

Agenda item:

[No.]

General Purposes Committee

29 March 2011

Report Title. Establishing a Shared Economic Development Service

Report of **Director, Urban Environment**

Signed :

Contact Officer : Martin Tucker, Regeneration Manager

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Wards(s) affected: ALL

Report for: **Non-Key Decision**

1. Purpose of the report

1.1 To get approval to begin the process for establishing the new Shared Economic Development Service for Haringey and Waltham Forest including the 30 day consultation period with staff and their Trades Unions. The outline service description, and proposed organisational chart and ring fenced recruitment schedule are appended.

2. Introduction by Cabinet Member (if necessary)

2.1. Not applicable

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

3.1 Rethinking Haringey – Outcome 1 Thriving

Regenerating the borough; creating opportunities for employment and educational attainment; tackling low income and poverty; providing a balance of different types of

home which offer quality, affordability and sustainability

3.2 [Sustainable Community Strategy](#) outcome – Economic vitality and prosperity shared by all

3.3 **Regeneration Strategy** - To put People, Places and Prosperity at the heart of regeneration in Haringey.

4. Recommendations

- 4.1. To agree the ongoing work on developing the new shared service including the reduced Haringey Guarantee Delivery, Programme Management and core Economic Development service teams.
- 4.2. To have due regard to the authority's public sector equality duties in relation to the agreement of Recommendation 4.1.
- 4.3. Following the completion of consultation it is recommended that this proposal is the subject of a further report to the General Purposes Committee for final decision. Should there be no objections raised by the relevant employees' side a final decision concerning the structure of the service may be delegated to the Interim Director of Place and Sustainability in consultation with the Chair of General Purposes Committee.

5. Reason for recommendation(s)

- 5.1. Haringey and Waltham Forest Councils have already agreed to develop a shared Economic Development Service – to be established by the summer of 2011. This recommendation will enable ongoing work and consultations on creating the service to proceed to schedule and secure the efficiencies and savings outlined in 2011/12.

6. Other options considered

- 6.1. Other options considered were maintaining separate services but these would not deliver the scale of efficiencies needed and will not facilitate greater sub-regional working and linkages.

7. Summary

- 7.1. Haringey and Waltham Forest Councils are working to establish a Shared Economic Development Service which will involve collapsing both current services into a single reconfigured service.
- 7.2. The new service will include the reconfigured Haringey Guarantee Delivery Team, Programme Management and core Economic Development teams.
- 7.3. This report sets out the establishment of the new shared service and required proposed changes to the current establishment.
- 7.4. The current establishment includes 20 staff including 1 fixed term post (after 4

have taken voluntary redundancy) with 9 in the core Economic Regeneration service funded through council revenue, 2 in Programme Management funded through LDA grant and 9 in current direct delivery teams families into Work and Employment Action Network funded through ABG and LDA grant plus the Future Jobs fund Co-ordinator funded through ABG. A proposed ring fenced recruitment schedule to these posts is appended at Appendix 3.

7.5. The proposals for a shared service will see a reconfigured Haringey Guarantee Delivery Team of 6 posts, Programme Management team of 2 posts, 1 Film Officer post and core shared Economic Development service of 8 posts to cover both boroughs.

7.6. Additional delivery and programme management posts may be created if and when sub-contracts for local delivery of the Work programme are secured.

8. Chief Financial Officer Comments

8.1. The draft budget proposals for 2011-12 assume a £75,000 saving from the creation of a Shared Services model for Economic Development. This is based on the new structure being implemented around June/July 2011 and thus three quarters of the full year saving of £100,000 is achievable. The reductions in post numbers are consistent with this level of saving being achievable, although the exact level of saving will only be known once Jobs have been evaluated.

9. Head of Legal Services Comments

9.1. A decision by the Committee with implications for the staffing establishment of this service can only be taken in principle pending the outcome of statutory consultation with the trades unions and consultation with the staff affected. It is noted that this consultation is yet to commence.

9.2. The decision in principle must pay due regard to the authority's public sector equalities duties, including consideration of the attached equalities impact assessments.

9.3. The carrying out of this proposal must comply with the Council's procedures concerning restructuring. The position of staff who may be displaced as a result of this reorganisation will need to be considered under the terms of the Council's procedures regarding redeployment and redundancy.

10. Head of Procurement Comments – [Required for Procurement Committee]

10.1. Not Applicable

11. Equalities & Community Cohesion Comments

11.1. Equality Impact Assessments on the reduced Haringey Guarantee programme

and teams and on the shared service re-organisations have been carried out and are appended to this report (Appendices 2 and 3).

12. Consultation

- 12.1. Informal consultations have been undertaken with staff in Economic Regeneration at team meetings in January, February and March 2011
- 12.2. 30 day statutory and formal consultations will be undertaken with staff and trades unions.

13. Service Financial Comments

- 13.1. As per the Chief Financial Officer comments above. Furthermore, any expenditure incurred in the setting up of the shared service will be contained within the existing revenue budget

14. Use of appendices /Tables and photographs

- 14.1. Appendix 1 – Shared Service outline
- 14.2. Appendix 2 – Shared Service Reorganisation EqIA
- 14.3. Appendix 3 – Haringey Guarantee reduced service EqIA.

15. Local Government (Access to Information) Act 1985

- 15.1. Not Applicable

Appendix 1

A Shared Economic Development Service for Haringey and Waltham Forest

Background

Local authorities are facing substantial spending reductions which will impact on service delivery especially on non-statutory services. Further following Total Place initiatives and the development of the Coalition Government's "Big Society" approach combined with the current efficiency agenda puts shared service delivery in the centre ground of Government policy. No longer can public bodies automatically take the stance that undertaking any activity on a standalone basis is the most cost effective way of going forward. A new Shared Services approach is needed to release efficiencies across the system and support delivery more focused on customer needs. Shared services provide public service organisations with the

opportunity to reduce waste and inefficiency by re-using assets and sharing investments with others.

Following agreement at Cabinets in February 2011 work on sharing Economic Development services in both boroughs is progressing.

The Shared Service

Economic Development covers work areas and priorities around employment and skills focussing on tackling worklessness, and attracting investment for business and enterprise with the overall objective of enabling economic prosperity for residents of both boroughs through supporting job creation and local enterprise.

Work programmes and streams covered by a shared economic development service include:

Strategy

- Develop agreed shared strategy and high level outcomes and KPIs
- Implementation and reporting on strategy and outcomes
- Cross-borough partnerships – enterprise, business, employment
- Liaising with and linking sub-regional and regional priorities, initiatives

Tackling Worklessness

- local programme delivery and programme management
- links with the Work Programme
- commissioning and contract management
- external funding
- cross-borough partnerships and delivery
- partnership working with JCP/DWP
- policy and strategy developments and responses
- procurement/contracts and local labour

Working with local businesses

- understand and address skills gaps in the labour market
- broker relationships with private sector businesses to secure job opportunities for local people
- develop and link to local enterprise initiatives
- inward investment
- encourage, support and promote an enterprising culture
- develop business support initiatives leading to job creation
- establishing apprenticeship opportunities
- policy and strategy developments and responses
- procurement/contracts and local businesses

Developing and establishing a social enterprise

- Outsourcing operational delivery of interventions and programmes of activity focussing on tackling worklessness, social inclusion and promoting youth employment initiatives into a new social enterprise.

Location

The Shared Service will have a physical presence in both boroughs with both Joint Head of Service and Economic Development Manager dividing their times between the boroughs and each borough having access to Economic Development Officers.

Milestones

Phase 1 - Development of service and model via Compatibility Analysis and the Implementation and Engagement Process - January 2011- March 2011

Staff consultation – March/April 2011

Recruitment to Shared Service – May 2011

Phase 2 - Shared Service established with Joint Head of Economic Development - June 2011

Develop agreed shared strategy and high level outcomes – May 2011

Develop agreed shared KPIs and reporting mechanisms - May 2011

Service work programme agreed – May 2011

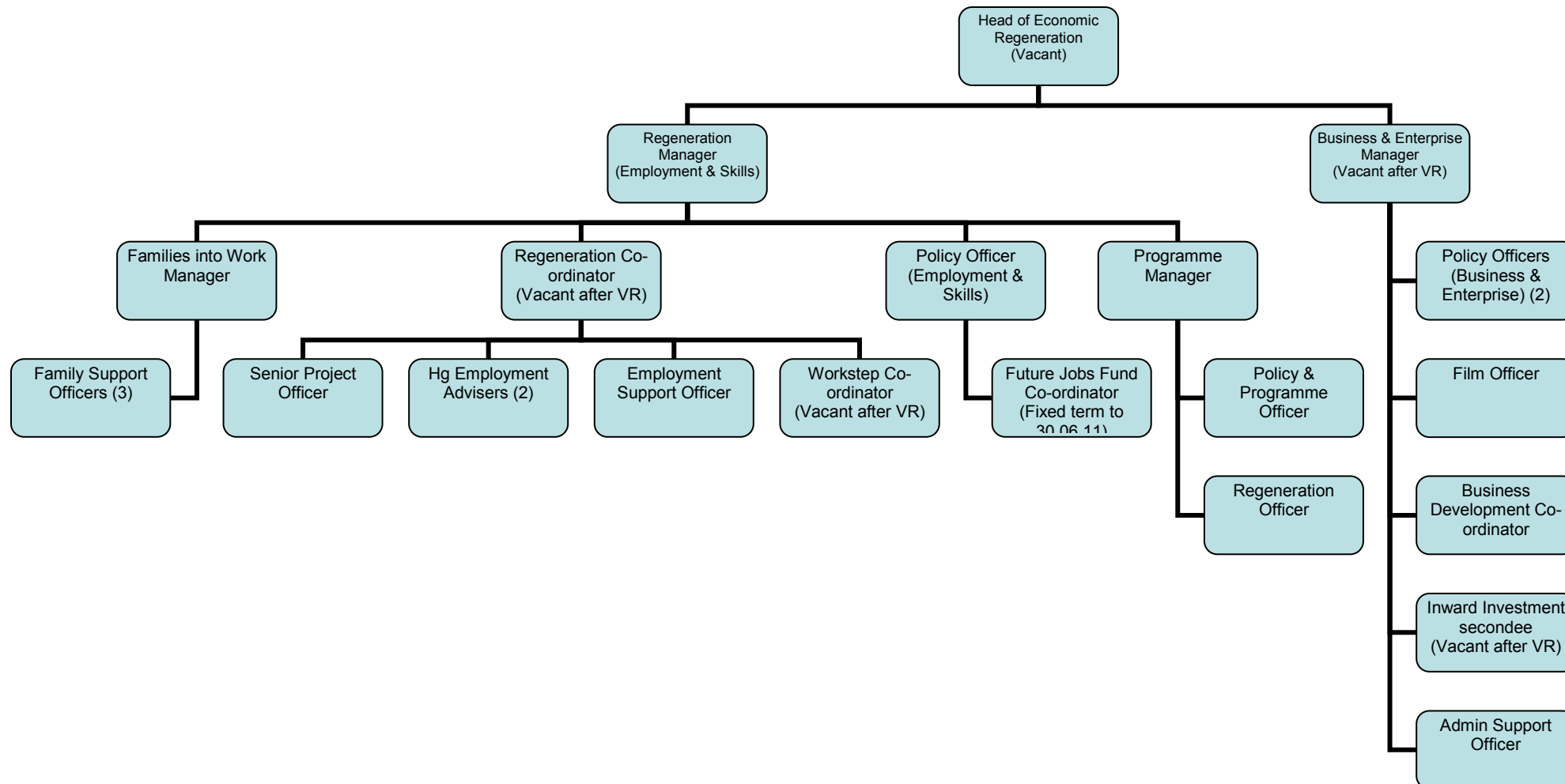
Work Programme sub-contracted delivery in boroughs – July/August 2011

Ongoing work on developing a social enterprise – December 2010 – December 2011

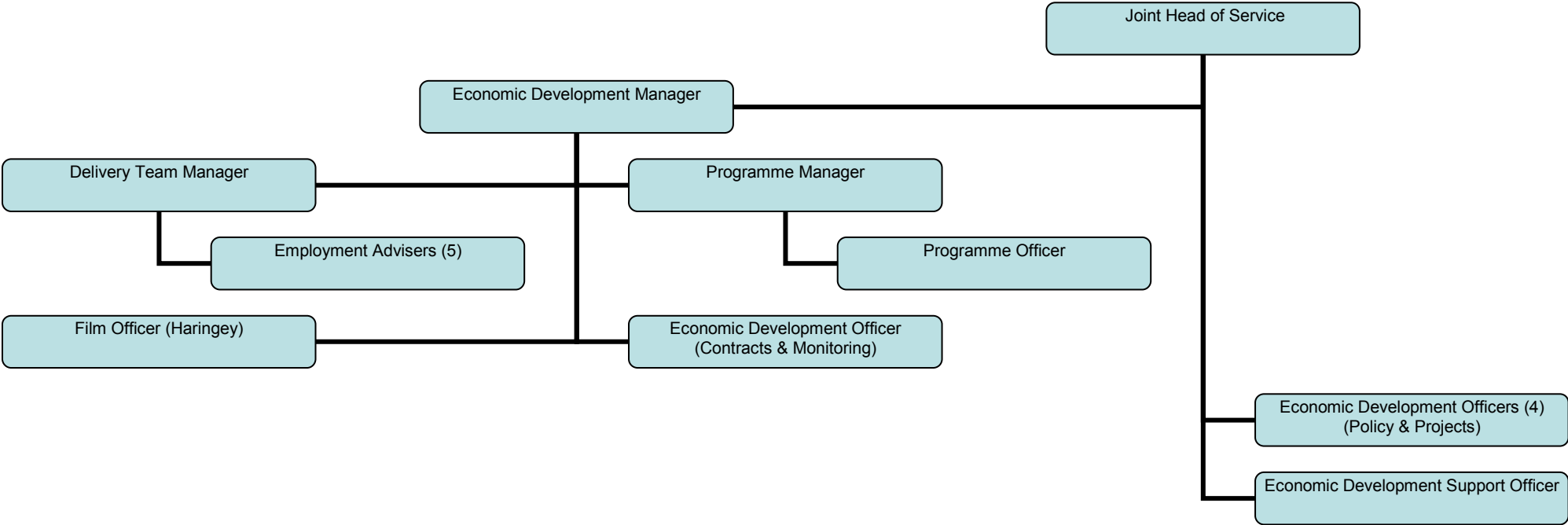
Papers to respective boroughs on Social Enterprise – December 2011

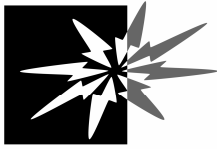
Phase 3 – Development of social enterprise - 2012

Current Economic Regeneration Organisational Chart March 2011



**Shared Economic Development Service
Proposed Organisational Structure**





Haringey Council

Proposals For Ring Fenced Recruitment

Joint Head of Economic Development	Head of Economic Development (LBWF) Assimilated into post
Economic Development Manager	Regeneration Manager (LBH) Assimilated into post
Economic Development Officer (Policy & Projects) x 4	Open ring fence Policy Officers (LBH) x3 Project Manager (LBWF)
Economic Development Officer (Contracts & Monitoring)	Open ring fence Business Development Co-ordinator (LBH) Regeneration Officer (LBH) Employment & Skills Officer (LBWF) Employment Support Officer (LBH)
Economic Development Support Officer	Administrator (LBH) Assimilated into post
Film Officer (Haringey)	Film Officer (Haringey) Assimilated into post
Delivery Team Manager	FiW Team Manager Assimilated into post
Employment Adviser x 5	Closed ring fence HG Employment Adviser x 2 Senior Project Officer Family Support Officer x 3
Programme Manager	LDA Programme Manager Assimilated into post
Programme Officer	Policy & Programme Officer Assimilated into post