

Haringey Council
Equality Impact Assessment

Review of the Council's Procurement Function

Service: Council wide

Directorate: All

Title of the proposal: Procurement – Support Functions Review

Lead Officer (author of the proposal): Kim Sandford

Step 1 - Identify the reasons for the proposed changes

- a) **What are the main aims, purpose and outcomes of the proposed reorganisation, and how does it fit in with the wider aims of the organisation?**

The main aim of this restructure is to review the Procurement function across the Council. CEMB have agreed a centralised shared service model. This will maximise limited resources and enable Strategic Procurement and Contract Management, utilising category management tools and techniques to deliver local and sub regional efficiencies. The review also includes invoice processing.

The restructured unit will be crucial in supporting the Council as follows:

Procurement Scope

Supplies & Services – manage all procurement tenders with a value over £100k and RFQ's over £50k. There should be no such tendering or RFQ's being performed in business units.

Construction – currently 95% of activity is processed via CPU but we shall now manage 100% of all commissioning and tendering in regards to works, property and civil engineering.

Commercial Contract Management:

Category Management of 16 market segments (thus removing this responsibility from Heads of Service).

Technical Systems & Spend Analysis

Management of procurement systems, processes and supplier interfaces.

Compilation and publication of spend over £500

Production of spend analysis reports to support BU managers and contract managers etc

Corporate Functions

Head of profession responsibilities

Lead role within the North London Strategic Alliance.

Continuing to host the London Energy Project.

Management of Haringey's Contract Standing Orders

Support to Business Units

Training and procedures on the CompeteFor process (for all quotations valued below £50k)

Regular Spendtrak reports for Directors and Managers

Invoice processing

Processing and payment of invoices from suppliers and the payment of non-commercial transactions e.g. grants, payments to foster carers etc.

The Council has identified the need to make significant efficiencies in the period 2011-2013 to meet an identified funding gap as set out in its Financial Strategy for 2011-2014. Support services, including procurement are to be reviewed as part of the Haringey Efficiency and Savings Programme and deliver agreed efficiencies. At Cabinet Advisory Board (15 July 2010) Members gave a clear indication of expected efficiencies from support function reviews and a savings target of £416k was established from the procurement review.

b) What do you already know about the relevance of the proposed reorganisation, i.e. what other services or functions could it impact on?

Following discussions at CAB and CEMB it was agreed that the new model for the Council's Procurement functions will be a centralised shared service to be known as the **Central Procurement Unit**. It will include:

- **Procurement** – Tendering Process, Procurement policy and contract management (including equalities).
- **Transactional processing** – the directly inputting of invoices into SAP and Frameworki for payment

The following table sets out possible impact and mitigating actions on services or functions:

Risk	Mitigation
The full scale of the procurement service is not fully identified and the new structure becomes overwhelmed by demand.	Phased transfer of responsibilities with regular reviews and lessons learnt report against which any fine tuning can be made.
The centralised team is inadequately skilled and knowledgeable across the full range of Council services.	a) Responsibility for front-line services being procured must remain with departments

	<p>along with the production of the specification.</p> <p>b). Robust recruitment and appointment process</p>
Insufficient levels of procurement and commercial management techniques.	Be prepared if necessary to recruit externally. It is crucial that the necessary skills are available centrally from the outset.
Centralisation of resources creates a bottleneck.	<p>a) Over a period of time, need to vary contract expiry dates to avoid year-end peaks.</p> <p>b) Shopper numbers need to be reduced carefully and linked into SMART Working</p>
Implementing the changes will effect the ability of Central accounts payable to process all end of year of year invoices within agreed timescales	Payment terms may not be meet during year end.
The staffing efficiencies expected from centralisation fails to materialise.	The FTE savings will be calculated by Finance and notified to each Director to manage the release of cashable savings.
Tensions could develop at the interfaces between the in-house teams of commissioners, procurement and construction programme office.	Ensure clearly defined and agreed roles and responsibilities. Organise workshops to test theory and practice.
Transferring any "work-in-progress" against an absolute centralisation deadline could disrupt services	The majority of functions should be transferred centrally but any key "work-in-progress" should be completed before being transferred

c) Are you creating a new structure, and if so please explain how you have come to your decision to include those staff in the proposals for the new structure, and how many staff will be affected?

The following steps were taken to get the most accurate picture possible of the numbers of staff carrying out Procurement activities across the Council:

- Consideration of the initial Support Functions Review activity analysis completed for all support functions in 2009
- Discussions were held with Directors/Assistant Directors
- Working knowledge of who undertakes Procurement was drawn on
- Validation by line managers of all staff identified as undertaking 20% or more of Procurement duties.

The total number of posts affected is 67, two of the posts are vacant therefore 65 staff are affected

**d) Are you closing a unit, and if so how many staff will be affected? YES – 3
All staff will be able to apply for new posts within the structure and is not successful will be put in to the redeployment forum.**

e) Are there any other issues that you need to consider? No

Step 2 - Collect and Analyse Information

You should gather all relevant data that will help you assess whether presently, there are differential outcomes for different equality target groups – by age, disability, ethnicity, and gender. For the purpose of staff reorganisations you need to also consider staff groups by grade.

a) Provide a profile of the staff affected by age, disability, gender reassignment, race, religion or belief, sex (gender), sexual orientation and grade.

The staff included within the scope of the Procurement Support Functions review range from Scale Sc4 to SM2.

Tables below detail equalities information for the officers identified as within scope of the review. This figure may change as a result of consultation the table will be updated at the end of the consultation period.

Age

Transactional Processes													
	TOTAL	16-24		25-34		35-44		45-54		55-64		65+	
Grade Group	STAFF	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group
SC1-SC5	6			1	17%	1	17%	1	17%	3	50%		
SC6-SO2	14			4	29%	3	21%	5	36%	2	14%		
PO1-PO3	1									1	100%		
PO4-PO7	2							2	100%				
PO8+													
TOTAL	23			5	22%	4	17%	8	35%	6	26%		

Procurement													
	TOTAL	16-24		25-34		35-44		45-54		55-64		65+	
Grade Group	STAFF	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group
SC1-SC5	10			2	20%	1	10%	2	20%	5	50%		
SC6-SO2	7			4	57%	1	14%	2	29%		0%		
PO1-PO3	13			1	8%	3	23%	6	46%	3	23%		
PO4-PO7	8				0%	3	38%	4	50%	1	13%		
PO8+	4			1	25%		0%	2	50%	1	25%		
TOTAL	42			8	19%	8	19%	16	38%	10	24%		

Race

Transactional processes									
Grade Group	Total No Staff	No. of Race Not Declared Staff	% of Grade Group	White Staff	% of Grade Group	White Other Staff	% of Grade Group	BME Staff	% of Grade Group
SC1-SC5	6	2	33%	1	17%			3	50%
SC6-SO2	14		0%	5	36%	1	7%	8	57%
PO1-PO3	1		0%		0%		0%	1	100%
PO4-PO7	2		0%	1	50%	1	50%		0%
PO8+									
TOTAL	23	2	9%	7	30%	2	9%	12	52%

Procurement									
Grade Group	Total No Staff	No. of Race Not Declared Staff	% of Grade Group	White Staff	% of Grade Group	White Other Staff	% of Grade Group	BME Staff	% of Grade Group
SC1-SC5	10	2	20%	1	10%		0%	7	70%
SC6-SO2	7		0%		0%	1	14%	6	86%
PO1-PO3	13		0%	5	38%	4	31%	4	31%
PO4-PO7	8		0%	3	38%	2	25%	3	38%
PO8+	4		0%	3	75%		0%	1	25%
TOTAL	42	2	5%	12	29%	7	17%	21	50%

Gender

Transactional Processes					
Grade Group	Total No Staff	No. Male Staff	% of Grade Group	No. Female Staff	% of Grade Group
SC1-SC5	6	1	17%	5	83%
SC6-SO2	14	6	43%	8	57%
PO1-PO3	1		0%	1	100%
PO4-PO7	2	1	50%	1	50%
PO8+					
TOTAL	23	8	35%	15	65%

Procurement					
Grade Group	Total No Staff	No. Male Staff	% of Grade Group	No. Female Staff	% of Grade Group
SC1-SC5	10	2	20%	8	80%
SC6-SO2	7	3	43%	4	57%
PO1-PO3	13	4	31%	9	69%
PO4-PO7	8	4	50%	4	50%
PO8+	4	3	75%	1	25%
TOTAL	42	16	38%	26	62%

Disability

Procurement			
Grade Group	Total No Staff	No. Disabled Staff	% of Grade Group
Sc1-5	10		0%
Sc6-SO2	7		0%
PO1-3	13	1	8%
PO4-7	8	1	13%
PO8+	4		0%
TOTAL	42	2	5%

Transactional Processes			
Grade Group	Total No Staff	No. Disabled Staff	% of Grade Group
Sc1-5	6		
Sc6-SO2	14	1	7%
PO1-3	1		
PO4-7	2		
PO8+			
TOTAL	23	1	4%

b) Provide a profile of the staff employed by Haringey Council by, disability, gender reassignment, race, religion or belief, sex (gender), sexual orientation and grade. See Appendix 1

c) Compare the existing profile of the staff affected by the reorganisation against the agreed baseline.

The baseline against which comparisons are made is both the Council staff profile and the Borough profile.

The table below compares the profile of staff affected against the employee targets where they exist and against the Council employee profile.

Strand	Council staff profile %	Staff affected profile %	Comment
Age 16 -24 25-34 35-44 45-54 55-64 65+	3 18 25 35 18 1	0 20 19 37 24	The affected group is mostly within the 45-54 age group, which is in line with the Council profile.
Race BME White White Other Not declared	54 29 16	51 29 14 6	More BME staff are affected by this re-structure. In terms of representation in the various grades the affected group reflects trends seen in the council staff profile
Gender Male Female	33 67	37 63	The most affected group of staff are women, which is in line with the council profile.
Disability	7	5	The percentage of staff affected mirrors the Council staff profile

d) Is there any other data, information or research relevant to this EQIA?

No

Step 3- Assessment of impact

Using the information that you have gathered and analysed at step 2, you should assess whether and how the proposal you are putting forward will affect the existing staff structure.

This section will be completed following the conclusion of the recruitment process by the end of May 2011.

- Are the proposed changes likely to result in an adverse impact for any staff equality group, and if so please state which groups?
- Are the proposed changes likely to result in a positive impact for any staff equality group, and if so which groups?
- Are the proposed changes likely to result in a positive / negative impact for service delivery, please explain how?

- d) Are any of the proposed changes likely to have an impact on community groups, please explain?
- e) Does there need to be any changes to the interview process or job descriptions, please explain?
- f) What measures does, or could, the proposed reorganisation include to help promote equality of opportunity?
- g) Will the proposed changes produce any differential impact across the groups, that can be justified, and explain why?
- h) Will the proposed changes produce any differential impact across the groups that cannot be justified, and explain why?

Step 4 – Consider other measures and implications

Following from stage 3 you need to be able to show what actions you are taking to mitigate against any adverse impact.

- a) **If you are closing a unit can the staff be accommodated elsewhere within the service, business unit or organisation, please explain your answer?**

N/A

- b) **Has the ring fencing maximised the opportunity for all staff to apply for relevant jobs, please explain your answer?**

According to the Council's procedure staff have been included in ring-fences one grade higher and one lower from their current substantive post.

- c) **What have you done to mitigate against any negative impact for employees and service users?**

There has been formal and informal consultation allowing staff and service managers to input into the design of the new service. The outcome of these consultations has resulted in changes in:

- The Job Descriptions
- Contract Procedure rules.
- Transactional processing hubs remaining within ACCS and CYPS although they are managed centrally. (to be reviewed when electronic scanning system is in place).

There is not direct impact on service users.

- d) **Is there any evidence that the proposals could discriminate unlawfully directly or indirectly?** No – but this needs to be reviewed following completion of the recruitment process.

Step 5 – Consultation on Proposals

Consultation is an essential part of impact assessment. If there has been recent consultation which has highlighted the issues that you have identified in Steps 2 & 3, use it to inform your assessment. If there has been no consultation relating to the issues, then you may have to carry out consultation to assist your assessment.

Make sure that you reach all of those who are likely to be affected by the proposal, ensuring that you cover all equality strands. Do not forget to give feedback to the people you have consulted, stating how you have responded to the issues and concerns that they have raised.

a) What involvement and consultation has been done in relation to; councillors, staff, service users, community groups, partners and stakeholders?

The following have been consulted:

Councillors:

- Proposals are to be submitted to the **General Purposes Committee**: 22 March 2011

CEMB: on 15th Feb 2011

Managers and staff:

- Informal consultation** in November and December 2010
- Formal consultation**: from 16th February 2011

b) What are the results of involvement and consultation?

Issues raised during stakeholder consultation are presented below.

'You said'		
Wants/Needs	Implications	What we are proposing
Commercial contract management. Have high levels of commercial and market awareness and capability	<ul style="list-style-type: none"> Must allow the business daily contact with suppliers to enable the smooth running of service and to resolve day to day operational issues. 	<ul style="list-style-type: none"> Operational contract management stays within the business units. Issues are escalated to Central team for contract resolution.
Ability to work with commissioners to develop VFM contracts for the Council and Haringey Residents	Commissioners are not skilled at procurement and need support from Procurement staff to ensure VFM outcomes.	<ul style="list-style-type: none"> Structure aligned to commissioners to ensure direct and open lines of communication based on market segments
Constantly able to fit local	<ul style="list-style-type: none"> Strong links across Council maintaining specialist knowledge 	<ul style="list-style-type: none"> Structure includes specialists with links to Directorate/

‘You said’		
Wants/Needs	Implications	What we are proposing
service work and statistics into central picture	<ul style="list-style-type: none"> Flexibility - utilising skills around the organisation One Council approach 	Divisional management teams <ul style="list-style-type: none"> Introduce a pool of officers who will work flexibly across services to make best use of our resources Ensure the use of procurement policy/ strategy guidance across the council.

In addition, as a result of consultation, we have:

- Amended the Job Descriptions
- Taken bill validation out of the scope of the review
- Aligned the structure to commissioners

Appendix 2 to this EqIA sets out our full responses to the formal staff consultation.

The following table outlines that no groups have been adversely impacted as a result of the consultation process:

	Pre Consultation	Post Consultation
Total staff		
BME		
White		
Female		
Male		
Age 16-24		
25-34		
35-44		
45-54		
55-64		
Disabled		

c) How have you used the information from the data analysis to inform the consultation?

We formally consulted all affected staff rather than targeted groups.

d) What further involvement and consultation will be needed, and how will it be undertaken?

A review will be undertaken within a year of the new model being put in place and staff and stakeholders will be consulted.

Step 6 – Monitoring and Reviewing

Set out the arrangements for reviewing the actual impact of the new structure or changes to the structure once the recruitment process has been completed and the new structure has been implemented.

a) Complete the data analysis in relation to step 3, to show the final employment profile of the new structure by equality strands and grade.

The data analysis will be undertaken following recruitment.

b) Decide if there is any positive or adverse impact from the new structure on staff or service delivery.

To be completed following recruitment.

c) Monitor and review of the implementation of the new structure.

The new way of working will be reviewed within the first year of implementation.

d) Consider any areas where more additional information may need to be reviewed and monitored (e.g. future cuts, other restructures, the impact on services).

There will be a rolling programme of SFRs and restructures each of which will undertake an EqIA. The inter-dependencies and equalities implications of these will need to be analysed once the reviews are completed.

Step 7 –Action Plan

An action plan should be developed monitored and reviewed. This should include evaluation of the changes, to measure whether they have had their intended effect, and the outcomes achieved.

Please list below any recommendations for action that you plan to take as a result of this impact assessment.

Action Plan for the review of Policy & Performance Functions				
Actions required	Lead person	Expected outcomes	Timescale for implementation	Resource implications
Carry out analysis of staff profile and complete STEP 3 of this EqIA on completion of the recruitment process	Deputy Head of Procurement	No equality strand is disproportionately affected.	July 2011	
Following recruitment data analysis will be undertaken of the new staff establishment	Deputy Head of Procurement	No equality strand is disproportionately affected.	July 2011	
Monitor and review of the implementation of the new structure	Deputy Head of Procurement	As above	ongoing	

Step 7 – Sign off and publication

There is a legal duty to publish the results of impact assessments. The reason is not simply to comply with the law but to make the whole process and its outcome transparent and have a wider community ownership. You should summarise the results of the assessment and intended actions and publish them.

ASSESSED BY (Author of the proposal)

NAME: DESIGNATION: SIGNATURE:

DATE:

QUALITY CHECKED BY (Equality Team)

NAME:

DESIGNATION:

SIGNATURE:

DATE:

SIGNED OFF BY (Directorate Management Team)

NAME:

DESIGNATION:

SIGNATURE:

DATE:

Appendix 1

Council Staff Profile 2009/10

Haringey employs 4561 staff (excluding casual/sessional employees) as at 31/03/2010. There is currently no information on gender re-assignment, religion or belief or sexual orientation.

Age

- 3% of staff are aged under 25.
- There are currently 56 staff over the age of 65 who have taken advantage of the age discrimination legislation and requested to work over 65 years.
- 35% of 45-54 year olds are in grade band SC1-SC5, this is higher than in other age bands
- 35% of staff are aged between 45-54 years, the highest % in any age band
- Staff 45-54 have the highest representation in grade band PO8+ compared with other age groups

Grade Group	16-24		25-34		35-44		45-54		55-64		65+		TOTAL
	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	STAFF
MANUAL	42	39	21	19	16	15	19	18	9	8	1	1	108
SC1-SC5	77	5	254	15	354	21	599	35	371	22	36	2	1691
SC6-SO2	14	1	287	24	338	28	367	31	178	15	9	1	1193
PO1-PO3	5	1	150	22	188	28	236	35	86	13	5	1	670
PO4-PO7	0	0	90	14	179	28	249	39	111	18	3	0	632
PO8+	0	0	10	4	49	18	130	49	76	28	2	1	267
TOTAL	138	3	812	18	1124	25	1600	35	831	18	56	1	4561

Ethnicity

- 54% of the Council workforce are from black & minority ethnic groups (BME).
- There are 45% staff from white and non declared backgrounds
- % of BME and all white staff are similarly represented in the lower grade bands
- There is a greater disparity between BME and all white staff in grade bands PO4-PO7 and PO8+
- Of the PO8+ staff in the Council 19.00 are BME staff

Grade Group	Asian		Black		Mixed		Other		BME sub total		White		Not declared		TOTAL
	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	No. Staff	% of Grade Group	STAFF
MANUAL	6	6	33	31	6	6	5	5	50	46	51	47	7	6	108
SC1-SC5	113	7	885	52	70	4	57	3	1125	67	551	33	15	1	1691
SC6-SO2	102	9	492	41	50	4	35	3	679	57	505	42	9	1	1193
PO1-PO3	48	7	222	33	20	3	20	3	310	46	357	53	3	0	670
PO4-PO7	43	7	161	25	25	4	16	3	245	39	380	60	7	1	632
PO8+	11	4	28	10	7	3	6	2	52	19	208	78	7	3	267
TOTAL	323	7	1821	40	178	4	139	3	2461	54	2052	45	48	1	4561

Gender

- 67% of the workforce are women.
- 37.9 of women are employed at SC1 –SC5

Grade Group	Female		Male		TOTAL
	No. Staff	% of Grade Group	No. Staff	% of Grade Group	STAFF
MANUAL	53	49	55	51	108
SC1-SC5	1153	68	538	32	1691
SC6-SO2	878	74	315	26	1193
PO1-PO3	414	62	256	38	670
PO4-PO7	402	64	230	36	632
PO8+	140	52	127	48	267
TOTAL	3040	67	1521	33	4561

Disabled staff

- 7% of staff declared they are disabled, this % has reduced from last year, the actual number of disabled staff has decreased from 408 March 2009 to 329 March 2010.

	Disabled employees		TOTAL
	No. Disabled Staff	% of total staff	STAFF
TOTAL	329	7	4561