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26 March 2018

To: All Members of the Staffing and Remuneration Committee

Dear Member,

Staffing and Remuneration Committee - Monday, 26th March, 2018

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

9. SENIOR MANAGEMENT RESTRUCTURE (PAGES 1 - 20)

Yours sincerely

Susan John, Principal Committee Co-ordinator
Principal Committee Co-Ordinator

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LATE BUSINESS SHEET

THE ADMISSION OF ANY LATE ITEMS OF BUSINESS IN ACCORDANCE WITH SECTION 100B OF THE LOCAL GOVERNMENT ACT AND IN AGREEMENT WITH CHAIR OF THE COMMITTEE THAT THERE ARE SPECIAL CIRCUMSTRANCE THAT REQUIRE THE REPORT BEING CONSIDERED

Report Title: Senior Management Restructure Update

Committee/Sub etc: Staffing & Remuneration Committee

Date: 26th March 2018

Reason for lateness and reason for consideration before the next ordinary meeting of the Committee.

The report was written in relation to a consultation that took place and was due to end on 23rd March 2018, after the publication date of the agenda.

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Report for: Staffing & Remuneration Committee – Monday 26th March 2018

Item number: 9

Title: Senior Management Restructure Update

Report

authorised by : Zina Etheridge: Chief Executive and Head of Paid Service

Lead Officer: Mark Rudd: Assistant Director Shared Services

Ward(s) affected: N/a

Report for Key/

Non Key Decision: N/a

1. Describe the issue under consideration

- 1.1 At the Staffing & Remuneration Committee meeting held on 5th February 2018, the Committee received a report from the Chief Executive and Head of Paid Service setting out her intention to review and reorganise the Council's Senior Management Team, and commence a period of consultation. The restructure affected the Corporate Leadership Group (CLG) being the Council's Directors and Assistant Directors, together with the Senior Leadership Team.
- 1.2 This report provides a summary of the outcomes of the consultation, the details of the new structure including the positioning of key departments of the Council, details of the transition period and interim arrangements, and an outline of the approach to recruitment and selection. The new structure is set out at appendix 1.

2. Cabinet Member Introduction

- 2.1 Not applicable

3. Recommendations

- 3.1 That the Committee note this report.

4. Reasons for decision

- 4.1 Following the appointment of a new Chief Executive and Head of Paid Service, an interim structure has been in place whilst firstly; informal feedback on the future structure of the Senior Management Team was gathered from members of Corporate Leadership Group (Directors and Assistant Directors) and then through a formal period of consultation with all affected senior managers.

- 4.2 The agreed restructure set out in this report better meets the significant challenges and opportunities the Council faces over the medium term; creates stability at a senior management level during a time of change within the elected leadership of the Council and achieves a more coherent structure and reporting lines.

5. Alternative options considered

- 5.1 N/A – the report is for noting

6. Background information

- 6.1 At the Staffing & Remuneration Committee meeting held on 5th February 2018, the Committee received a report from the Chief Executive and Head of Paid Service setting out her intention to review and reorganise the Council's Senior Management Team, and commence a period of consultation. The restructure affected the Corporate Leadership Group (CLG) being the Council's Directors and Assistant Directors, together with the Senior Leadership Team.

6.2 Consultation

- 6.2.1 Following the February Committee meeting, the Chief Executive and Head of Paid Service formally opened consultation on 6th February 2018 for a period of 45 days. The restructure was undertaken in line with the Council's Restructure Policy.

- 6.2.2 The formal consultation process included:

- Briefing by the Chief Executive to all members of Corporate Leadership Group followed by issuing of consultation documentation including proposed new senior management structure
- Meeting with local Trade Union
- 1:1 meetings between impacted staff and Chief Executive
- Written feedback on proposals from impacted staff to Chief Executive
- Chief Executive briefings with the Leader and individual Members

All those who responded to the consultation have received a formal response from the Chief Executive.

6.3 Consultation feedback summary

- 6.3.1 A total of 13 feedback responses were received. Overall, feedback was supportive of the proposals and recognised that the structure changes to the senior management of the Council was needed to provide stronger leadership led by a revised Corporate Board.

- 6.3.2 Consultees recognised the need to defer significant changes to Regeneration, Planning & Development until there is more certainty around the new administration's priorities within this area. Similarly, with the appointment of a

new Director of Children's Services, no immediate changes have been made to the Children's Service structure.

- 6.3.3 To ensure robust governance and stability at a strategic finance level during the development of the new Medium Term Financial Strategy, the existing Interim Chief Finance Officer (Section 151) post would remain in place until October 2018. This would also allow sufficient time post the election to recruit to the proposed new role of Director of Finance.
- 6.3.4 The proposal to integrate Adults and Public Health portfolios, and recognising the importance of Commissioning within the Council created significant feedback. Recognising the important leadership role Public Health plays within the Council was welcome but concerns were expressed about the implied loss of influence of the Director of Public Health through reporting to the Director of Adults. The role of Director of Public Health will remain a member of the Statutory Officers Group. Strong support for a new approach to commissioning to respond to some key issues facing the Council over the coming months were highlighted, which stressed the importance of commissioning in identifying needs and outcomes, managing resources, planning and implementing effective responses. Whilst no further immediate changes to the proposed structure of Adults and Health are recommended at this stage, it is recognised that further work around how commissioning will work across the whole Council should be undertaken. A review of commissioning functions to ensure that the objectives set out in the consultation exercise, of more integrated commissioning with a stronger focus on families, will be undertaken, led by the Assistant Director of Commissioning. The Assistant Director Commissioning will also bring together a network of commissioners across the Council to ensure effective integration and high professional standards.
- 6.3.5 Strengthening organisational resilience by moving emergency planning into the new Environment and Neighbourhoods directorate that includes health and safety and business continuity, to create a consolidated, more robust function was strongly supported. The benefits of retaining links to public health were also noted.
- 6.3.6 As part of the consultation process, all role job profiles were reviewed, updated where appropriate and re-evaluated to ensure they were fit for purpose and met the future needs of the role. As a result, the post of Assistant Director for Corporate Governance (Monitoring Officer) was revised from Senior Manager Pay Grade HB1A to HB2A. The pay grades of all other existing posts were unchanged.

6.4 Trade Union Comments

- 6.4.1 Deletion of Deputy Chief Executive & Chief Operating Officer Posts – the Traded Union are aware that the Chief Executive has many pressures where the Chief Executive needs to represent the borough at a number of high level functions and also where serious incidents occur and therefore it is sensible to have the ability to refer matters to a deputy, who is equally skilled and able, to

reflect the Council's strategic plans and ensuring that there is strategic consistency along with maintaining the Council's valuable reputation.

- 6.4.2 Having commented on the Deputy Chief Executive post, it is reasonable to assume that the Chief Executive may wish to delegate deputising powers and responsibilities to her direct reports which may assist in skilling direct reports to build up their skills base as part of their wider professional development.
- 6.4.3 Creation of a new post within the portfolio of the current Director of Adult Services - this part of the proposal concerns, in particular, the current Director of Public Health who, if this proceeds as proposed, will effectively be demoted and deskilled. The Trade Union is of the view that potentially the Chief Executive should consider an open ring-fence to include the Directors of Adults and Public Health in the recruitment process and anyone else who may have a legal right to be considered. You may wish, in the meantime, to appoint an interim, or even consider a joint directorship or a shared function which could include a number of people directly reporting to the Chief Executive.
- 6.4.4 The Assistant Director Environment and Neighbourhoods reporting directly to the newly created Director Environment and Neighbourhoods overseeing Anti-Social Behaviour, Regulatory Services, Environmental Health etc., - the Traded Union is seeking clarity on this vacant post in that it will be subject to an open ring-fence, initially open to those within Director Environment and Neighbourhoods span of responsibility. Obviously if there is a failure to appoint the usual recruitment process will apply for this senior post.

6.5 Proposed new structure:

- 6.5.1 The impact of each designated role as a consequence of the new structure is as follows:

(a) Posts to be established (new posts):

- Director of Finance
- Director of Adults and Health
- Director of Environment and Neighbourhoods
- Director of Customers, Transformation and Resources
- Assistant Director of Finance
- Assistant Director Environment & Neighbourhoods

(b) Posts to be deleted:

- Deputy Chief Executive
- Chief Operating Officer
- Director of Adult Social Services
- Interim Director of Commercial & Operations
- Assistant Director Commercial & Operations
- Interim Director of Transformation & Resources
- Assistant Director of Transformation & Resources

- Assistant Director for Public Health (vacant post)

(c) Posts to be changed:

- Strategic Director of Regeneration, Planning and Development to be re-titled Director of Housing, Regeneration & Planning
- Director of Children's Service – change of line management
- Director of Public Health – change of line management
- Assistant Director for Corporate Governance (Monitoring Officer) – post grade re-evaluated from HB1A to HB2A
- Assistant Director for Commissioning – change of line management
- Assistant Director Shared Service to be re-titled Assistant Director Corporate Resources

(d) No change to posts:

- Director of Regeneration
- Director of Housing and Growth
- Interim Chief Finance Officer (Section 151 Officer)
- Assistant Director for Strategy and Communications
- Assistant Director of Planning
- Assistant Director of Area Regeneration
- Assistant Director for Economic Development and Growth
- Assistant Director Safeguarding & Social Care
- Assistant Director Early Help & Prevention
- Joint Assistant Director Schools & Learning
- Joint Assistant Director Schools & Learning
- Assistant Director Adult Social Services
- Assistant Director for Public Health (occupied post)
- Assistant Director Customer Services & Libraries

6.5.2 The appointment or dismissal (including by way of redundancy) of Chief Officers and Deputy Chief Officers will require the approval of the Staffing & Remuneration Committee. Such decisions will need to be brought back to the Committee for consideration as appropriate.

6.6 Transition Period

6.6.1 As the Council moves to a new structure, the priority is to ensure stability at a senior level and the continued delivery of the Corporate Plan and business as usual activities. Implementation of the new structure will ensure services to residents are not affected.

6.6.2 Once the Corporate Board is in place, it may be necessary for each Chief Officer to undertake a further review of their own organisational structures to

ensure that they are fit for purpose to deliver the key objectives of the Corporate Plan.

6.7 Interim arrangements

6.7.1 The success of the transition is dependent on a number of key interim arrangements which include:

- The existing Interim Chief Finance Officer (Section 151) post would remain in place until October 2018. This will ensure robust governance and stability at a strategic finance level, fulfil statutory responsibilities and lead on the new Medium Term Financial Strategy. This arrangement also allows sufficient time to recruit to the proposed new role of Director of Finance.
- The new posts of Director of Adults and Health, Director of Environment and Neighbourhoods and Director of Transformation and Resources will be filled on a temporary basis until recruitment to the posts is completed
- Other existing fixed term or acting up appointments at Assistant Director level will remain until recruitment and selection is completed.
- All other governance arrangements within the Council at Chief Officer, senior manager and statutory functions are being fully maintained during the interim period.

6.8 Recruitment and selection

6.8.1 Recruitment to all senior management posts will be in line with the Council's Recruitment Policy. Posts will be advertised internally and externally and ring-fenced where appropriate. The selection process will be designed to test technical skills and behaviours appropriate to each role and will consist of panel interviews and other assessment activity as deemed appropriate by the senior recruiting manager.

6.8.2 It is not anticipated that permanent recruitment will begin for any of these posts until after the local elections in May 2018.

6.8.3 The appointment of Chief Officers and Deputy Chief Officers will require the approval of the Staffing & Remuneration Committee. Such decisions will need to be brought back to the Committee for consideration as appropriate.

7. Contribution to strategic outcomes

7.1 This report outlines the intention of the Chief Executive and Head of Paid Service to carry out a restructure of the Council's Senior Management Team in line with the proposals set out in this report. These officers are responsible for the strategic leadership of the Council, delivery of its priorities and Corporate Plan.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance

The current senior management structure is fully funded and the proposed structure is more aligned to the council's strategic objectives whilst realising a revenue saving of £188k based on the remuneration levels stated, as per the appendix 1 below.

Additionally there will be one off termination costs to officers who do not have roles within the new structure.

The council would always seek to obtain value for money and this proposal meets the criteria on improving performance whilst being delivered at a better price.

8.2 Procurement

Not applicable

8.3 Legal

The Assistant Director of Corporate Governance has been consulted in the preparation of this report.

In accordance with [Part 3 Section E Section 2](#) of the Constitution, the Chief Executive may make changes to the establishment including the creation and deletion of any posts as a result, such changes to be contained within existing budgets and in accordance with agreed procedures and legislative requirements.

The dismissal and appointment of staff as a result of the new structure must comply with the Council's procedures regarding organisational change, together with the legal and constitutional requirements set out at Part 4 K of the Constitution.

8.4 Equality

The staff restructure EqIA Screening Tool has been completed which identified that a full EqIA was not required due to the relatively small impact upon the profile of the workforce.

It is not possible at this stage to give details of the final impact upon the workforce until the recruitment process is completed. One employee is at risk of redundancy (subject to Member approval).

Further employee equalities analysis will be conducted at the end of the recruitment process.

9. Use of Appendices

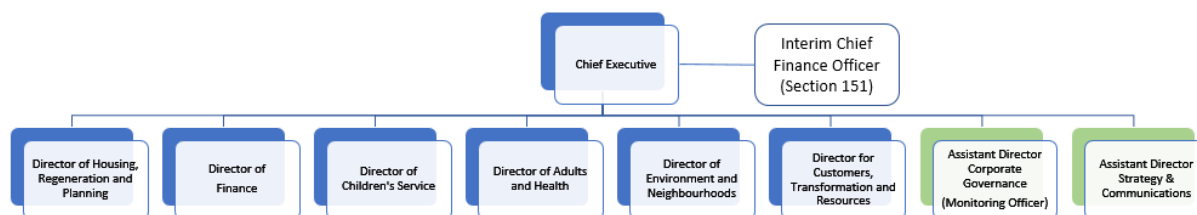
Appendix 1 – Senior Management Structure

10. Local Government (Access to Information) Act 1985

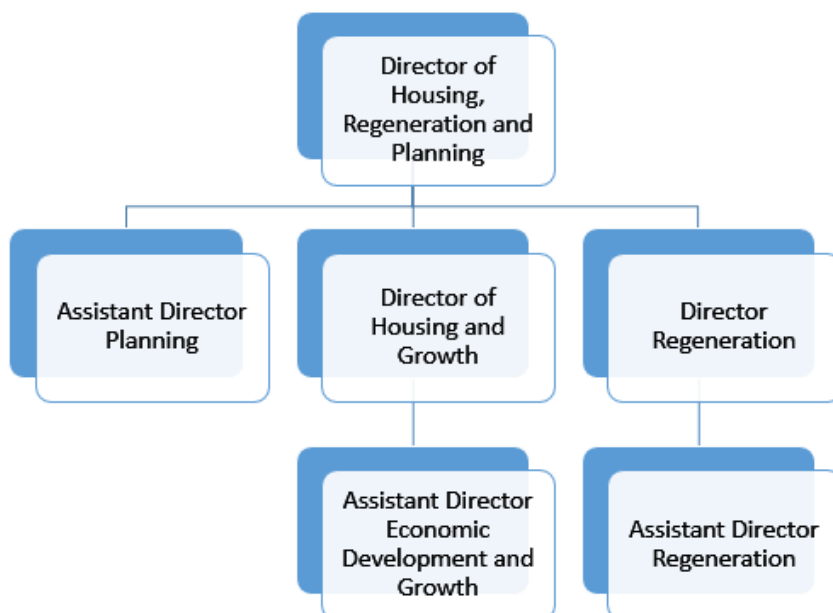
10.1 Not applicable

Appendix 1 – Senior Management Structure

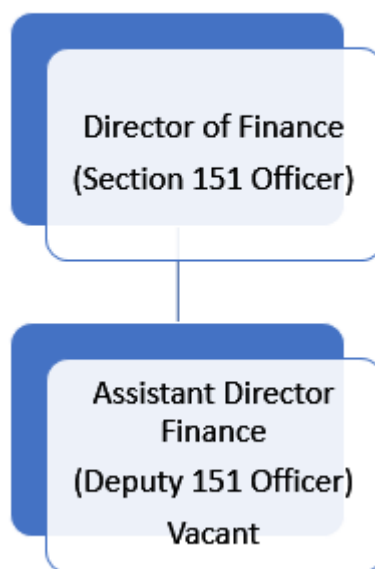
Corporate Board



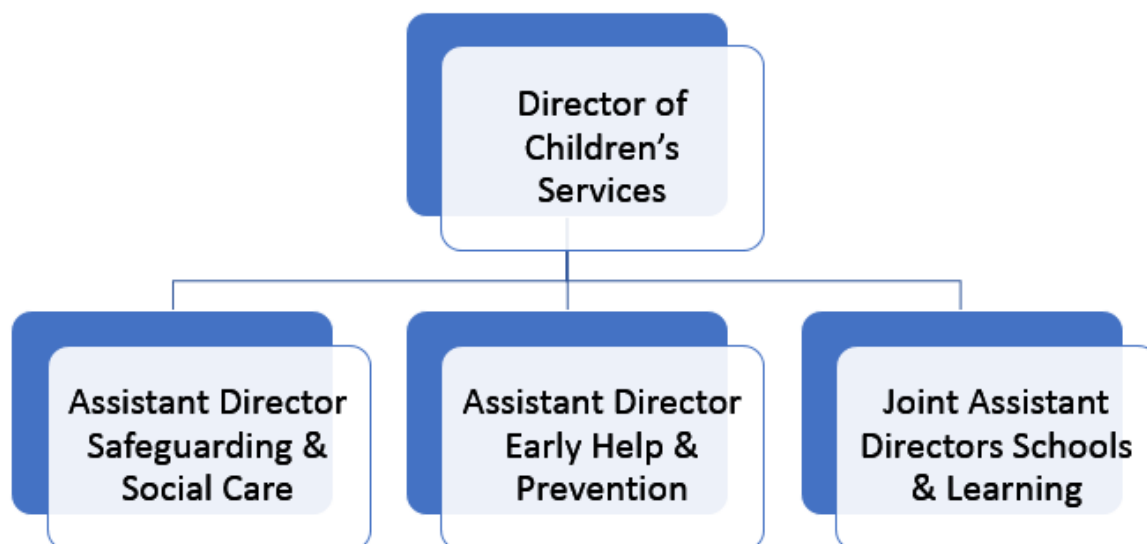
Housing, Regeneration and Planning



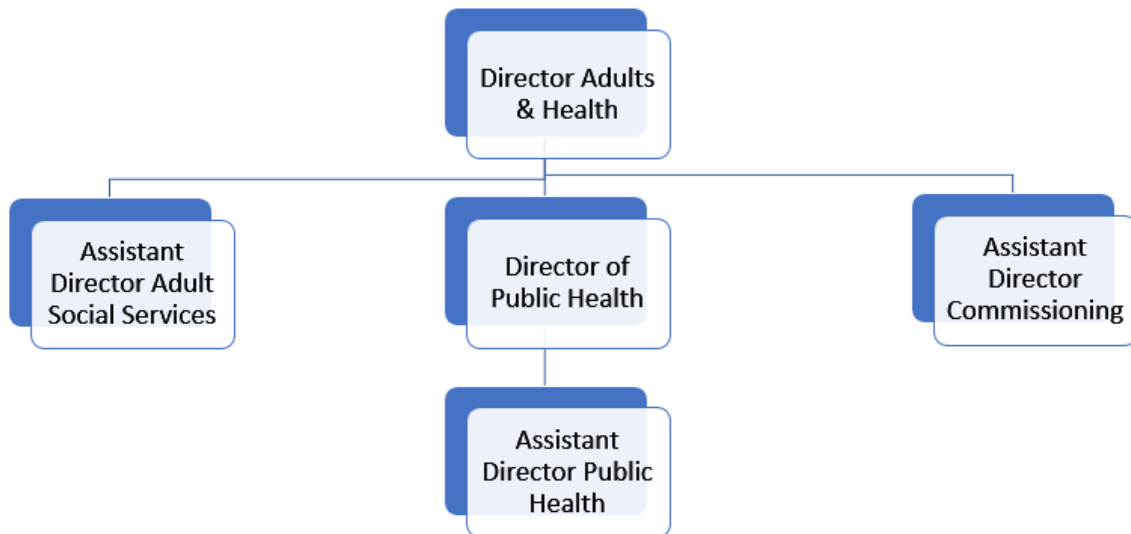
Finance



Children's Service



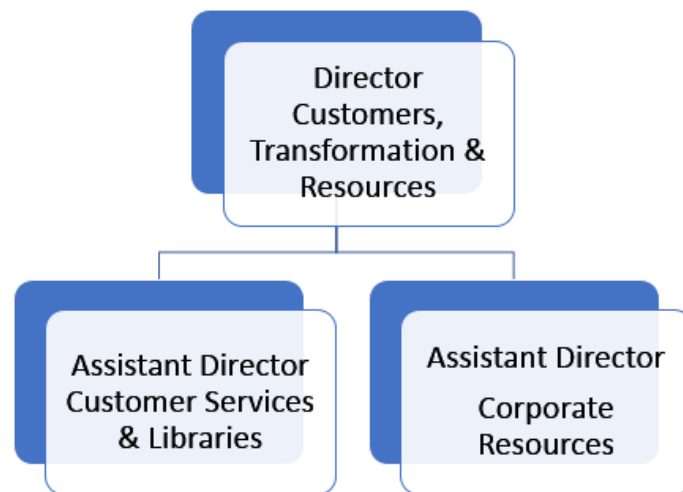
Adults and Health



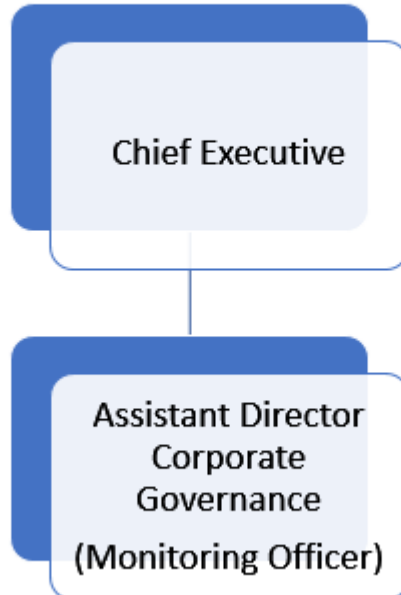
Environment & Neighbourhoods



Customers, Transformation & Resources



Corporate Governance



Strategy & Communications



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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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