	General Purposes Committee 28 March 2013 **Report from the Director of Legal and Procurement**
	Wards affected: ALL

One Council Project: Realigning Corporate and Business Support

1.0   SUMMARY

1.1   The Realigning Corporate and Business Support project has two strands, the first relating to administrative or business support functions, the second relating to specialist or professional support functions e.g. finance, legal, human resources and policy.

1.2   The objectives for the project include:

- creating fully integrated, flexible structural and operational arrangements for corporate, back office and support functions that meet business requirements
- streamlining and standardising relevant policies, procedures and processes for those functions (in part delivered through the implementation of new systems)
- maximising the organisational and operational benefits from the new Civic Centre
- achieving savings

1.3   In relation to business support this involves putting in place a fundamentally different model for the way business support is organised, managed and delivered, which is described below. The structures and staffing will be in place by the end of March, with work on the operational framework completed by the end of June 2013.

1.4   The changes to professional support, including Human Resources, IT, Legal and policy and performance are more incremental and continue the move towards integrated professional support functions developed through the Structure and Staffing project. These will be completed by the end of March 2013.

1.5   The implementation of the structures and staffing for the new business support service followed the council's Managing Organisational Change Policy. This included formal staff and trade union consultation, the offer of voluntary redundancy, ring-fencing and selection of affected staff into posts in the new service and consideration of redeployment for those staff that were unsuccessful. (Redeployment aims to match affected staff against other suitable vacant posts across the council, and where successful, reduces the number of compulsory redundancies.)

1.6   Overall savings from this project will be £1.835 million in 2013/14, with full year savings of £2.085 million from 2014/15. The savings from both parts of the project are achieved largely through reductions in posts across all these services of forty five. The bulk of these – thirty four – are business support posts. This will result in thirty seven redundancies – twenty-two of which are voluntary redundancies and fifteen of which are compulsory redundancies.

2.0   RECOMMENDATIONS

2.1   The General Purposes Committee is asked to:

   a). consider this report and agree the thirty seven redundancies that result from the reorganisation and reduction of the council's business support and corporate services staffing levels
   b). note that of the thirty seven redundancies, twenty two are voluntary redundancies and fifteen are compulsory redundancies

3.0   DETAIL

Developing the Model for Integrated Business Support

3.1   The reconfiguration of business support is driven by the move to the new Civic Centre and the opportunity this creates to rethink the organisation of currently dispersed business support resources, as well as the requirement to achieve savings.

3.2   Integration has an additional and significant set of benefits. Administrative support activities and staff have tended to be underdeveloped, under managed and under utilised as a result of their location within the professional services and their dispersal across many different functions. In general terms, the formation of a distinct and clearly defined function, with the management capacity and focus to lead and develop it as a service in its own right creates

the conditions for continuing development and improvement, in ways that would not be possible through the dispersed arrangements currently in place.

3.3   More specifically, these benefits include:
- a more efficient use of resources – the support that currently exists in teams and units is variable in ways that do not necessarily reflect differences in their requirement for support. Greater clarity about business requirements will ensure resources are used where they are needed, at the right time and in the right way.
- greater flexibility in using administrative staff – this will allow better management of peaks in work, as well as cover arrangements for holidays and absences, with the potential to reduce the use of agency workers
- improved and standardised processes and systems, ensuring greater consistency – as well as the inefficiencies that result from unnecessary variation in processes and systems, too many administrative processes are cumbersome, time consuming and wasteful e.g. the collection and reporting of information for absence management and monitoring.
- greater resilience and reduced risk of 'single point of failure' - across the organisation there are a number of examples of services where the knowledge and experience of a process or system rests with one or two individuals, which creates significant risks in an 'under the bus' scenario
- opportunities for staff to widen their knowledge and experience – flexibility will give staff a wider involvement in both the range of administrative activities and of the services supported. The model will include standardised job roles, describing the required flexibility, underpinned by a set of job competencies supported by suitable training and development

3.4   ***The Model for Business Support - An Integrated and Flexible Service***
The proposed structure (appendix 1) reflects the lessons from other organisations that have implemented a similar approach to business support and a number of important additional considerations:

- the need for sufficient management capacity, given the size and nature of the function
- the council's organisational design principles in relation to management spans of control
- creating opportunities for career progression
- ensuring maximum and long term flexibility

3.5   The total number of posts proposed for the new service is one hundred and forty three, organised in five teams of administrative support, five teams of Executive Assistants providing support to Directors, Assistant Directors and on a more limited basis Heads of Service and the Chief Executive's Office.

3.6   The overall reduction in posts from the current staffing levels in these areas is thirty four, including twenty administrative posts, eleven business support management posts and three PA posts. The savings from these reductions are approximately £1 million in a full year.

Changes to Corporate Services

3.7   *HR Proposals* HR has identified savings of £135,000, which come from staffing – the deletion of a principal officer post in job evaluation - and non-staffing budgets, including the training centre and learning and development budgets. In addition reviews of the learning and development and payroll functions should identify further savings.

3.8   *Information Technology Unit (ITU)* ITU is identifying £500,000 of savings through:
   - a merger of ITU first tier service desk (call desk) support with the 2nd and 3rd line support group, as well as moving to self service for the desk
   - merge the customer liaison function with the programme office, which have overlapping responsibilities
   - review the application support and reduce headcount as a result
   - information management will be reviewed as their two main projects, Infostore and scanning, start to wind down later this year.

3.9   *Strategy, Partnerships and Improvement Proposals* The proposals focus on the policy, performance management and service planning functions, restructuring these to achieve a reduction of eight posts. All these posts are vacant and there have therefore been no redundancies. The proposals result in a total revenue saving of £450,000.

4.0   Financial Implications

4.1   The changes in business support result in a full year saving of £1m from 2014/15. However, the need to retain staff in advance of the move to the Civic Centre means that a three quarter year saving has been taken for 2013/14, amounting to £750k.

4.2   Full year savings of £1.085m per annum from 2013/14 have been identified in specialist support functions, as follows:
   - £500k in IT;
   - £450k in Strategy Partnerships and Improvement; and
   - £135k in People and Development.

4.3   Total savings of £1.835m in 2013/14 and £2.085m per annum from 2014/15 have been included in the 2013/14 budget agreed by Full Council on 25th February.

4.4   One-off redundancy/early retirement costs are estimated at £519k. These will be met from the council's central provision for redundancy costs.

5.0   Legal Implications

5.1   The changes have been implemented in line with the council's Managing Organisational Change Policy and as such has dealt with the main legal risk in managing the downsizing. The provision of a voluntary redundancy process and the methods of selection used in appointing to posts in the new structure have been undertaken in line with the agreed Council policy framework. While this does not preclude former employees from pursuing litigation against the council in relation to the ending of their employment, this policy framework has proved successful in past exercises in managing change and reducing the inherent risk involved.

5.2   The diversity Implications raise some potential issues of indirect discrimination but the risk arising out of those issues have been appropriately dealt with by the proper operation of the Managing Organisational Change Policy to ensure objective decision making and continuing to monitor the diversity implications to ensure that any potential indirect anomaly continues to be objectively justified by the strong business case for the rationalisation of business support.

6.0   Equality Implications

6.1   An initial profile and analysis of the staff in scope for the business support function indicates that:

- The vast majority of those staff affected in the review are female (87%). This is also significantly higher that the gender profile for the Council overall (23% higher).
- The age range of the staff affected is fairly evenly spread throughout the bands. There are a small number of young staff (20-29) affected and a slightly disproportionate effect on those aged 50-59 compared to the organisational profile (2.9% higher).
- In relation to ethnicity, 32 (18.9%) of those affected by the workstream are of Asian Indian ethnicity. This is 7% higher than the organisational profile indicating a slightly disproportion impact on this group. 15 (8.9%) of those affected by the workstream are of Asian British ethnicity. This is 4% higher than the organisational profile, indicating a slightly disproportionate impact on this group.
- The religion profile of those in scope for the business support workstream shows no significant difference from the organisational profile. However

the religion of a very high percentage of those in scope and the council overall is unknown or undeclared (85%) and therefore meaningful analysis is compromised.

- Meaningful analysis of sexual orientation of staff is compromised by the higher percentage of staff for which this is 'unknown' or 'not given' (average of 90% for staff at risk and council-wide)
- Half the staff affected are residents of Brent. A larger proportion of staff at risk are Brent residents compared to the organisational profile (13.9% higher).

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 The new model for business support has significant staffing implications, which are described in this report. The service will become operational as it moves into the new Civic Centre, alongside the services it will be supporting. Discussions are underway with the Move to the Civic Centre team concerning its accommodation in the Civic Centre.

Background Papers

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