

**REPORT FOR: GOVERNANCE, AUDIT
AND RISK
MANAGEMENT
COMMITTEE**

Date of Meeting: 4 September 2012

Subject: Changes to the Resources Directorate
Structure affecting future GARMC reporting

INFORMATION REPORT

Responsible Officer: Julie Alderson, Corporate Director of
Resources
Tom Whiting, Assistant Chief Executive

Exempt: No

Enclosures: None

Section 1 – Summary and Recommendations

This report sets out future changes to the Resources Directorate structure in relation to the areas monitored by the Committee.

Recommendations:

The Committee is requested to note the changes and timescales for delivery.

Reason:

In order to give the Committee clarity on the proposed changes to the services which provide assurance to the Committee.

FOR INFORMATION

Section 2 – Report

Background

- 2.1 In October 2011 the Chief Executive launched a proposal for a new Corporate Directorate structure and following consultation, this was approved by Cabinet at its December 2011 meeting.
- 2.2 From this restructure, the new Resources Directorate came into force on 1st May 2012, bringing together the former Legal and Governance, Finance and Assistant Chief Executive's departments.

Julie Alderson had already been appointed as Interim Corporate Director of Resources from 1st February 2012 until 31st July 2013 and Tom Whiting is working alongside her as Assistant Chief Executive and will take up the role of Corporate Director of Resources from 1st August 2013, following Julie's departure. Julie will also continue to be the Council's S151 Officer until 31st July 2013.

- 2.3 The Chief Executive set a challenge for the new Corporate Director of Resources and the Assistant Chief Executive "to provide proposals to enable further back office rationalisation, maximise efficiency and productivity and make considerable savings in bringing these areas together".
- 2.4 One of the expectations within this challenge was to continue the Chief Executive's commitment to reducing the number of senior managers from 30 down to 20.
- 2.5 Accordingly, a consultation document on the proposed Resources Directorate structure was launched in June 2012 and finalised, following some changes made as a result of feedback received, in August 2012.

Changes to services providing assurance to the Committee

- 2.6 There are two main divisions within the Resources Directorate that provide assurance to the Committee, namely the Finance Division and the Risk, Audit and Fraud Division.
- 2.7 In the new structure, these divisions will ultimately sit together under a new post of Director of Finance and Assurance. This post will be the Council's Section 151 Officer and report directly to the Corporate Director of Resources.
- 2.8 The one exception to this will be the Health and Safety service (including the Occupational Health service) which will transfer to the Human Resources and Development division.
- 2.9 The current posts of Divisional Director – Finance and Procurement, and Divisional Director – Risk, Audit & Fraud, are deleted in the new structure.

- 2.10 There is a phased approach to moving to the new structure and the next stage is a proposed restructure to strengthen the finance and internal audit teams, taking into account the recommendations of the recent CIPFA review. This will be consulted upon with staff in September 2012.
- 2.11 The new Finance and Assurance division will become fully operational on 1st April 2013 and the final stage of the restructure will become effective from 1st August 2013 when Tom Whiting becomes the Corporate Director of Resources following Julie Alderson's departure. At that point the new Director of Finance & Assurance will also become the Council's S151 Officer.
- 2.12 The proposals should help to streamline the reporting arrangements to the Committee in the future through the Director of Finance and Assurance who will have specific accountability for providing assurance to the Committee.

Section 3 – Further Information

- 3.1 None.

Section 4 – Financial Implications

- 4.1 This particular stage of the restructure delivers a reduction of two senior posts from the management team with an approximate saving of £220,000.

Section 5 – Corporate Priorities

- 5.1 The Resources Directorate is critical to supporting corporate priorities across all directorates.

Name: Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 2 August 2012		

Section 6 - Contact Details and Background Papers

Contact: David Ward Tel: 020 8424 1781
david.ward@harrow.gov.uk

Background Papers: None