

Agenda item:

[No.]

General Purposes Committee

29th March 2011

Report Title. Proposed Restructure of Frontline Services

Report of Anne Lippitt **Director of Urban Environment (interim)**

Signed :

Contact Officer : Stephen McDonnell Interim Assistant Director Frontline Services

Wards(s) affected: All

Report for: Key

1. Purpose of the report

- 1.1. On 25th January 2011, Cabinet agreed to the amalgamation of Frontline Services together with elements of services provided by Safer Stronger Communities business unit into a new Single Frontline Service. The Cabinet also agreed that a report setting out the details of the reorganisation be presented to General Purposes Committee on 29th March 2011.
- 1.2. This report sets out the proposals for reorganisation of these services into a new Single Frontline Service, which will deliver £3.6 Million savings. A proportion of these savings, £1.4 Million has been predicated on the disestablishment of the Neighbourhood Management service which was considered at General Purposes Committee meetings on the 15th February, and again following consultation, on 10th March 2011.
- 1.3. The proposed restructure within this report seeks to deliver the remaining savings, a net reduction of £2.2m from the existing Frontline Services structure.

2. Introduction by Cabinet Member

Not required as a Non Executive Committee

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

3.1. Council Plan Priorities are:

- A Greener Haringey – becoming one of London’s greenest boroughs.
- A Better Haringey – cleaner, greener & safer places.
- A Thriving Haringey – encouraging lifetime well being at home, work, play and learning.
- Driving change, improving quality – customer focussed, cost effective services achieving high levels of satisfaction.

4. Recommendations

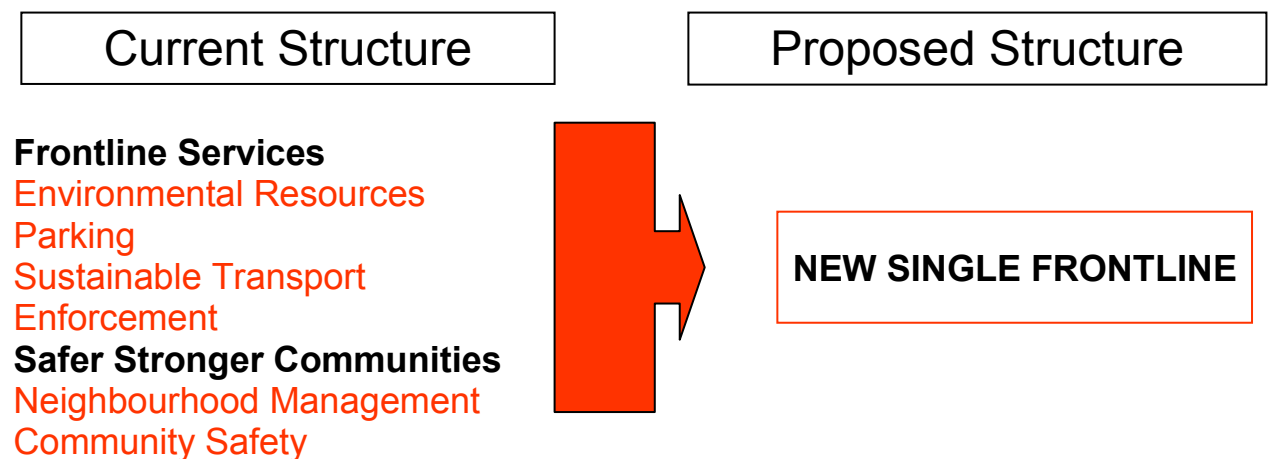
- 4.1. That Members consider and agree in principle the proposed Single Frontline Business Unit structure for consultation as set out in Appendix B, taking into account the attached draft equalities impact assessment.
- 4.2. That Members note that formal consultation with staff started on the 21st March and will be completed in line with the Council’s policy and procedures. All comments received will be considered and responded to accordingly.
- 4.3. That Members note a further final report on the proposed reorganisation, following formal consultation with staff , will be presented to the General Purposes Committee on 19th May.
- 4.4. That Members note the timetable for the delivery of the new Frontline Services.

5. Reason for recommendation(s)

- 5.1. Due to budgetary pressure the Council is required to make savings of £42 million in 2011/12, the proposals set out within this report seeks to deliver £2.2 million of this total, whilst still looking to minimise the impact on services for residents and traders.

6. Summary

- 6.1 On the 25th January Cabinet and General Purposes Committee agreed to the recommendations within the Rethinking Haringey report. This report set out the future shape of the Council and was presented and agreed by Full Council on 24th February.
- 6.2 The Rethinking Haringey paper proposes a two phase transformation of the Urban Environment Directorate, resulting in the creation of a new 'Place and Sustainability Directorate'. The new Single Frontline service will be a key business unit with this new Directorate.
- 6.3 Also on 25th January, Cabinet gave their in principle agreement to the formation the new Single Frontline Service. The new service will be a combination of the following existing services:

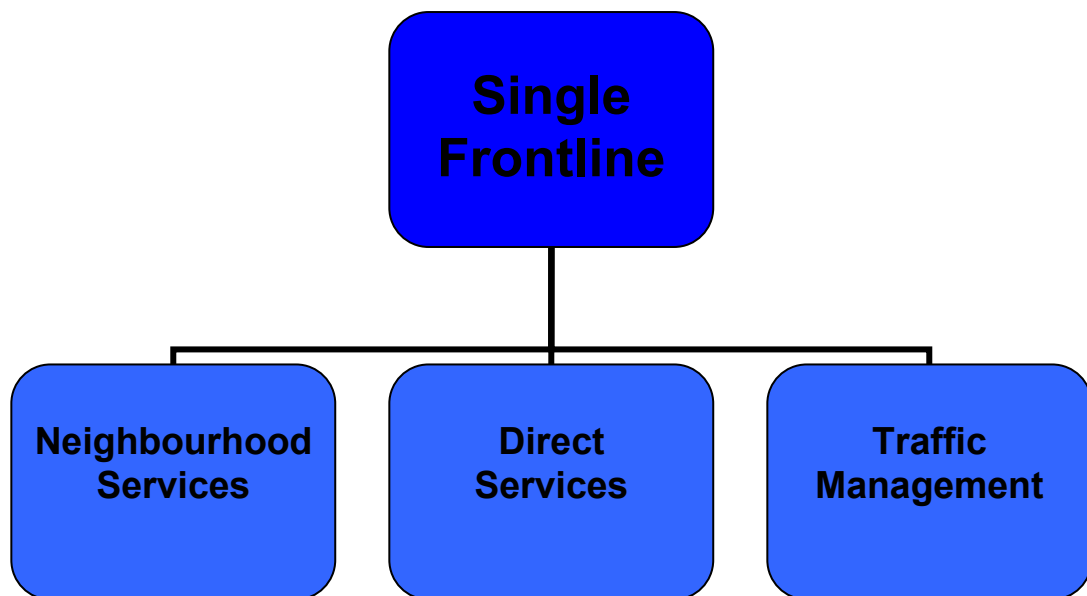


6.4 The key outcomes of the new service will include:

- the creation of an instantly recognisable on-street presence
- flexibility in how resources are deployed to address and resolve local community needs that will vary by locality and/or over time.
- to deliver responsive and the quality local services;
- to reduce congestion and improve road safety;
- to maintain and where possible improve the quality of the Council's Highway's infrastructure;
- to have a transparent financial model that will show how street management income is reinvested back into Council services;
- to empower, facilitate and work with residents and businesses to identify local priorities;
- to tackle environmental problems together, encouraging resident involvement in delivery of services and co-production of outcomes;
- to work more effectively with partners, i.e. Safer Neighbourhood Teams, contractors and voluntary sector to commission services that will deliver local outcomes and priorities; and

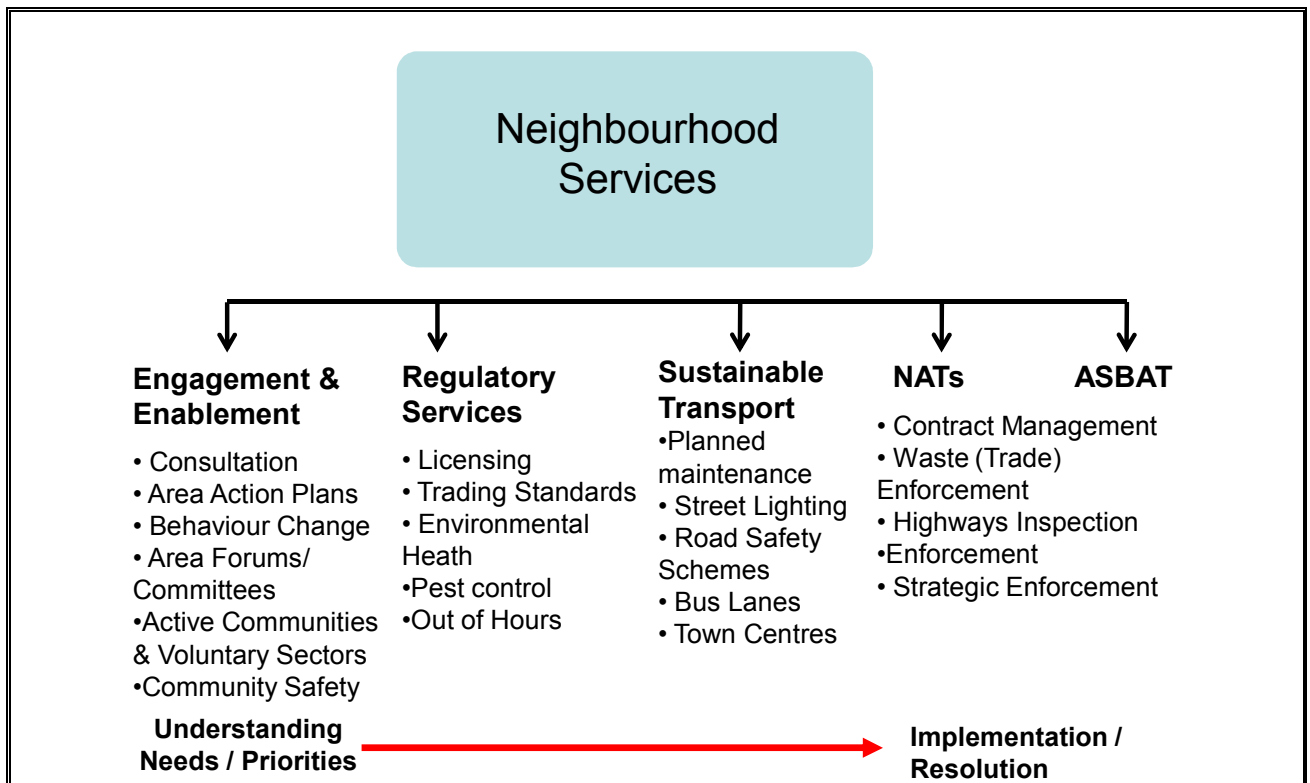
- to integrate the customer interface, invest in the use of appropriate IT solutions to engender a single working platform across the frontline.

6.5 The Single Frontline will consist of three main elements, Neighbourhood Services, Traffic Management and Direct Services. Direct Services has been subject to the review in Children and Young People Services and consists of the SEN Transport and Catering. It is proposed to bring the services over as is with an anticipated transfer date of June. It is intended to review other services that may be appropriate to this service and at this time Pest Control is being considered.

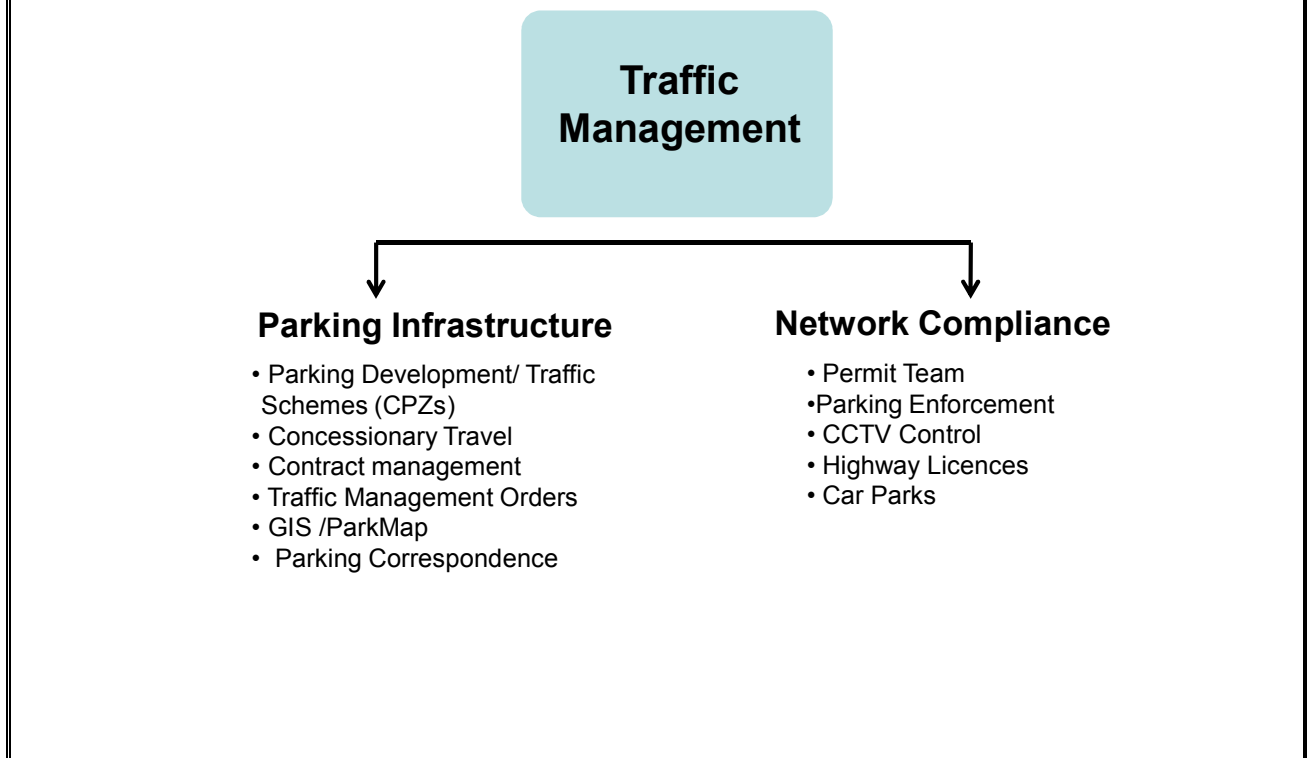


6.6 This report is only considering the reorganisation changes resulting with the formation of Neighbourhood Services and Traffic Management. The Direct Services function will include at a later date Catering, SEN Transport and Facilities Management services.

6.7 The functions of Neighbourhood Services is shown below:



6.8 The functions of Traffic Management is shown below:



6.9 The current and the proposed organisational structures to support the

Neighbourhood and Traffic Management functions are set out in the attached Appendices A (current structure), B (Neighbourhood Structure) and C (Traffic Management).

6.10 The Business support structure which will include contract development, dealing with service requests, NLWA and overall technical support is attached as Appendix D.

Staff Implications

6.11 This restructure would create savings of £2.2 million by reducing administration, cutting out duplication, reducing management cost through de-layering and increased functional responsibility, maximising income and by reducing resources for some services.

6.12 The existing Full Time Equivalent (FTE) posts within Frontline Services is 314, this excludes posts identified to transfer to other service areas, Finance, Policy and Performance, Carbon Management and Veolia as part of the new Public Realm Contract. It also includes the 17 posts due to transfer from the ASBAT and Community Safety Teams.

6.13 Currently, there are 225 FTE (243 staff) permanent employed and 89 FTE vacancies of which 44 are filled with agency staff with the remaining 45 FTE posts remaining vacant. The majority of agency staff are within Parking Services.

6.14 The proposed structure will have 270 FTE posts reducing the current establishment by 44 post. Where appropriate those post which will be subject to compulsory redundancy will be ring fenced (open) to vacant posts or posts currently filled by agency staff. However, the opportunity to redeploy all permanent staff affected by this restructure will be limited as the majority of posts that have been reduced relate to 3rd and 4th tier (SM1/PO8) officers, whilst the majority of vacant posts which have been retained are at Scale 3 (Civil Enforcement Officers) and Scale 6 (Parking Correspondence Officers). It is envisaged that a level of agency staff will be retained in specialist engineering roles to reflect the temporary nature of funding for these posts, which includes Council Capital Receipts or external funding from TfL (LiP) schemes. As Table 1 overleaf shows, the posts mostly effected are at PO4 – PO7 and PO8+ level which is consistent with outlined approach to reducing management costs.

Table 1 – Comparison of FTE Current to Proposed Structures

	Current FTE Posts	Proposed FTE Posts	Variation	Vacancies Carried Forward
SC1-SC5	98	95	-3	39
SC6-SO2	71	53	-18	10
PO1-PO3	96	84	-12	6
PO4-PO7	31	28	-3	
PO8+	19	11	-8	
	314	270	-44	55

6.15 Of all the staff (243) affected by the proposed changes for the new structure, 65% will be assimilated into posts, 33% will be ring fenced (open) to new posts and the remaining 2% consisting of a mixture of Voluntary Redundancies and Early retirement.

6.16 As part of the formal consultation all honorarium or recruitment and retention packages will reviewed to assess the need for these additional payments within the proposed new structure.

7. Chief Financial Officer Comments

7.1 The budgeted savings agreed by Council assume a £3.6m reduction in those budgets that are largely staffing based within the scope of Single Front Line. This consists of;

- £1.75m of savings attributed to the Single Front Line (split £1.25m in 11-12 and £0.5m in 12-13)
- £530k of savings within Enforcement
- £1.4m of savings from the Disestablishment of Neighbourhood Management

7.2 Neighbourhood Management has been dealt with in separate reports to this Committee and thus the measures within this report will deliver the remaining £2.2m of savings.

7.3 However, it should be noted that within the scope of Single Front Line other significant savings are being delivered relating to Parking income, Street Lighting Contractual Payments and the new Public Realm contract. These amount to another £1.5m over and above the pre-agreed savings and the resulting staff structure must be robust enough to deliver both these savings and significant levels of income

within Parking and Sustainable Transport.

- 7.4 The precise staffing budget available for the Single Front Line cannot be calculated at this point, due to the impact of both ongoing Strategic Service Reviews and complementary reviews within the existing Urban Environment directorate such as the creation of the Carbon Management Service.
- 7.5 However, allowing for known transfers out of the scope of Single front line relating to;
- Finance Staff included within the Strategic Finance Review
 - Policy and Performance staff included within that Strategic Service Review
 - Carbon Management Staff within Environmental Resources transferring to the Carbon Management Service along with staff from Transport Planning and Planning enforcement teams.
 - Staff transferring to Veolia as part of the new Public Realm Contract
- 7.6 Also, allowing for transfer into the service from areas currently within Safer, Stronger and Communities such as ASBAT and Safer Communities, it can be confirmed that the total cost of the new structure is broadly within the staffing budget available and hence delivers the savings required.
- 7.7 As part of the ongoing process it will be necessary to continually monitor the actual costs in relation to;
- Exact grade staff are appointed to
 - Timing of any appointment and redundancies
 - External Grant Income (mainly from TfL) that fund some posts
 - Impact of other Strategic Service Reviews
- 7.8 In order to ensure that the saving required can be delivered in full, but at this point the structure outlined is affordable within the reduced budget available.

8. Head of Legal Services Comments

- 8.1 The Committee is recommended to make a decision in principle subject to the consideration of the outcome of consultation and having due regard to the authority's public sector equality duties. The final decision must take into account the outcome of the consultation and the completed equalities impact assessment.
- 8.2 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.

9. Equalities &Community Cohesion Comments

9.1. Following a screening exercise (see attached as Appendix E) it has been established that a full Equalities Impact Assessments (EqIA) will have to be completed to reflect the proposed changes to the service and for the implications for staff resulting from the proposed reorganisation. An initial EqIA has been completed to assess the staffing and employment implications (see attached as Appendix F) and a service EqIA will be developed during formal consultation to be presented to General Purpose Committee on 19th May 2011.

9.2. The EqIAs will be reviewed and completed and changed to reflect comments received during formal consultation. Full analysis will be undertaken at this point and presented as part of the 19th May report.

10. Consultation

10.1 A number of events have already been held to advise staff about the proposed restructure and a web page has been set up to provide updates and allow staff to access information and make comments accordingly. Meetings have also been held with trade union officials to make them aware of the proposed restructure arrangements and they have also been invited to the relevant staff events.

10.2 As part of the formal consultation all staff affected will be given the opportunity to comment on the proposals during the consultation period. The purpose of this is to allow trade unions and staff to make suggestions or proposals to mitigate the impact of changes on staff. Management will consider the comments received at the end of the consultation period and will confirm the outcome to each affected employee. This will include final confirmation of the new structure, together with details of the recruitment methods to be applied.

10.3 The consultation timetable and key milestone dates is set out in Appendix G.

11. Service Financial Comments

11.1 See chief Financial Officers comments

12. Use of appendices /Tables and photographs

12.1. Appendix A – Current Frontline Organisational Structure

12.2. Appendix B – Single Frontline – Neighbourhood Services

12.3. Appendix C – Single Frontline – Traffic Management

12.4. Appendix D – Single Frontline – Business Support

12.5. Appendix E – Equalities Impact Assessment – Screening

12.6. Appendix F – Equalities Impact Assessment - Staffing/Employment

12.7. Appendix G – Consultation & Key Milestones Time Table

13. Local Government (Access to Information) Act 1985

13.1. [List background documents]

13.2. [Also list reasons for exemption or confidentiality (if applicable)]