.1 No alternatives are presented, as the restructure process in respect of this post has concluded and the only available course of action is compulsory redundancy.

## **6. Background information**

- 6.1 The senior management structure of Human Resources has been under review for some time. The restructure consultation was undertaken in accordance with the Council's Restructure Policy and there were several stages of consultation. The final consultation stage closed on 11 September 2020.
- 6.2 The new Chief People officer started in post on 7 September 2020. One of his first tasks is to complete the restructure and recruit to the posts in the new structure. Recruitment & selection to posts is in line with the Council's Recruitment Policy. As part of that, the ring fence recruitment to two new Head of Service posts needed to be completed. Interviews for the two posts were held on 6 October 2020. One existing employee was appointed as part of this process and one was not.
- 6.3 The employee who was not appointed is therefore compulsory redundant. There are no realistic redeployment options.
- 6.4 Open recruitment is commencing for other vacant senior management posts in the structure. One of the responsibilities of the new Heads of Service, when recruited, will be to review the structure of their services. Any future restructure proposals will be undertaken in accordance with the Council's Restructure Policy.

## **7. Contribution to strategic outcomes**

- 7.1 The restructure aims to establish a structure which will assist in the strategic leadership of the Council, and in delivery of the priorities identified in the Borough Plan.

## **8. Statutory Officers' comments**

### **8.1 Finance**

The redundancy and capital costs of this compulsory redundancy will be met from the Corporate budget. The cost of payments in lieu of notice, annual leave and any outstanding backdated pay award that may become due will be met from the service budget.

## **8.2 Procurement**

Not applicable

## **8.3 Legal**

- 8.3.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.
- 8.3.2 In accordance with Part 3 Section E Section 2 of the Constitution, the Director may make these changes to the establishment including the creation and deletion of any posts as a result, such changes to be contained within existing budgets and in accordance with agreed procedures and legislative requirements.
- 8.3.3 The dismissal of a Senior Manager (as defined by the Council's Pay Policy Statement) as a result of the new structure must comply with the Council's procedures regarding organisational change.
- 8.3.4 Where the Council terminates the employment of an employee on the grounds of redundancy, they are entitled to receive compensation and benefits in accordance with the Council's Redundancy scheme and any statutory or contractual entitlements.
- 8.3.5 The Localism Act 2011 requires the Council to publish an annual Pay Policy Statement which outlines the Council's approach to the pay of its workforce and in particular the pay of its senior staff. The Council's Pay Policy for 2020/21 states that Severance payments of £100,000 or more must be considered and approved by the Staffing & Remuneration Committee. The recommendation in the report is in accordance with that Policy.

## **9 Equality**

A full EqIA was not required due to the small impact upon the profile of the workforce.

## **10 Use of Appendices**

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**Report for:** Staffing & Remuneration Committee

**Title of Report** Closure of the London Energy Project (LEP)

**Report authorised by** Stephen McDonnell, Director of Environment and Neighbourhoods

**Lead Officer:** Barry Phelps, Head of Procurement.

**Ward(s) affected:** All

**Report for Key/ Non Key Decision:** N/A

**1. Describe the issue under consideration**

1.1 This paper is designed to inform members of the Staffing & Remuneration Committee of the closure of the LEP (London Energy Project) and the deletion of the LEP staffing structure.

1.2 The closure of the LEP will result in an employee being made redundant. This report is being made to Committee under the Council's Pay Policy as the cost of the redundancy exceeds £100,000.

**2. Cabinet Member Introduction**

Not applicable.

**3. Recommendations**

a) That the Committee notes the content of the report.

b) That the Committee approves the redundancy package in accordance with the Council's Pay Policy Statement 2020/21 following consideration of exempt information as set out in Appendix 2 of the report.

**4. Reason for decision**

4.1 The decision to close the LEP has resulted in this redundancy which requires approval in line with the pay policy 2020/21.

**5. Alternative options considered**

5.1 No alternatives are presented as the service will cease and the only available course of action is redundancy.

**6. Background information**

6.1 The London Energy Project (LEP) is a virtual organisation hosted by Haringey Council and fully funded by its members via a Memorandum of Agreement (MoA). The LEP operates by

utilising local authorities' combined spending power to deliver financial benefits through better value for money supplies and improved commercial, social and environmental outcomes on essential utilities (electricity, gas, water).

- 6.2 In October 2019, a paper was presented by the Head of LEP to senior management at the Council outlining concerns relating to the resourcing and future financial viability of the service. Several options were proposed including closure of the LEP and a strategy was put in place for the closure of the LEP around the end of April 2020.
- 6.3 During an LEP Board meeting in November 2019 it was agreed to close the LEP effective from March 2020 (a decision supported by the Council). Given this decision the Council commenced the formal reorganisation process and consultation with the only affected employee.
- 6.4 In February 2020, LEP Board members requested that Haringey seeks alternative options to retain the LEP in some form. In April 2020, several possibilities emerged to potentially retain the LEP in some form going forward. In light of this, the LEP Board (supported by the Council) agreed to defer the closure of the LEP until 31<sup>st</sup> December 2020, whilst these options were explored.
- 6.5 In May 2020, LEP Members were informed of the decision and asked to indicate whether they would be willing to extend the Memorandum of Agreement (MoA). The initial response indicated 18/19 members would extend, 8 members would not extend and a further 11 members had not replied. The Council's legal services drafted the extension to the MoA which was sent out to members in August 2020; however only 8 members confirmed they would extend the MoA and returned a signed extension.
- 6.6 In August 2020 all past and present LEP Members were invited to complete a desktop consultation to understand:
- What functions are required on a Pan London basis.
  - The form as to how these functions should be delivered and by whom, including what (if any) the LEP should focus on.
  - Affordability and level of fees.
  - Governance options.
- The intention being to consider LEP Members views on a potential revised operating model for the LEP.
- 6.7 There was a lack of engagement from LEP members, with only 6 responses received from 38 Members. This was insufficient response to make an informed decision on the future operating model of the LEP. London Boroughs Energy Group (LBEG) who represent all London Boroughs had also indicated the LEP should close.
- 6.8 Given the lack of engagement from LEP members and the feedback from LBEG, it was concluded there was no longer an appetite from LEP members to retain the LEP. The LEP is no longer financially viable and a paper was presented to the LEP Board where it was agreed to close the LEP with effect from 31<sup>st</sup> December 2020 (a decision supported by the Council).
- 6.9 As a consequence of the closure of the LEP, the Head of LEP is now at risk of redundancy.
- 6.10 The employee concerned was initially consulted and advised of potential redundancy in November 2019 however, this was withdrawn following the decision to extend the MoA while LEP members sought to explore alternative options. This is therefore the second time

that the Head of LEP has been informed of potential redundancy.

6.11 The costs associated to closure of the LEP and severance payment will be mostly met by existing LEP funds and any shortfall will need to be covered by the Council.

6.12 Impact on posts:

<b>(a) Existing posts proposed for deletion</b>	
- Head of LEP	Post holder to be made redundant
- LEP Business Intelligence and Programme Manager	To be deleted - No impact as post currently vacant
- LEP Category Strategy Manager	To be deleted - No impact as post currently vacant
- LEP Category Delivery Manager	To be deleted - No impact as post currently vacant

6.13 The post holder to be made redundant is not a Chief Officer (which includes deputy chief officers) as defined by the Council’s Pay Policy Statement. However, the postholder falls within the definition of Senior Managers as those staff appointed on senior manager pay grades – which start at remuneration levels of £62,200 per annum.

## **7. Statutory Officers’ comments**

### **7.1 Finance**

The LEP is externally funded by its members and the funds are ring-fenced for LEP use only.

The Memorandum of Agreement (MoA) between LEP members, states that the LEP’s budget will cover the following ongoing core functions and overheads: -

staff salaries and on-costs; a dedicated head of service; category; business; data analyst manager(s) and officer(s); other operational costs and overheads.

Legal services have confirmed that the accumulated balance can be used to meet the costs associated with the closure of the LEP. Therefore, the redundancy payment will be partially met by the LEP members, with the remainder being met by the Council.

### **7.2 Procurement**

Not applicable

### **7.3 Legal**

7.3.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.

- 7.3.2 In accordance with Part 3 Section E Section 2 of the Constitution, the Director of Environment and Neighbourhoods may make these changes to the establishment including the creation and deletion of any posts as a result, such changes to be contained within existing budgets and in accordance with agreed procedures and legislative requirements.
- 7.3.3 The dismissal of a Senior Manager (as defined by the Council's Pay Policy Statement) as a result of the new structure must comply with the Council's procedures regarding organisational change.
- 7.3.4 Where the Council terminates the employment of an employee on the grounds of redundancy, they are entitled to receive compensation and benefits in accordance with the Council's Redundancy scheme and any statutory or contractual entitlements.
- 7.3.5 The Localism Act 2011 requires the Council to publish an annual Pay Policy Statement which outlines the Council's approach to the pay of its workforce and in particular the pay of its senior staff. The Council's Pay Policy for 2020/21 states that Severance payments of £100,000 or more must be considered and approved by the Staffing & Remuneration Committee. The recommendation in the report is in accordance with that Policy.

## **8 Equality**

A EqIA was not required due to the relatively small impact upon the profile of the workforce.

## **9 Use of Appendices**

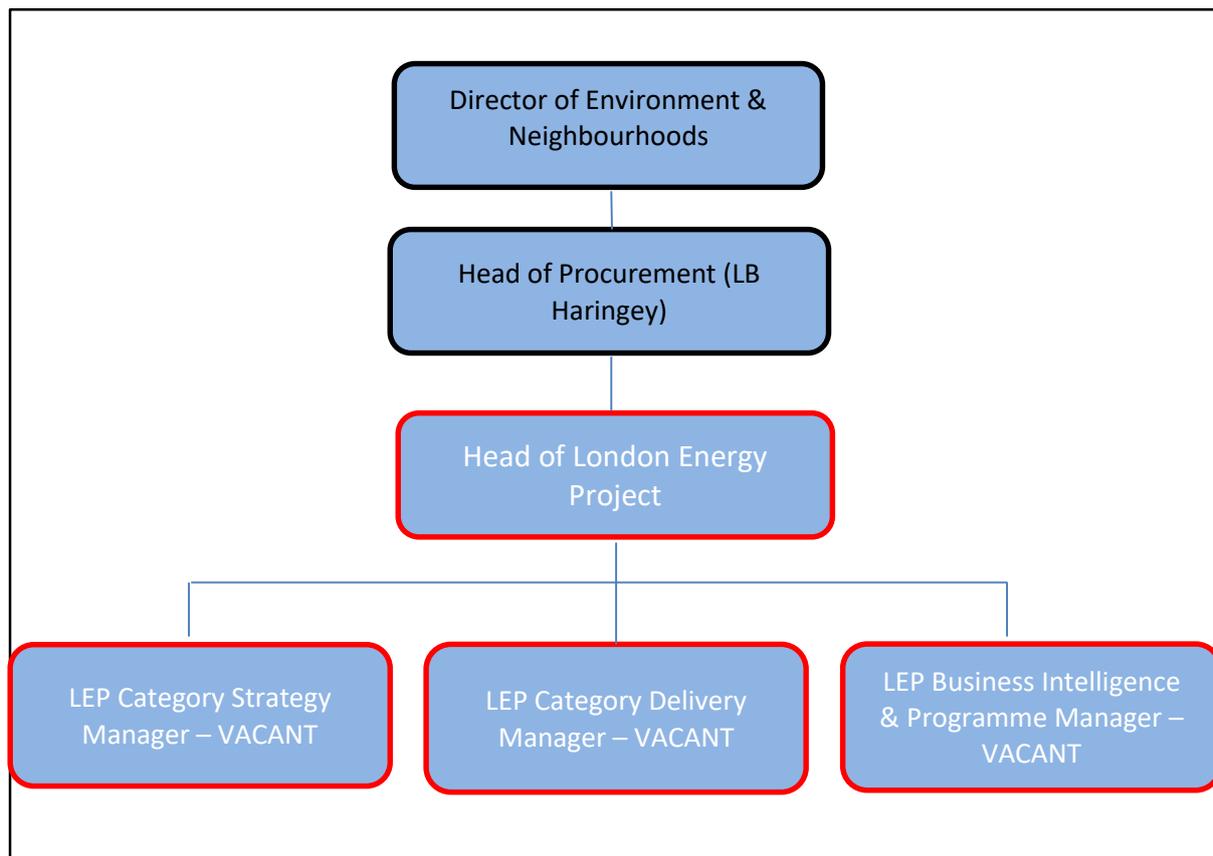
Appendix 1 – Structure charts outlining changes  
Appendix 2 (exempt)

## **10 Local Government (Access to Information) Act 1985**

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Appendix 1 – Structure charts outlining changes

*\*Posts outlined in red to be deleted as a result of the closure of the LEP*



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