



**Haringey** Council

Agenda item:

**[No.]**

**General Purposes Committee**

**On 28<sup>th</sup> October 2010**

Report Title: **Support Functions Review (SFR) – Marketing & Communications Functions**

Report of: **Stuart Young, Assistant Chief Executive People and Organisational Development**

Signed :

Contact Officer : Charles Skinner, Head of Communications & Consultation

Wards(s) affected: **All**

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

### **1. Purpose of the report**

- 1.1. In February 2010 as part of the Support Functions Review (SFR), Chief Executive's Management Board (CEMB) agreed to review the organisation of the marketing & communications functions within the Council. On 15 July 2010 Cabinet members noted proposals to create a council wide centralised shared service for the marketing and communications functions.
- 1.2. The attached report is based on that agreement and sets out a proposed model for streamlining these functions. Cabinet Members have given a clear indication that a 50% reduction in spend is expected from this review.
- 1.3. This report asks Members of General Purposes Committee to agree the proposed centralised model for the marketing & communications functions and the associated efficiencies, subject to any issues of significance that might arise from the formal consultation currently underway.

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

- 2.1. The SFR of Marketing & Communications contributes to the Council Plan priority of **'Delivering high quality, efficient services'** by ensuring that these functions are provided in the most cost effective way.

### **3. Recommendations**

That Members:

- 3.1 Note that formal consultation on the proposed centralised model for the marketing and communications and the associated efficiencies took place from 6<sup>th</sup> September until 6<sup>th</sup> October 2010.
- 3.2 Approve the proposals for a Marketing and Communications Service as detailed on the attached paper subject to the amendment at paragraph 11.5 below. It is not envisaged that the amendment will alter the overall financial savings in the report as provision had been made for the temporary retention of some in house capacity.
- 3.3 Note the timetable for delivery.

### **4. Reason for recommendation(s)**

- 4.1. The revised Marketing & communications service will deliver efficiencies by reducing the resource deployed on the function and by providing a single point of control to ensure that any expenditure on marketing maximises its return.

### **5. Other options considered**

- 5.1. The SFR considered various organisational models for how marketing might be run and these were assessed against the desired efficiency benefits.

### **6. Summary**

- 6.1. In February 2010 as part of the SFR, CEMB agreed to review the organisation of the marketing and performance functions within the Council.
- 6.2. A series of VfM (Value for Money) reviews into communication demonstrated that cross Council working could be improved; that the planning and evaluation of marketing might be better co-ordinated; that the work of print and design would benefit from a further review.
- 6.3. The attached paper is based on the VfM review and from the Support Functions Review. It sets out a proposed model and associated efficiencies for streamlining these functions.
- 6.4. A consultation period ran from 6<sup>th</sup> September 2010 for a month to enable comments on the proposals to be provided. A summary of the main themes emerging is reported below.

### **7. Chief Financial Officer Comments**

- 7.1. The Chief Financial Officer has reviewed the proposals in this report with the author.

7.2. The costing of the proposed structure has been checked and should enable the estimated cost saving to be realised on full implementation.

7.3. At the current stage it hasn't been possible to assess whether any redundancy costs will be incurred and the Council should aim to redeploy any displaced staff in the first instance. Should this not be possible any one-off costs will have to either be met corporately or offset against the first year's savings. Work is underway to identify a corporate redundancy reserve.

## **8. Head of Legal Services Comments**

8.1. There are no specific legal implications concerning the model to be adopted by the Council for marketing and communications functions. The proposals set out in this report are ones that fall within the remit of the Council's policies concerning organisational restructuring and redeployment in respect of the implications for staff employed by the Council. Consideration should be given in order to confirm the proposals for the appropriate pools for redundancy selection and the selection criteria to be adopted. The proposals are at such a stage that statutory consultation under the provisions of Section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 should be undertaken, in addition to appropriate consultation with the employees affected by the proposals. This consultation should be carried out while the proposals are still at a formative stage and where no final decision has been made.

## **9. Head of Procurement Comments**

9.1. Not applicable

## **10. Equalities & Community Cohesion Comments**

10.1. An Equalities Impact Assessment of the Marketing & Communications SFR has been carried out and it found no adverse effects in terms of equalities.

## **11. Consultation**

11.1. Informal consultation has included:

- Three stakeholder workshops held during May and June 2010 to get the views of both senior officers and staff delivering policy and performance functions
- Meetings with Directors and Assistant Directors to get their views
- During the first half of July 2010 meetings with staff working in functions covered by the scope of the review on the proposed model.

11.2. The feedback from the informal consultation has been used to develop the model described in the attached report.

11.3. Formal consultation ran from 6<sup>th</sup> September to 6<sup>th</sup> October 2010. Further meetings with staff and unions were held during this period. In addition written comments were received. The main themes emerging during consultation were:

- Concern that a smaller unit would struggle to provide services
- The relationship between a central unit and services in relation to specialist knowledge
- How jobs that currently involve a mixture of marketing activities and other disciplines would be treated
- A case for keeping the print room open
- A number of points specific to individual posts

11.4. In reply the Head of Communications and Consultation has drafted a set of responses providing reassurance about service quality; how relationships will be effectively maintained; how multi disciplinary jobs will be treated; and has provided commentary on the rationale for specific post queries.

11.5. On the closure of the print room it is recognised that whilst the print room offers a responsive and committed service it cannot compete with external suppliers. External suppliers can by the nature of their businesses make much more use of printing equipment over longer hours resulting in much reduced unit costs. The original proposals contained provision for the retention of some resource to deal with urgent committee papers, etc. Officers consider that a phased approach to the print room closure would mitigate any risks in this area. The print room proposals will therefore be amended to provide for a fixed term a much reduced facility of one machine with operator. The arrangement is proposed for 12 months to be reviewed at that point with a view to removing the resource if external provision has proven satisfactory.

11.6. The remaining proposals remain as presented to GP Committee in September 2010, and on the attached paper.

## 12. Service Financial Comments

13.1. The proposed model for the centralised marketing and communications team shows a 50% reduction in posts and a budget reduction of £376k between the current and proposed structures.

13.2. As a result of ongoing formal consultation the number of posts affected has not changed. A minor amendment at paragraph 11.5 will affect the profile of savings because of a phased implementation to the closure of the print room.

13.4. It is currently assumed that any resultant redundancy costs will be met corporately. However, see CFO comments at paragraph 7.3

## 13. Use of appendices /Tables and photographs

Appendix 1: The proposed model for Marketing and Communications

14. Local Government (Access to Information) Act 1985

14.1. Not applicable