

REPORT OF THE GENERAL PURPOSES COMMITTEE No.04/2010-11 COUNCIL 25 JANUARY 2011

Chair:
Councillor George Meehan

Deputy Chair:
Councillor Reg Rice

1. INTRODUCTION

- 1.1 This report details the deliberations of the General Purposes Committee in accordance with the requirement of the Council's constitution in respect of the Chief Executive's report 'Rethinking Haringey'.

2. SUMMARY

- 2.1 The report before our Committee detailed 'Rethinking Haringey' and set out the current challenges facing our Council, the plans for transforming its approach to delivering services, and proposing the adoptions of the plans to meet the changing needs of residents, and targeting services to those who needed them most.
- 2.2 We were advised of the process of consultation that would now commence with staff. In terms of the involvement of our Committee, we were informed of our role and function in respect of our proposed Appointments panels, and the 5 options for each individual post namely, a. deletion, b. assimilation, c. closed ring-fence, d. open ring fence, and e. Internal/external advert, . Regarding our role as the appointments panel this would be either where there was a straightforward assimilation affecting one individual, or when there was competition for particular jobs. Given the urgent need to progress the restructure our Panel would consider appointments on the basis of recommendations of our Chief Executive, and only in cases where it was necessary would an appointments panel meet to interview.
- 2.3 We were informed that in terms of overall reduction of management posts the estimated reduction at 2nd and 3rd tier would be by approx 1/3, and an overall reduction of the workforce by a ¼. The Full Council would consider and adopt this report on 24 February 2011, and any significant changes to this report would then be brought back to our Committee to sign off. Our Committee would consider information at its next meeting in terms of the changes to 2nd and 3rd tier posts, as those concerned were to be notified the week commencing 31 January 2011. The implementation of the changes would be in the latter part of March to early April 2011.
- 2.4 In being advised that the report before us received both legal and financial comments, the report set out the thinking, outcomes and principles of redesigning services, the development of the new Council structure. There would be two phasing proposals with Phase 1 from April 2011 to March 2012, and Phase 2 from 2012 onwards. The

reductions in costs by approx £42 million in 2011/12 (Phase 1) would largely be contained with the existing organisational shape with a smaller workforce, as detailed in Appendix 2 attached to the report. Phase 2 of the process from 2012 onwards was shown in appendix 3 attached to the report.

- 2.5 We were further advised that in terms of customer focus and what people in Haringey had indicated what they want from Council services, and with the phased development of community hubs there would be a better spread of services on offer and in time transform how residents use services. The reshaping report before us recognised the complexity and enormity of the current situation. It was now the case that the detail of the scale of the budget reductions was now known publicly and the proposals to reduce the budget by approx £42 million and run services accordingly was in outline, and that we would appreciate this complexity, with there being room for discussion on the proposals.
- 2.6 We undertook a wide ranging discussion on the reshaping proposals – the main points being:
- concerns at some encountered negativity of employees affected by the reshaping and this affecting outcomes of projects or service delivery, and also concerns regarding demoralisation of the work force in light of the budget reductions and how this would be handled effectively, and confirmation that thus far officers professionalism had stood out in the vast majority of cases, and that in areas where there were projects proceeding, there would be a clear line of who would be responsibility for function. Also the review of our HR Service would not commence until the Autumn of 2011 in order for support and advice to be given to the workforce during the coming months;
 - comments on the detail of the redundancy packages on offer and whether there were individual enhanced severance packages involving ‘added years’ and confirmation that the redundancy package was a transparent one with a published formulae for calculation, being dependent only on length of service and age, and that unlike previous severance packages there were no additional added benefits;
 - the likely reduction in 2nd and 3rd tier posts and what this actually meant in real terms, and being advised that it meant an approx 1/3 of the current work force at 2nd and 3rd tier. There was currently finalisation of how each post at 2nd and 3rd tier would be affected, and this could be circulated to Members of the Committee for comment., Following further discussion it was agreed that this detail be reported to our next Special General Purposes Committee on 7 February 2011 as an exempt item;
 - Comments in relation to details of manager responsibility of staff at 2nd and 3rd tier shown as a 1:8 to a 1:5 ratio, and in the case of Director a management reporting ratio of 1:2, and in response to our perceived in-balance, were advised this figure was arrived at following

assessment of a range of existing and proposed reporting lines, and of the practices in other London Boroughs;

- Clarification was sought, and given, of role of the appointments panel where either it was a straightforward assimilation affecting one individual, or when there was competition for particular jobs, and in accordance with the urgent need to progress the restructure the Panel would be considering appointments on the basis of recommendations of our Chief Executive, and only in cases of disagreement/concern where it was necessary our appointments panel would meet to interview;
- Comments raised and responded to in relation to the pyramid management effect, that as such the pyramid management effect was a common one allowing for a strategic and operational mix as was the case in service areas such as Children Services and the need for getting the correct balance of strategic leadership and operational management wherever possible;
- Reference to the newly created Public Health Structure in light of changes to the current PCT arrangements, and points clarified regarding the impending transfer of services from the NHS subject to confirmation of transfer funding from the NHS, ring fenced budgets until 2013, and also the reporting lines and set up of the new service, with assurances that further reports would be required detailing the outcome of the funding situation and possible revisions to proposed service delivery and structures;
- Comments in relation to the 'naming' of new positions i.e. the position of Director of Adults and Housing Services, and the positioning of certain services within one Directorate as opposed to another, and assurances that some services had been inadvertently placed, e.g. ASBAT, but the placing of Emergency Planning within the Public Health Structure would be likely to remain;

2.7 We noted comments of Staff side and we advised that the views should be noted and taken account of in terms of:-

- commissioning services rather than providing them directly, and the proposed structure for Place and Sustainability and posts of Head of Parks and Head of Commissioning but no Head of Leisure, and staff side concern that a decision in principle may already have been taken to outsource the Leisure Service
- staff side comments that it was always preferable to retain service provision in the public sector and that private suppliers would always seek to maximise their return from providing a service rather than giving priority to quality of service delivery to the public, together with there being democratic accountability involved in direct provision that would disappear once an Authority was bound into a contract for a prolonged period.
- that all proposals for alternative models of service delivery were fully negotiated with the trade unions at all stages and that there was full transparency about such proposals.

3. WE RESOLVED:

- i. to note the proposed restructure of the top three tiers of Council staff as detailed in appendix 1 of the report;
- ii. to note that the process as detailed in para 7.7 to 7.12 of the report in respect of the appointment of Chief and Deputy Chief Officers in accordance with Part K4 of the Council's Constitution, together with our comments during discussions of the appointment panel process;
- iii. to agree that following current finalisation of how each post at 2nd and 3rd tier was to be affected, the details would be reported to our next Special General Purposes Committee on 7 February 2011;
- iv. to approve the timescale for implementation including the receipt of any references back following endorsement by Full Council, and once consultation was complete; and
- v. to note the comments of Staff-side as outlined and to take account of these during the reshaping of services as detailed.