

1. Introduction and Summary

The proposals for this restructure have been developed over a period of some months and have been carefully assessed to ensure the minimum impact on front line services and on staff. The current proposals are a significant improvement in this respect on the proposals first identified and discussed with Members in June.

It is possible, and indeed very likely, that subject to decisions relating to voluntary redundancy (VR), reduced working hours and ring fences, selection will not be required and compulsory redundancy will be limited to one post, affecting a member of staff who had previously applied for VR. Given this position, and that the savings target can be achieved in this way, alternative savings proposals are unnecessary and potentially extremely disruptive, particularly as they relate to management posts that are needed and further or alternative savings are not needed.

The proposals are closely inter-related and represent a carefully-judged balance. The proposal to reduce 4th tier managers assumes that the Head of Housing Needs & Lettings post is filled. Without this, the 4th tier posts will have to be retained and a new restructure initiated to permanently re-assign senior management responsibilities. The proposal to reduce Team Leaders depends on the 4th tier proposals and also assumes that Seniors are available in the large teams that are being created. Without Seniors, at least one Team Leader post will need to be retained. Extensive consultation with involved staff did not indicate that any such adjustments were supported.

The additional information and analysis of workload volumes set out in this addendum report substantiates the current proposals which, if implemented as a whole, will meet the requirement for budget savings, and do so in a way that mitigates the impact on services and staff as far as possible. The analysis is set out as follows:

Section 2 shows that current and proposed ratios and spans and control are within the *Rethinking Haringey* guidelines.

Sections 3 and 4 show that the proposed staffing changes can be implemented without significant increases in workload or impact on service delivery.

Sections 5 to 8 – respond to Unison comments. There is agreement with Unison on administrative staff and selection is unlikely to be necessary. A detailed response has been provided to Unison's comments on management/senior officer posts and on selection methods. It is confirmed that any selection that is necessary will involve testing, in line with the Council's Restructure Policy.

2. Ratio of Management to Staff

The number of managers within the service has reduced steadily with each successive restructure, from 38 in 2009 to the present 27, which will reduce further to 24 with these proposals.

Rethinking Haringey envisaged that managers should typically be directly responsible for five to eight staff. In the areas directly affected by this restructure, the position is as follows:

<i>Team/Post</i>	<i>Manager to Staff Ratio - Before</i>	<i>Manager to Staff Ratio - After</i>	<i>Note</i>
Tenancy Support	1 to 6	1 to 10	Merger of teams
Income Recovery	1 to 6 or 7	1 to 10	Merger of teams
Temporary Accommodation Visiting & Lettings	1 to 10	1 to 9	Vacancy deletion
Housing Assessments	1 to 7.5	1 to 6.5	Vacancy deletion
Service Operations Manager	1 to 1	1 to 7	Additional responsibilities

In all case this is within the *Rethinking Haringey* guideline, which acknowledges that the ratio is influenced by the diversity and complexity of occupational groups and their activities.

This is of particular relevance for the assessment of Community Housing Services as a whole, which has a number of managerial roles in professional and specialist areas leading small teams; in these areas, management spans are consequently not typical. These 4th tier roles are:

- ALMO Client Management (1 manager and 2 staff)
- Housing Related Support, formerly Supporting People (1 manager and 2 staff)
- Housing Improvement (Private Sector) Decent Homes enforcement (1 manager and 1 staff)
- Housing Improvement (Private Sector) Frontline (1 manager and 3 staff)

Management spans are necessarily low in these areas, to ensure both effective leadership and accountability and cost-effectiveness. In fact in the Housing Improvement (Private Sector) team, the arrangements above are the result of the removal of an entire tier of management in a previous restructure.

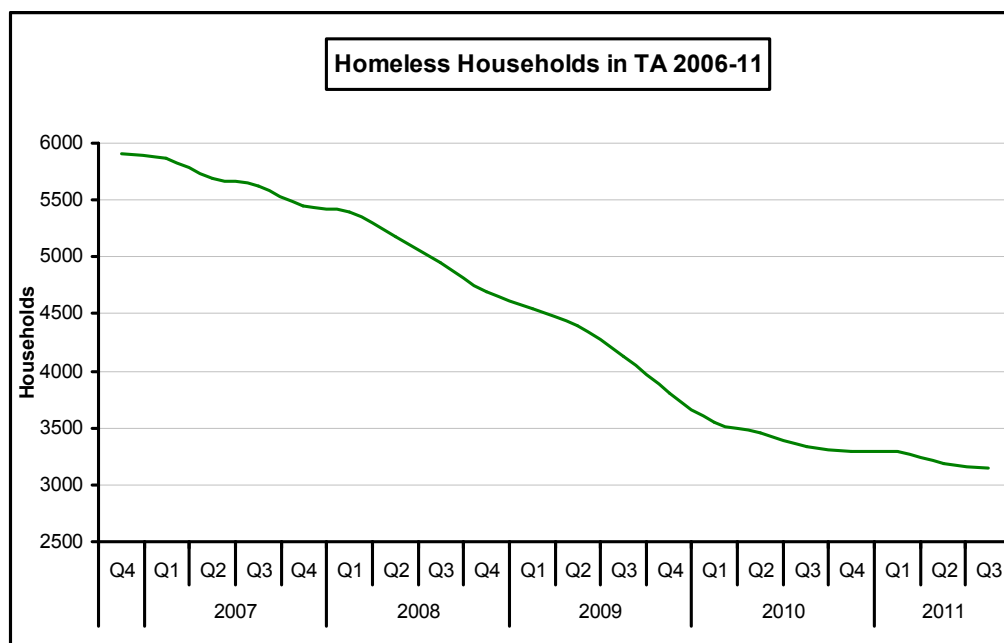
Taking into account these factors, the average for CHS needs to be seen both as a crude average (i.e. a straightforward calculation including all managers) and as an adjusted average, which excludes the specialist managerial posts described above and gives a truer picture. Using this approach, the position before and after the proposed restructure is as follows:

Average No. of Staff Managed	Crude		Adjusted	
	Before	After	Before	After
3 rd Tier Managers (Senior Management Team)	4.5	4	4.5	4
4 th Tier Managers (Operational Management Team)	3.6	4.2	5.1	6.0
5 th Tier Managers (Team Leaders)	7.3	8.9	7.3	8.9
Business Unit Average	5.2	5.8	5.2	6.8

Both the crude average and the adjusted average, for the Housing service as a whole, are within the *Rethinking Haringey* guidance i.e. 1 manager to 5-8 staff, and both improve as a result of the proposed restructure. The service is also consistent with the guidance that there should not be more than four layers of staff between the business unit head and operational staff.

3. Workload Volumes and Impact – Temporary Accommodation

In order to assess the impact of the restructure on those teams that deal with temporary accommodation (TA), some explanation of numbers and responsibilities is necessary. The trend in relation to the number of households in TA is as follows:



The current number of households in TA stands at 3107 but nearly 30% of the portfolio is managed either by the supplier or a housing association. The functions undertaken by the service (tenancy support, income collection, lettings and visiting) thus relate to up to 2,300 households and properties – this is not an exact number because there are differences between the functions that reflect the different types of TA. The impact of the restructure proposals on these specific roles needs to be assessed in this context.

(a) Tenancy Support and Income Recovery

There are currently two tenancy support teams and two income recovery teams, with four team leaders, reporting to two 4th tier managers. The proposal is to reduce to one 4th tier manager and two team leaders. At 4th tier level, the new post will combine responsibility for tenancy support and income recovery but the impact of this increase in responsibility will be mitigated by the transfer of responsibility for TA Visiting & Lettings to another 4th tier post. At team leader level, the two posts will maintain the current separation of tenancy support and income recovery by creating larger teams, but this impact will be mitigated by the creation of Senior posts (detailed in section 7 below).

The main workload volume measure for Tenancy Support Officers (TSO) and Income Recovery Officers (IRO) is their patch size i.e. the number of households that they act as the designated officer for. For those types of TA that are common to both functions, patches are aligned between the two functions so that a TSO and IRO operate as a pair for their patch. The impact of the proposals on patch sizes is as follows:

<i>Role</i>	<i>Patch Size - Before</i>	<i>Patch Size - After</i>
Tenancy Support Officer	226	238
Income Recovery Officer	239	251

This small increase is not significant and in any case does not necessarily equate to a workload increase. In practice, TSOs and IROs deal primarily with customers who have particular needs (e.g. repairs, or an arrears plan) and will continue to provide a responsive service to those customers, while other customers will continue to have very little contact with their TSO or IRO.

In addition to responsiveness to customers, the other potential impact is on rent collection and arrears levels. The trend is that collection is declining, from 98.9% a year ago to 97.5% currently. Although staff have reduced in this period, this performance is attributable to housing benefit (HB) changes and delays, the impact of the withdrawal of the Workers' Rebate and to the general economic climate rather than to staff numbers.

The risk to income collection is being mitigated by addressing the main cause of arrears, HB, and focusing on maximising take-up. This has improved from 87% a year ago to 88% currently, and further progress will be made by adjusting the role of Housing Benefit Liaison Officers within the team so that they undertake assessments, speeding up payments and reducing arrears. IROs work increasingly closely with TSOs and Visiting Officers to ensure that all customer contact opportunities (e.g. visits) are maximised so that whichever officer is seeing the customer, any rent issues are discussed. It should also be noted that capacity in the service has improved as a result of significant reductions in sickness absence. The average number of days absence per employee (for the Housing Needs & Lettings service as a whole) was 13.41 two years ago; it is currently 8.09 days.

Our tenancy support and income recovery service seeks to offer good standards of support and responsiveness. For tenancy support, it is difficult to make like-for-like comparisons with other local authorities because of the different

approaches taken and very different volumes of TA. Enfield, for example, deploys different tenancy management roles for different types of TA. For income recovery, Islington has an average patch size of 126, Enfield up to 400, while Newham's average is 461. Nor is there necessarily a direct correlation with the number of TA rent accounts; Islington has only 628, Enfield has 978 while Newham's levels are comparable to Haringey. The proposed patch size of 251 is an appropriate balance in this context.

These factors, and the ongoing work to improve efficiency in the service, mean that the restructure proposals, if agreed in full, will not have a material impact on the service.

(b) TA Visiting & Lettings

This team is responsible for identifying and letting appropriate TA for homeless households and for the regular programme of visits to those households, to investigate household circumstances, undertake occupancy checks and discuss housing options. There are currently 5 Lettings Officer posts (PO1) and 4 Visiting Officer posts (PO1); the proposal is to replace a Lettings Officer Post with a Senior (PO2) and to delete a Visiting Officer vacancy. Workload volumes in this team consist of the numbers of lettings and visits completed.

The actual and anticipated volume of lettings is as follows:

	<i>Dec 2010 to Nov 2011</i>	<i>Per Officer</i>	<i>Dec 2011 to Nov 2012 (projected)</i>	<i>Per Officer</i>
TA New Lets	864		900	
TA Transfers	960		750	
Total TA Lets	1824	365	1650	367

The volume of lettings projection is stable as an exceptionally high number of transfers have taken place over the past year because over 200 households were moved in order to reduce the cost of TA. The number of households remaining in relatively expensive TA is much lower now and the volume of transfers will decrease significantly as a result. The proposal to replace an officer post with a Senior post in this team will not have any impact on workloads and performance (the rationale for Seniors is set out in section 7 below).

Visiting Officers typically complete 15-20 visits per week, for all types of TA, except private sector leased (PSLs) properties, which are visited by TSOs. These visits serve multiple purposes, covering occupancy, potential fraud, tailored housing options, bidding for permanent accommodation, rent issues and property-related issues. This approach is also used by TSOs for PSL properties.

For each household in TA to be visited at last once annually, the Visiting team need to undertake 1,900 visits. This excludes visits undertaken by TSOs to PSL properties (a further 1,200 visits). The capacity of the three person Visiting team, based on 17 visits a week for 40 weeks, is over 2,000 visits. The vacant post in this team can therefore be deleted without any impact on the service.

4. **Workload Volumes and Impact – Assessments & Lettings**

(a) Housing Assessments

This team is responsible for the maintenance of the housing register, including the assessment of applications and the verification of applicants offered permanent housing. The proposal is to delete one post (graded PO1) that is currently vacant.

The number of applicants on the housing register is an obvious volume measure but does not actually indicate workload demands. The main indicators of this are the enquiries and follow-up associated with assessment decisions and the work required to verify applicants and conduct checks before offers of social housing are made. The volumes are set out in the table below:

	<i>Mar 2010 - Feb 2011</i>	<i>Mar 2011 – Nov 2011</i>	<i>Projection to Feb 2012</i>
Housing applications (transfers)	2,755 (326)	1,746 (240)	2,328 (320)
Assessment queries	n/a	3,800	4,500
Verification interviews	540	663	884

Major changes to business processes have taken place in this team which have had a significant bearing on the workload quantified above.

The automation of applications means that officers are spending less time processing paper-based applications and have more time available for verification. The volume of interviews is increasing as a consequence of automation, not because of a workload increase. This is a significant productivity improvement as officers are doing more appropriate, qualitative customer-facing work and far less data entry.

The recent re-registration of existing housing register applicants has had the effect of inflating the volume of assessment queries, but we expect this will reduce as the new Housing Allocations policy and banding system become more established. We also expect that the trend of lower numbers of applications will continue, as potential applicants are taking a more realistic view of their rehousing prospects. This is borne out by re-registration, which has reduced the size of the housing register by more than half.

Overall, the workload in this team is beginning to stabilise and the efficiencies achieved mean there is sufficient capacity for current and anticipated volumes. The current vacancy can be deleted without any impact on this service.

(b) Housing Reviews

This is a single post responsible for undertaking statutory reviews of decisions relating to homelessness, discharge of duty, housing offers and the housing register. The proposed deletion is part of a long term plan to change the way these reviews are conducted and a 0.5 post in this team was deleted in a previous restructure (October 2010), without any detrimental impact on the

service. Reviews will in future be undertaken by managers, except for homelessness decisions, which will be sent to an external provider.

Review volumes are as follows:

	2009/10	2010/11	2011/12 projected (ytd)
Homelessness	135	106	120 (76)
Discharge of Duty	3	11	24 (16)
Housing Offers	117	224	175 (129)
Housing Register	3	3	3 (2)
Total	258	344	322

The volume of reviews of housing offers was inflated in 2010/11 as a result of the introduction of auto-bidding, where residents in TA have bids submitted on their behalf. This is now stabilising and expected to reduce, as are overall review numbers. However this is a demand-led service and fluctuations are possible. The best way to deal with this is to spread the load amongst managers and use an external provider on a flexible basis, which will ensure a cost-effective service and performance within the target time (statutory reviews have to be completed within 56 days).

The proposed deletion of the Review Officer post will not have an adverse impact on the provision of this service and is expected to have benefits other than savings, including better use and development of management capacity.

5. Administration (in response to Unison point 1)

It is highly likely that the proposed reduction from 13 admin staff to 10 will be achieved through natural wastage and voluntary reductions in working hours. We have agreed with Unison locally that if we are in a position where a saving of 2.5 posts is achieved in this way and only 0.5 of a post is required, selection will not be appropriate and the saving will be found by other means.

6. Management Posts

(a) Service Operations Manager (in response to Unison point 2)

This post is not a new post; there is no addition to the structure proposed. This is the existing post of Business Improvement Manager, adjusted to assume responsibility for managing the central administrative pool (shared with another existing managerial post) and to play a more operational role directly influencing service delivery. The post will manage 7 staff and be responsible for:

- Administrative support resources deployed throughout the service;
- Service procedures, forms and work instructions, ensuring clarity, consistency and the removal of unnecessary or duplicated work;
- IT services, driving forward the new Housing IT strategy and managing projects to improve processes, reduce paperwork and increase efficiency;
- Customer satisfaction, engagement and involvement, ensuring that the customer voice informs our service delivery;
- Communications and publications, including the housing web pages and intranet;

- Diversity, ensuring effective monitoring and planning of services so that they are in line with customer needs and that equality impacts are understood;
- Performance management and service improvement, working with service managers to ensure services are as high quality and cost-effective as possible.

It is not feasible or appropriate to share these responsibilities among the reducing number of existing managers. By their nature these areas are “cross-cutting” and require leadership and coordination if the required outcomes are to be achieved, at a time when Support Function Reviews (SFR) have removed resources from the service. In total five posts have been lost as a result of the SFRs.

The provision of effective administrative support with reduced numbers will require centralised management if efficiencies are to be achieved and potential benefits of this new way of working realised. Without this post, we would not be able to manage the administrative team centrally, a change prompted by the corporate decision that the SFR for administration/business support should be implemented by directorates. This proposal, and this adjustment to the managerial post, is the response to that direction.

(b) Head of Housing Needs & Lettings (in response to Unison point 3)

The consequences of not having a Head of Housing Needs & Lettings in post are significant and will seriously disrupt both our day to day service provision and our strategic development as a service.

Disruption to services has been minimised by making interim arrangements but this has inhibited the achievement of important Business Plan objectives and other key initiatives, and affected senior managers’ ability to tackle issues and improvements within their substantive and interim areas of responsibility. Specific examples of this, which must be seen in the context of the Localism Act 2011 and other government changes, include:

- Social housing tenure reform, and the preparation and implementation of a Tenancy Strategy;
- Review of the Housing Allocations policy, in accordance with Council priorities;
- Housing Revenue Account self-financing;
- Housing mobility, and the new national home swap scheme;
- Preparation and implementation of the Council’s approach to affordable rents;
- The Council stock options appraisal and future of the ALMO;
- The assumption of responsibility for Housing Related Support (Supporting People) and development of a new strategic commissioning framework.

Work has been and is being done in these areas, but they represent very significant change within a relatively short period. To further reduce management capacity at this time will seriously jeopardise the ability to respond effectively to these challenges and achieve Council priorities. Furthermore, the interim arrangements were designed to be a short term ‘caretaking’ role and are

not sustainable in the medium and long term. For senior managers to be held accountable for delivering fully in their substantive areas, they must be freed up from their additional responsibilities, which means filling the Head of Housing Needs & Lettings post. The post is needed now but it is recognised that further reductions in senior managers are inevitable so recruitment will be on a fixed term for 18 months. Without the post, a permanent reorganisation of senior management responsibilities will be necessary, which means that the timetable for budget savings for 2012/13 will not be achieved.

7. Senior Operational Posts (in response to Unison point 4)

These posts are front line operational posts. They are not management posts and are “senior” in the sense that they are lead practitioner posts, graded PO2 in service teams where the operational staff are generally graded PO1. Seniors are expected to undertake front line responsibilities (i.e. dealing directly with customers) equivalent to half of a PO1 post, with the remainder of their time devoted to assisting managers with day to day operational tasks.

Typically this will include:

- Assigning duty responsibilities for planned daily visits and other routine tasks;
- Dealing with any unscheduled customer visits to our offices, or visiting to deal with customer emergencies like floods, fires or serious disrepair;
- Attending evictions;
- Responding to Members’ enquiries, complaints and requests for information;
- Monitoring the regular cycle of visits/inspections and dealing with any issues;
- Weekly hostel inspections, including fire checks;
- Covering absence of any officer, undertaking their visits, case conferences, tenant sign-ups or other commitments.

Team Leaders would be unable to cover this range effectively in the larger teams and the risks associated with this type of work justify the provision of the proposed Senior posts.

Senior posts are already established throughout the structure; this restructure is not seeking to introduce a new role. The Senior posts in the Tenancy Support and TA Lettings teams were deleted in a previous restructure as a budget saving. However the proposed reductions in managerial posts will create large teams and the reinstatement of Senior posts is recommended not only as a means of supporting Team Leaders but also to facilitate front line staff to do their job. The absence of Seniors makes the job of front line PO1 officers in larger teams more difficult, as they will have less access to advice/guidance and cover from Team Leaders, will be diverted from their planned work more frequently and may find themselves working with less of a planned operational structure as Team Leaders attempt to deal with the full range of work required.

It is intended that existing PO1 officers apply for the Senior posts and are successful. To facilitate this, the question of whether these ring fences should be open or closed will be discussed further with local staff representatives.

8. **Selection Methods (in response to Unison views)**

The Council's Restructure Policy, and the associated management guidance, states that for restructures a combination of selection processes will be needed. As well as being in line with the Council's policy, the use of testing is established in the service and does not represent a departure from previous practice.

The main argument for the use of testing is to ensure the best decisions are made in the fairest and most objective way possible. Some staff are strong in interviews, others are not. The widest reasonable range of selection methods is the best way to ensure that all staff are given a fair opportunity and not discriminated against. Decisions on selection for redundancy are not comparable to recruitment decisions. We want to ensure that selection is scrupulously accurate, fair and transparent. Tests provide objective and auditable evidence that selection decisions can be more confidently based on. Relying on interviews alone means the process is more subjective and will unfairly favour more articulate staff.

Specifically on Unison's numbered points:

1. The policy states that testing, along with interviews, is used where work is being organised in a different way, which is the case with administrative staff. The policy is not as prescriptive as Unison is stating.
2. Managers believe that Unison's view that the level of skills required for the administrative role does not justify testing demeans the role. These staff play a vital part in front line service delivery and the importance of selecting the best staff fairly applies to jobs at every level, not just to more senior roles.
3. The role of testing is to enable rounded selection decisions to be made, whether a ring fence is closed or not. The tests used will be fair, proportionate and relevant to the requirements of the job, in line with the Council's policy. We agree with Unison that the posts are not about testing whether staff meet the person specification and there is no suggestion that they do not; the testing is about who meets it most strongly, which is the usual position in a selection where candidates meet the specification and a choice must be made.
4. The reduction referred to in Adults is not relevant as a precedent; the precedents within the housing service are more relevant. The reference to the Technical Support Officer is also not relevant; there was no competition for this post, therefore testing was not used.
5. This comment seems to reflect a misunderstanding of the Council's policy. Interviews and tests will be used, as one element of the four elements specified by the policy, the others being statements of application, appraisal/supervision information and factual information. These are not "additional" selection methods as stated, these are the component parts of the overall management assessment set out in the policy. It would not be "unusual" to have all or some combination of these elements used, it would be normal and reflects previous practice within the service. The use of tests is justified under the Council's Restructure Policy and will be in line with that policy, will be appropriate to the role and proportionate in relation to the grade.

Staff Reductions in Community Housing Services

Over the last three years, CHS has reduced staff to achieve annual savings targets in line with business change and without a significant impact on service performance. These reductions in the permanent staff establishment are as follows:

	2010/11	2011/12	2012/13	Total
Manager Posts Deleted (business unit as a whole)	2	7.8*	3	12.8
Other Posts Deleted	16	6.5*	6	28.5
Total Posts Deleted	18	14.3	9	41.3

* includes 3 managerial and 2 other posts deleted in Support Functions Reviews.

Of the above, the following managerial reductions were/are in the teams affected by this restructure i.e. Temporary Accommodation, Income Recovery and Assessment & Lettings:

	2010/11	2011/12	2012/13	Total
Manager Posts Deleted	2	2	3	7

Notes

The 2010/11 restructure was based on:

- The significant reduction in the number of households in TA, from 5,900 in 2007 to about 3,400 at the time of the restructure.
- The high level of homelessness preventions being achieved at the time.

The 2011/12 restructure was a result of the corporate VR programme and Support Functions Reviews.

The present restructure, for 2012/13, is a follow up to *Rethinking Haringey* and the transfer of Housing Related Support (Supporting People) to CHS. As set out in the main report, the restructure is seeking to protect front line services by focusing on managerial, administrative and vacant posts.

The reductions outlined above will achieve total salary savings in excess of £1.5m over the three years.