



**Haringey Council**

<b>Report for:</b>	<b>Corporate Committee 15<sup>th</sup> May 2012.</b>	<b>Item Number:</b>	
<b>Title:</b>	<b>Staff changes associated with the Cabinet decision to close two residential children's homes.</b>		
<b>Report Authorised by:</b>	<i>Libby Blake</i> <b>Libby Blake, Director of Children and Young People's Service</b>		
<b>Lead Officer:</b>	<b>Debbie Haith, Deputy Director for Children and Families</b>		
<b>Ward(s) affected:</b>	<b>All</b>	<b>Report for Key Decision</b>	

## **1. Describe the issue under consideration**

**1.1** To provide a background context and overview of the consultation and restructuring process connected with the Cabinet decision to close two residential children's homes.

## **2. Cabinet Member introduction**

**2.1** I am satisfied that the appropriate consultation process has been followed and that the views of staff have been sought and considered.

**2.2** I believe that the closure of the homes is in the best interests of children and young people who come into our care. The current homes are not the best way of meeting the varied needs of quite troubled young people despite some excellent work carried out by staff. I believe it better to make use of the private and voluntary sector market so places can be sought which more closely match the needs of our young people. The savings arising from the closure will be invested in much needed early intervention work.

**2.3** I am happy to support the recommendations in the report.



### **3. Recommendations**

**3.1** Corporate Committee are asked to approve the deletion of all posts based in two residential children's homes as summarised in section 6 and 7 of this report as a consequence of the decision as delegated to the Lead Member for Children on 7<sup>th</sup> February 2012 and taken on 27<sup>th</sup> April 2012.

### **4. Other options considered**

**4.1** Cabinet considered a number of other options before recommending closure subject to consultation:

There were four viable options –

- Stay as we are
- Redevelop the homes
- Seek another provider to run the homes
- Close one or both homes

Taking these in turn:

- Stay as we are:

It was difficult to justify doing nothing as a viable option for the reasons stated. The homes do not fulfil a unique function, do not provide value for money, and are not performing well enough for our stated aims at present

- Redevelop the homes:

It was and is difficult to see how the redevelopment of the services can be achieved without considerable new cost, both in terms of staff retraining, support, etc and in terms of changes to the physical layout and functioning of the homes. Good outcomes can be achieved by negotiation with other providers both within and outside of the NLSA changes underway.

- Seeking another provider to run the homes:

This could be viewed as a viable option only if there was a confidence that a new provider would be prepared to commit considerable resource to physically revamping the homes, investing in staff retraining and development and establishing a long term relationship with the Council at no increased unit cost. This is highly unlikely to be achieved.



- Close one or both homes

We are satisfied that suitable alternative accommodation is available for the young people currently catered for in the two homes for substantially less than the cost of continuing to keep the two homes open. There is no inherent logic in closing just one home, as both can be demonstrated to not fulfil core expectations and the risk in terms of insufficient provision is not high.

## **5. Background information**

**5.1** The future of the two homes has been the subject of debate for some time with concern arising in relation to quality of provision and value for money. Various models have been considered, including the redevelopment of the homes within a new approach, the closure of one home with some redirection of revenue funding to develop more early intervention services or the closure of both homes along with the development of other services. The debate has been prompted by concern that outcomes for young residents are less positive than might be expected, the homes are not well placed strategically, do not provide value for money within the current market availability of residential homes and some concerns that the homes are under used.

## **6. Process Leading up to the Cabinet Decision**

**6.1** On 26th January 2012, the Deputy Director for Children and Families and the Head of Service for Commissioning and Placements met with staff at both Children's Homes separately and explained that there was to be a recommendation for closure. The outline of the paper was explained to staff. The paper was circulated to staff on 30th January 2012, shortly before it became a public document. On 7th February 2012 Cabinet gave the approval to commence formal consultation with staff from both homes and all resident young people. This outcome was relayed verbally to staff in both homes on 8th February 2012.

## **7. Current Staffing Establishment**

**7.1** The list of established posts can be summarised as follows.

<b>Residential Home</b>	<b>Number of Posts</b>	<b>Headcount</b>
Home A	26	19
Home B	18	9

## **8. Staff consultation process**

**8.1** The formal staff consultation process, in connection with the proposal to close the two residential children's homes commenced on 8<sup>th</sup> February 2012 and concluded on 9<sup>th</sup> March 2012. The Head of Service for Commissioning and Placements has been available to meet with staff on the following dates and has visited the Homes for that reason: 20<sup>th</sup> February, 24<sup>th</sup> February, 2<sup>nd</sup> March, 7<sup>th</sup> March. Follow up emails



## **Haringey Council**

have been issued to all staff, on 8<sup>th</sup> February, 15<sup>th</sup> February, 24<sup>th</sup> February, 28<sup>th</sup> February, 1<sup>st</sup> March, 7<sup>th</sup> March, 19<sup>th</sup> March, 20<sup>th</sup> March and 27<sup>th</sup> March. Emails outlined the process for staff and provided regular updates on available vacancies, and related processes, as requested by staff.

**8.2** Senior Managers met with Trade Union representatives on 24th January 2012 to explain the position. Trade Union representatives were present at the meetings with staff on 26th January and 8th February 2012. A meeting was held on 23rd March 2012 to verbally feedback to staff about the consultation. A UNISON representative was also present at this meeting. The UNISON response is attached at Appendix B: The GMB did not provide a written response.

**8.3** Issues discussed on 23rd March, are attached in Appendix C.

**8.4** Staff were keen to be updated about potential vacancies across the service. This has taken place through the aforementioned visits and emails. Staff were encouraged to express interest (without obligation at this stage) and to complete skills audits as a means of preparing for potential redeployment. Further to this, staff have been offered training and some shadowing opportunities. Specific targeted training in CV writing and Interview Skills has been offered and a number of staff have availed themselves of this opportunity.

**8.5** Should the posts be deleted, the Council's Restructuring Policy will continue to be implemented, in which case every attempt will be made to deploy affected staff into any suitable posts that may be available.

## **9. Comments of the Chief Financial Officer and Financial Implications**

The Table below summarises the full year revenue effect arising if the closure of the homes proceeds following consultation that was approved as part of the Council's 2012-13 budget setting process. The actual re-provision costs for the children who were accommodated at the homes is dependent upon the number and relative complexity of them. However, it should be noted that new children are not currently being placed in the homes and the number of remaining children has fallen to 3.

Management action is also being taken to use substantive staff effectively across the service and minimise other costs where possible. Subject to the final decision there are a small number of notice periods which extend beyond July, although the costs of this is not significant. In summary therefore it is anticipated that part year savings costs with effect from July remain secure pending the final decision being made.



**Table 1 – Revenue Financial Impact**

<b>Description</b>	<b>£000</b>	<b>Proposed Treatment</b>
Existing Residential Homes budget provision (excl. capital charges)	1,784	Base Budget Provision
<b>Application of resources</b>		
Agreed savings 2012-14 MTFP	500	Savings target (MTFP)
Estimated re-provision costs	1,000	Added to placements budget (CYPS)
On-going property maintenance costs	25	Added to surplus property budget (Place & Sustain)
Potential additional savings	259	

## **10. Head of Legal Services and Legal Implications**

**10.2** The Head of Legal Services has been consulted on the content of the report. Consultation with staff and recognised trade unions is an essential part of the responsibilities of an employer in the course of a business re-organisation. The requirement for consultation with employees and their trade union representatives is recognised within the report as set out in paragraphs 6 and 8 of the report. The written comments of one of the trades union are set out at Appendix B to the report. The minutes of the feedback from the consultation meeting with staff on 23 March 2012 are included at Appendix C to the report. There is also further information in the equality impact assessment at Appendix D to the report.

**10.2** Due consideration should be given to responses received as a result of the consultation before any final decision is reached concerning the proposals outlined.

**10.3** Further due consideration must also be given to the public sector equality duty before reaching a final decision taking into account the content of the equality and community cohesion comment at paragraph 11 of the report and the equality impact assessment at Appendix D to the report. A summary of the equality duty is set out at Appendix E.

**10.4** The position of any employees whose posts may be deleted as a result of any decision taken should be managed under the Council's policies regarding redeployment and redundancy.

## **11. Equalities and Community Cohesion Comments**

Detailed Equalities Impact Assessments for staffing have been carried out in relation to these proposals and are attached as Appendix D.

## **12. Head of Procurement Comments**



**Haringey Council**

N/A

### **13. Policy Implications**

13.1 As detailed in report.

### **14. Use of Appendices**

Appendix A – Exempt information

Appendix B - UNISON Trade Union response to consultation

Appendix C – Minutes from feedback session on outcomes of consultation (to staff)  
– 23rd March 2012.

Appendix D - Equalities Impact Assessment – Staff.

Appendix E - Equality Act 2010 – The Public Sector Equality Duty

### **15. Local Government (Access to Information) Act 1985**

N/A.