



General Purposes Committee

On 10 March 2011

Report title: **Financial Management Support Functions Review**

Report of: **Director of Corporate Resources**

Ward(s) affected: All

Report for: Key Decision

1. Purpose

- 1.1 As part of the Haringey Efficiency and Savings Programme (HESP) a review of the financial management function across the Council has been undertaken in order to arrive at a revised finance structure and new model of delivery of the finance function.
- 1.2 Members are asked to agree the proposed centralised finance structure as shown in Appendix 1 and delivery model, to come in effect from 1st July 2011.

2. Recommendations

- 2.1 That the Committee approve the proposed new centralised finance structure.
- 2.2 That, in coming to the decision in Recommendation 1 above, the Committee take into account the outcome of consultation with staff and trades unions outlined in the appendices and have due regard to the Authority's public sector duties including the consideration of the attached Equalities Impact Assessment.
- 2.3 That the committee notes the timetable for implementation.

Report authorised by: Julie Parker – Director of Corporate Resources

Julie Parker for the Director of Corporate Resources

Contact officer: Graham Oliver – Head of Finance- Accounting, Control & Income
Telephone 020 8489 3725

3. Executive Summary

3.1 As part of the Haringey Efficiency & Savings Programme (HESP) a review of the financial management function of the Council has been carried out in order to provide a new delivery model that is more efficient than the current model.

3.2 It is proposed that the new financial management service will be a centralised finance division of the Corporate Resources directorate. It will include the functions below:

- **Management Accounting** – management accounting support to all the directorates of the Authority
- **Financial Accounting** – providing the statutory financial accounting activities and corporate co-ordination role
- **Treasury and Pensions Fund Management** – as currently organised.

3.3 Appendix 1 contains the proposed finance structure, which is fully centralised and all staff will be located together in Alexandra House.

3.4 A full consultation process with all affected staff and the trade unions has been carried out and the proposals contained within this report take into account issues raised during the consultation.

3.5 Indicative savings of £2.4 million will be achieved in a full year (£1.7 million in 2011/12) once the new structure has been implemented.

4. Reasons for any change in policy or for new policy development (if applicable)

4.1 None.

5. Local Government (Access to Information) Act 1985

The following background papers were used in the preparation of this report:

6. Background

6.1 The proposed model for the financial management function

It is proposed that the new financial management service will be a centralised finance division of the Corporate Resources directorate. It will include the functions below:

- **Management Accounting** – management accounting support to all the directorates of the Authority
- **Financial Accounting** – providing the statutory financial accounting activities and corporate co-ordination role
- **Treasury and Pensions Fund Management** – as currently organised.

6.2 Criteria for functions to be included in the new unit

The review has been undertaken based on the following activities being classified as financial management activities. This includes, but is not restricted to, the 'accountant' role and their assistance in carrying out the following activities:

- Pre Business Planning Review, Budget setting, monthly budget management, final accounts;
- Grant and financial statistical returns;
- General financial advice;
- Financial commentary on reports;
- Financial impact of legislative changes; and,
- Debt Management activities.

6.3 The ways of working and accommodation

To deliver the above functions within a much reduced capacity a different way of working is needed. The new unit will be a council-wide shared resource that will work flexibly across organisational boundaries and within a one council approach.

The key determinants to ensure the success of this approach are based on two key principles:

- First that budget managers will need to take more hands-on responsibility for the budgets they manage. The finance function will become a support service that advises and guides managers in the financial processes but will not actually carry out the processes for them.
- Second the current budget management process will change from being a detailed monthly to a comprehensive quarterly process with a monthly risk based review of budgets (although budget managers will themselves be expected to monitor and manage budgets on a monthly basis).

It is proposed that the new finance team will be centrally located within Alexandra House to ensure that the new service has maximum flexibility

and that service specific knowledge can be shared amongst all finance staff. The smart working principles will be employed to ensure staff operate alongside service staff during key times of the month.

6.4 The proposal in detail

The table below shows both the current and proposed number of posts and the associated costs:-

Function	Current Structure		Proposed Structure		Change	
	Number of posts	Cost £'000	Number of posts	Cost £	% posts	% Cost
Finance Function	135	5,989	77	3,578	43	40

There is a reduction of 58 posts (43%) and a £2.4m (40%) reduction in cost, taking account of the transitional posts, between the current and proposed structure. Whilst the proposed structure does not achieve the indicative saving of 50%, the professional view is that a reduction below this proposal would leave the service in a position where it may not deliver its statutory responsibilities and could not ensure that financial control risks are fully mitigated against, particularly over the next two years. This position has been agreed by the Council's Chief Executive's Management Board.

7. Consultation Results

7.1 A full 30 day consultation has taken place with all affected staff and the trade unions and issues raised during this period have been considered in arriving at the final proposal contained within this report.

7.3 During the consultation the following activities were carried out in order to provide all staff with the opportunities to comment on the proposals:

- Three general consultation events were held to which all staff and the trade unions were invited.
- Individual 1-2-1 meetings were available for staff to either meet with the Lead Finance Officer or the Head of Finance – Accounting, Control & Income.
- Written comments.

7.2 Appendix 2 is the formal response from Unison to the proposals and Appendix 3 is the Council's response to Unison.

7.3 Following the consultation the following amendments to the proposed structure have been made:-

- Some range grades have been added into the structure.

- Two PO3 SFA posts have been removed but an additional seven posts have been added (1 PO7/PO8 position, 2 PO4 positions, 1 PO2 position and 3 SO1/PO1 positions).

7.4 The additional posts are able to be funded yet still meet the savings target, based on a combination of capitalisation, charges to external grant and use of previously built in flexibility.

8. Risks

8.1 Members should be aware that reductions in finance staff of the magnitude set out in paragraph 6.4 above will mean that the level of service provided by finance (be that corporate or departmental) will significantly reduce from the position that the Council has hitherto enjoyed. A significant element of the financial management activity will transfer to service budget holders and many functions presently undertaken by finance staff will no longer be possible. In accepting these proposals, the Council is consequently accepting additional budget management responsibility for Council managers and a higher financial risk given reductions in the financial control regime.

8.2 The proposed model set out in this paper is a much reduced structure which will result in the need to develop and agree a detailed service offer between the Finance service and Directorates. The capacity of the Council to retain specialist knowledge and respond to new national and local agendas as well as ad hoc requests will be diminished. It is therefore proposed that the arrangements are reviewed within a year of implementation.

9. Next steps

An indicative timescale for the implementation of the proposed model is shown below.

Activity	Timescale
General Purposes Committee	10 March 2011
Recruitment	Mid March – End May 2011
Transition into the new structure	June 2011
Implementation date	1 July 2011
Review of new function	April 2012

10. Financial Implications

10.1 The proposed new finance organisation and structure are affordable within the new revised budget for the activity.

10.2 The proposed savings within the HESP programme are £2.4m in a full year; which these proposals achieve.

- 10.3 The main non-salary budget requirement relates to training, given the need for staff to be up to date on national and regional policy, and some supplies and services in relation to production of statutory documents.

11. Recommendations

- 11.1 That the Committee approve the proposed new centralised finance structure.
- 11.2 That, in coming to the decision in Recommendation 1 above, the Committee take into account the outcome of consultation with staff and trades unions outlined in the Appendices and have due regard to the Authority's public sector duties including the consideration of the attached Equalities Impact Assessment.
- 11.3 That the committee notes the timetable for implementation.

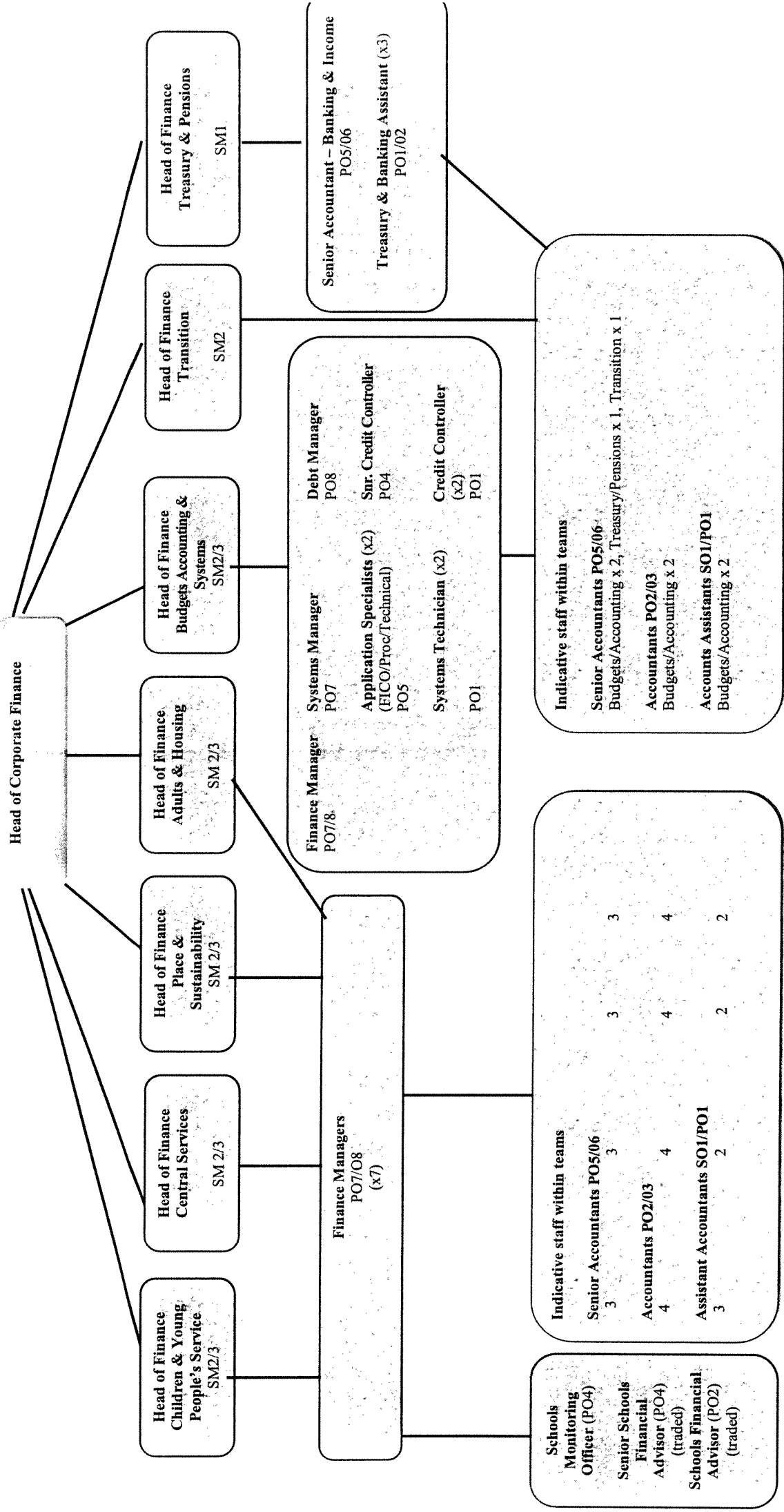
12. Comments of the Head of Legal Services

- 12.1 There are no specific legal implications concerning the model to be adopted by the Council for financial management 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.
- 12.2 Any final decision made on the proposals should take into account the outcome of statutory consultation under the provisions of Section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 with the trades unions and the consultation with the employees affected by the proposals.
- 12.3 In coming to a final decision on the proposals the Committee should take due account of the Authority's public sector equalities duties. This will include the consideration of the completed Equalities Impact Assessment appended to the report.
- 12.4 The detailed arrangements for the selection arrangements for the posts within the new structure must comply with the Council's policies regarding restructuring. The position of employees displaced as a result of the selection processes should be considered under the Council's policies regarding redeployment and redundancy.

13. Appendices

- Appendix 1 – Proposed Finance Structure
- Appendix 2 – Letter from Unison on the consultation proposals
- Appendix 3 – Response from the Council on consultation questions raised

PROPOSED FINANCE FUNCTION ORGANISATION CHART





Haringey Local Government Branch, 14a Willoughby Rd, London N8 OHR
 Tel : 0208 482 5104, 0208 482 5105, 0208 482 5106, Fax 0208 482 5108,
 E-Mail:branchsecretary@haringeyunison.co.uk

Comments On the Finance Support Functions Review

Shape of Structure

Please confirm the total number of posts at each grade (including those in scope but not under the direction of Corporate Finance), the total number proposed in the new structure and the percentage reduction in each case.

Both UNISON members and staff in general have expressed concern that the deepest cuts appear to be occurring at the lower end of the grade ranges typically SO1-PO2 as compared to the middle and upper levels PO5-PO8 and SM grades. This is particularly of concern when the ring-fences are considered at the lower end as the changes of successfully obtaining employment substantially diminish

What is the total cost of the current and proposed structure, in terms of the proposed what assumptions are being made about the revised grades within the SM level as the costs are markedly different for a person on SM3 (£82,313.00) as opposed to a person on SM2 (maximum spinal point 11 £75359.00) over the five posts proposed in the current structure this equates to a total of £34770.00 additional cost which could be avoided. It is unclear from the consultation document how it will be decided what grade the SM2/3's will be appointed at. As such there is a commonly held view that the highest paid are being protected whereas those lower down the structure are facing either cascading ring-fences (and thus losses in income) and/or complete redundancy and losses of their livelihood.

The council is facing unique financial pressures over the next three to five years and this level of retention at the highest grade along with an effective salary protection/pay increase at the top is questionable. Simply capping all of these posts at SM2 would produce a saving equivalent to another post further down the structure while removal or merger of one or more could produce a further significant saving which could be invested in frontline operational roles.

While we recognise that a number of postholders have requested and been accepted for VR we remain concerned at the relative protection of the remainder as compared to the lower levels.

Please confirm the cost of the current arrangements envisaged at each level of the structure and the percentage reductions.

Abolition of Range Grades/Career Development

We note that the only range grades occur at the SM levels, historically finance roles have had a number of posts on range grades which has allowed for staff to develop into them. The withdrawal from such an approach also has the detrimental effect of limiting ring-fencing opportunities for staff particularly at the lowest grades. As the Equalities impact assessment would appear to show a potential issue in terms of the number of female and BME staff displaced at the lower levels adoption of a slightly revised structure model would be a reasonable step to take in order to mitigate this effect (For example making the PO2 posts PO1-PO2) such an approach would also give greater flexibility of the organisation to ensure people were being paid at the right grade for the roles they fulfil.

In each case there is a significant gap between the grades at each level and the next tier up, we are concerned that this will result in lack of realistic opportunities for development and a "grow our own" approach which has previously successfully delivered a diverse and inclusive Haringey workforce at all levels of the structure.

Generic Approach

Concern has been expressed about how generic the new service will be and the expectation that staff will be able to function across the full range of areas. We are seeking clarity on how likely it is that people will be moved frequently and also an assurance that appropriate training will be provided. Any system of this type

will require some "bedding in". This in part relates to our comments on concerns we are aware Directorates have raised directly as part of the SFR.

Staff have also asked whether they will have the opportunity to express a preference as to which Service area they would prefer to work in and how this will be decided.

Interview Panels

Concern has been expressed (which UNISON shares) that interview panels may favour staff from the current corporate team or colleagues they have previously worked with. This would apply all the way down the structure. Our proposal to mitigate this effect would be to include on the interview panels a person who is external to Corporate Finance in each and every case; historically this approach would involve either a HR professional or an Equalities officer sitting on all panels. Aside from this consideration we believe there is a place for service-based managers to play a part in the panels as far as is possible. This would have the benefit of obtaining "buy-in" for the new model.

We would appreciate further detailed discussions about the make-up of panels in advance of these being set up.

Selection process

The document does not set out the selection processes, which will be, followed it simply repeats examples contained within the restructure and re-organisation policy. It is important that methods of selection are objective, consistent, and appropriate for the role concerned. Additionally there may be some staff who feel nervous at interviews or who have not undertaken an interview for many years so consideration needs to be given to training and support for such applicants.

UNISON would therefore request full details of selection methods be provided and that these be shared with staff at the earliest opportunity. Sufficient time needs to be allowed for preparation for interviews and/or presentations. We would also ask that staff are provided with as much information as is possible about the selection processes and how the assessments will take place, this should include where multiple assessments are occurring clear information on what the breakdown between the elements will be and what each element is designed to assess. We would ask that such information be issued from the Centre so as to ensure it is received on a consistent basis. We would be happy to discuss these issues further after the consultation period has completed.

Please confirm that all staff in the ring-fences will not be excluded on the grounds of professional qualifications where they do not currently hold these.

Please confirm that management assessment will only be used where there is a practical issue in terms of utilising interview/testing and whether any staff are currently on long term leave for maternity or sickness reasons. In respect of the latter we would appreciate involvement in any discussions required to facilitate their inclusion in the process.

Inclusion of Staff in Multiple Processes

The Council is currently undertaking a myriad of service reviews; this means that some staff within this process are also included in ring-fences within their current directorates. We have previously asked for clarity as to how this will be dealt with as it may help to assist with mitigating redundancies. In some cases people have been included where only a percentage of their role is covered by the finance management service offer meaning that opportunities to be included in other ring-fences may also exist.

In respect of this there is a general issue of principle, which will increasingly affect the Council as multiple re-organisations that both cross directorate boundaries (such as SFR's) and are contained within them occur over the next three to six months. In some cases this may mean that persons who have been unsuccessful in this process may be included in ring-fences in their service, conversely we would seek clarity where they are included elsewhere and are successful as to whether they will automatically be removed from these ring-fences in Finance? Additionally where staff are included in two processes do they have the option to express a preference for one and to opt out of the other? There are some specific examples of this which I would be happy to provide information on but do not feel it would be appropriate to include it in a public document.

Conversely where people have only a part of their job covered by finance management it may be that opportunities arise at a later point (a theoretical example is where there are currently three service based staff 1/3rd of the work is transferring to Corporate Finance and 2/3rds will be remaining in the service. We are unclear whether staff who have by that point been considered in the finance SFR would have any right to be ring-fenced for the service based roles where such roles are being retained or whether these posts would simply go into the redeployment pool where they would be required to compete against others.

Inclusion or Exclusion Of Posts and People

We are aware that during the consultation period a number of representations have been made regarding the inclusion or exclusion of individuals. These have variously been made by the staff themselves and in some cases by Senior Managers. We have no in principle objection to this but are requesting that we be given a full breakdown of posts that have arisen in this category, the decisions made and the objective criteria for these.

If such changes are made will the base budget and number of posts for the Corporate Finance Service be affected? (So for example if a Service successfully argues that it should retain a specialist post will the overall budget and post assumption at the centre be reduced meaning there are less jobs in the centre in the ring-fences?)

Staff in Neighbourhood Management who fulfil finance roles have once again asked that their own situation be reassessed as they were never originally considered in this context. This is limited to the group of staff who undertake financial tasks at grades SC6-PO1 rather than any other staff in the service.

We are aware representations have also been made by: Strategic Housing, CYPS, BLT, and property services to a similar extent.

Ring Fencing Proposals

We are opposed to the uniform usage of open ring-fences for all posts. We are clear that there is an excess of candidates in all cases and therefore that there should be no issue in filling all posts. We are concerned that the use of open ring-fences could have a disadvantageous effect resulting in more staff being made redundant than might otherwise be necessary. While we accept the service is different as a result of the move to more generic working the skills set required is the same as previously. We therefore ask that all ring-fences be amended to closed; we would accept that at the SM level there might be justification to vary this.

Single Status and Ring-Fences

We have received a number of specific queries regarding the non-completion of single status evaluations on existing roles. In some cases this may have an impact on inclusion or exclusion from additional ring-fences. We are concerned that such inconsistencies may leave the authority open to challenge both on Equal pay and/or unfair selection for redundancy grounds. We accept that where staff are on acting up grades the substantive grade should be considered but are clear that where honorariums are in payment the situation may not be the same. We are aware of a particular example in ACCS and would support the individual's request to be considered in the higher ring-fence.

Our view is that where there are apparent inconsistencies (for example Budget officers in Adults and Children's) between departments Human resources should be undertaking an evaluation of the old roles to ensure consistency as otherwise there is the potential for existing unequal pay to be cemented by inclusion or exclusion from ring-fences. This concern is particularly prevalent with regard to the lower grades in the structure (SC6-PO2) Additionally where services have rewritten job roles in recognition of changes these should be evaluated as well and the outcomes used as a basis for ring-fencing.

Ideally all jobs should have been evaluated by now which raises the issue of peoples right to an evaluation of their old roles and to back-pay.

We are unclear whether staff are being afforded a right of appeal on their new roles or whether this is being limited to a review. Unless their old jobs have been evaluated the full process should apply.

Assimilations

We have no objection to any of the proposed assimilations

Additional Requests

We have been copied into the request from the School Finance Advisors that they be slotted into or ring-fenced in isolation for the roles in the new structure. We are supportive of this proposal and accept that the SFA posts require a discrete set of skills, we do not accept the management assertion that it is necessary for the number of posts and people to match in order to move away from a general ring-fence including all staff within one grade of the substantive posts. It appears there are currently three people who hold the title SFA, two on PO2 and one on PO4 (reflecting their supervisory responsibility currently) Our proposal would be that these three staff are treated as a closed ring-fence around the two new SFA posts which contain identical duties to those they currently perform. As the Senior SFA is also included in the PO5 ring-fence then the should be given the option of opting not to be included in the SFA post in which case the two current SFA's should be assimilated. We also support their claim for back pay in line with the Single Status agreement.

SO1/PO1 Ring-Fences

There appears to be an inconsistency, as the ring-fences seem to cascade downwards but not upwards! Council policy is clear in this respect and as such we would propose ring-fences for SO1 and PO1 posts are merged. If our proposal to adopt a range grade for the PO2 roles were agreed it would also be possible to include these posts and have a single ring-fence subject to ensuring staff were not cascaded more than one grade.

Credit Controller

We are aware and supportive of an individual request to be considered for these posts, as it is a close match to the existing role carried out. We would view this as similar to the issue around the SFA's in that the role is fundamentally the same.

Senior Accountant Treasury/Pensions

Again we have received an individual comment and are supportive of the person's view that they be slotted into this role. In view of recent events in this area and the key financial pressures the Council is likely to face the request for assimilation into this role is supported.

Inclusion in Multiple ring-Fences

Please clarify if people will be obliged to apply for all jobs they are ring-fenced for or whether they can elect to limit their applications to one or more posts. Some staff have expressed concern, as you will be aware that they are being-ring-fenced for posts solely on the grades rather than their ability to perform them or the posts suitability.

Separately we would seek clarity on the recruitment process where people are included in multiple ring-fences as we would be keen to minimise the level of stress they experience by minimising the number of interviews they are required to undertake.

We would also recommend that the EIA checks to see that there is no disproportionate effect on staff from the Service based teams.

Redundancies

We recognise the difficult financial situation the Council is currently in; however in all such proposals we are formally restating our complete opposition to compulsory redundancies as a way of achieving reductions. It is our belief that the Council should be operating a joined up approach to managing change this should include creative use of "bumping" to facilitate Voluntary redundancy applications and avoid compulsory redundancies. Allied to this proactive consideration of options such as voluntary reductions in hours, flexible working etc should be considered where staff support these the normal business case process should not be applied. The presumption as a family friendly good employer should be that the manager is required to make a business case AGAINST the staff's proposals. We are concerned that the current approach in this respect may in fact cause unnecessary redundancies rather than preventing them. In essence it requires staff to be appointed then to apply for reductions in hours rather than allowing them true creative and meaningful consultation on alternatives to the cuts.

We are advised a number of staff currently work less than full time and would seek clarity on how they will be dealt with in the recruitment process?

Seán Fox UNISON Branch Secretary 2nd February 2011

Financial Management Support Functions Review

Response to Issues Raised During Consultation by Unison and Staff

Number of posts and the reduction in the new structure.

As per the general purposes committee report the number of posts has reduced from 135 to 77, a 43% reduction.

The deepest cuts appear to be in the lower graded position and the structure appears to be top heavy.

The concerns of the unions and staff are understood however the structure has been developed to meet the expected future business needs of the Council.

Changes to the structure are nevertheless being recommended following the consultation with two PO3 Schools' Financial Advisor posts being removed but an additional seven posts have been added (1 PO7/PO8 position, 2 PO4 positions, 1 PO2 position and 3 SO1/PO1 positions).

The balance of the structure reflects the fact that the service will be moving from operational day to day support for managers to being more strategic in the support that is given.

Additionally, it should be noted that one Head of Finance post (Head of Finance - Transition) and one of the two most senior posts; the Head of Corporate Finance and the Assistant Director of Finance (not included in this SFR) posts, are planned to be removed after the agreed transition period of 2 years. This will also contribute to changing the balance.

Lack of range grades

Following consultation we have reviewed all the gradings and have made the generic posts range grades. The revised structure therefore has the following grades (all subject to further evaluation), SO1/PO1, PO2/3, PO5/6, PO7/8.

Concerns regarding the generic approach to job roles

The underlying principle that has been applied to the new structure is that of generic roles and the need for the new service to have maximum flexibility that generic roles will bring about. In operating within this system the service management will need to balance the needs of the individuals and disruption to them if they are frequently moved, to the needs of the Council to expect sound financial management and advice in the correct areas. It is not currently envisaged that staff will frequently moved around but will be moved to provide additional support for significant pieces of work, for example at accounts closure time staff may be moved into the Budgets, Accounts and Systems team to support that process.

The new finance function will need to ensure that staff have the appropriate training required to carry out different roles. Indeed it is seen as an advantage of the generic role approach that staff will have increased opportunities to develop their skills and knowledge based across a variety of service areas.

Staff will have the opportunity to apply for their preferred service area when completing the application form.

Interview Panels

Concern has been expressed over the make-up of the interview panels and ensuring that the interviews are conducted in a fair manner. This is accepted and the appointment of officers into the new structure will follow the council's policies on recruitment.

Officers outside of the current Corporate Finance business unit will be involved in the interview process. The make-up of the panel will reflect a balance between corporate, core accounting function needs and service management accounting needs. HR and Equalities officers will also be involved where possible.

Management are content to discuss the make-up of the interview panels with the union prior to final set-up.

Selection Process

Following the approval of the final structure a detailed recruitment timetable will be issued along with full details of the process involved. The selection process will follow the Council's recruitment policy and will involve an interview, assessment and reference. It is management's intention to carry out management assessment only in relation to long term absence [e.g. maternity or sickness]. We have identified one individual to whom this currently applies and we are providing guidance and advice as appropriate and this would include advice and support from a TU representative, should this be requested. For ease of reference we outline below an extract regarding management assessment from the council's restructuring policy.

The Restructuring Policy states:

"At least two managers will carry out the assessment, one should be the employee's line manager and the second either a manager unconnected with the restructure or a member of HR. The managers should use the person specification as means of assessing an individual's suitability for the post by assessing how each person meets the specification based on their knowledge of the individual. This assessment will be based on the following information:

- *The employee's statement and relevance to the selection criteria*
- *Factual information such as attendance, timekeeping, capability and disciplinary action will be taken into consideration.*

- *Tests/assessments of the individual relevant to the level of work that they undertake.*
- *Appraisal and supervision records.”*

Concerns have been raised over the qualifications contained in the job descriptions and whether staff will be excluded on the basis of these. It is confirmed that whilst qualifications will be viewed as important, staff will not be excluded on this basis alone.

Concerns over staff in multiple ring-fences and in more than one Council review

The following principles are being applied to the finance review:

- Wherever possible, only one interview for each individual, after taking into account the needs of each particular role, will occur. If any particular role is specialised it may be deemed fairer to ask staff to have a specific interview for that role.
- We have included staff in the finance review regardless of the element of their current role that is spent on finance. Some staff therefore may well be included in more than one review. The intention of including them in the finance review has been to maximise the choice of staff and allow them the opportunity to apply for jobs in more than one review, if the nature of their current job function, dictates this should be the case.

Inclusions or exclusions of posts and people (specifically Neighbourhood Management)

Management will notify the union separately of all posts that have been excluded from the review as a result of the consultation, as well as ensuring all individual staff are informed.

A meeting to discuss the scope of the Finance Management SFR took place with the trade unions and a senior finance manager at the end of January 2011. Following this meeting an email was sent to all finance staff within Neighbourhood Management services outlining the scope of the FM SFR that had been agreed by the Chief Executive's Management Board. The employees affected were asked to provide evidence to demonstrate how they felt their roles met the criteria outlined and, thereby, to support their inclusion in the SFR. It is understood that no such case has been provided by the staff concerned and they remain out of scope of the Finance Management review.

Ring Fence proposals and a request to consider moving from open ring fences to closed ring fences

With the exception of a very small number of assimilations, an open ring fence approach will be adopted for all positions. However it is Management's intention to try to fill all positions from within the existing finance staff.

Single Status and Ring-Fences

A number of issues relating to job evaluation on existing roles have been raised by individual members of staff with management during the course of consultation. We can confirm that there is a right of appeal on posts in the “old” structure but there is no such right in relation to posts in the new structure, in accordance with the local agreement. We will feedback separately to the union and the individuals concerned the approach we are taking to the specific queries.

Additional Requests – Schools’ Financial Advisors (SFA)

A comment has been made specifically around the SFAs including a request to have a closed ring-fence around these posts due to their asserted specific nature. The team has been augmented following consultation, however the case to have a closed ring fence around these posts is not considered appropriate because, as stated previously, the skills are considered sufficiently generic for other suitably qualified staff to be considered.

Will staff need to apply for all positions they are in a ring-fence for?

Yes, if a member of staff is in multiple ring-fences they need to ensure they apply for all roles. However they can express preferences for certain roles, or to work in certain disciplines, which will be taken into account when the final positions are considered.

How will Haringey prevent and ensure finance staff are not employed by the back door (agency/consultant) or are employed under another guise in the future?

There are clear HR policies regarding all temporary recruitment that all managers are required to follow and these controls will be strictly managed. All recruitment is closely scrutinised by HR staff.

Have the principles of “Rethinking Haringey” been taken into account when finalising the structure and the way Finance will function in the future?

The principles of the Rethinking Haringey restructure have been taken into account in the Finance Review.

Will there be any future finance reviews?

This is possible as the structure of the Council evolves over time although this is not planned.

With this structure, budget holders are to be more responsible in future. This is a huge transition in working practices – what support/training will be provided and can it be delivered in time to meet the restructure?

A transition process is in hand which will look at all aspects of training and support that is required. A Training Needs Analysis (TNA) is being undertaken but still requires a lot of work and support.

Service managers do not seem aware that they are going to be responsible for doing forecasting and commitments, has this been advised?

All Directorate DMT's have been visited to discuss and inform on all changes. In addition a questionnaire has been sent to all budget managers. This will certainly advise of the new areas of responsibility and training needed and further communications will happen over the coming months.

Is it possible that some of the posts being removed may ultimately be required in the new structure?

It is possible, but considered unlikely. A review of the new structure is planned to take place after one year's operation, at which point some further revisions may be made.

It was advised that this Finance review is following guidelines and processes that have been undertaken in previous reviews. To what degree have posts not been filled as part of open ring fences in those earlier reviews?

To the best of our knowledge all posts in other support function reviews have been filled from within the staff in the reviews.

Were any Service Managers included in any decision making in the finance review process?

CEMB signed off the structure before consultation began. In addition consultation events were held prior to the final structure and involved Service managers in that process.

Capital & financial planning are currently in place. What is the rationale behind losing this as a specific function?

The capital and financial planning functions are still integral within the new structure and this has been further recognised by the recommended addition of a Capital Accountant (PO8 post).

Why was the decision taken to centrally locate this new Finance team in Alex House? Won't this make it more difficult for finance staff to get involved in important service decisions?

In order for the new finance function to operate as envisaged it needs to be situated in one place. This will facilitate the generic working, help to bring about the cultural change required and furthermore the new finance function will not necessarily support a service that is based in one specific building or location of the Council. The

staff in the new finance function will need to continue to work closely with service managers.

Will updated ring fence lists be published in due course?

Yes at the conclusion of the consultation period and once all points raised have been considered a final list of staff included in each ring fence will be distributed.

Are salaries protected if you are appointed into a position lower than your current grade?

No

How will it be decided who is successful and who is not, from the interviews and when will they be informed?

The interview panel will decide on who is successful or unsuccessful and candidates will be informed of the result as soon as is possible after each interview.

Why have people been put in ring fences when they may not have the required skills for that job (i.e. debt and credit control)?

Ring fences were set by grade only but may be amended due to representations made during the consultation period. A final list will be published once all issues raised have been understood and acted upon.

What is the procedure to be if all posts in a particular ring fence are not filled as regards applying for those posts?

The intention is to try and fill all posts with staff from within the scope of the review. However if posts remain vacant they will be filled by following the Council's recruitment procedures.

Have all the job descriptions in the pack been evaluated?

All posts below Senior Manager (the grades shown in the consultation for the SM posts are indicative) had been evaluated before the consultation was launched. Job evaluation scoring has been forwarded to recognised trade unions. However, as a result of the consultation some grades have been changed and will be required to be evaluated again. Results of this and any consequent changes to the ring fences will be provided as soon as possible.

Will there be a need to complete an application form and will all staff be guaranteed an interview?

Yes all staff are guaranteed an interview for each ring fence they have been included in and full details of the recruitment process will be sent to all affected staff after the consultation period has been completed.

How will you ensure that you retain specialist skills through the interview process?

Selection will be based on merit. You will be asked to submit information regarding how you feel you meet the criteria; there will probably be a presentation or written test [depending on the nature of the role]; there will be an assessment of the information at the interview as well as an employer reference. It is clearly in the Council's best interest that this process is a success. There will clearly need to be training during the transition period.

If you are successful and are appointed into a post in the new structure on the same grade as you are at present, do you retain your current spinal point?

Yes

When will those staff that are successful and are appointed take up their new role, 1st July, gradual implementation or something else?

An implementation and transition plan is in the process of being constructed.

Will interviews be carried out on a top down basis?

Yes.

What is the position for people that were refused VR are they guaranteed a job in the new structure?

No they will be required to go through the same recruitment process as all other staff.

What are arrangements are being made to support teams that are losing staff in the period from VR to 01.07.2011?

A risk register has been drawn up after consultation with all Heads of Finance to identify areas of risk. This will be a challenge but the main focus is on closing our 2010/11 accounts.

Will there be another opportunity to apply for VR and where does the decision making happen in this process?

Individual applications will be taken on merit and requests should be sent to HR.

Are the terms and conditions of the redundancy payment for those made compulsory redundant the same as for those that volunteer or are the terms for redundancy payments likely to change in the future?

Terms are the same in either scenario.

If a reasonable offer of employment was declined, would you in effect be resigning and therefore forego your entitlement to a redundancy payment?

Yes

How much support will the Council provide to those staff not successful after the interview stage?

HR have also done a review of where the current funded vacancies are in the council. Some of the vacancies are covered by agency workers. All of these positions will be made available to you to express an interest in. The revised arrangements that are being put in place will mean that if there is a suitable match, between your skills and those needed in the vacant post, you will be placed in that post for an agreed temporary period at which point there will be an assessment regarding whether this will be a permanent arrangement. If there is more than 1 person who is a suitable match for a vacant post, then there will need to be an assessment via an interview process.

What will those serving their notice period do after 1st July 2011?

An implementation/transition plan is in the process of being constructed and will seek to cover all situations, including those staff still employed but serving their notice.

'Bumping'

There is presently no agreed protocol for bumping but the Council is considering an approach to be adopted.

Flexible Working

Management's position is that any requests for flexible working will be considered in accordance with existing Council policy following 'recruit to stay'.