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20 January 2011

To: All Members of the Cabinet
c.c. All other recipients of Cabinet agenda

Dear Member,

Cabinet - Tuesday, 25th January, 2011

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:

10. RETHINKING HARINGEY - IMPLEMENTING ONE BOROUGH ONE FUTURE (PAGES 1 - 40)

(Report of the Director of the Chief Executive – To be introduced by the Leader): To set out the challenges facing the Council and our plans for transforming our approach to delivering services, adapting them to meet the changing needs of residents and targeting them at those who need them most.

14. OUT OF BOROUGH HOUSING STOCK (PAGES 41 - 46)

(Report of the Director of Urban Environment – To be introduced by the Cabinet Member for Housing): To seek approval to consider options for meeting the future management and investment needs of the Council's out of borough housing stock.

Yours sincerely,

Richard Burbidge
Cabinet Committees Manager

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Agenda item:

[No.]

Cabinet & General Purposes Committee

On 25th January 2011

Report Title: Rethinking Haringey

Report of **Chief Executive**

Signed :

Kevin Crompton 19.1.11

Contact Officer : Kevin Crompton, 020 8489 2648

Wards(s) affected: **All**

Report for: **[Key / Non-Key Decision]**

1. Purpose of the report

- 1.1. To report to Cabinet & General Purposes Committee on proposals to reorganise the Council's top three tiers of staff.
- 1.2. To seek agreement from General Purposes Committee to the process of restructuring which is in accordance with the Council's constitution.

2. Introduction by Leader of the Council

- 2.1. Given the profound challenge that we face in setting our budget for 2011/12 we have to radically rethink the way that the Council functions. As we have already announced there will be over 1000 job losses in Haringey as a result of the cuts to our revenue budget. We will have to deliver £46 million of cuts to our 2011/12 budget. Such drastic change can not be delivered without a fundamental review of the Council's overall structure and the way in which it operates.
- 2.2. Our structure has to reflect both the budget we have but critically must be a means of the Council providing services which residents and business rely on. Rethinking Haringey sets out that structure and provides a basis for how the Council on a limited budget will continue to provide quality services.

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

3.1. The Council structure is relevant to all of the Council Plan priorities

4. Recommendations

4.1. Members of Cabinet & General Purposes Committee are asked to note the proposals attached at appendix one to restructure the top three tiers of Council staff.

4.2. Members are asked to note the process as detailed at paragraph 7 which accords with the Council's constitution at part K4.

4.3. Members of General Purposes Committee are asked to agree the timescale for implementation including receiving any references back once the proposals have been to full Council, and once consultation is complete.

5. Reason for recommendation(s)

5.1. General Purposes Committee has terms of reference governing chief officer and deputy chief officer appointments, staffing matters including restructuring. Cabinet has responsibility for oversight of services delivery.

5.2. The proposals in this report accord with the Council's constitution on senior officer appointments. The recommendations also allow for a significant number of appointments to be processed in a timely manner. This is important because the whole Council restructure is one of the primary methods for delivering reductions in staffing spend required by the Council budget 2011/12 and beyond.

6. Other options considered

6.1. Various models of staffing structure are used in Councils and were researched as a part of the development of the attached proposals.

7. Summary

7.1. General Purposes Committee is responsible for staffing matters including terms and conditions. The paper attached at appendix one proposes changes to the Council structure. Cabinet is responsible for oversight of service delivery and for setting the strategic direction of the Council.

7.2. It is appropriate to bring proposals for change at this time because the Council seeks to reduce expenditure on staff as a part of a package of budget reductions. Budget reductions are required to meet the shortfall in funding that the Council is to experience from 2011/12 onwards.

7.3. The proposals also build upon changes to policy introduced by the Coalition

Government, particularly in the areas of housing, benefits, and health & wellbeing.

- 7.4. The Council aims to sustain and improve the life chances of our residents, especially those who are most vulnerable, and develop a borough which is a good place to be born, learn, work, have fun and grow old. The proposals accord with this vision – to reduce inequality and work for a better society.
- 7.5. Cabinet will receive the appended paper on 25th January 2011, in order that it might be satisfied that the proposals accord with the vision of the Council. General Purposes Committee so that it might be satisfied with the process of reorganisation.
- 7.6. The purpose of a report to GP Committee at this time is to set out the process for implementing the reorganisation and seek Members agreement to the timetable of events.

Process for GP Committee

- 7.7. The Council's constitution provides a process for appointments to Chief Officer and Deputy Chief Officer posts. The details are outlined in the comments of the Head of Legal Services.
- 7.8. It is proposed that a Member appointments panel take decisions affecting those posts at Chief Officer and Deputy Chief Officer levels. This will be mainly Directors and those reporting to them. Posts below deputy chief officer will be the subject of normal restructuring procedures.
- 7.9. Five options exist for each post:
- a) Deletion
 - b) Assimilation
 - c) Closed ringfence
 - d) Open ringfence
 - e) Internal/ External advert
- 7.10. Deletion is straightforward in change terms, postholders will be referred to the redeployment pool. It is proposed that in circumstances where there is little or no change to a post that assimilation takes place. Where there is a reduction in the number of posts but little else is changing, or where there is more than minor amendment closed ringfences will be used. Close ringfences guarantee that the post will be filled from amongst those in the ringfence. Open ringfences will apply where there is significant change to a post. Open ringfences do not guarantee any person in the pool a job. Finally, for new jobs advertisement, initially amongst redeployees is proposed.
- 7.11. In relation to assessment, it is proposed that where there is little change in a job or where the proposals affect just one person, that the Chief Executive conduct assessment and that recommendations are put to the Appointment Panel. In circumstances where there is competition for posts or where the degree

of change is greater, Member interview panels will be held. This approach is recommended to address the urgent need to progress a restructure. Members will retain appointment decisions.

7.12. The timetable for change is proposed as:

Milestones	Activities	Due date
Phase 1		
Principles noted	Report to Cabinet Report to General Purposes Committee Report to Full Council	25 January 2011 25 January 2011 24 February 2011
Consultation & Communication	Consult on new structure	February – March 2011
Staffing changes made	Authorisations inc reference back to GP Committee if necessary, changes to job descriptions, etc	March - April 2011
Phase 1 Implement	Staffing changes implemented. New arrangements commence	wef 1 st April 2011
Phase 2		
Phase 2 transition	Prepare proposals for transformation of services	April 2011-March 2012
Phase 2 implemented		1 st April 2012

8. Chief Financial Officer Comments

- 8.1. The Chief Financial Officer has been consulted over the contents of this paper to gain an understanding of the likely impact of the proposed reorganisation on the top three tiers of the Council.
- 8.2. As highlighted in section 12.1, it should be assumed that any saving from the reorganisation will already have been captured as part of the individual budget proposals that underpin the 2011/12_2013/14 financial planning process and that will form part of the budget report to Full Council in February 2011. Furthermore, amendments to the structure now being proposed may be required following the completion of the consultation process. Consequently, at this stage it is not possible to quantify either the budgetary difference between existing and proposed top tier structures or the differential in post numbers. It is recommended that this analysis is provided as part of the report to Members following consultation.
- 8.3. Members should bear in mind that timely and effective delivery of the required

council wide savings proposed for 2011/12 and beyond could be compromised if there are delays in agreeing the revised structure and making the necessary restructuring to the top three tiers of Council staff.

9. Head of Legal Services Comments

9.1 The Head of Legal Services has been consulted on the content of this report. The report sets out extensive proposals for the reorganisation and transformation of Council services, which have both significant operational and significant organisational implications. The report is referred to the General Purposes Committee at this stage for noting and for its input concerning the organisational aspects of its content. The scope of the proposals set out in broad terms in the report will initially require decisions to be taken in principle pending the conclusion of meaningful consultation. The various reorganisations identified in broad terms at Phase 1 will require further detailed reports to come before the General Purposes Committee for decision in due course.

As the report outlines, the implementation of the significant phased organisational change envisaged will be in accordance with the Council's policies and procedures regarding reorganisation, redeployment and redundancy. In particular the arrangements for restructuring and appointment at first and second tier officer level as outlined in paragraph 7.11 are envisaged to follow the provisions of those procedures including the arrangements for first and second tier officer appointment set out in the Council's Constitution at Part 4 Section K, which require a final decision to be taken by a Section K4 Panel. Consultation will be required with individual employees affected by the proposals and with recognised trade unions at all appropriate stages of the phased proposals before any specific proposal affecting one or more employees is finalised and implemented. Further, where identified as relevant, equality impact assessments must be undertaken at all appropriate stages of the proposals before their implementation. Consideration will need to be given to the implications of the transfer of services and functions to other providers in respect of the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 and appropriate legal advice sought.

10. Equalities & Community Cohesion Comments

10.1. The Council is conducting a series of Equality Impact Assessments. This and all other staffing restructurings will be the subject of an EqIA. The assessment will take account of the context for change, the reasons for it, and the intended benefits to be derived from the new structure. The assessment will identify the potential for detrimental effect amongst any staff group so that decisions may be taken in an informed environment.

11. Consultation

11.1. Consultation with staff and trades unions is scheduled to run from 18th January for 30 days. Staff and unions were provided with a copy of the proposals at a meeting on 18th January and will have further opportunities to discuss the structure. The timetable at paragraph 7.12 allows for the outcome of consultation to be taken into account in February/March at General Purposes Committee for significant changes or under delegation by the Chief Executive for minor amendments.

12. Service Financial Comments

12.1. The proposals will be costed once consultation is complete and a definitive list of changes finalised. At this stage it is estimated that management costs might reduce in the region of one third. It is important to note that much of this budget reduction will be accounted for in the budget package to be put forward at full Council on 24th February 2011.

13. Use of appendices /Tables and photographs

13.1. Appendix one is the Rethinking Haringey report

14. Local Government (Access to Information) Act 1985

14.1. Rethinking Haringey paper, Council constitution



Rethinking Haringey:

Implementing One Borough One Future

17 January 2011

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Foreword

My ambition as Chief Executive is to work alongside Members to deliver **with** and **for** our communities, services which are customer focused, efficient, effective, evidence based and innovative.

I want a council valued by its community and seen by others as a model to be followed.

We cannot achieve this in today's economic climate of unprecedented change and uncertainty without strong collaboration with our partners and working as 'One Council'.

This paper sets out proposals for us to reorganise and transform our services to achieve the above broad aims.

Transforming services is always a challenge but in next two years (2011/12 and 2012/13) we will be making changes whilst facing the biggest reduction in financial resources the council has ever known. This will require us to deliver change quickly to ensure that we emerge from this period as a strong council with services clearly focused on meeting the needs of our communities and the ambitions of our elected Members.

Kevin Crompton, Chief Executive, Haringey Council

1. Introduction

In Haringey we have a strong commitment to promoting equality, tackling disadvantage and improving the life chances of our residents, especially those who are the most vulnerable. We believe that if the conditions, in which our residents are born, grow, live, work, and age were improved, and more equitably distributed, then everyone would have a better quality of life.

Our policy paper **One Borough One Future** describes the vision for the kind of borough we want, and identifies the council's priorities and key areas of work to achieve that vision.

This paper sets out the current challenges facing the council and our plans for transforming our approach to delivering services, adapting them to meet the changing needs of residents and targeting them at those who need them most.

2. The challenges

The national context

Since the election of the Coalition Government there have been many announcements signalling significant reform in areas as wide-ranging as the NHS, regeneration, housing, schools and the welfare system. Local authorities will be taking on new areas of responsibility e.g. health improvement, as well as developing new ways of working such as strategic commissioning. These changes will transform our relationship with the voluntary and independent sectors.

The Government's view is that public services need to change so that:

- less is delivered by the state
- local people have a bigger role in designing services to meet their needs
- citizens have more responsibility to hold the state to account
- there needs to be greater collaboration between public sector bodies

In June 2010 the Government's emergency budget announced that the country is being asked to make £6.2billion of savings during 2010-11. Local government's share of these savings was £1.165billion. Further reductions were announced in the October 2010 Spending Review, amounting to a reduction in funding to local government of approximately 28% over the next four years. In December 2010 the local government settlement confirmed the level of reductions and front loaded them so that most cuts need to be made in 2011/12. This means that the money available to public services will be reduced more steeply and more quickly than ever before.

We are concerned that the recent national policy changes and cuts to public sector budgets will increase inequality and threaten social cohesion. Poverty will increase due to reductions in for example, housing and disability benefits and education maintenance allowance leading to an income gap for those dependent on them and the increased marginalisation of minority groups. These policy changes combined with the financial situation are changing the landscape for the public sector and represent a significant challenge to us.

What does it mean for Haringey?

Haringey Council will need to reduce its budget by approximately £46million in 2011/2012. We are also facing increased demand for some services which alongside the reduction in funding means that we cannot operate as we have done in the past. We are working to minimise the impact of these cuts on 'front line' services. This will not be easy as we cannot sustain everything we currently provide and we do not believe that simple 'salami slicing' of budgets will deliver the best outcome. We want to prioritise the things that really matter to local people, re-design services so that they cost less and work better, concentrate on getting the right outcomes and enabling people and communities to become more self reliant.

In addition to the savings that we as the council are making our public sector partners will also be making big savings and changing what they do and how they operate. The voluntary and community sector are also likely to be affected by these changes. We will therefore work with all these partners to try to ensure that our collective 'front line' offer to the public is the best that can be delivered within the financial constraints.

We are determined to approach these challenges in a way that puts the future of the borough and its communities first. We will not lose sight of our ultimate goal for the improved well-being of local people or our responsibility for delivering our ambitions. To achieve this we will prioritise and target the use of our resources and be creative in finding new ways to deliver 'better for less'. Value for money and efficiency has never been so important and we will ensure our services are the best we can deliver within the resources available.

The changes we need to make will be complex, far reaching and within a difficult timescale. We have to rethink services to develop a much leaner council focussed on delivering positive outcomes for our community and reduce cost and spend.

The council will look very different in the future. Whilst we will continue to deliver some services in line with strategic priorities, we will also have to take on a new role as a commissioner, advocate and broker for other services.

3. Our vision and aim

In responding to the challenges we face the council is proposing to adopt the following **vision** and **aim** for Haringey:

Vision

**'One Borough One Future:
Reducing inequalities - working for a better society'**

Aim

To sustain and improve the life chances of our residents, especially those who are most vulnerable, and develop a borough which is a good place to be born, learn, work, have fun and grow old.

4. Our outcomes

We believe we can achieve our vision and aim by adopting the following outcomes:

Outcomes

Outcome 1 Thriving

Regenerating the borough; creating opportunities for employment and educational attainment; tackling low income and poverty; providing a balance of different types of homes which offer quality, affordability and sustainability

Outcome 2 Healthier

Tackling health inequalities amongst children and adults; promoting healthier lifestyles and independence

Outcome 3 Safer

Reducing the incidents and fear of crime and anti-social behaviour; safeguarding children and adults

Outcome 4 Sustainable

Tackling climate change and managing our environmental resources more effectively; ensuring an attractive, clean, sustainable environment

Outcome 5 Empowered

Promoting opportunities for community involvement and volunteering; enabling self reliant communities

5. Our values

Our values - the way we will behave - are critical to our success. Being a values led organisation means making sure that those values are easily recognised in everything we do. Our values underpin our purpose and influence our behaviours, systems and processes.

Values

- **Service** – we work for the good of all our diverse communities
- **Integrity** – we keep our promises
- **Improvement** – we strive for excellence
- **Passion** – we are passionate about our work and proud of what we do
- **One Council** – we deliver by working together

We will work as one organisation to ensure these values underpin the professional and political behaviour, processes and approach of the council.

6. Our principles

The principles below underpin the way we work and will help us in making the difficult choices ahead. The principles reflect our values and the new ways of working we wish to embed across Haringey. They will also inform the practical and cultural changes which we will need to make in order for our vision to become a reality.

Principles

1. Strong community leadership through our elected members and the employees of the council

We recognise that the council is in a strong position; elected members will continue to provide community leadership and make decisions, supported by council officers, with both of them working closely with residents to create solutions to local problems.

2. Communities that are active citizens, engaged and involved in service delivery

We are aiming to encourage and support communities to take the lead themselves, without intervention from the council. We want to promote volunteering and active communities with services being provided on a more local level, better suited to local needs.

3. Efficient and effective use of council resources ensuring the best outcomes at the right cost

Services delivered directly by the council will be required to demonstrate clear value for money and to operate in the most efficient manner delivering clear outcomes. Some services which are currently delivered by the council will be commissioned from other efficient and cost effective providers such as social enterprises, voluntary and community organisations, or the private sector. The council will remain responsible for ensuring quality standards are met irrespective of who provides the service.

4. Joined up, easy to access services that make sense to our customers

Joining up our services will allow us greater freedom to commission the outcomes our customers want, while leaving service providers to be creative and innovative in delivering the services to meet those outcomes. We want better services for our customers that will offer 'more or the same for less'.

5. Partnership working to improve outcomes for local people with 'one public sector offer'

By working with other public sector agencies we will create more localised and joined up public services - it has been acknowledged for some time that there are divides between services which do not make sense to our residents. Partnership working gives us the opportunity to bring previously separate services together in a practical way.

6. The right balance of universal, targeted and specialist services to meet the needs of the community which have a positive impact on reducing inequality

We will make the best use of our key strategic borough-wide information to ensure that everyone has access to the services they need whether these are provided by the council or another agency; and that those who are most in need get the most benefit from our limited resources.

7. Working with communities

Policy changes

The Coalition Government has introduced policy changes¹ to decentralise and redistribute power and funding from central government to local people to deliver what they want for their communities, transforming public services. At the moment, even after the ‘un-ring fencing’ of a number of government grants, councils still have little or no say over most of the money that is spent in their area. Schools, health, police and welfare budgets remain centrally directed. As a result, residents do not always feel that they have control over the public services and the things that happen where they live.

Going local

Haringey is a hugely diverse borough with different areas having different needs and priorities. Our aim is to encourage **local decision-making** to become a regular part of everyday life, giving communities, neighbourhoods and individuals more say, choice and ownership of their local facilities. The council is committed to leading the way in delivering public services and working with its partners in areas like health care, policing, education, and employment and skills, to promote the interests of the communities we serve.

One way to give people more control of the services they use, and make them more locally accountable, is through their **elected representatives**. We recognise decisions should be taken as close to the people as possible as those working on the ground, know where the solutions can be found. Therefore we are proposing to introduce **area committees** to work alongside our area assemblies. These area committees will provide the forum for ward councillors to influence decisions affecting the area and hold services to account for their performance.

Self reliant communities

With the move towards localism we need to consider what we want the role of our council to be. We aspire to have empowered communities which are self sustaining, active and involved. We aim to reduce dependency and encourage self reliance. This is a key strategic outcome for the council and we therefore need to ensure that our structure and service configuration support its achievement. Our aim is to support community groups and individuals to become ‘active’, encouraging charities, social enterprises and cooperatives to have a much greater role in the running of services.

We are currently consulting on our [Voluntary Sector Strategy](#) through which we will agree a revised commissioning and funding framework setting out the core principles for how the council will support and work with the voluntary sector. The strategy will enable the sector to play a significant role in delivering more innovative, diverse and responsive public services.

¹ The Coalition Government is promoting localism through the introduction of the Localism and Decentralisation Bill which will devolve greater powers to councils and neighbourhoods.

Listening to our residents

During October – December 2010 we carried out a public consultation known as *Shaping our Future* which asked people living, working or studying in the borough to have their say to help us balance our budget in the face of planned cuts. We received approximately 740 questionnaires and 1040 comments and ideas.

Respondents were asked to express the relative importance to them of ten service areas by indicating their preferred level of spend per service area from the £4,500 the council currently spends per household. Most encouraging was that respondents allocated an amount broadly in line with how the council spends its budget, with the following differences.

More	Same	Less
<ul style="list-style-type: none"> • Crime and anti social behaviour • Housing and homelessness • Regeneration and jobs • Support for community organisations 	<ul style="list-style-type: none"> • Schools and children centres • Safeguarding • Vulnerable people • Libraries, culture, sports, leisure • Environmental services 	<ul style="list-style-type: none"> • Carbon emissions

Overall residents gave a clear indication that whilst they value the services the council provides they expect it to achieve efficiencies by working with others, making better use of assets, encouraging volunteering and community involvement, and finding ways of raising more income.

Proposals in this paper take on board the messages above as well as the findings from our last residents survey.

8. Rethinking the council structure

In order to move towards the new way of working and reduce our costs we need to review both the current council structure and the current service offer.

We will need to establish a council which:

- **is leaner and more integrated** with a considerably smaller ratio of managers to staff
- **focuses on outcomes**
- **is customer focussed** with a higher number of staff directly delivering services than those in support roles
- **commissions and designs services based on a robust understanding of its population**
- **maximises effectiveness and efficiency through the use of technology**
- **provides information and access to services via the internet where possible and in other ways where appropriate**
- **ensures safeguarding of vulnerable people**

Although many of our services are already commissioned from the voluntary sector, the private sector and other partners and some council directorates have already begun changing how they deliver services (e.g. within adult social care with the introduction of personalisation), now is the time to fundamentally rethink our organisational structure and service offer.

9. Modernising customer contact

As effective customer contact is a major factor in defining the quality and reputation of any council, we need to develop an approach that makes good customer service an integral part of our job. We will encourage residents to access services via the internet where possible, exploiting technology to provide the most efficient system for contact with our residents as customers.

We will analyse patterns of contact, understand avoidable contact to help us know much more about our customers and the services they are using. To achieve this, we will continue to invest in information systems to support our customer service operations.

We are committed to ensuring:

- **residents have a positive experience of public services**
- **services are easy to understand**
- **access to our services at convenient times, with greater use of technology to ensure ease of access 24/7**

10. Community hubs

The council is committed to ensuring easy access to key services. However, in the current financial climate we are unable to sustain the large number of council and

community services and buildings; therefore we will explore proposals to create community hubs through amalgamating service provision. We will consider:

- whether council services can be delivered more economically and effectively from fewer service points e.g. bringing together libraries, customer service centres, children centres
- sharing locations with our other public sector partners e.g. Police /NHS and other neighbouring councils
- encouraging the sharing of facilities across the voluntary sector

11. Strategic commissioning or direct delivery

Building up our strategic commissioning approach to service delivery means looking in depth at the needs of a local population, considering how those needs will be best met, by whom and in what ways, and then seeking provision accordingly. The choice facing many councils is how to ensure good outcomes for residents whether through commissioning arrangements or a directly delivered service.

Our challenge is to consider how to organise the council to get the best mix which delivers the improved outcomes we want. There are areas within the council which would be more effective if reorganised.

Place

Responsibility for the physical development of Haringey as a 'place' is currently split between Urban Environment and Corporate Resources whilst the delivery and management of capital projects is spread throughout the council with the largest group being the Building Schools for the Future team. It makes both economic and organisational sense to bring the responsibility for the strategic management of 'place building' together within the council and to establish a corporate project management team which can be commissioned to deliver these projects.

In other areas of the council we have partly commissioned the delivery of services. In housing we have established Homes for Haringey (HfH) to manage our stock but we have retained in house the management of lettings. This may have been appropriate whilst HfH was getting established but better outcomes might be achieved by the council concentrating on its commissioning role and working with HfH to become the housing provider.

We also have a range of services both delivered directly and in partnership which have a common ground in that they are all part of the visible street presence of the council and our partners. Community safety, safer neighbourhood policing, street cleansing, refuse collection, environment, trading standards, parking and other enforcement services have all been successfully merged into a coherent structure in other areas of the country to produce 'more for the same'. Through joined up management these services can be jointly tasked to deliver 'one front line', keeping Haringey clean, green and safe.

The council currently devotes significant resources to services such as libraries, culture, recreation, leisure and parks. These services, some of which are discretionary, are very tangible and visible signs of the council's commitment to its community. In the next few years, they will however be competing for scarce resources with other key services. It is important that the council explores options for sustaining these services at a lower cost, exploring alternative models for delivering them such as trusts, social enterprises

or private partnerships whilst maintaining a balance between charges and subsidised access for those who need it.

People

The council will always prioritise the safeguarding of vulnerable people, maintaining a frontline service for vulnerable children, and adults, which will be of the highest standard. It is important that this service is efficient and represents good value for money.

There will need to be a review of the way in which the council maintains and provides services to schools. Even before the current government's intention to expand the number of Academies, the council was moving to a fully traded basis for many services to schools. Where the council can provide these services on a full cost recovery basis this should continue. The future could however see this threatened by new providers in the field and/or the choices of individual schools undermining the economy of scale of such service provision. A 'mature partnership' needs to be developed with our schools around these issues. Starting with secondary schools, it is proposed we develop a revised service offer from the council. We will make sure we perform the statutory functions that remain our responsibility; which in time might be better provided in partnership with another local authority.

In the adult social care arena the personalisation agenda is already moving the service to one that assesses and measures need, allocates resources through personalised payments, offers brokerage and advice to ensure that recipients can spend wisely. The service will continue to evolve and adapt to this changing responsibility whilst ensuring that vulnerable adults are properly provided for.

The council is also responding to the changes in the NHS. We will support local GPs as they become commissioners of services and work with NHS Haringey to transfer staff and functions to establish a directorate for public health within the council.

12. The corporate service support model

The current structure of the council is based on business units and directorates supported by a corporate centre. This has led to the duplication within the council of roles such as Finance; Policy, Performance and Communications; Procurement; ICT and Human Resources. All these services are subject to Support Function Reviews and a corporate approach is being developed. The reviews aim to reduce the cost of these services by simplifying, standardising and sharing activities whilst sustaining high quality front line customer facing services.

These services will be brought together to provide the support that we all need to do our jobs well enabling services to deliver:

- **Professional advice and support**
- **Robust, cost effective ICT** incorporating common systems for universal use which is also capable of supporting professional specialised systems where required including whether we are working in the office at home or mobile based
- **Facilities management** including post, portering and other site services

Shared services

In time some services could become the basis of a shared service arrangement with other local authorities or other partners. At present we are exploring joint working with the London Borough of Waltham Forest and a Memorandum of Understanding between the two boroughs has been agreed; it sets out the scope and status, aims and principles, values and framework for joint working. No shared service will be established unless there is a clear strategic or financial case.

13. Our staff – a crucial resource

Our workforce is the key to becoming an excellent council. We have an enormous challenge as at one and the same time we want to inspire and lead our staff to work towards a better Haringey while knowing that there will be some reduction in the workforce and as a minimum job roles and work demands will increase.

In developing our new workforce we want to build on the best practices in employee engagement, promote innovation, devolve responsibility, encourage reflection and learning rather than blame, support continuous improvement and create the conditions for staff to succeed. We will motivate people to behave as one Council by making this behaviour a core part of every job. We will review the ways we recognise and reward to reflect our values.

As part of reshaping our workforce, we will streamline our ‘spans of control’ by reducing the number of managers and layers in our organisation. This is consistent with having an active workforce with devolved and delegated responsibility.

We need employee conditions of service which make us an employer of choice and provide a fair reward for high performance. Our current terms and conditions and related policies will need to be reviewed in the light of our ambition to have this active, committed and modernised workforce.

In re-designing services the following rules will apply.

Rules for redesigning services

- Managers should typically be directly responsible for eight staff and no less than five. This ratio will depend on the diversity and complexity of the occupational groups and activities.
- Layers of management should be added/retained only where there is evidence of absolute need. As a guide there should not be more than four layers of staff between business unit head/Assistant Director and operational staff.
- Managers are expected to undertake the full range of duties as specified in the management standards – budget, people, resource management etc.
- Jobs should be designed to be flexible in terms of the duties, functions, location, and hours of work. Consider the use of job families to define broad occupational areas.
- Career pathways should be used wherever possible to provide for retention and development of staff.
- Job design should reward complex technical or professional skills without undue inclusion of management duties.

14. Developing a new council structure

The scale of organisational change requires a two phased approach. The first phase will deal with the budget pressures for 2011/12 and the second phase will establish the longer term shape of the council. Our current council structure is shown in Appendix 1.

Phase 1 (April 2011-March 2012)

Initially we need to reduce costs by approximately £46 million; this will require interim organisational changes, largely retaining the current organisational shape with a smaller workforce. The proposal is shown in Appendix 2.

Phase 1

- **A Place directorate** responsible for commissioning the frontline delivery of the public realm², recreation, culture, regulatory and economic regeneration activities including worklessness
- **An Adult and Housing services directorate** responsible for commissioning social care services, safeguarding, support for an enabled voluntary and community sector; retained housing functions
- **A Children's services directorate** focused on safeguarding, supported by a reorganised prevention and early intervention function; schools, youth and youth offending services
- **A Corporate services directorate** including finance, ICT, legal, benefits and local taxation, customer services, audit, corporate property
- **A Chief Executive's service** providing the policy, business intelligence, transformational change capacity, support for democracy, human resources, communication and consultation, scrutiny, partnerships and equalities functions
- **A Public Health service directorate** focused on health improvement, health protection, commissioning health services

Phase 2 (April 2012 onwards)

The longer term organisational design is shown in Appendix 3. Some support functions could be delivered in partnership with other boroughs. It is intended that such opportunities are maximised during this phase.

Phase 2

- **Place Services** that commissions the frontline delivery of the public realm including recreation activities and estate management, and managing customer hubs
- **Corporate Services** that includes finance, ICT, legal, benefits and local taxation (back office), audit
- **Adult and Housing Services, Children's Services, Chief Executive Service and Public Health Service** as above

² By this we mean commissioning services which provide the opportunity to reshape and transform the physical appearance of Haringey, creating a more skilled and better trained workforce and involving the community in the development and maintenance of neighbourhoods.

15. Workforce – implementing the new structure

The Council's constitution identifies the arrangements for appointment of 1st and 2nd tier officers (usually, directors and assistant directors respectively). Part 4 – Section K outlines the rules for appointment of these officers. It is proposed that a member appointment panel takes decisions about these appointments informed by recommendations of the Chief Executive. Officers below 1st or 2nd tier will be appointed in the usual way by their respective Director or 2nd tier officer.

Where the restructure proposals involve little or no change to jobs, it is proposed that assimilation takes place. This is in accordance with the council's restructuring procedures. Where change is more significant or where there are multiple candidates standard recruit to stay procedures will apply.

At this stage many of the proposals are subject to consultation and therefore may change. As an indication, the estimated reduction in managers at second and third tier is approximately a third against the overall workforce reduction of a quarter.

16. Financial strategy

Our Medium Term Financial Strategy sets out how we will use resources effectively ensuring that they are directed at the top priorities both our strategic outcomes and our core business in a way that uses them most efficiently. This includes being clear about how things are best delivered and by whom, and in partnership where appropriate.

Resources will be moved to funding prevention initiatives where we know there is a clear cost benefit with the aspiration that our reducing resources can be shared to benefit more people. We will focus on improving and streamlining our customers' access and assessment services so residents find them easier to use. We recognise that sometimes our partners are in a better position to deliver services, so we will work with and support them by freeing up resources to allow us to ensure this happens.

We have set up the **Haringey Efficiency and Savings Programme (HESP)** to oversee the changes and provide governance arrangements with key milestones, outcomes and benefits mapped out so Members and senior managers can manage performance against what we have set out to do. The work will translate into priorities in the business and financial planning process, and delivery of these priorities will be incorporated into targets for individual staff.

17. Conclusion

This paper sets out the council's journey towards transformation; it will require a distinct shift in organisational culture from our current approach to a 'One Council' philosophy. 'One Council' means there is only one budget and that we all have a responsibility to ensure it is spent well and used to achieve the overall outcomes we are aiming for.

We will establish a culture of trust providing a safe place for staff to explore new and innovative ways of achieving outcomes for residents. This will encourage healthy risk taking to fail early and correct faster leading to greater empowerment of our staff.

The council will be leaner, it will provide services within a smaller funding envelope, it will work in partnership with others, and it will be a commissioner whilst delivering the wishes of the local community through their democratically elected representatives.

18. A timescale for implementation

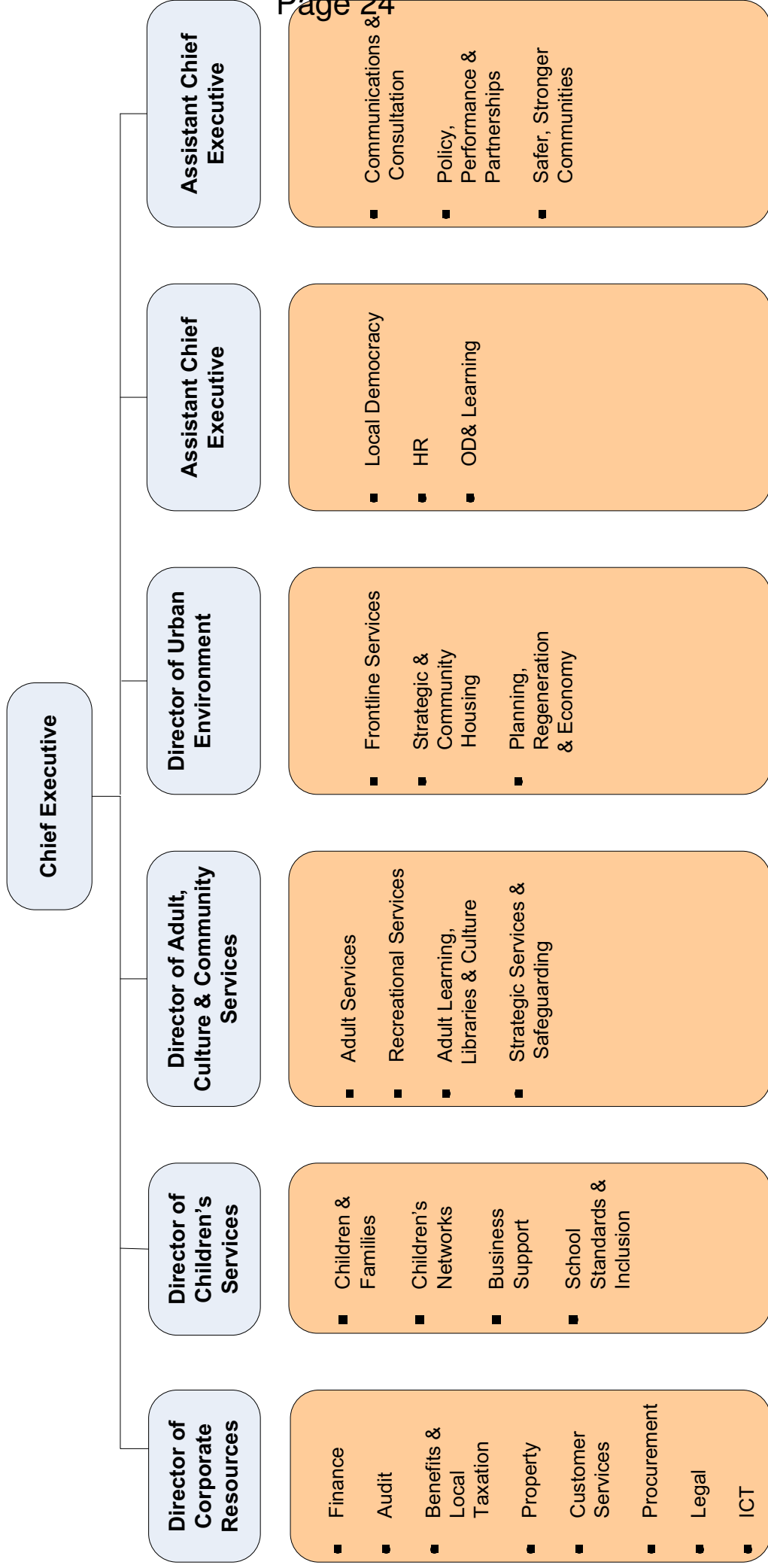
The high level timescale for the programme of change led by Chief Executive's Management Board (CEMB) is shown below.

Milestones	Activities	Due date
Phase 1		
Proposals discussed	Proposals to Leader's Conference	10 January 2011
Principles agreed	Report to Cabinet Report to General Purposes Committee Report to Full Council	25 January 2011 25 January 2011 24 February 2011
Consultation & Communication	Consult on new structure	February – March 2011
Staffing changes made	Authorisations, changes to job descriptions etc	March - April 2011
Phase 2		
Phase 2 transition		Jan-March 2012
Phase 2 implemented		1 st April 2012

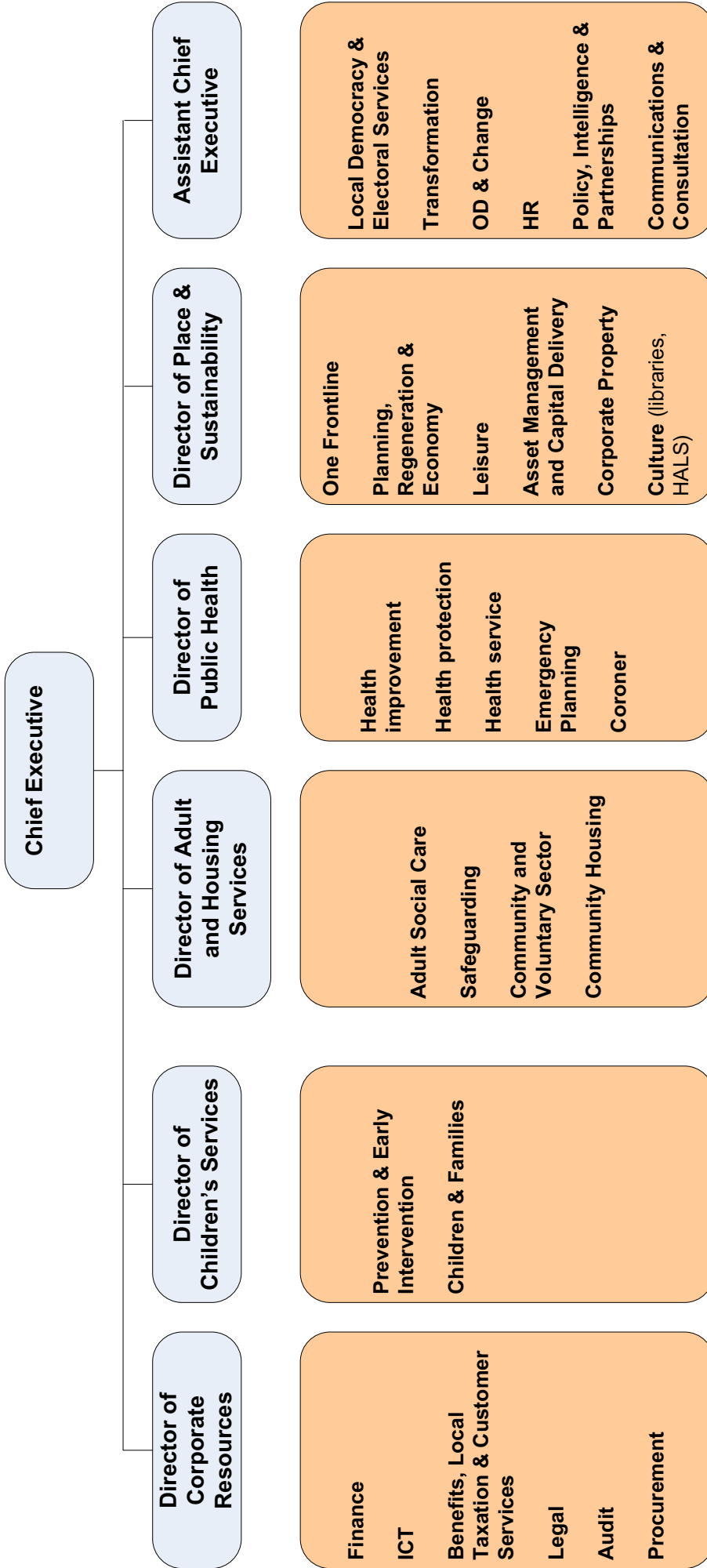
Appendices: current and proposed council and directorate structures

- Appendix 1 Current Council structure
- Appendix 2 Phase 1 Council structure
- Appendix 3 Phase 2 Council structure
- Appendix 4 Current Children and Young People Services structure
- Appendix 5 Future Children and Young People Services structure
- Appendix 6 Current Urban Environment structure
- Appendix 7 Phase 1 Place Services structure
- Appendix 8 Phase 2 Place Services structure
- Appendix 9 Current Corporate Resources structure
- Appendix 10 Phase 1 Corporate Resources structure
- Appendix 11 Phase 2 Corporate Resources structure
- Appendix 12 Current Adult, Culture and Community Services structure
- Appendix 13 Future Adult and Housing Services structure
- Appendix 14 Current Chief Executive's Service structure
- Appendix 15 Future Chief Executive's Service structure
- Appendix 16 Public Health Service structure

Current Council Structure

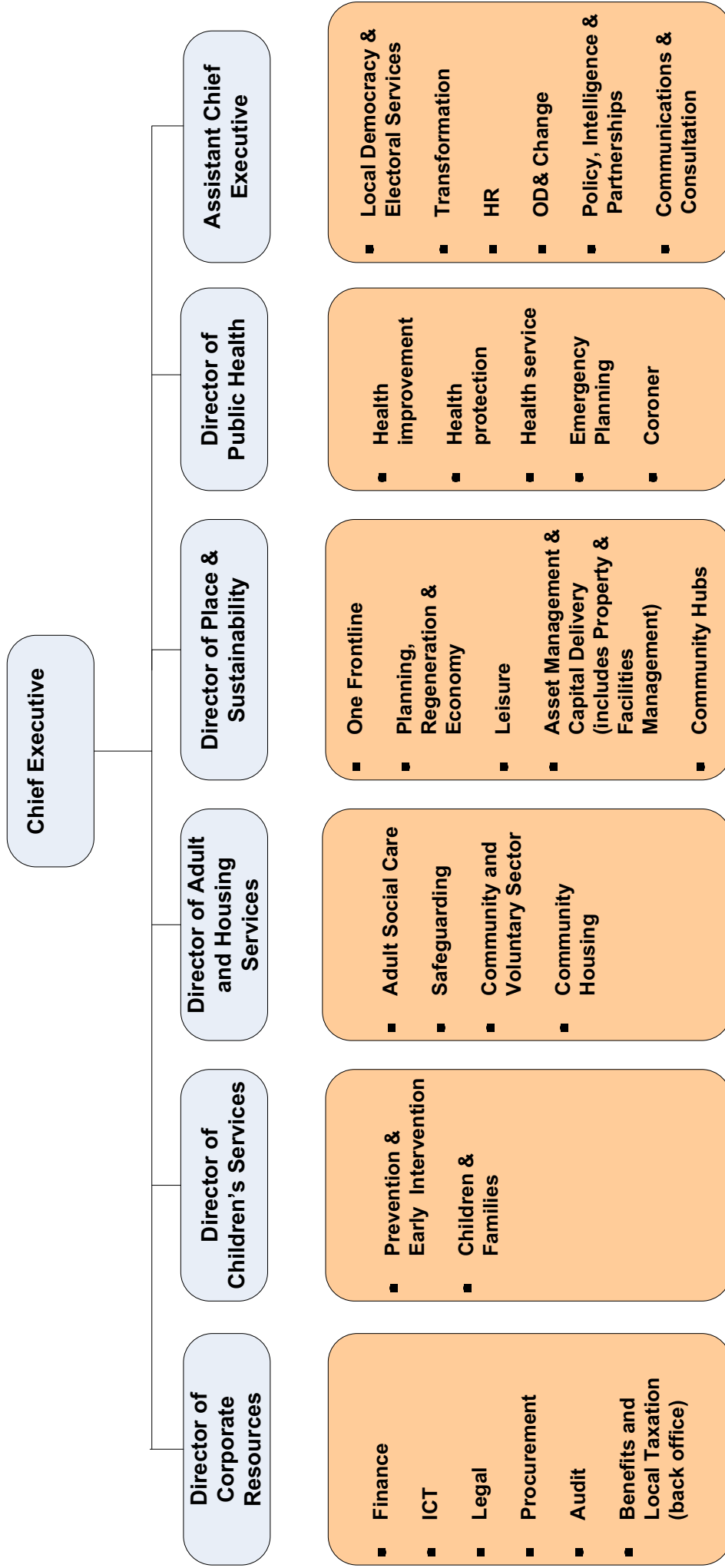


Future Council Structure Phase 1 (from April 2011)

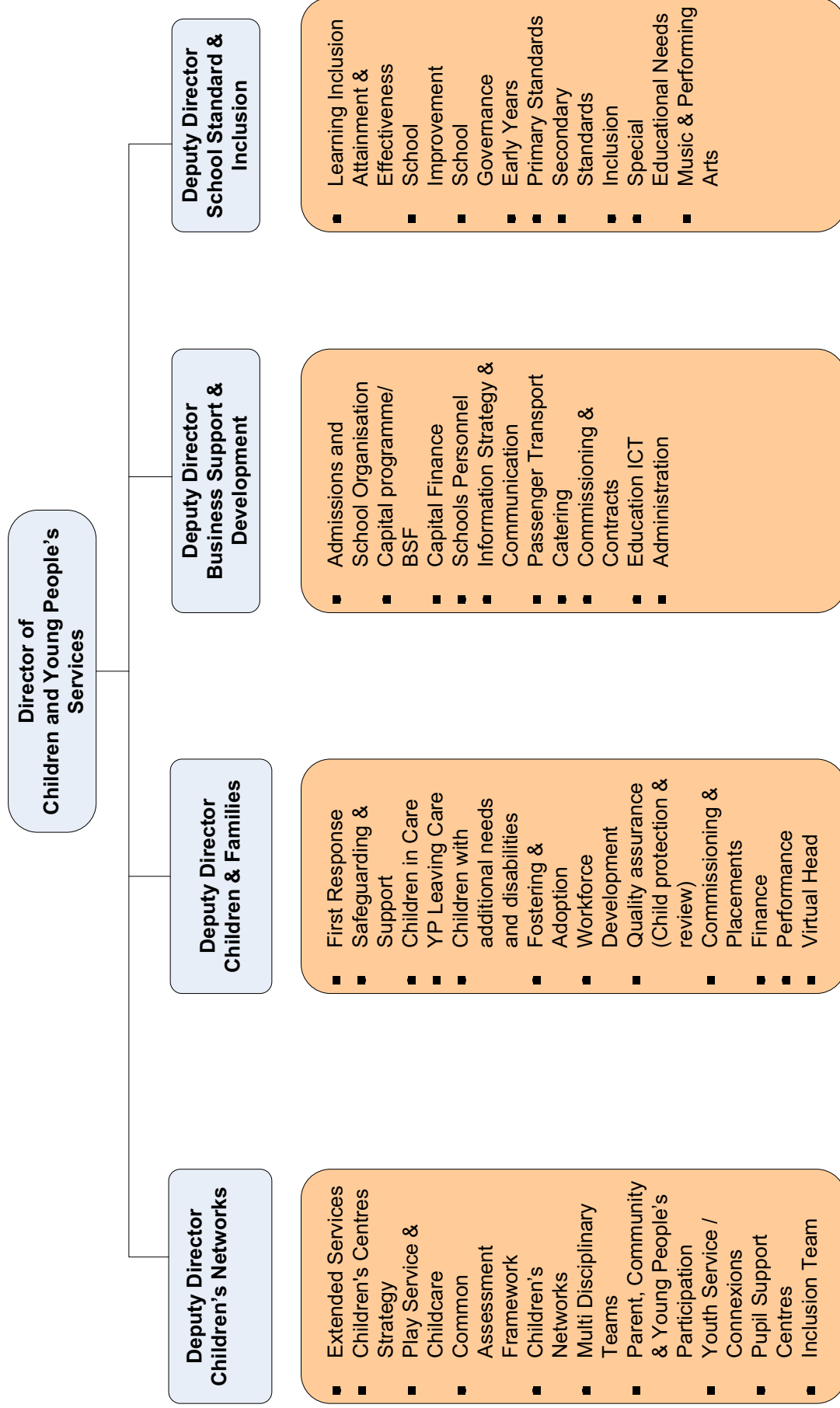


Future Council Structure

Phase 2 (from April 2012)

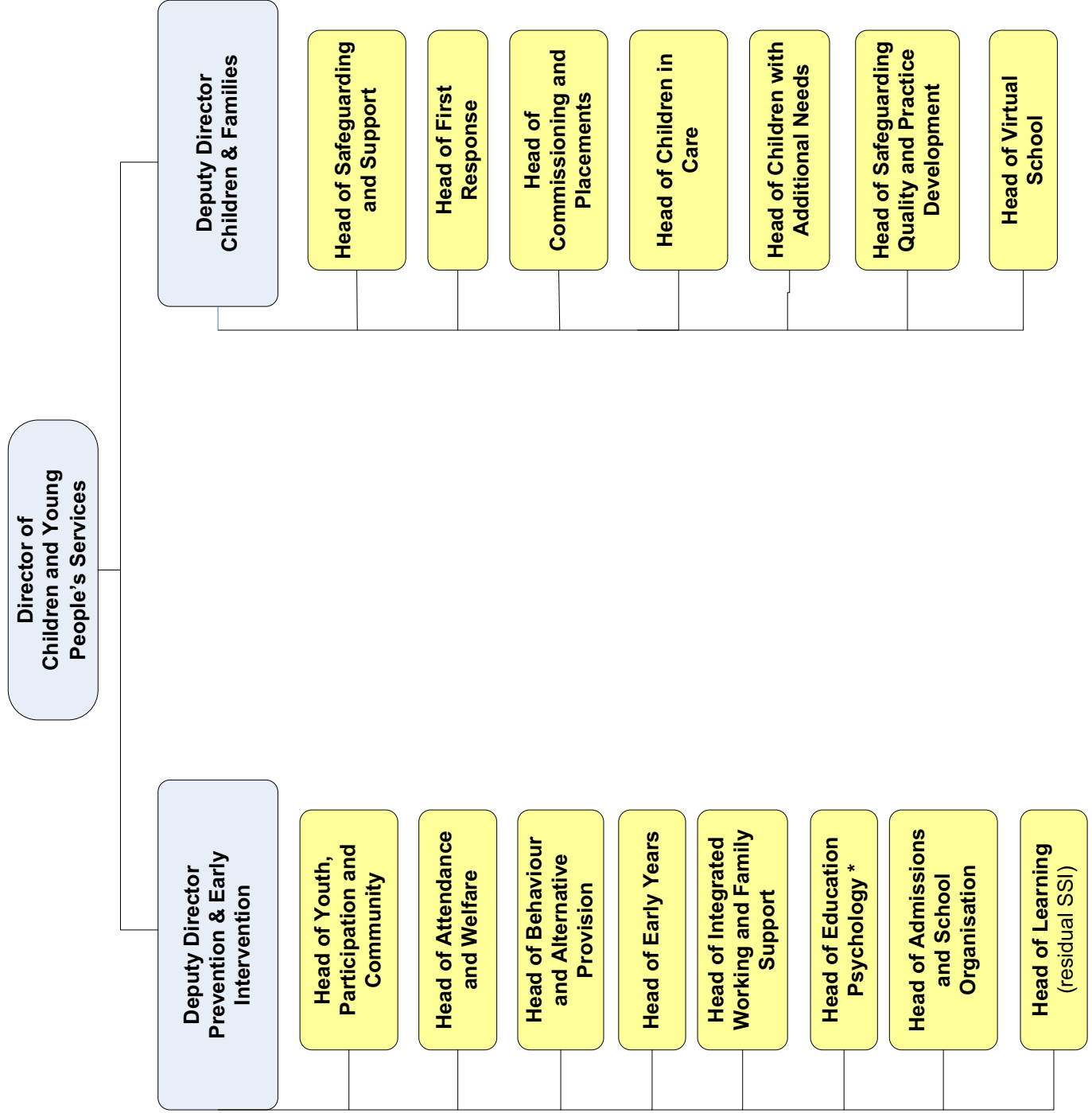


Current Children & Young People Services Structure



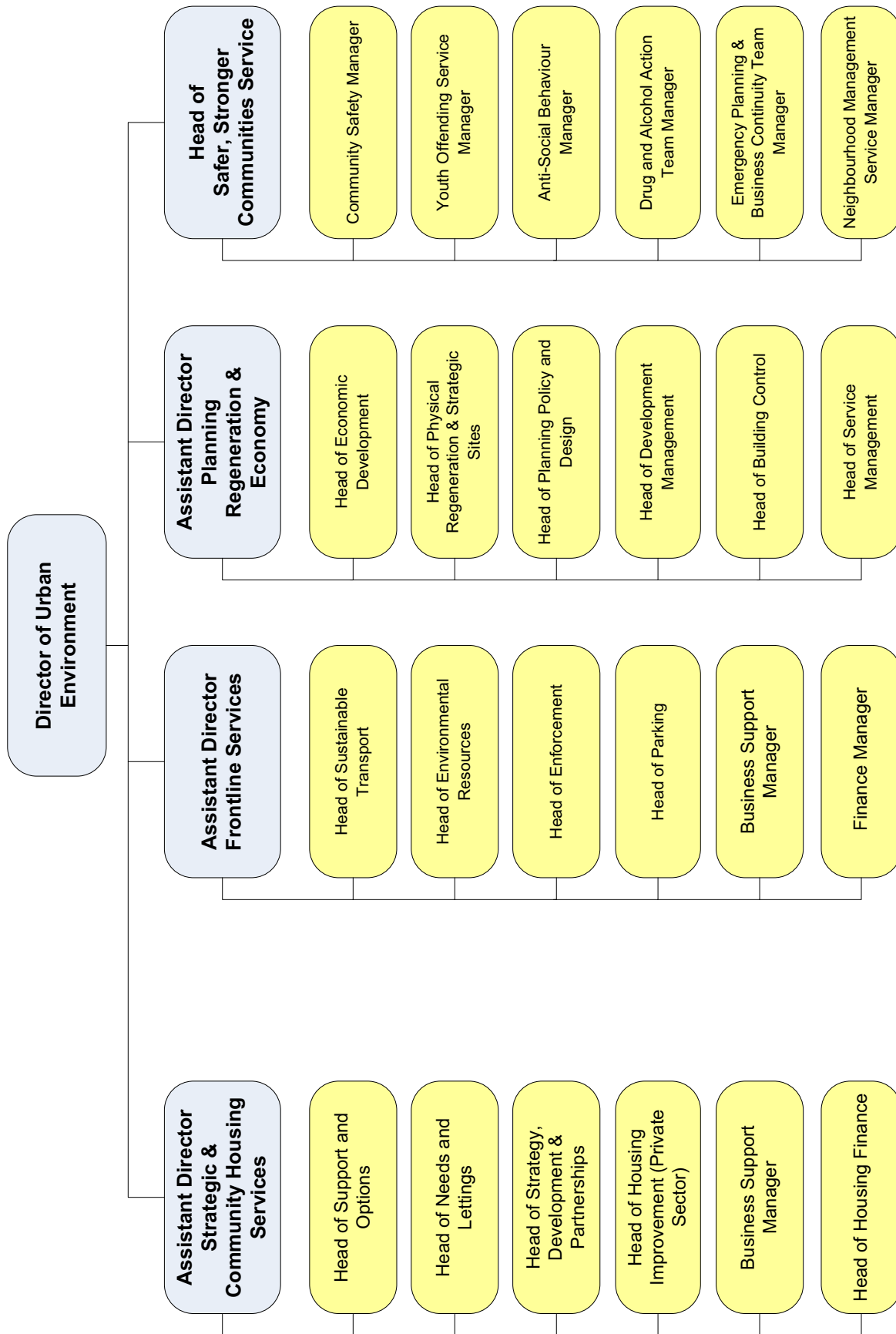
Note: The service currently has 4 Deputy Directors, 1 Assistant Director and 27 Heads of Service

Proposed Children & Young People Services Structure – Phase 1 & 2

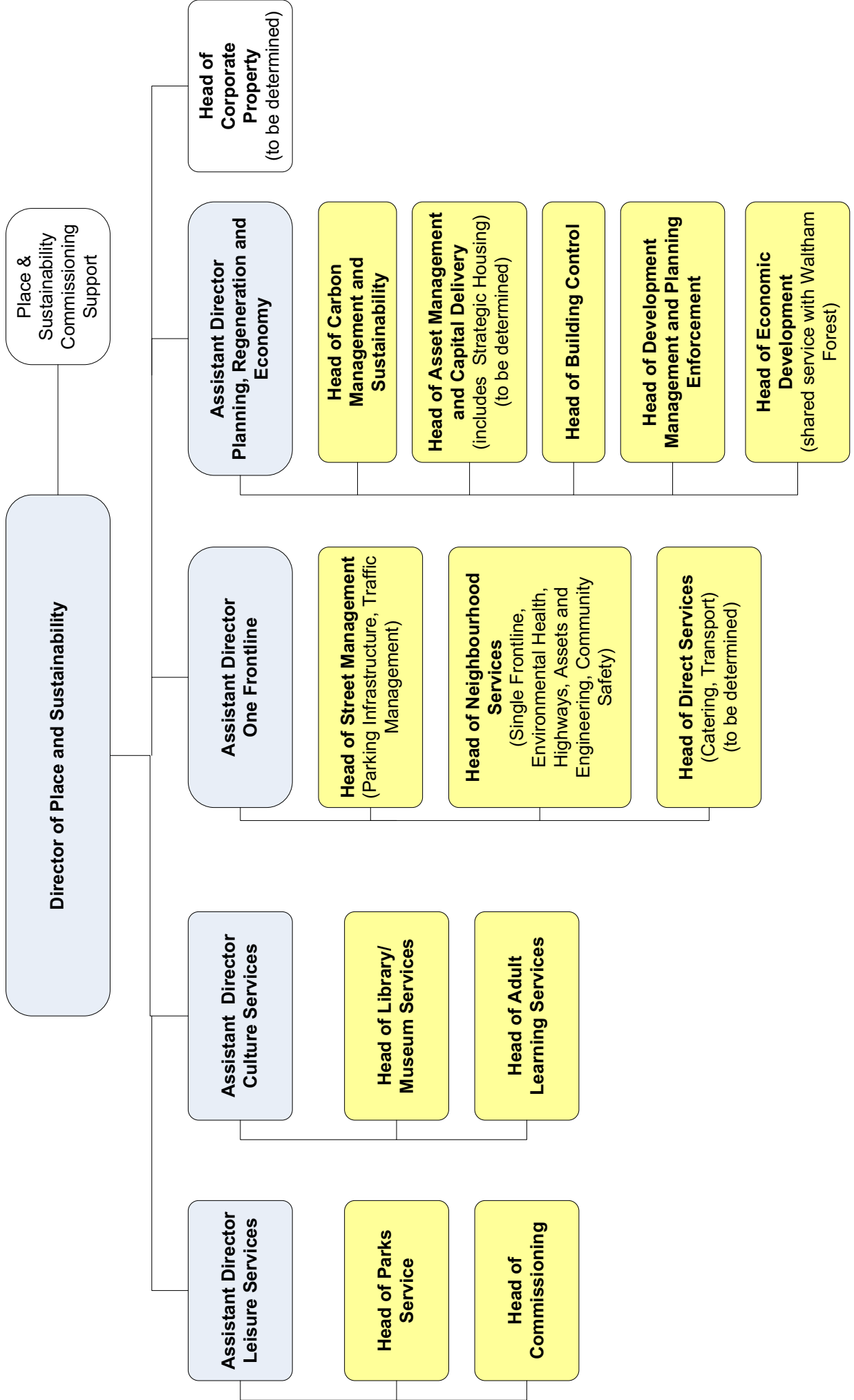


* Shared Service

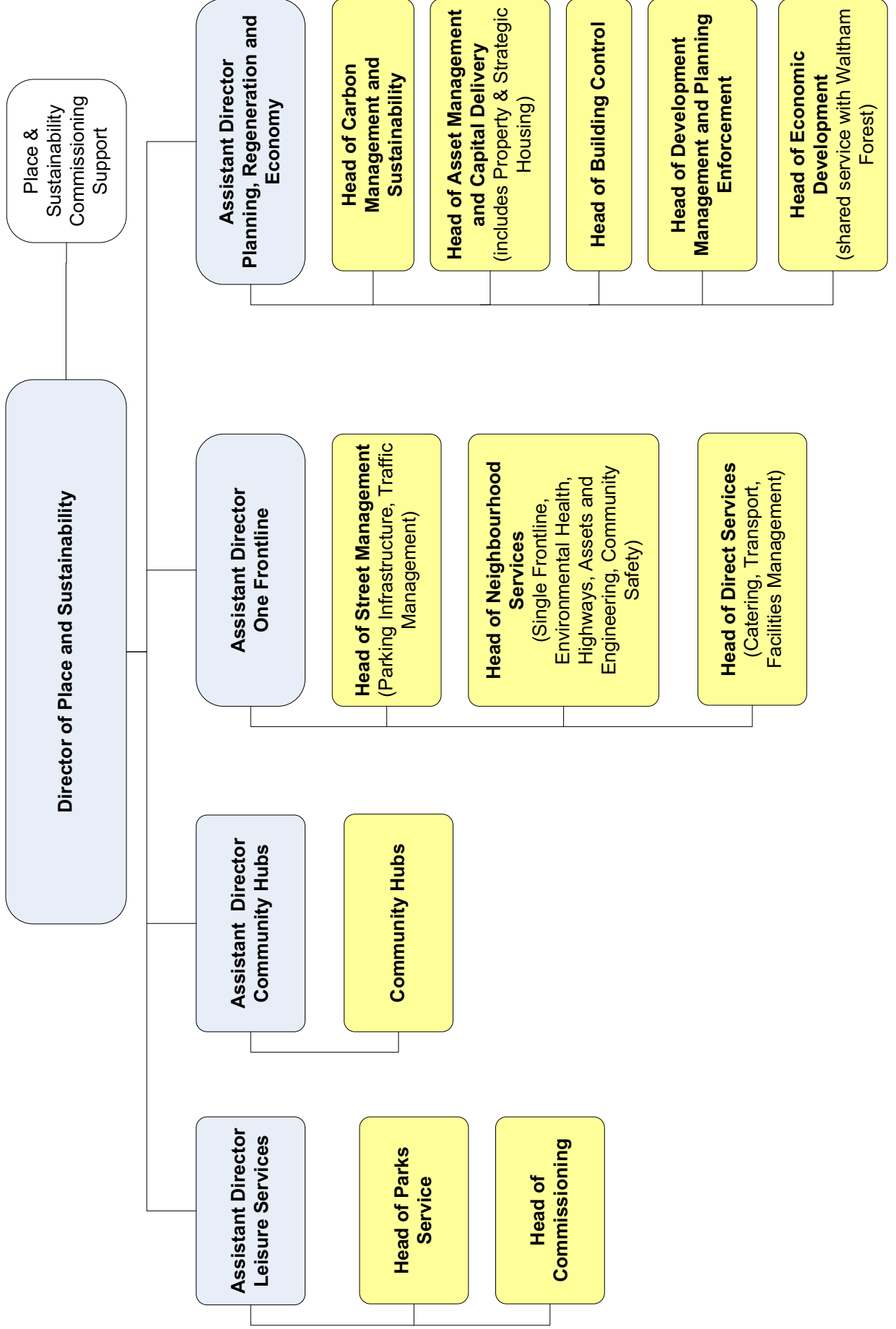
Current Urban Environment Services Structure



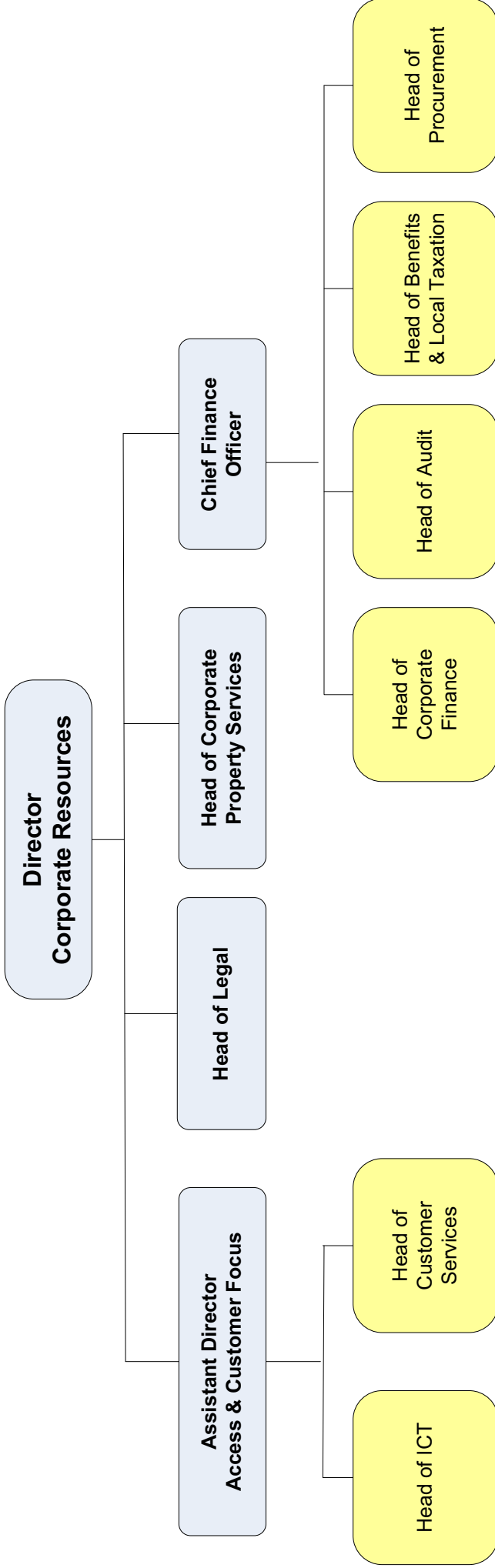
Proposed Place & Sustainability Structure - Phase 1



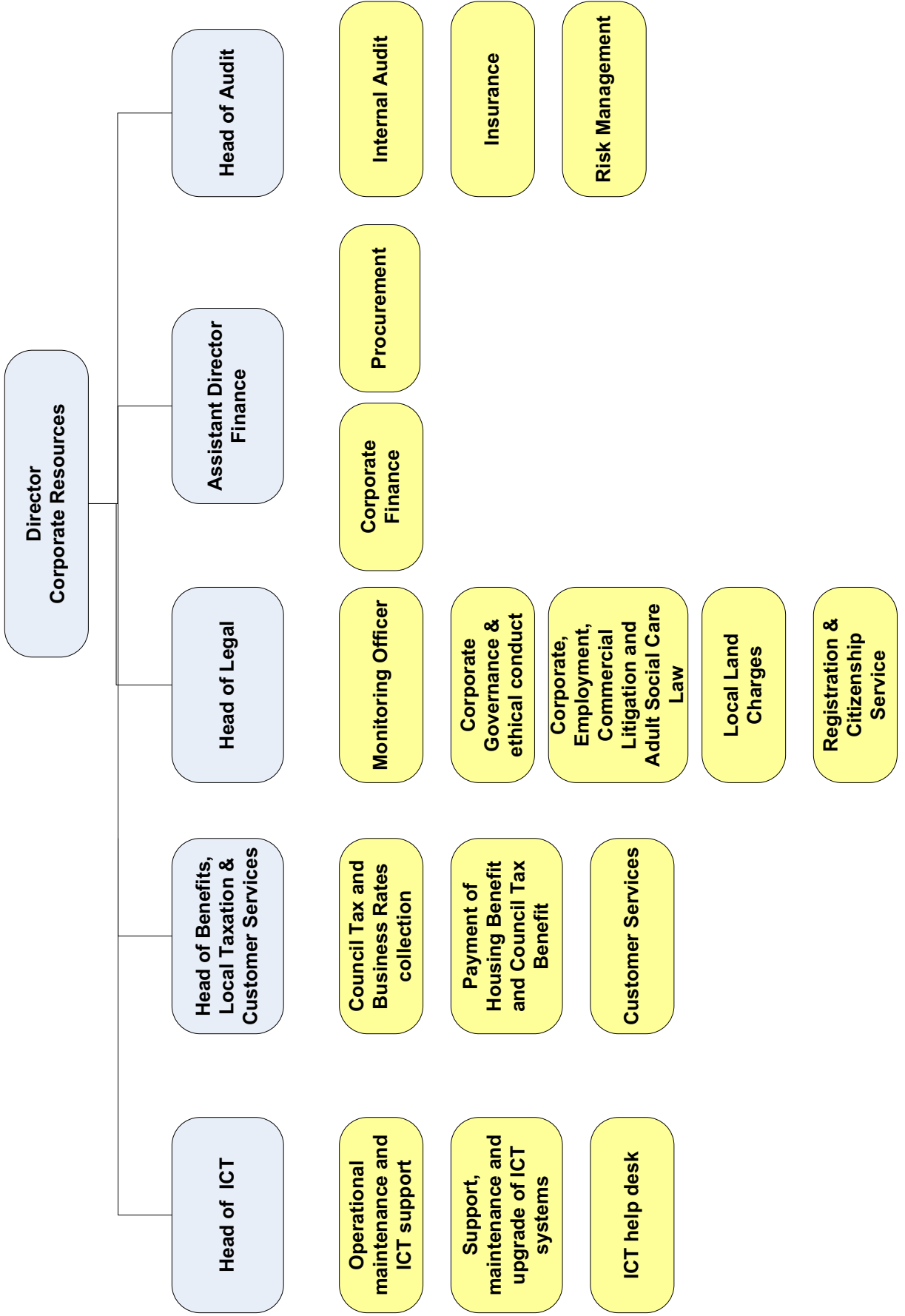
Proposed Place & Sustainability Structure - Phase 2



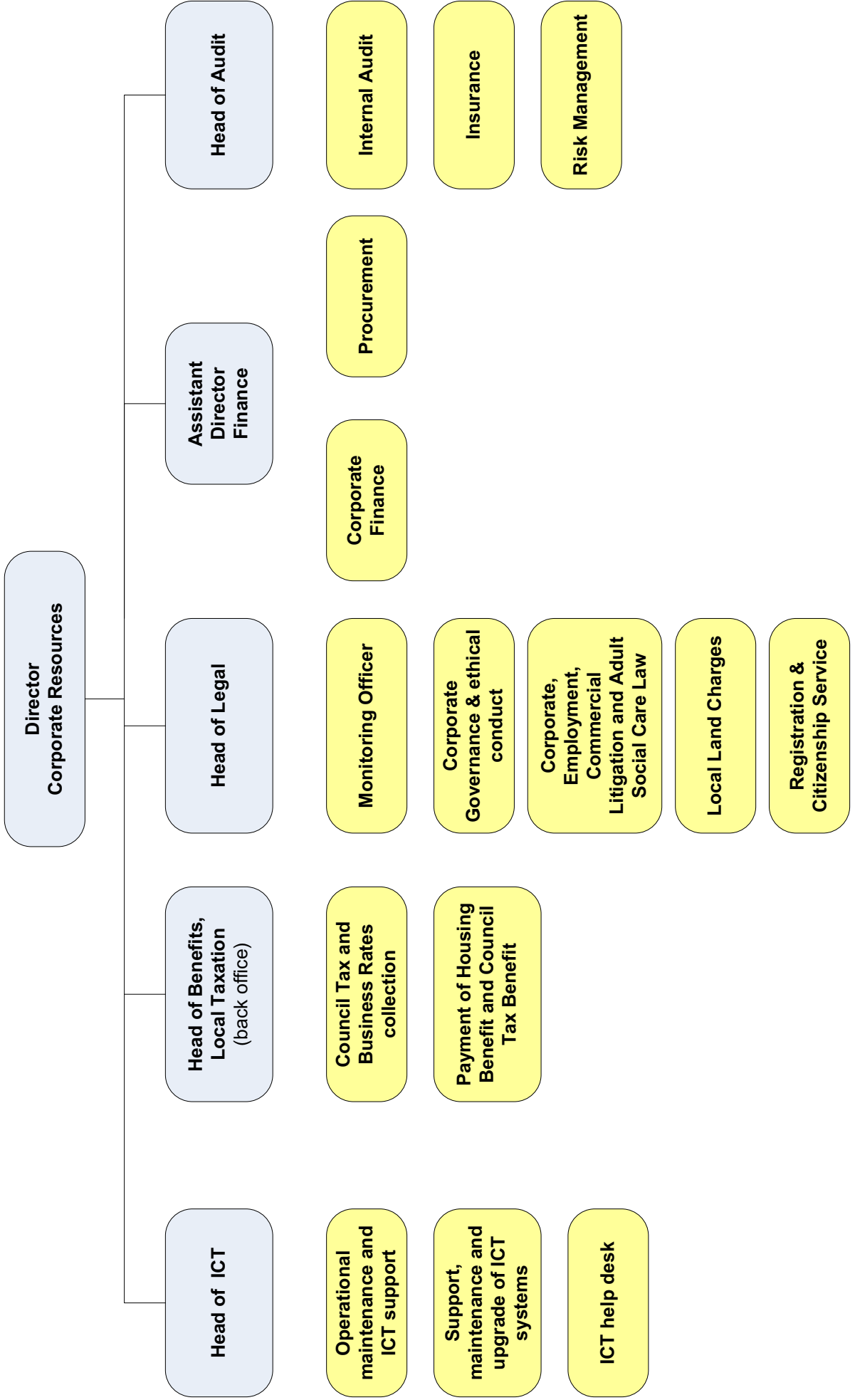
Current Corporate Resources Structure



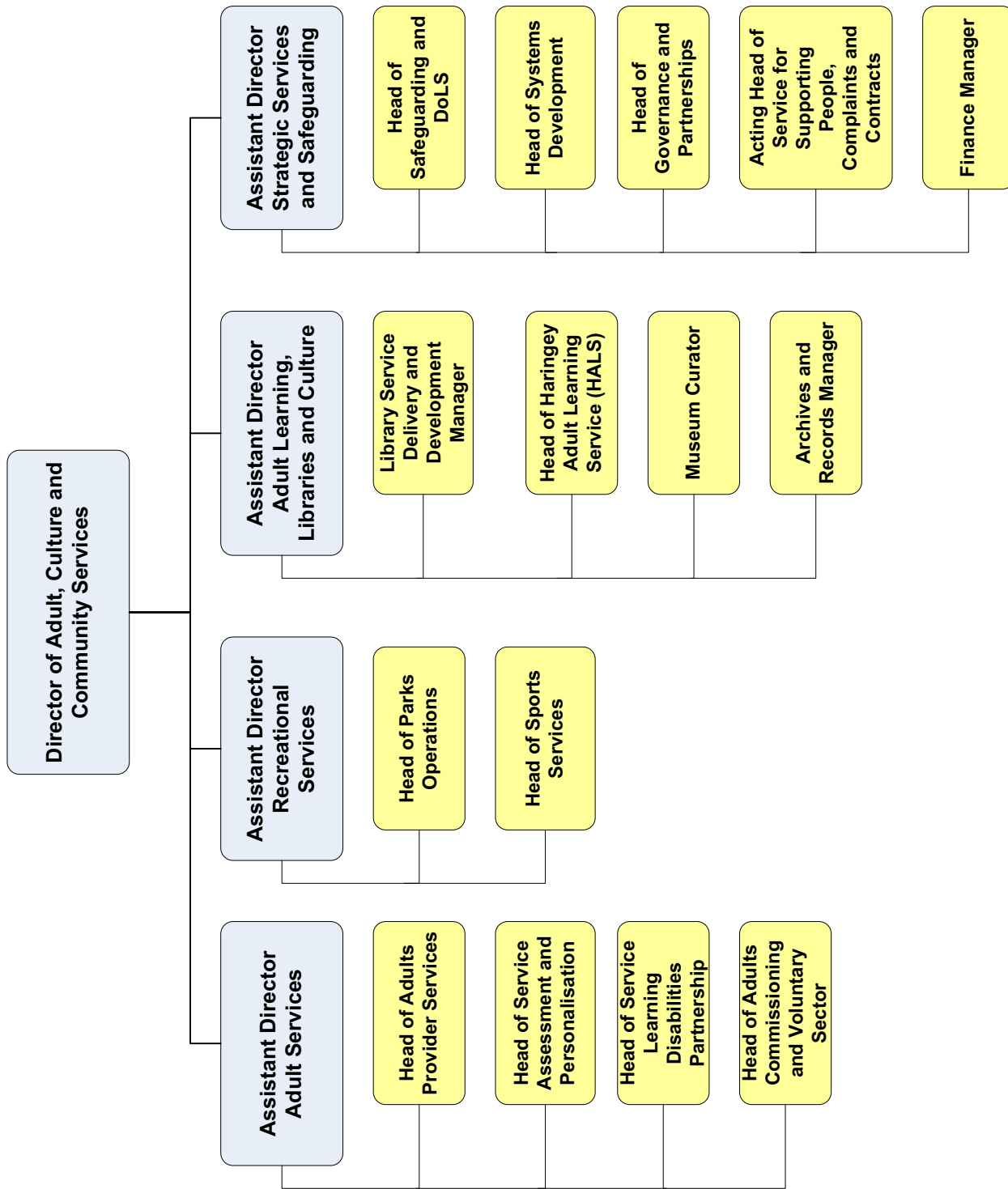
Proposed Corporate Resources Structure - Phase 1



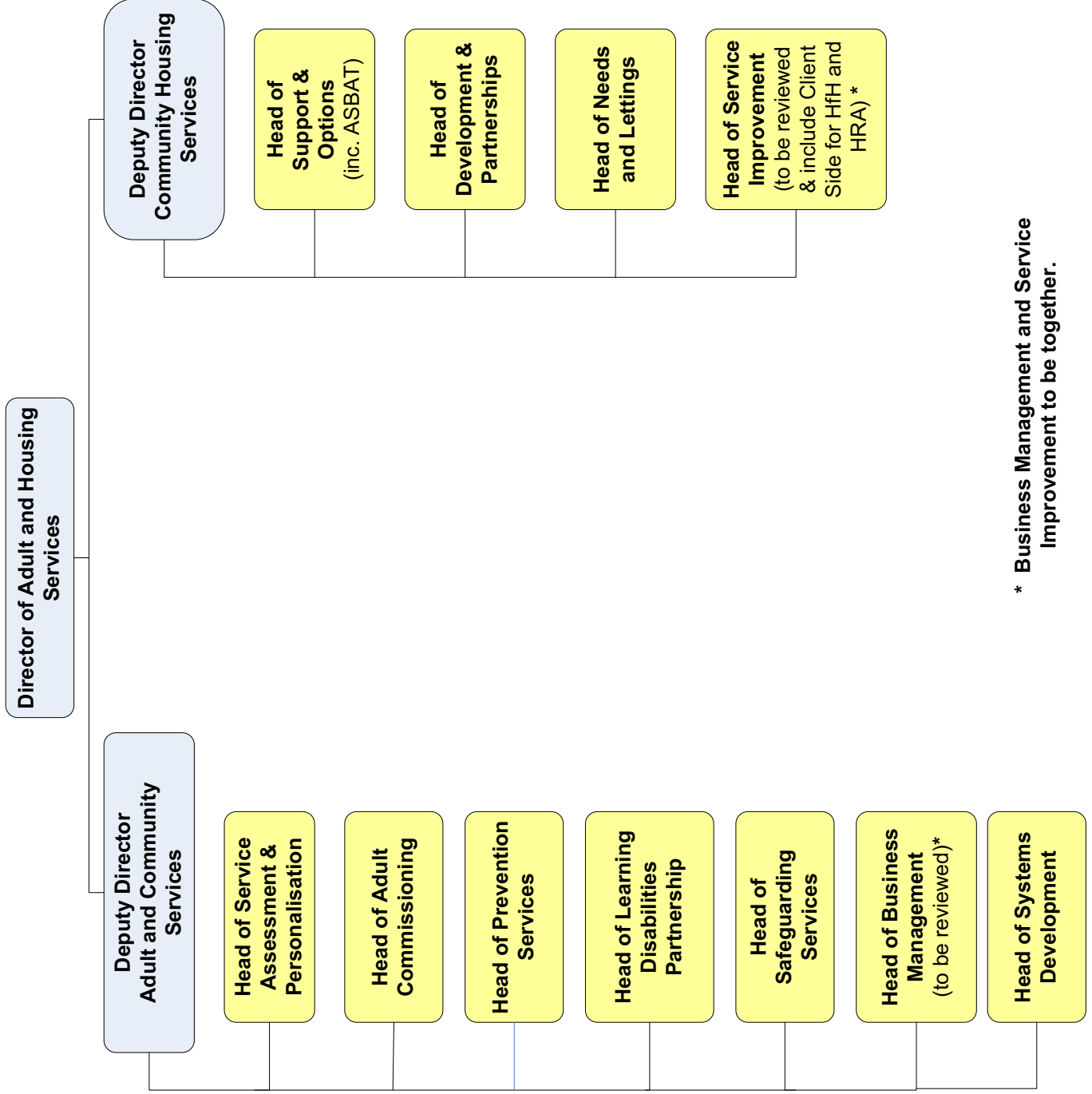
Proposed Corporate Resources Structure - Phase 2



Current Adult Culture & Community Services Structure

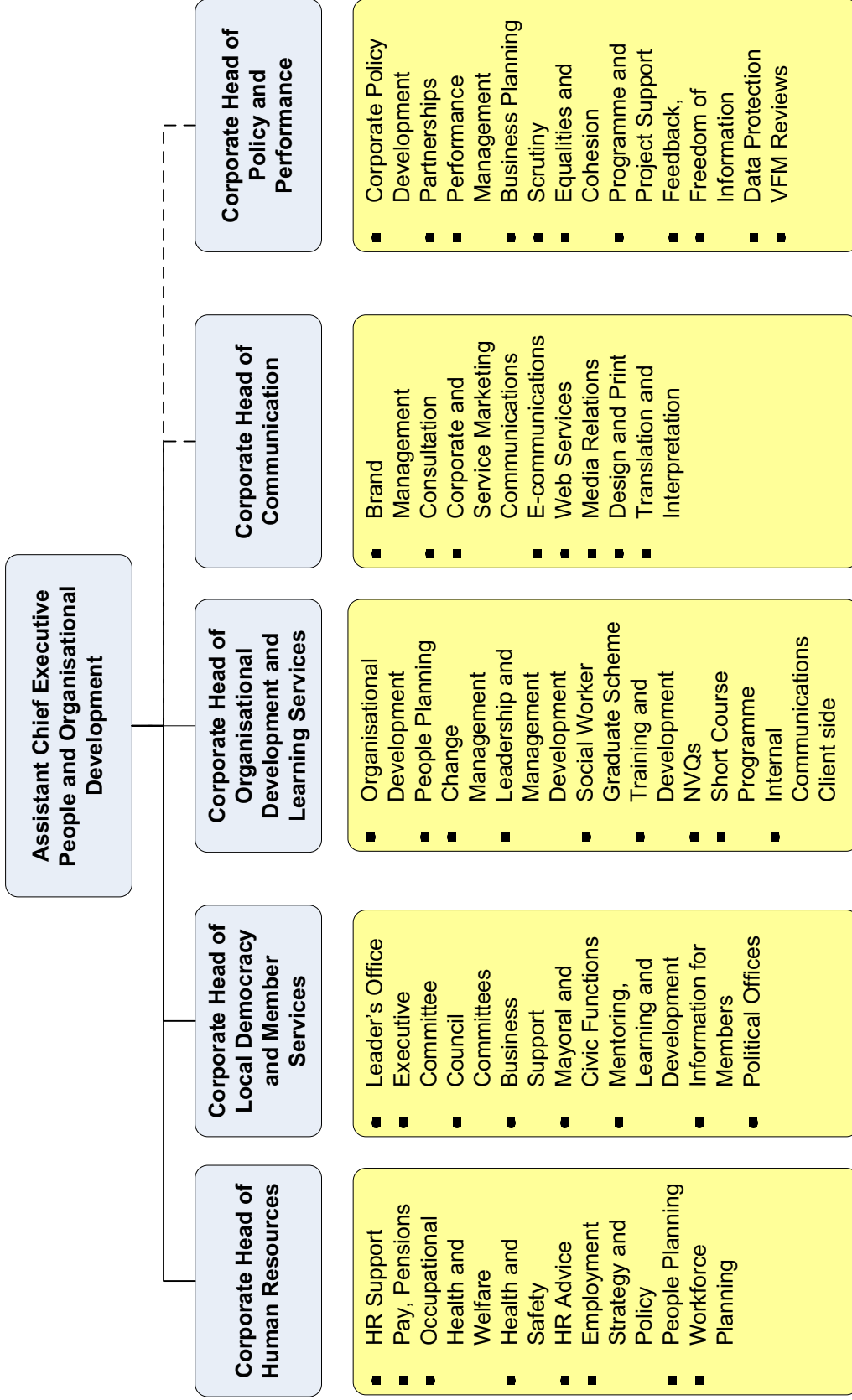


Proposed Adult and Housing Services Structure Phase 1 & 2

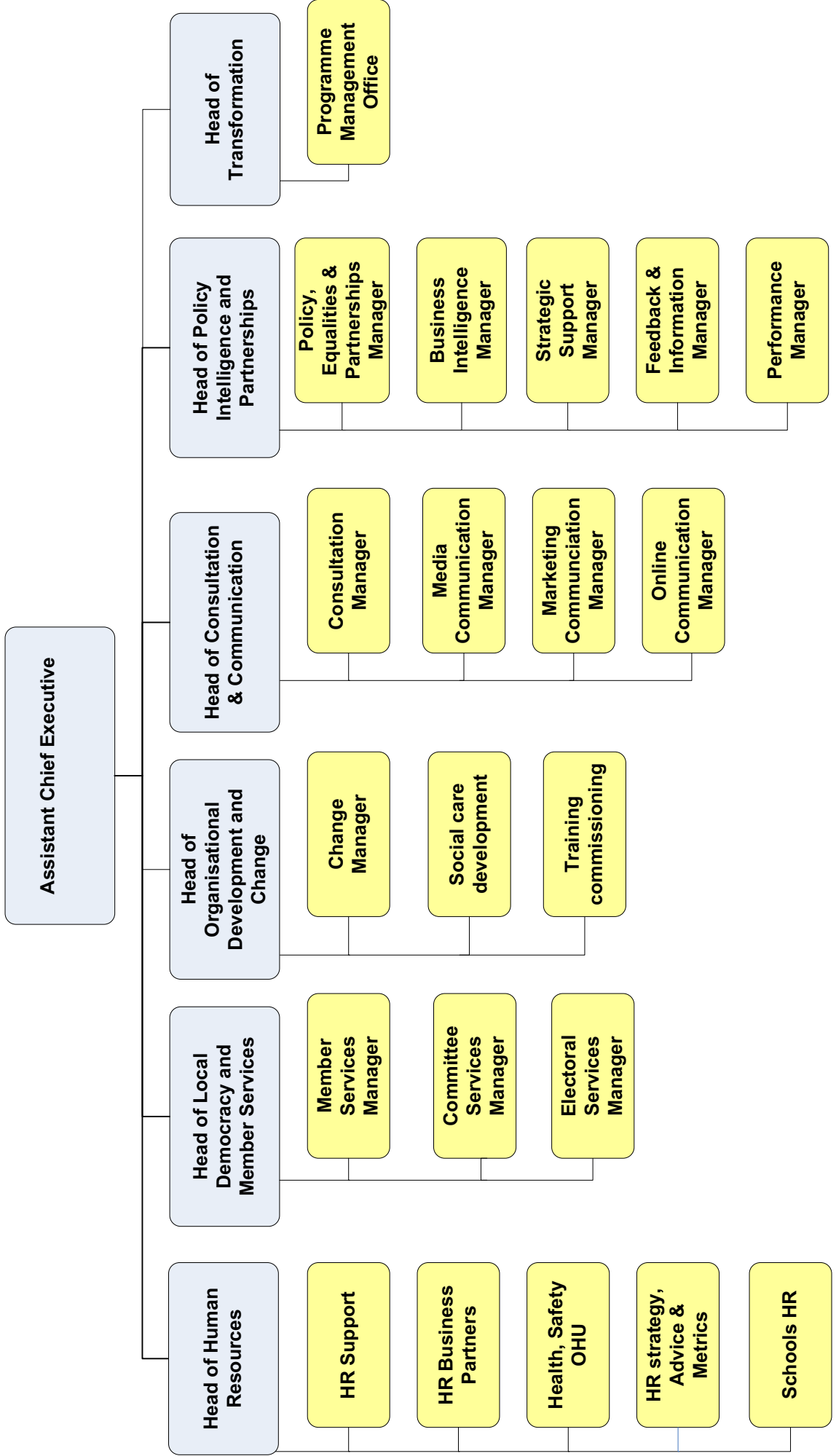


* Business Management and Service Improvement to be together.

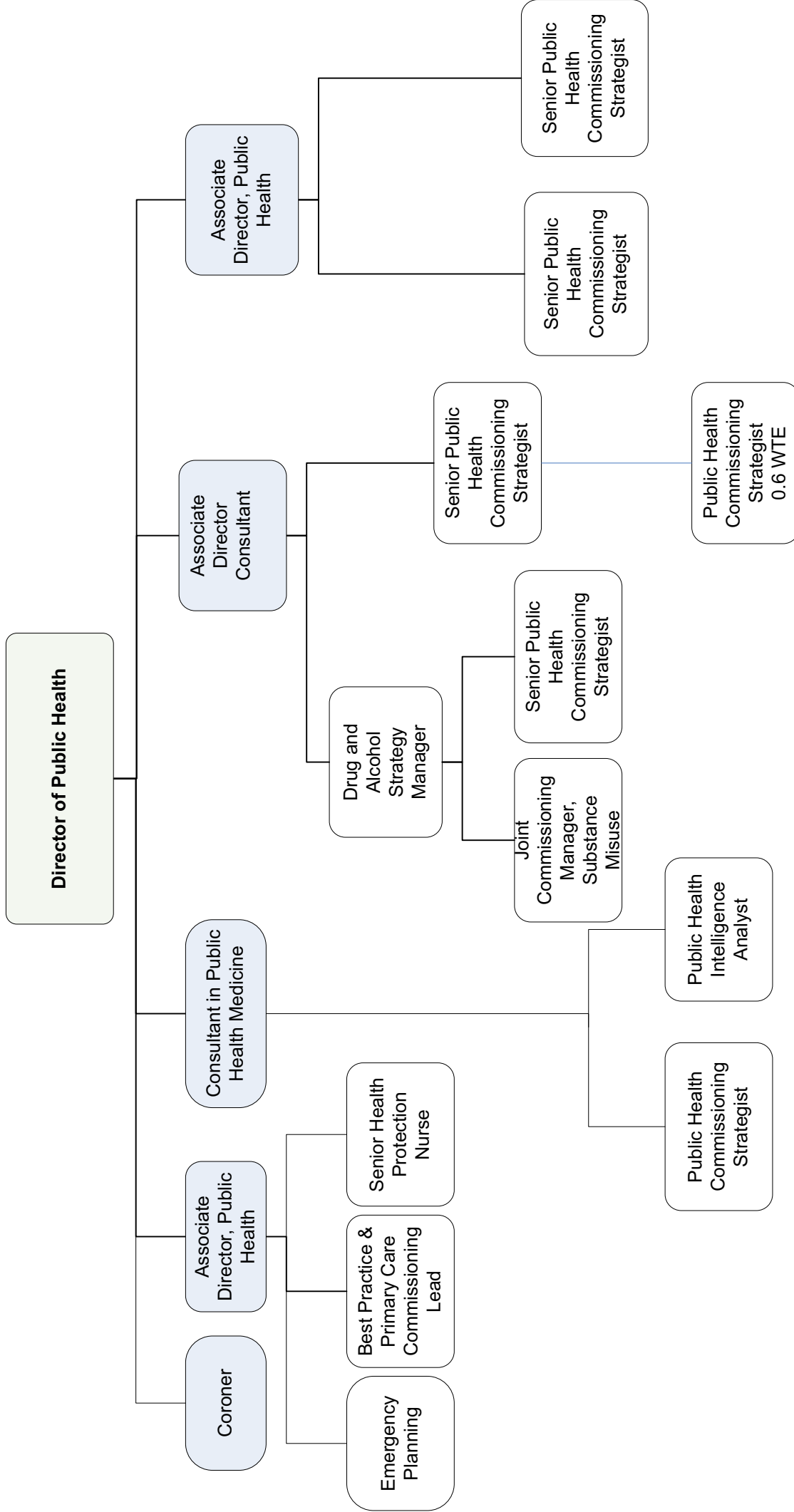
Current Structure - Chief Executive's Service



Proposed Structure - Chief Executive's Service Phase 1 & 2



Public Health Structure (to be reviewed)



Please note that the Grade Bands given are indicative for planning purposes only. Posts will need to be matched through the Agenda for Change pay banding and job evaluation process

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Agenda item:

[No.]**CABINET****On 25th January 2011**

Report Title: Out of Borough Housing Stock	
Report of: Niall Bolger, Director of Urban Environment	
Signed : _____ Date: _____	
Contact Officer : Nick Powell, Head of Housing Strategy, Development & Partnerships, Strategic and Community Housing Tel: 020 8489 4890, email: nick.powell@haringey.gov.uk	
Wards(s) affected: All	Report for: Key Decision
<p>1. Purpose of the report</p> <p>1.1 The purpose of this report is to seek Cabinet approval to consider options for meeting the future management and investment needs of the Council's out of borough housing stock.</p>	
<p>2. Introduction by Cabinet Member (if necessary)</p> <p>2.1 My first priority and concern with regards to the out of borough stock relates to the 90 properties on the Waltham Cross estate. These are our only out of borough properties that are some considerable distance from Haringey, which has given rise to concerns about the effectiveness of the management of these homes and the involvement of the tenants.</p> <p>2.2 In the current financial climate the cost of managing these properties in all aspects including repairs is likely to be of increasing concern. With regards to proposed decent homes work it may be necessary to find another avenue that would provide the funding to bring these properties up to the decent homes standard given pressure on resources. This is important as there has been little capital investment in this estate over many years.</p> <p>2.3 I am aware also that it is seen as good practice for social landlords not to have small numbers of properties situated away from their main areas of operation, thus tending to be neglected and to receive a poorer / sub standard service.</p> <p>2.4 To resolve all these issues we need to consider a more effective way of managing these 90 properties, a way that would improve the service and living conditions for residents, and ensure the decent homes work is completed.</p>	

3. State link(s) with Council Plan Priorities and actions and /or other Strategies:

4. Recommendations

It is recommended that Cabinet:

- (a) Note changes in the future allocation of Decent Homes funding set out in the HCA consultation and bid documents '*Decent Homes Backlog Funding for Council Landlords 11-15*' .
- (b) Agree to defer all future Decent Homes works to out of borough stock
- (c) Agree for options to be explored on how to deliver Decent Homes work for out of borough stock, in view of reduced funding, and TSA requirements around consolidating property holdings and more effective housing management.
- (d) Agree to enter into discussions with interested Registered Housing Providers about a potential offer for the Waltham Cross estate.
- (e) Agree to consult residents about future management and investment options for the Waltham Cross estate.

5. Reason for Recommendation

- 5.1 The reasons for these recommendations are outlined in point 6.

6. Background

- 6.1.1 In January 2008, Haringey Council was awarded funding of £198.5m over a 6 year period for the Decent Homes programme to tenanted properties. The funding was confirmed for the first 3 years of the programme, with indicative allocations for the remaining years.
- 6.1.2 Although the Department of Communities & Local Government confirmed the Decent Homes funding allocation for Years 1, 2 & 3, in the sum of £100m, future funding for the programme was indicative.
- 6.1.4 Following the Comprehensive Spending Review in October 2010, the Homes and Communities Agency (HCA) published its consultation paper '*Decent Homes Backlog Funding for Council landlords 2011-15*'. The document sets out how future allocations are to be distributed. This was followed up with an official Invitation to Bid on 13 December 2010. We are currently working on our submission which needs to be with the HCA by 11 January 2011. We will know the outcome by the end of January/beginning of February 2011.
- 6.1.5 The overall impact of the above is that Haringey will now need to bid competitively for future Decent Homes funding allocation from a reduced

overall funding 'pot' open to any Council with a non – decency level of over 10%.

6.1.6 The Government has also announced its intention to abolish the Housing Revenue Account (HRA) subsidy system and aim that the reformed HRA should give landlords sufficient resources to maintain homes at the Decent Homes Standard.

6.2 Out of borough stock

6.2.1 Haringey Council currently owns 409 housing units that are located outside of the borough boundaries.

6.2.2 There are 90 homes on the Waltham Cross estate, located in Broxbourne, Hertfordshire, were included in previous transfer proposals in 2002, which resulted in the neighbouring Cheshunt estate transferring to Aldwyck Housing Association and the Potters Bar Estate to Ridgehill Housing Association. This followed positive results in resident ballots. The Waltham Cross residents voted against transfer to Aldwyck Housing Association.

6.2.3 There are also 130 homes on the Imperial Wharf Estate (Craven Park Rd/Maple Close) which is located in Hackney followed a boundary change. This estate was identified for inclusion in Year 3 of the Decent Homes programme and is also currently on hold pending clarification on future funding.

6.2.4 The remaining out of borough stock is located in Enfield. This comprises 189 homes on the Weir Hall Estate. Decent Homes works have already been completed.

6.2.5 Given the limited level of capital funding available to the Council, Members have already indicated that priority should be given to homes within the Borough, in order to maximise the quality of investment and ongoing management that can be delivered through available resources.

6.2.6 Delivering high quality management and repairs services to out of borough homes is more challenging and it is recommended that options for providing local solutions to the investment and management needs of these homes are investigated.

6.2.7 Cabinet is therefore asked to agree that given the reduction in government funding for the Decent Homes programme, investment in the out of borough properties is deferred.

6.2.8 Cabinet is also asked to agree to the exploration of other options for funding these works. Options to be explored will include:

- Stock Transfer to a Registered Provider
- Trickle transfer
- Stock Swap with the host local authority.

6.3 Waltham Cross Estate

6.3.1 This report focuses more on this estate as it is furthest from the geographical operations of the Council and Homes for Haringey, and could therefore benefit most from a consolidation of management functions.

- 6.3.2 The Waltham Cross estate is included in the programmed Year 3 Decent Homes schemes currently on hold pending clarification on future funding. In view of this, Cabinet is asked to agree that of the out of borough stock, this estate be prioritised for option appraisal.
- 6.3.3 Informal discussions have been held with representatives of Broxbourne Housing Association regarding the estate. Transfer to Broxbourne was not an option on offer to residents as part of the previous transfer proposal, as it took place prior to the setting up of Broxbourne Housing Association as a Large Scale Voluntary Transfer.
- 6.3.4 There is potential for the Council to make a capital saving and generate a receipt from the transfer. Broxbourne currently have access to private loan finance and are keen to explore the options for transfer with Haringey on an exclusive basis.
- 6.3.5 As well as a capital receipt, Haringey could potentially save £1.3m in Decent Homes costs and secure future nominations and other considerable community developments for the existing residents.
- 6.3.6 It is estimated that any stock transfer process is likely to cost the Council in the region of £100,000 to administer. This will include the cost of appointing an Independent Tenant Advisor.
- 6.3.7 Subject to Cabinet approval, Council and Homes for Haringey officers from the Housing Investment and Regeneration Board will manage an option appraisal for the Waltham Cross estate. This will report to the Housing Capital Programme Board under the sponsorship of the Assistant Director of Strategic and Community Housing.

8. Chief Financial Officer's Comments

- 8.1. As Decent Homes Funding is likely to be extremely limited in future years, it is necessary to explore other options to bring properties up to the required standard. However, there will obviously be a cost associated with option appraisal and at present no budget has been identified to undertake this work. Such a budget would need to be identified before work could commence. It may be possible to charge a wider appraisal of stock to the General Fund, however if the stock identified is part of the Housing Revenue Account as in this case it is more appropriate to charge any costs incurred to the HRA. If a disposal does take place then the cost of any studies could be offset from any capital receipt received, however there is no guarantee that a disposal will arise and there is also likely to be a significant time lag between completion of any option appraisal and the capital receipt being received.

9. Head of Legal Services Comments

- 9.1. Head of Legal has no comment to make on this report at present, particularly as it seeks to consider options only.

10. Head of Procurement Comments

11. Equalities & Community Cohesion Comments

11.1

12. Consultation

12.1 There will be full consultation with Members and residents about future management and investment options for this stock. Residents will receive independent support.

13. Service Financial Comments

13.1 Although there are a number of potential benefits in the recommendations in respect of out of borough stock there will be a requirement for the Council to invest up to £100,000 in exploring the transfer possibilities, none of which is built in to current council budgets. Although this would be an HRA cost it would fall in the council's retained budgets rather than the Homes for Haringey budgets.

14. Use of appendices

15. Local Government (Access to Information) Act 1985

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