

## LONDON BOROUGH OF HARROW

<b>Meeting:</b>	Cabinet
<b>Date:</b>	20 <sup>th</sup> April 2004
<b>Subject:</b>	New Harrow Project – Senior Management Structure
<b>Key decision:</b>	No
<b>Responsible Chief Officer:</b>	Chief Executive
<b>Relevant Portfolio Holder:</b>	Finance, Human Resources and Performance Management
<b>Status:</b>	Public (with exempt report circulated separately to Cabinet Members only)
<b>Ward:</b>	N/A
<b>Enclosures:</b>	Appendix 1 - Senior Management Structure Appendix 2 - Estimated Costs Appendix 3 - Proposals for Director of Community Care Appendix 4 - Proposals for Strategic Planning Director  (Appendices 2, 3 and 4 have been circulated separately with the exempt report to Cabinet Members only)

### 1. **Summary/ Reason for urgency (if applicable)**

This report details the following:

- Progress in filling the senior management structure
- Comparison of costs of 'old' structure with the revised senior management structure
- Proposals for creation of posts of
  - Director of Community Care - People First
  - Director of Strategic Planning - Chief Executive's

### 2. **Recommendations** (for decision by Cabinet)

- 2.1 That the establishment of the two additional Directors posts, as detailed in the associated exempt report circulated to Members of Cabinet, be approved.

### 3. **Consultation with Ward Councillors**

3.1 N/A

### 4. **Policy Context (including relevant previous decisions)**

4.1 Cabinet, at its meeting on 16 July 2002 (minute 51), agreed a revised Executive Management Structure for the Organisation.

4.2 Cabinet – 16 March 2004 – minutes 464 and 473

### 5. **Relevance to Corporate Priorities**

5.1 This report is relevant to the vision and strategic corporate priorities of the Council.

### 6. **Progress in filling the senior management structure**

6.1 Cabinet agreed the revised senior management structure for the Council in July 2002. It was agreed that the work of the authority would be based around 4 new directorates:

- Business Connections
- People First
- Organisational Development
- Urban Living

Each directorate was to have 3 key functions, each headed by a director of:

- Strategy
- Professional Services (x2in People First)
- Area Director

6.2 Following detailed consideration of how the directorates could be structured, the attached organisational structure was agreed (Appendix 1). Since then, in the light of changing internal needs and in response to certain external factors two interim, transitional posts have been added to the structure:

- ◆ An ALMO Project Director has been appointed to facilitate the creation of the ALMO. This post will terminate when the ALMO is established and operating effectively.
- ◆ A Head of Community Care to lead on service integration with PCT. It was not originally envisaged that Community Care Services would be part of People First and would merge with the PCT within a short period of time. This is discussed in the exempt report attached for Members' information only.report.

6.3 There are currently 2 unfilled posts:

- Area Director (Organisational Development)  
It was agreed that this post would be filled on an interim basis to enable the First Contact project to be developed. Given the different stages of the project, this approach will give Harrow the flexibility to use different skills at different stages.
- Area Director (Business Connections)

It was always envisaged that this post would be the last of the Area Director posts to be filled.

All other posts are filled.

- 6.4 The exempt report, which has been circulated for Members' information only, outlines proposals for the establishment of two additional Director posts of Director of Community Care and Strategic Planning Director.

7. **The Costs of the 'old' and new structures**

- 7.1. Appendix 2 updates the costs of the top management structure, highlighted in the report to Cabinet prepared by Martin Walklate, the then Acting Chief Financial Officer, in 2002. Updating these figures for the actual pay increase (4.5% rather than the 4% he used) and for the effect of the supplements for the statutory officers gives a total of 'old' cost of £1.7m. Revised costings for the structure show a total cost, based on actual salaries where known, of £1.688m, a reduction of £12K on the original estimates when comparing on a 'like for like' basis.

8.0 **Consultation**

- 8.1 None

9. **Finance Observations**

- 9.1 There is currently a budget of £60,000 within the change management budget to cover the costs of the temporary Head of Community Care Services. The costs of a Director of Community Care, at Professional Director salary levels, is likely to be in the region of £94,000 including on costs (based at mid point of the scale). This would mean that £34,000 additional funding would need to be found to support this post. This can be found from within the existing People First Budget.
- 9.2 The Strategic Planning Director post would also be on the professional director scale and cost £94,000 (including on-costs) at mid point. However, the costs of this post could justifiably be charged to capital as it is preparing for a major capital scheme.
- 9.3 Both of these posts could be funded without any additional costs falling to the revenue budgets

10. **Legal Observations**

- 10.1 None

11. **Background papers**

- 11.1 None

12. **Author**

- 12.1 Joyce Markham, Chief Executive 020 8424 1183