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**REPORT FOR: CHIEF OFFICERS'  
EMPLOYMENT PANEL**

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<b>Date of Meeting:</b>	31 October 2019
<b>Subject:</b>	Restructuring of Resource Directorate Senior Management Posts
<b>Responsible Officer:</b>	Charlie Stewart, Corporate Director of Resources
<b>Exempt:</b>	No
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1: role profiles

## **Section 1 – Summary and Recommendations**

### **Summary**

This report reviews the future capacity and skills-needs at Director level in the Resources Directorate and proposes a revised organisational structure. This structure includes the new roles of Director of ICT, the upgrade of the Head of HR&OD role to a Director, changes to the roles of Director of Customer Services and Business Transformation, Director of Strategy and Director of Finance and the regrading of the Head of Procurement.

The consultation with relevant staff on the changes is expected to be completed by the COEP meeting and the Corporate Director of Resources will update the Panel on the outcomes. Following the consultation, the restructuring would then be enacted with any changes that are agreed with staff. However, as the remuneration packages of the proposed posts of Director of ICT and the Director of HR&OD are above £100,000, as well as the regrading of the Head of Procurement role to D1, these changes need to be considered by the COEP.

Additionally the report seeks approval of additional temporary payment to the

Head of Legal Practice while they undertake Monitoring Officer responsibilities for the London Borough of Barnet

The costs for the proposed changes can be managed within current proposals.

### **Recommendations:**

It is recommended that:

1. The remuneration packages for the posts of Director of ICT and the Director of HR&OD, both at D2 grade (£106,842 -£120,275), be approved;
2. It be noted that the role of Divisional Director, Commercial Contracts & Procurement will be deleted and the regrading of the Head of Procurement role.
3. The changes to the role profiles for the posts of Director of Customer Services and Business Transformation, Director of Strategy and Director of Finance, as set out in the report, be noted.
4. Delegate to the Director of Legal & Governance authority to make temporary additional payments to the Head of Legal Practice

## **Section 2 – Report**

### **Background**

Currently, within the Resources Directorate, the senior management structure falls into four main areas each managed by a Director: Legal & Governance; Finance; Customer & Business Services, Business Transformation and IT; and Strategy and Community safety. In addition, there are two other senior functions which report into these Directors: **Commercial Contracts & Procurement**; and HR. Both of these functions are managed through interim arrangements.

The current establishment and structure of the Resources Directorate is:

- Corporate Director
- Director Legal & Governance
- Director Finance
- Director Customer Services and Business Transformation
- Director of Strategy
- Interim Head of HR (reporting to Director of Strategy)
- Interim Divisional Director Commercial Contracts & Procurement (reporting to Director of Finance)

On the 26<sup>th</sup> February 2019 the Chief Officer's Employment Panel agreed to finalise the Council's Corporate Director posts, bring in an Interim Head of HR (following the requirement to in-house the HR service) and confirm some

existing arrangements for Director posts within the Resources Directorate.

Since that agreement, several key matters have moved on significantly:

- The new Corporate Director Resources is now in place and has been able to assess requirements in more detail especially those surrounding the forthcoming transformation which will require significant additional focus at senior level.
- Work to develop the new model for the in-house HR service is near completion and the scope of its future work is now more clearly understood.
- The new IT service model is close to completion and has highlighted the need for much stronger strategic IT leadership in-house.

As a result of the factors highlighted above, the Corporate Directorate Resources has been considering the strategic priorities, objectives and challenges with a view to review the current structure and functions ensuring the Resources Directorate senior management structure is fit for purpose going forward.

The Director of Strategy currently manages the substantive role of the Head of HR, and is also responsible for the strategic and general management of the Strategy team. The role also provides strategic support and advice to the Corporate Strategy Board (CSB) and elected members.

The proposed new structure of the HR (& OD) department, following the return of the team from Bucks CC, is nearing completion and will be consulted on in accordance with the Council's policies. To lead the in-housed department, a Head of HR post was agreed at the February COEP reporting to the Director of Strategy.

The Director of Legal and Governance is responsible for the strategic and general management of the Legal & Governance Services Department and the discharge of specific Statutory Functions. This includes HB Public Law, the shared legal service.

The Director Finance is responsible for the strategic and general management of the Finance division in line with priorities laid out in the Medium Term Financial Strategy and Corporate Plan. The Director of Finance is the Council's Chief Finance Officer under S151; this role ensures the associated statutory duties are discharged.

The Director Customer Services and Business Transformation currently manages all customer care and public access to services across the council, manages the Council's information security and the IT partner, the Digital service, business change and business services. In addition, the Director has responsibility for the Collections & Housing Benefits service. This function has a specific focus on the collection of payments to the Council ensuring collections are maintained at the highest level possible. This is critical for the financial strength of the Council especially in these tight financial times.

The remaining Director role within the Resource Directorate is the Divisional

Director Commercial Contracts & Procurement, which is currently filled on an interim basis. This role reports to the Director of Finance.

## **Reasons for the Change**

This need for a Head of HR&OD was agreed by the COEP in February. However, the requirement for a more senior post to ensure the right level of strategic leadership, direction and interaction has become evident as the new model for HR and OD has developed, and the further complexities of in-housing of the service and the transformation's greater need for cultural change are better understood.

Additionally, with the in-housing of the service it makes sense to review the HR-associated contract management tasks. The HR contract management will cease as the in-housing is completed, and, to ensure the lead for HR&OD has all the tools associated with people management and development, the management of the Occupational Health and PerTemps contracts will move to HR&OD with the expansion of the recruitment and wellbeing roles.

The outcome of these changes, together with ensuring that the lead for HR&OD is of the calibre required, is expected to move the grade level for the role from D1 to D2. The D2 level would also be one more attractive to the right people in the employment market and negate the need for any market supplement. It is proposed role reports directly to the Corporate Director of Resources which would be appropriate to its level and work.

These changes reflect the role's now better understood responsibilities and ensure the role has the correct standing and access within the Council's senior structure. It will then be consistent with similar roles in other London Boroughs.

For the new Director of Strategy & Partnerships, three key objectives would be added to the role:

- Develop the vision for the Borough in much more depth and further re-fine and develop the associated plans. This will take considerable senior effort working closely with partners, CSB and Members.
- Build strategic partnerships across the Borough,.
- Develop the provision of strategic support and capacity to the Chief Executive on wider policy matters, strategic cross-cutting issues and the interface to the London Local Authority partnerships.

It is being proposed that the Director of Strategy role is revised, following the loss of HR, to become a Director of Strategy and Partnerships working directly to the Chief Executive, for day-to-day tasking, but still reporting to the Corporate Director of Resources for line-management matters. This will also allow the delivery for the objectives set out above and support the Chief Executive, Leader and Cabinet to take these agendas forward.

The revised role would be similar to Executive Assistant and Chief of Staff roles found in other local authorities. The post would sit on the CSB as an

advisor.

A further proposal will be for this role to take over the co-ordination of commissioning across the council and with the key partnership. This would help provide one focus point for commissioning that was not just cross directorate, but also cross partnership. This would be a co-ordination role and therefore it is not proposed to bring all commissioners centrally into one department. However, it would require a review of links into the other two Directorates.

The Director for Customer Services and Business Transformation's role will change significantly as the transformation programme is implemented. The Director will need to reduce the current responsibilities to allow the capacity to work on the Transformation Programme, especially noting she only works 3 days a week. This change in the focus of the role is reflected in the proposed new job description, the removal of several of its current functions to other departments (as noted below) and the proposed change in title to Director of Transformation & Customer Services

As this role is specific to the needs of the transformation, it will be reviewed following the programme's completion in 2 to 3 years' time.

(NB. Since the staff consultation started, upon which this report is based, the current Director of Customer Service and Business Transformation has decided to retire. So as not to interrupt the current consultation, the proposal being considered is still to have a Director of Transformation and Customer Services. However, as the revised role is to be reviewed after the transformation is complete, further consideration will be given as to how the role and its functions are now to be delivered after the consultation is completed. Any further changes would then be part of a future consultation.)

With the new ICT service model, the Council takes over the 'brains' of ICT; its strategic and technical direction. Additionally, the proposed revision to the current Devolved Apps approach to managing ICT in-services, move to the Cloud and transformation will add further strategic and technical responsibilities to the ICT service.

A new role of Director of ICT is proposed to lead this expanded in-housed ICT service. This is in line with the expected grading of the role at D2 and reflects the need for a very senior ICT professional with a deep understanding of the ICT market and how technologies are advancing. The D2 level would also be one more attractive to the right people in the employment market and negate the need for any market supplement.

With the recent decision of the current Director of Transformation and Customer Service to retire, the recruitment to this post would start as soon as approval is given.

It is proposed that the Director of Finance takes over the Collections & Housing Benefits team. The introduction of Universal Credit, and the

continuing need to ensure income/debt collection is maximised, will change the focus of the Collections & Housing Benefits service to one more aligned to that of the Director of Finance's division to reflect the responsibility on audit with the role, it is being proposed that the roles title be amended to Director of Finance and Assurance.

The Divisional Director, Commercial Contracts & Procurement post is currently filled on an interim basis, since this role was created the focus on procurement has increased and the need for a senior procurement leader has been established. It is therefore being proposed that the post of Divisional Director, Commercial Contracts & Procurement be deleted and a revision of the Head of Procurement be carried out . The revised role would report to the Director of Finance and Assurance.

Harrow operates a shared legal practice (HB Law) with the London Borough of Barnet, who have recently extended their agreement until 2022. Barnet's current Monitoring Officer is leaving and they have asked that Harrow's Head of Legal Practice undertake the role on a trial basis from 1<sup>st</sup> January 2020 for 6 months. Barnet will pay Harrow for all costs involved.

The successful integration of the Monitoring Officer role into the shared legal practice will further embed the current arrangement and under pin its future. Recognising also the possible risks to the project in the proposed arrangement, it is recommended that it be piloted in the first instance.

## **Summary of Proposed Changes**

The proposed Resource Directorate senior management structure provides a clear focus on the leadership of Directorate's strategic, statutory and professional functions. One role is deleted, three roles are amended, one new role is created and one function is transferred to a different Director, and a revision of a further role

Summary of the changes:

Deleted role:

- Divisional Director, Commercial Contracts & Procurement

Amended roles:

- Director, Customer Services & Business Transformation becomes Director of Transformation & Customer Services
- Head of HR becomes Director of HR & OD
- Director of Strategy becomes Director of Strategy & Partnerships

New role:

- Director of ICT

Transfer of function to:

- Director of Finance

No changes:

- Director of Legal & Governance

Revision of role

- Head of Procurement

As a result the new Resource Directorate Management team is proposed to be:

- Corporate Director Resources
- Director of HR & OD
- Director of Legal & Governance
- Director of Finance and Assurance
- Director of Strategy & Partnerships
- Director of Transformation & Customer Services
- Director of ICT

It should be noted that the grades for the new roles are indicative and are subject to confirmation following evaluation, using either the GLPC or Hay Job Evaluation schemes, after the close of consultation, in addition, the Head of Procurement will be regraded to D1.

## Recruitment

	Job Title	Grade	
1	Director of Legal & Governance	D3	No change
2	Director of Finance and Assurance	D3	No Change
3	Director of Transformation and Customer Services	D2	Assimilation
4	Director of Strategy and Partnerships	D2	Assimilation
5	Director of HR & OD	D2	Recruitment
6	Director of ICT	D2	Recruitment

## Legal Implications

- 5.1 In accordance with the Constitution, this Panel approves the remuneration package for any Council post of £100,000 or over.
- 5.3 This Panel is required to report back to Council for information purposes on all such approved remuneration packages.  
Harrow can make a member of its staff available to another authority under s113 Local Government Act 1972.

## Financial Implications

The salary for the new permanent roles of Director of ICT and Director of HR&OD are fully accounted for in the Directorate's annual budget. All other posts are already in the relevant budgets.

There will be additional costs for the appointing of an agency to support the recruitment of the Director of ICT (approximately £12.5k) which will be contained within existing budgets within the Resources Directorate.

The recruitment costs for the Director of HRD will be the same as that already agreed for the Head of HR recruitment, which will be contained within existing budgets within the Resources Directorate.

Barnet will reimburse Harrow for all the costs involved in the proposed Monitoring Officer arrangement.

## **Risk Management Implications**

Risk included on Directorate risk register? No

Separate risk register in place? No

There is a risk that a suitable candidate for the role of Director of ICT cannot be found as there is high demand for such skills in the current employment market. Initial discussions with the potential recruitment agency has started to identify candidates. Candidates for the Director of HR&OD are already starting to be found so the risk to this recruitment is consider to be low.

If the COEP do not agree the Director posts then there is a high risk to the Council that the key functions of HR&OD and ICT will not be successfully delivered and the new in-housed services will fail.

## **Equalities implications / Public Sector Equality Duty**

Was an Equality Impact Assessment carried out? Yes

The proposals will potentially impact on 5 existing FTE's as their current roles are proposed to be changed. However it is anticipated that some of the roles being proposed to be introduced are very similar in nature and it is anticipated that existing staff will assimilate into the new similar roles.

There are no anticipated redundancies in this proposed restructure.

There are no expected impacts on groups with protected characteristics or on service users.

## **Council Priorities**

Please identify how the decision sought delivers these priorities.

Although these proposed changes mainly support the delivery of a modernised Harrow Council, through transformation and improvements in support services, they will also indirectly improve all the Council's priorities by the support given to all services.

### **1. Modernising Harrow Council**

- Deliver excellent value for money services
- Use technology and innovation to modernise how the Council works
- Improving access to digital services



### Section 3 - Statutory Officer Clearance

Name: Dawn Calvert  Chief Financial Officer

Date: 23 October 2019

Name: Hugh Peart  Monitoring Officer

Date: 22 October 2019

Name: Charlie Stewart  Corporate Director

Date: 23 October 2019

#### **MANDATORY**

**Ward Councillors notified:** NO

### Section 4 - Contact Details and Background Papers

**Contact** Charlie Stewart, Corporate Director, Resources

**Background Papers:** Consultation papers

If appropriate, does the report include the following considerations?

1.	Consultation	YES
2.	Priorities	YES