

CALL IN NOTICE

I hereby give notice that I wish to call-in the decision 'Outcome of Consultation on Options for the Council's Senior Management Arrangements' – taken by Cabinet on 18th September 2014. The reasons for the call-in are as follows:

Inadequate consultation with stakeholders prior to the decision:

The Council's consultation on reinstating the Chief Executive position, on which this decision is based, was launched on 18th July and lasted until 31st July. Despite the administration 'standing on a platform of consultation and engagement', the consultation exercise was extremely limited in scope. First and foremost, it presented only two options – either restoring the Chief Executive position or continuing with the status quo of a Corporate Director also assuming the Head of Service's responsibilities. The initial correspondence from Leader Cllr. David Perry stated that alternative options for the position had been discussed by senior staff, which included:

- Sharing a Chief Executive with another council (which, it should be noted, was described as the 'most popular' alternative to a dedicated Chief Executive position by the Scrutiny Challenge Panel in December 2013)
- Creating a new Head of Paid Service role such as Managing Director, Borough Manager or Chief Operating Officer
- Sharing the role between the Corporate Directors

All three of these options were discounted prior to the consultation taking place, suggesting a pre-determined desire to either restore the position or maintain the status quo – the former seeming the more likely, given the Leader's description of the latter as a 'damaging void'. Already, therefore, the consultation has been steered towards what is clearly the administration's preference. The consultation exercise was only open to staff, and only 384 responses were received, which is less than 10% of the Council's total staff. Roughly 66% of the responses were in favour of restoring the position. It should be noted, however, that an online poll conducted by the Harrow Times showed 66% of respondents were against restoring the position. The administration therefore conducted a consultation that was limited in scope, limited in options, and received a very low response rate from an already select group of respondents.

The absence of adequate evidence on which to base a decision, and insufficient consideration of legal and financial advice:

As mentioned previously, the Leader of the Council has described the lack a Chief Executive in Harrow as a 'damaging void' – most recently repeating the allegation in his blog entry of 15th September. It was also described in this fashion in the Labour Group's manifesto. However, there is no independent evidence to suggest any such damage has been done by abolishing the role, and there is therefore no compelling case to restore it. In fact, the one piece of independent advice the Council has suggests that removing the role has in no way damaged the operational capacity of the Council.

An annual audit report from Deloitte went to Governance, Audit, Risk Management and Standards Committee on 17th September – the day before Cabinet. It stated:

'At the time the deletion of CEO was made we considered the threat this would have to the authority achieving ongoing value for money and were satisfied that the responsibilities of the new post holder addressed those risks.'

'There have been no instances of control weakness identified during our detailed audit work as a result of the deletion of the post in 13/14.'

'If the post is reinstated in 14/15, whilst the cost per annum is not material to the council there could be public challenge in relation to reinstatement of a post that was previously determined as surplus to requirements.'

Therefore, in contrast to having no evidence of the need for a Chief Executive beyond the will of the administration, the Council actually does have evidence from a world-renowned auditor and financial advisor that the deletion of the position has posed no risk to either the management or the financial standing of the Council. Cabinet did not consider this evidence at all when making its decision.

The decision is contrary to the policy framework, or contrary to, or not wholly in accordance with the budget framework:

The Council's revenue budget for 2014/15 was approved by Cabinet on 13th February and then passed by Council on 27th February. That budget contained a line of 'To delete the post of Chief Executive and associated business support' with an annual saving of £280,000. Over a 4-year administration, deleting the position would have saved in the region of £1 to 1.2 million. To reinstate the position would therefore be contrary to the budget framework, as previously agreed by Council.

Further, the Council meeting on 27th February formally appointed the Corporate Director of Community Health and Wellbeing as Interim Head of Paid Service, after the Chief Executive position was abolished. The Council has therefore established a policy framework which includes an Interim Head of Paid Service, and which would need amending by full Council in order to restore the Chief Executive role. To restore the role would also appear contrary to the Pay Policy Statement adopted at the same meeting, which states:

'The Council defines its senior management as the top 2 tiers in the interim senior management structure commencing with the Corporate Directors (Tier 1) and Divisional Directors (Tier 2)' and that 'the Council's policy is to minimise the senior management pay bill.'

A Chief Executive role does not fit within either of those tiers and would also significantly increase the senior management pay bill. This again suggests this decision is being made contrary to the Council's policy framework.

In addition, the Corporate Plan adopted by the administration at Council on 24th July 2014 includes the phrase: 'We will try even harder to get the best value out of every pound we spend'. The Council also has a general obligation to achieve value for money, which the above analysis by Deloitte shows has not been put at risk by abolishing the Chief Executive role. Therefore, by virtue of restoring a £216,000 a year role which has no bearing on the Council's fiscal performance, Cabinet's decision would be contrary to the Council's policy of achieving value for money.'

Signed by
Councillor Susan Hall
Councillor Barry Macleod-Cullinane

Councillor Christine Bednell
Councillor Stephen Greek
Councillor Ameet Jogia
Councillor Camilla Bath
Councillor Kantilal Rabadia
Councillor Chris Mote
Councillor Janet Mote
Councillor Norman Stevenson