



Haringey Council

Report for:	Corporate Committee	Item Number:	
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Title:	Proposals to Review and Restructure of the Senior Management Team Arrangements
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Report Authorised by:	<i>N. Walkley</i>
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Lead Officer:	Nick Walkley, Chief Executive and Head of Paid Service
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Ward(s) affected: All	Report for Key/Non Key Decisions:
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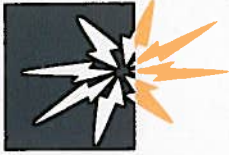
1. Describe the issue under consideration

1.1. At Corporate Committee on 22nd January 2013 and 27th June 2013 I, as Head of Paid Service, signalled an intention to bring forward a reorganisation of the Council's structures. This report continues the process by:

- Detailing a proposed reorganisation of senior management at Director and Assistant Director level
- Providing background on pay and grading
- Initiating a review of senior managers' contracts of employment
- Initiating consultation on the above
- Setting out proposals for assessment and development of the management posts that report to posts covered by this report.

1.2. The proposed new structure responds to the strategic challenges set out in Section 3 by proposing:

- The creation of a smaller Strategic Leadership team accountable to Members for the overall organisation performance and the delivery of agreed outcomes.
- The creation of functional service areas with clear responsibility for delivery of specific functions.



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- Proposing a further rationalisation and reorganisation at the Head of Service level to provide clarity and accountability for delivery.

1.3. The reorganisation is dealt with at Section 3 and proposes significant changes to:

- The post of Director of Corporate Resources
- The post of Director of Children's Services
- The post of Director of Adult and Housing Services
- The post of Director of Place and Sustainability
- The post of Assistant Chief Executive
- The post of Chief Executive of the ALMO
- The post of Deputy Director – Community Housing Services
- The post of Deputy Director Commissioning –Adults
- The post of Head of Legal Services
- The post of Assistant Director – Front line services
- The post of Haringey Efficiency and Savings Programmes Director
- The post of Head of Business Strategy and Information
- The post of Head of Local Democracy
- The post of Head of IT
- The post of Head of Organisation Development

2. Recommendations

That Members agree:

- For the Head of Paid Service to implement consultation, in line with the Council's Restructure Policy, with Councillors, staff, Trade Unions and partners on the proposals;
- For the Head of Paid Service to implement the proposals including any changes that were accepted as a result of consultation;
- Notwithstanding the above point to provide a progress report back to the Committee in November;
- That following consultation and compliance with the Council's Restructure Policy the Head of Paid Service will arrange for redundancy letters to be issued to those employees who have not secured a role in the new structure or been redeployed as a result of the process;
- Open engagement with Homes for Haringey on the proposals set out in the paper;
- The approach to development of Heads of Service set out below;
- Accept the findings of the Pay and Reward review and agree its recommendations for future consultation. See exempt report;
- A review of the senior managers employment contract and for a report to come back to this committee in November 2013.

3. Detailed Proposals

3.1. The Council faces a series of significant challenges and opportunities over the medium term. Responding to these will require a Council structure that is flexible,



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has the capacity to develop strategic options and also ensure excellent outcomes and service delivery.

3.2.A new Council officer structure provides only part of the necessary response to these challenges. The structure will need to be matched by significant system changes, particularly in the area of customer services, and a programme of cultural change primarily aimed at enhanced cross council and partner working. The new officer leadership team will need to secure the delivery of the organisational improvement priorities set out in the 27 June report to this Committee and the outcomes contained in the Corporate Plan. However this provides only a starting point for the development work the team will need to undertake on the medium term financial plan and strategic response to the challenges the authority faces.

3.3. I would advise that the significant challenges facing Haringey are:

3.3.1 Financial

The authority must further reduce its operating costs if it is to sustain improved public services. Any proposed restructure must respond to this by further integrating back office functions, adding capacity to support necessary change and minimising duplication within the Council and with partners. This proposed restructure responds to this challenge through new arrangements for policy and strategy, new arrangements for the management of a range of frontline delivery functions and supporting programme and project management.

3.3.2 Children's Services

There have been undoubted improvements in Children's Social Care but this has required additional investment which has been primarily focused on acute need rather than prevention. There remain on-going challenges in Education, Youth, Early Years and Early Help services. Any reorganisation must ensure sufficient capacity to address these issues whilst also leading wider changes to the delivery of Children's services as envisioned by the Haringey 54,000 programme. This restructure seeks to address these issues by reconfiguring the responsibilities of the Children's Service Director and through new commissioning structures.

3.3.3 Regeneration and Development

The Tottenham programme, other borough schemes and addressing wider housing needs are challenges as significant as any in any place in the country. It is already evident that the concept of a Place Directorate is too broad to ensure sufficient attention on the critical programmes that will drive regeneration and economic growth in the borough. This restructure responds with proposals to create a new Regeneration, Planning and Development function with responsibility for these issues alone.

3.3.4 Delivery

Haringey's services are improving but they need to quicken that rate of improvement and the current structure carries risks associated with a potential



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lack of focus in this area. This restructure responds to this challenge with revised arrangements for policy and performance alongside.

3.3.5 Wider Environmental Change

Whilst addressing the above the Council also needs to design structures capable of responding to a diverse set of wider changes that will impact on service demand and the way services are delivered. These include:

- As people live longer the proportion of elderly residents will grow rapidly;
- Significant increases in the numbers of young people;
- Legislative changes in areas such as Benefits and Health and Social Care;
- Technological change; and,
- A mobile and rapidly changing population in London and Haringey.

3.4. The new Senior Officer Leadership Team

These proposals create a smaller strategic officer group at the top of the organisation, to be known as the Senior Leadership Team. Whilst individual post holders in this group have connected in the past, given the wide ranging activities they are involved in, the intention is that this group collectively implement the policy direction of the authority.

To be able to do this strategic work, the direct reports to this new leadership team need to focus on the day-to-day leadership and management of the authority. The restructure seeks to achieve this by moving away from existing Directorates to smaller functional units.

For such an approach to succeed the Senior Leadership Team will need to be 'porous' with meetings having regular attendance from their direct reports in support of decision-making. Likewise, that tier of direct reports will need significant delegated authority and be an identifiable cohort with their own business plans and corporate responsibilities.

To exemplify this the Senior Leadership team will set, in consultation with Cabinet, the strategic direction and broad financial envelope for the budget by developing a Medium Term Financial Strategy. It will be for the next tier to develop the detailed proposals and delivery plans that make up individual budgets.

3.4.1 Chief Operating Officer (COO)

This role will provide leadership for the day-to-day business of the council and the universal functions we or our partners provide. The COO's management team will have a focus on service efficiency, quality and customer service.

The COO will preferably be the S151 Officer and will lead the budget making process for the authority.

Reporting to the COO will be:



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- Assistant Director Finance (Deputy 151)
This is an existing role with increased accountability for procurement. The role will lead all matters relating to budgets, financial control and value for money.
- Assistant Director Customer Services.
This will be a new role encompassing Revenues, Benefits, Customer Services and the Customer Service Improvement Programme but more importantly providing the cross-council leadership for work on putting customers at the centre of the organisation.
- Assistant Director HR and OD
A new role bringing together the existing HR and OD teams.
- Assistant Director Environmental Services and Community Safety
This is an existing temporary post, re-titled from Deputy Director Operations & Community Safety. This post has responsibility for key front line customer facing services.
- Assistant Director for Housing and Chief Executive of Homes for Haringey –
This is a new role that proposes sharing leadership and management between HfH and the Council. The post will have accountability across the organisation for delivery of the Council's Housing Management functions and will be charged with reducing duplication and producing more effective working across the organisations. This is dealt with in more detail at 3.5 below and will be the subject of a separate report to Cabinet.
- Assistant Director Corporate Infrastructure – This is a new role bringing together IT, a revised programme management function and change management capacity.
- Anti-Fraud
This post will be the subject of a further report to this committee and it includes proposals to develop a new Corporate Anti-Fraud function

3.4.2 Deputy Chief Executive

The Deputy Chief Executive will have accountability for, and lead policy to, improve outcomes for Children, Families and People of Haringey. They will do this through management of a mix of directly provided and commissioned services. They will lead work with key partners in schools, health and the voluntary sector.

Reporting to the DCE will be:

- Director of Adult Social Services
This is revised role responsible Adult Social Care and the Statutory DASS functions. For the purpose of performance monitoring the Chief Executive,



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in conjunction with the DCE and Cabinet Member, will conduct the annual and mid-term performance appraisal.

- **Director of Children's Services.**
This is a revised role with the statutory post-holder leading a new service responsible for Children's Social Care, Early Intervention and Prevention. The Chief Executive will assure that the Council's statutory obligations are met through open and visible contact with the Director on a regular basis. For the purpose of performance monitoring the Chief Executive, in conjunction with the DCE and Cabinet Member, will conduct the annual and mid-term performance appraisal.
- **Assistant Director for Integrated Commissioning**
This is new role intended to bring together commissioning capacity across Adults, Children's and Public Health in a single function better able to respond to local, community and family needs.
- **Director of Public Health – existing post.**
- **Assistant Director for Schools and Learning – revised role with extended brief for learning and skills.**

3.4.3 Director of Regeneration, Planning and Development

As noted in the introduction the challenges and opportunities facing the borough in regeneration, estate renewal housing, jobs and economic growth are as significant as any in the UK. To realise these opportunities will require strong focussed leadership and this post is intended to deal with this.

Reporting to the Director of Regeneration, Planning and Development will be:

- Assistant Director of Planning
- Assistant Director of Regeneration
- Assistant Director Corporate Property and Major Projects
- Tottenham Programme Director

These posts were confirmed in a recent restructure.

3.4.4. Chief Executive Services

The Chief Executive will also directly manage a small group of corporate functions.

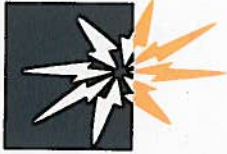
Assistant Director for Communications

This is an existing role recently appointed to.

Assistant Director for Corporate Governance.

There are a number of governance challenges facing the authority in the coming years:

- Reducing budgets and the potential impact on services;



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- Further integration of health and social care;
- City deal arrangements; and,
- An election in each of the next three years.

The Assistant Director of Corporate Governance strengthens the role of the Monitoring Officer by bringing these functions together.

Reporting to the Assistant Director of Corporate Governance will be:

- Head of Democratic Services – committee function as existing;
- Existing Legal Services Structure; and,
- Head of Electoral Services.

Policy and Performance

An implication of this restructure will be the need to reorganise the existing policy, performance and associated functions. This will be the subject of a separate review in the coming months and where needed a subsequent report will be brought to this Committee.

Head of Office

To support the work of the SLT and Cabinet it is proposed to create a new Head of Office Post who will work coordinating activity across both teams. This post will also help inform the wider review of policy and performance functions.

3.5. The role of Statutory Officers

As noted above the Director of Children's Services will retain statutory functions. These are set out in Section 18 of the Children Act, 2004 (and subsequent legislation). As part of this the DCS post holder will:

- Be directly accountable to the Chief Executive and Cabinet Member through appraisal and performance monitoring arrangements;
- Attend senior leadership team meetings where there is an item affecting the post-holder's remit; and
- Form an active part of a new Statutory Officers Group that will be created as part of these proposals and will meet six times a year. This will be chaired by the Chief Executive and will also include the Deputy Chief Executive, Director of Adult Social Services, Assistant Director of Corporate Governance (the council's Monitoring Officer) and the Section 151 Officer. This will be established to ensure full and proper consideration of risks and issues relating to the Council's statutory functions.

In making these proposals due regard has been taken of the Statutory Guidance on the roles and responsibilities of the Director of Children Services and the Lead Member for Children's Services. The new structure, incorporated with the proposals above, will ensure there is increased strategic and senior management focus on key priority areas and will put the Council in a far stronger position to meet its objectives for Children and Young people as set out in paragraph 3.3.2.



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3.6. Chief Executive Homes for Haringey

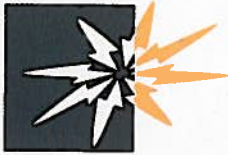
In common with many authorities the creation of an ALMO meant a split of responsibilities between the new body and the Council. This has in turn led to inevitable duplication of effort and responsibility. This proposal seeks to work with Homes for Haringey (HfH) on a new approach that shares the leadership of the Council's housing functions with the leadership of the ALMO, whilst at the same time preserving the arms length nature of the arrangement which currently exists between the two organisations. In so doing the arrangement is intended to:

- Reduce costs through sharing a post;
- Improve connectivity and accountability with the Council; and,
- Provide a focus for advice on further cost reduction through reducing duplication.

This arrangement will need the agreement of the HfH board and will form a specific strand of the consultation should the report be agreed.

3.7. Existing Roles

- **Assistant Chief Executive**
If these proposals are agreed this post is deleted and functions will be absorbed by the Chief Operating Officer and Deputy Chief Executive.
- **Director of Corporate Resources**
If these proposals are agreed this post is deleted and functions will be absorbed by the Chief Operating Officer and the Assistant Director of Finance.
- **Deputy Director - Community Housing Services**
If these proposals are agreed this post is deleted and the responsibilities included in the new Assistant Director of Housing and Chief Executive of HfH.
- **Head of Legal**
If these proposals are agreed this post is deleted and the functions absorbed by the new Assistant Director of Corporate Governance.
- **The post of Deputy Director Commissioning –Adults**
If these proposals are agreed this post is deleted and the functions absorbed into the new Assistant Director for Integrated Commissioning post.
- **The post of assistant Director – Front Line Services**
If these proposals are agreed this post is deleted and the functions absorbed by the Assistant Director for Environmental Services & Community Safety. a further review
- **The post of Haringey Efficiency and Savings Programmes Director**



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If these proposals are agreed this post is deleted and the functions absorbed by the new Assistant Director for Customer Services who will have accountability for customer improvements and the Assistant Director Corporate Infrastructure post.

- The post of Head of Business Strategy and Information
If these proposals are agreed this post is deleted and the functions redistributed following a review as set out at paragraph 3.4.4.
- The post of Head of Local Democracy
If the proposals are agreed this post is deleted and the functions absorbed by the new Assistant Director Corporate Governance.
- The post of Head of IT
If the proposals are agreed this post is deleted and the functions absorbed by the new Assistant Director for Corporate Infrastructure.
- Head of Organisation Development
If the proposals are agreed this post is deleted and the functions absorbed by the new Assistant Director of Human Resources and Organisation Development.

To summarise the above proposed changes Appendix 1 to this report shows the current senior management structure, Appendix 2 shows the proposed new structure.

3.8. Pay and Reward

As reported at previous Corporate Committee meetings, Hay Group have been engaged to review Senior Pay and Reward in the authority. The aim of this work was to review the roles and the reward arrangements of the Senior Management team in Haringey which was described to be direct reports of the Chief Executive and their direct reports. The purpose of the study was to:

- Examine the senior management roles through a process of job evaluation;
- Compare their reward arrangements to the wider local government and public sector salary market;
- Recommend an approach to grades and pay for the future; and,
- Provide the Chief Executive with a perspective of the organisation as it is now.

Their report and findings are set out in the exempt report for the committee to discuss and agree the following next steps:

- To recommend a revised pay and grading structure that simplifies the current pay ranges for roles currently graded SM1 and above
- To recommend a revised mechanism for awarding increments



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- Agree a short and medium term objective that the pay range for senior managers will be benchmarked against the London Public Sector Median

The findings can be summarised as follows:

- That pay for senior staff in Haringey is at or around the mid to top quartile and that with recent market reductions new posts should attract a 10-13% saving;
- That the senior structure is confused and needs simplification; and,
- That there are 25 of the 32 roles earning above the London Public Sector median and that responsibilities, budget, spans of control and scope are unevenly distributed amongst this group.

It is proposed that in the short term pay and reward is dealt with as follows:

- New roles created as a result of the proposed restructure are given an indicative evaluation and spot salary. These spot salaries will be broadly positioned within a revised pay structure;
- Any post-holders unaffected by the proposed restructure will remain on their current pay scale pending the approval of a revised pay structure in November;
- A proposed revised pay structure report is discussed at the November committee for approval; and,
- Any revised pay structure would be subject to consultation.

3.9. Review of Employment Contract and Terms & Conditions

This proposed restructure also seeks to formalise the leadership skills and management standards by which the organisation expects the senior management team to achieve. In line with these changes it is also appropriate to review the basis by which the Council contracts with its senior managers. It is proposed that a review of the current contract of employment and terms and conditions is carried out and a report brought back to this committee in November for consideration.

3.10. Development and Assessment of Assistant Directors and Heads of Service

Given the findings of the Hay Group report a more detailed piece of work is required to understand the capacity and capabilities of the Assistant Directors and Heads of Service. It is this group that the organisation expects to provide day-to-day leadership and management of service delivery.

It is proposed to commence work at this level commissioning a programme that will:

- Clearly and simply define what excellent leadership and management looks like in Haringey;
- To identify current and potential talent in the Haringey senior manager cohort



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- To prepare the ground for a robust selection and assessment process for the planned reorganisation;
- To put in place a revised leadership and management framework for future performance management, recruitment and development; and,
- Review the capacity requirement at this level and clarity of role purpose and accountability.

3.11. Consultation

Alongside necessary consultation with affected post-holders it is proposed that this report be the subject of wider consultation:

- With all Councillors;
- With all staff in the authority;
- With the Trade Unions;
- With public, private and voluntary sector partners and
- Homes for Haringey.

3.12. Transition period and interim arrangements

Where there are vacancies due to new posts, interim arrangements will be put in place to ensure continuity of services. This will be necessary to ensure capacity to continue to lead the organisation whilst in a transitional period.

A communication plan is in place to ensure employees are well informed, particularly as the proposed restructure process may involve whole teams or functions moving to new directorates.

3.13. Role Accountabilities

The review by Hay Group also highlighted the lack of clarity when describing what level of accountability was expected. An initial piece of work has organised roles into work levels which has helped determine the number and type of roles required in the proposed new structure. The next step is to further define, for each work level and role type, a new role profile that includes: generic accountabilities, role specific accountabilities and leadership skills, and to be shared with senior managers as part of the consultation.

3.14. Recruitment and Selections

It is proposed that new posts will be advertised internally and externally, and the selection process to include an assessment approach followed by panel interviews. This will give the organisation an opportunity to observe a number of skills and behaviours that may not have been required previously, and provides the applicant with an opportunity to demonstrate their current capabilities and future stretch potential. For internal candidates this process



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will provide them with valuable feedback from the information gathered during the process, and will support the creation of personal development plans.

3.15. Trade Unions

The Trade Unions were briefed in confidence on the proposals to review and restructure the senior management team, and will be consulted with and kept informed of proposed changes and outcomes.

3.16. Timetable

Date	Activity
w/c 9 September	Shared proposals with senior managers
w/c 9 September	Corporate Committee report published
10 September	Shared proposals with the Corporate Management Group and onward cascade of key messages
19 September	Corporate Committee
20 September – 19 October	Formal consultation
Mid October and November	Development and assessment for senior managers direct reports
21 - 24 October	Consider feedback from consultation, communicate and publish conclusions
4 November – 31 March	Transition period to new structure including recruitment and selection process where necessary
26 November	Corporate Committee consider a report on progress and to approve a consultation on a revised pay structure and new employment contract and terms & conditions for senior managers

4. Background information

4.1 At the Corporate Committee on 22 January 2013 a report on Temporary Director/Senior Management Arrangements were discussed by the committee and it resolved:

- *That the implementation of the proposals set out in the report as from 1 February 2013 be agreed*
- *That the creation of a temporary Director of Strategy and Performance post to be filled on a secondment basis be agreed*
- *That the creation of a temporary Deputy Director of Place and Sustainability post to be appointed from amongst the existing management team be agreed*

4.2 At the Corporate Committee on 27 June 2013 a report on Temporary Assistant Director Arrangements were discussed by the committee and it resolved



That the following be noted:

- *The temporary changes set out in this report at Assistant Director and Head of Service level to be enacted by 1 August 2013*
- *Proposal to enhance the programme management approach of the Council.*
- *That the formation of a Delivery Unit on a temporary basis from 1 July 2013 be agreed*

5. Comments of the Deputy Chief Finance Officer and financial implications

The cost of the proposed new senior management structure can be contained within existing resources. This is made possible by the deletion of the posts specified, and the transfer of existing budget provision for the continuing roles, as set out in this report.

Appropriate budget virements will be actioned once approval is given to the new structure to ensure on-going costs are aligned with approved budget provision.

6. Head of Legal Services and legal implications

The Head of Legal Services has been consulted in the preparation of this report, and makes the following comments.

This report comes to the Corporate Committee for approval, on the basis that the proposals involve the establishment and deletion of Chief Officer and Deputy Chief Officer or equivalent level posts, and there has not been a prior decision of the Cabinet on the service delivery aspects of the restructure. In those circumstances, the delegated authority given to the Chief Executive to act in such cases does not apply.

Consultation with staff and recognised trade unions, is an essential part of the responsibilities of an employer in the course of a business re-organisation. The requirement for consultation with employees and their trade union representatives is recognised within the report at paragraphs 3.14 and 3.15.

Due consideration should be given to responses received as a result of the consultation before any final decision is reached concerning the proposals outlined, including any decision to issue notices of dismissal. Further, due consideration must also be given to the authority's public sector equality duties before such a final decision, taking into account the outcome of the equality impact assessment outlined at paragraph 7.

The process by which the restructuring exercise is to be achieved must comply with the Council's procedures regarding organisational change. Further, the position of any members of staff at risk of displacement must be considered under the Council's procedures regarding redundancy and redeployment.



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With regards to the new posts envisaged in the proposals, the Council is able to create such posts under its general staffing powers. Appointment to these posts should be undertaken within the terms of the Council's procedures concerning recruitment.

Under Part 4 Section K of the Council's Constitution, any proposed dismissal of and / or appointment to posts at Chief / Deputy Chief Officer level will require approval by a Special Committee of members of the authority.

Further, the terms of any early release from the pension scheme for Deputy Chief Officers aged 55 or over requires the approval of the Corporate Committee.

Where a member of the Local Government Pension Scheme, who has attained the age of 55, is dismissed by reason of redundancy, Regulation 10 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 provides that they will be entitled to receive the immediate payment of their retirement pension. This report proposes the deletion of 1 post falling within these regulations. Accordingly, in the event that these members of staff are dismissed by reason of redundancy they will be entitled to the immediate payment of their retirement pensions.

In accordance with the provisions of Chapter 8 of the Localism Act 2011 and the related supplementary guidance any severance payments in excess of £100,000 made as a result of the proposals contained in this report must follow the Council's Pay Policy statement and should be approved by full council.

7. Equalities and Community Cohesion Comments

An employee Equalities Analysis will be undertaken and this will look at the Equality impacts at four milestones.

The Milestones will be:-

- At the start of formal consultation on the proposal to review and restructure the senior management team – 20 September
- At the conclusion of consultation – 24 October
- At the end of the recruitment and selection assessment process
- At the end of the final panel interview

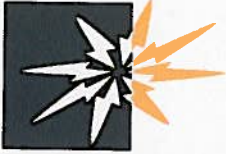
8. Head of Procurement Comments

No implications

9. Policy Implication

No implications

10. Use of Appendices



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Appendix 1 – current senior management structure

Appendix 2 – proposed senior management structure

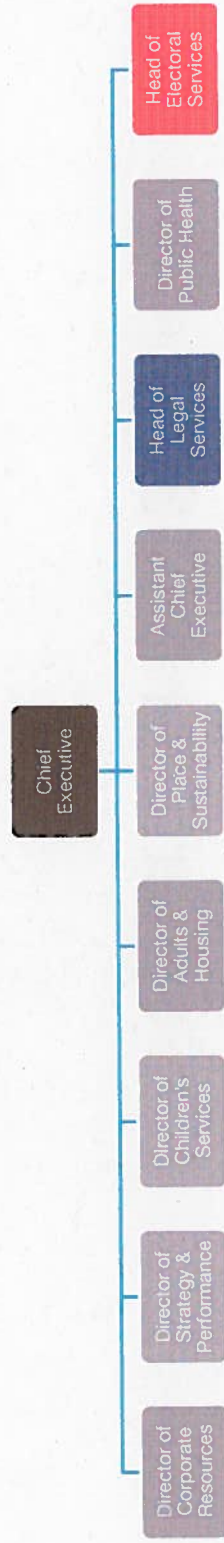
11. Local Government (Access to Information) Act 1985

Exempt information pertaining to this report is set out in the exempt information section. This information is exempt in that it is likely to reveal the identity of the individuals.

Current Senior Management Structure

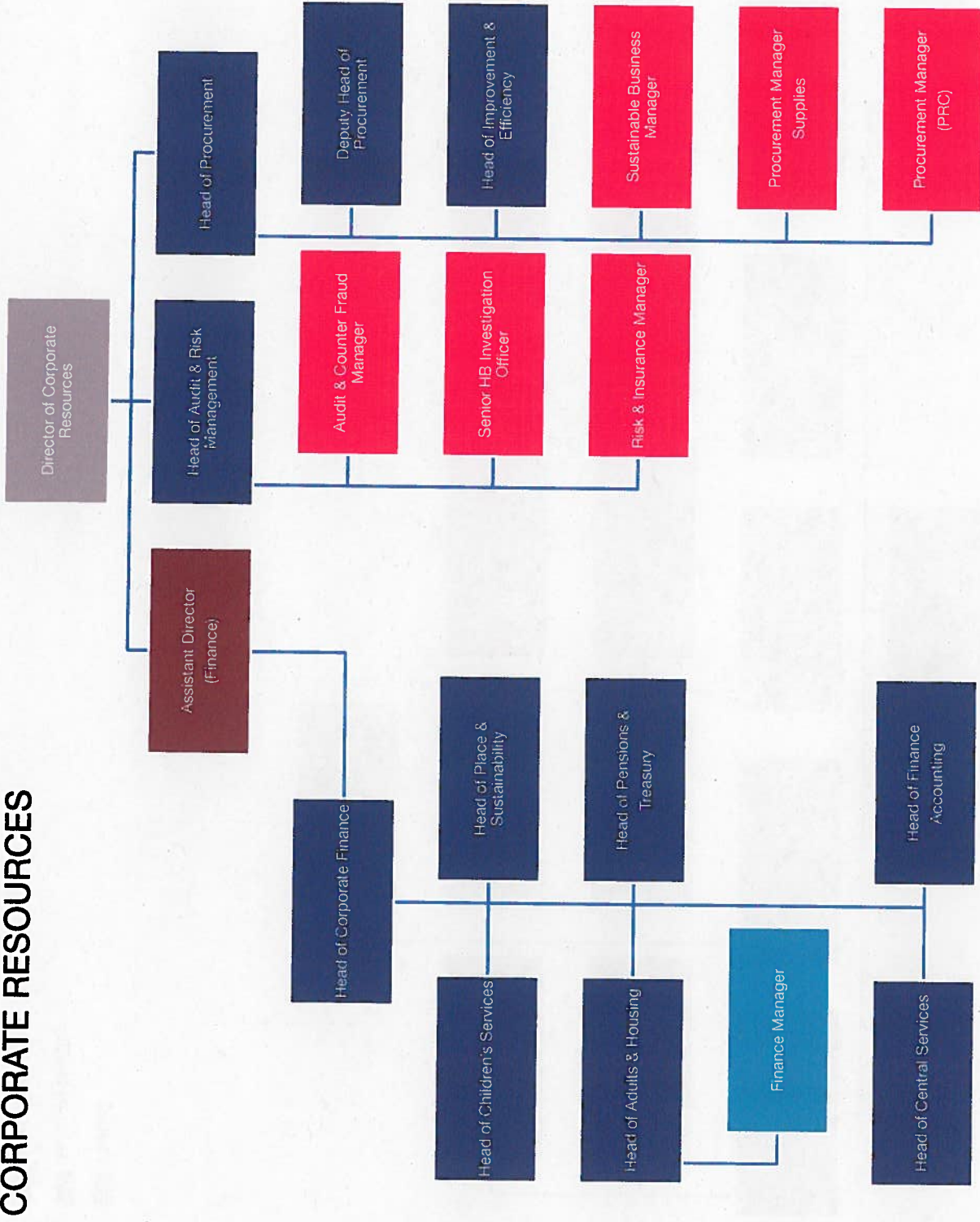
September 2013

Chief Executive – Direct Reports



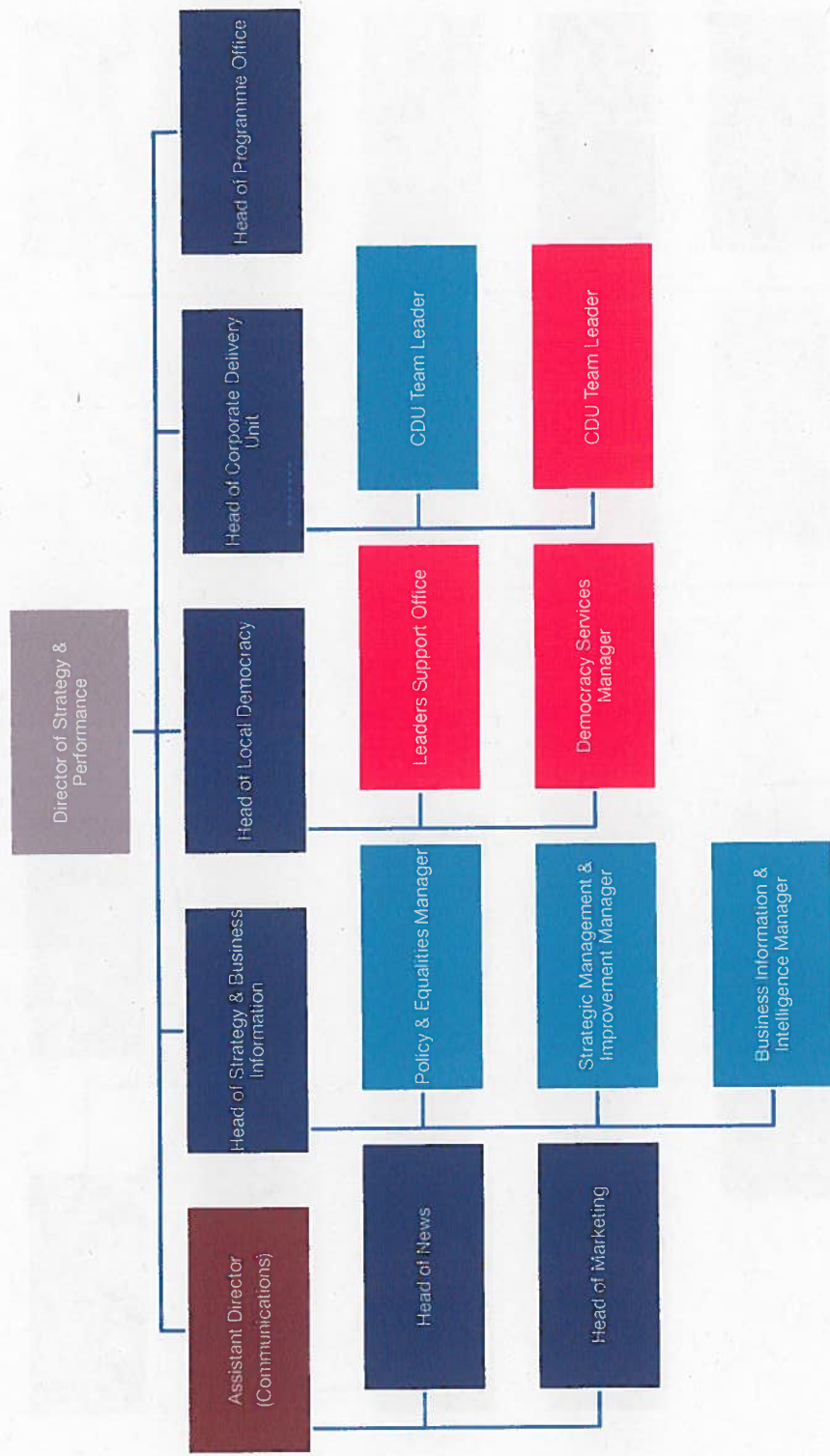
- Chief Executive
- Director
- Head of Service
- Head of Service below SM1

CORPORATE RESOURCES



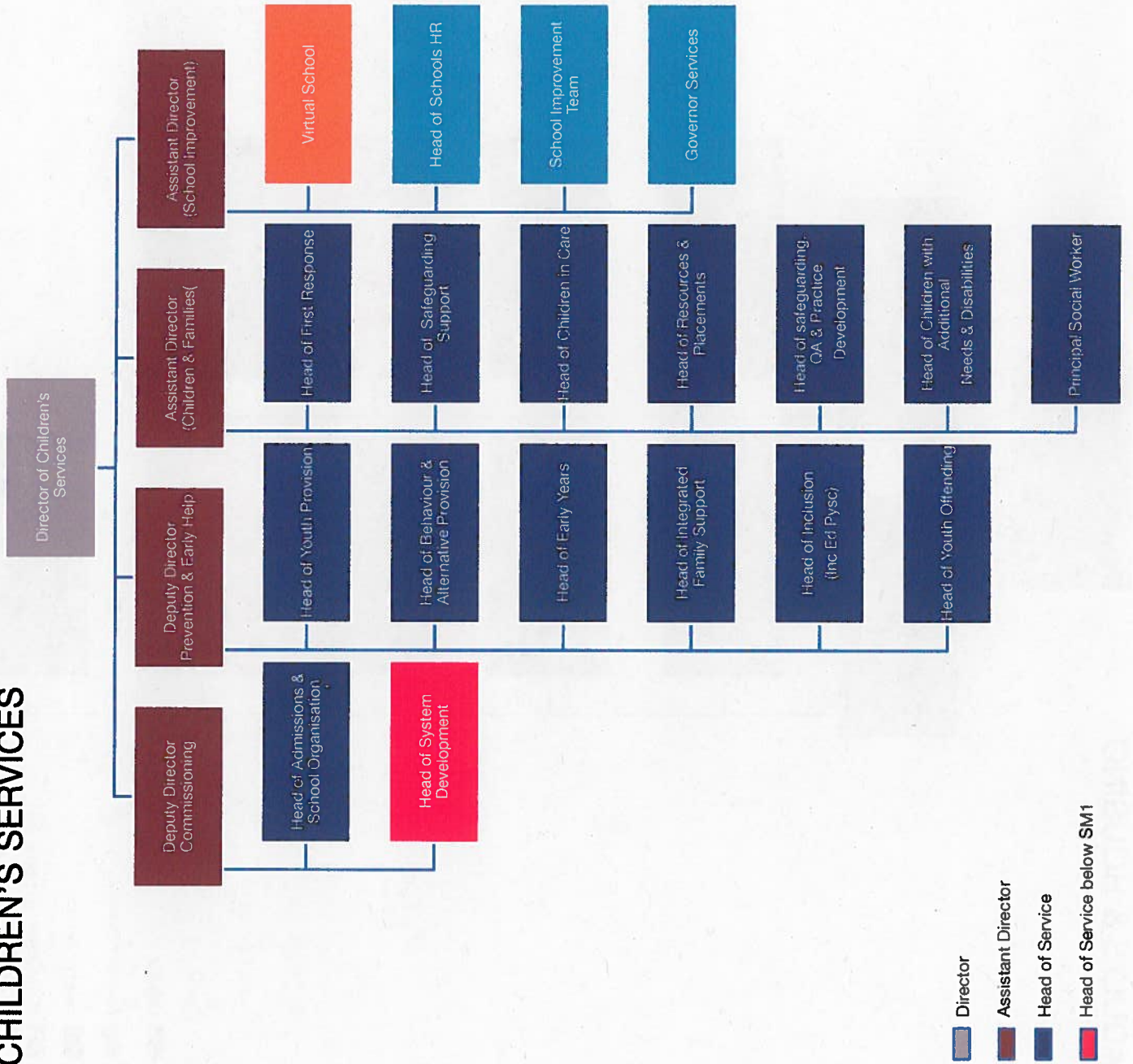
- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

DIRECTORS OF STRATEGY & PERFORMANCE



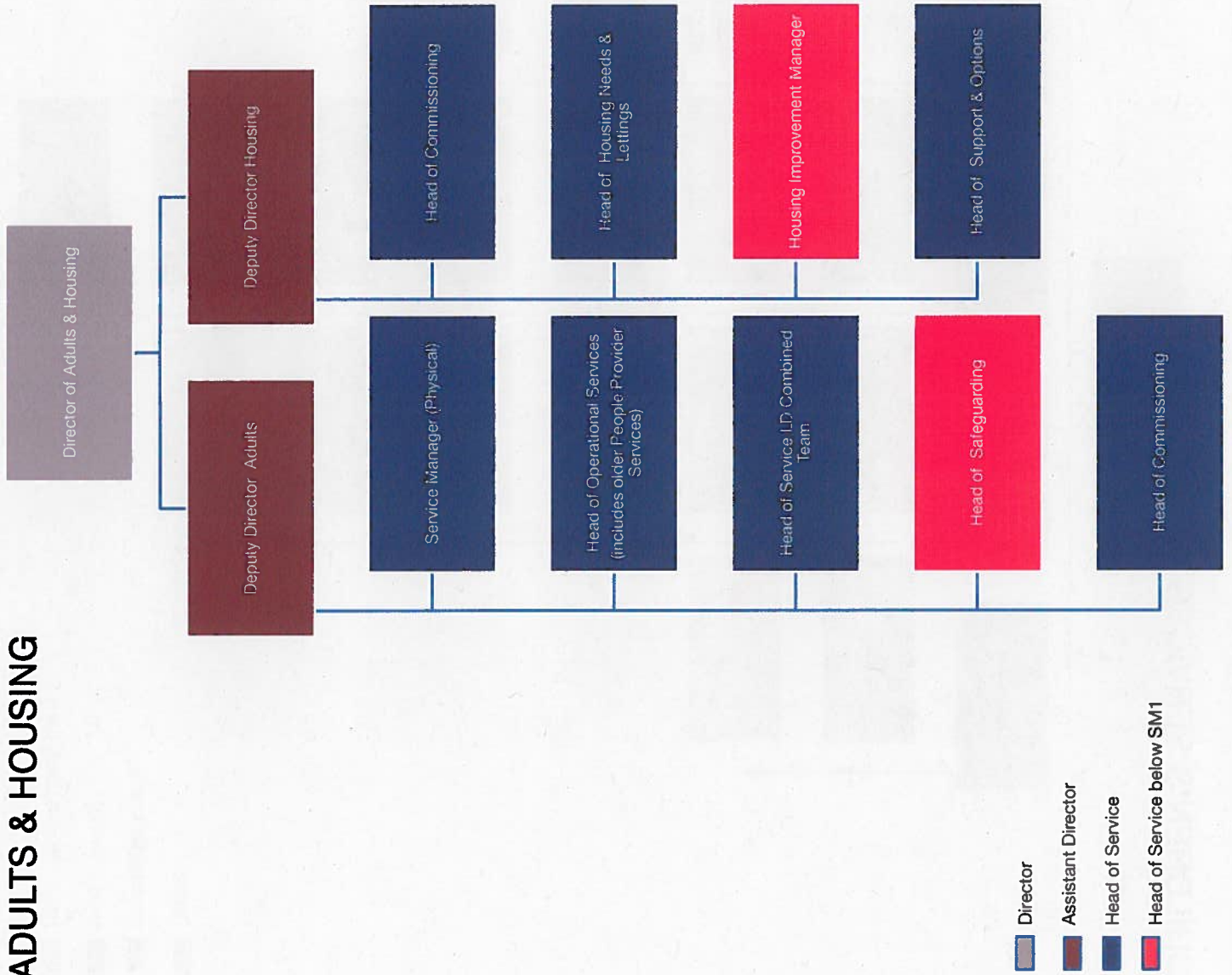
- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

CHILDREN'S SERVICES

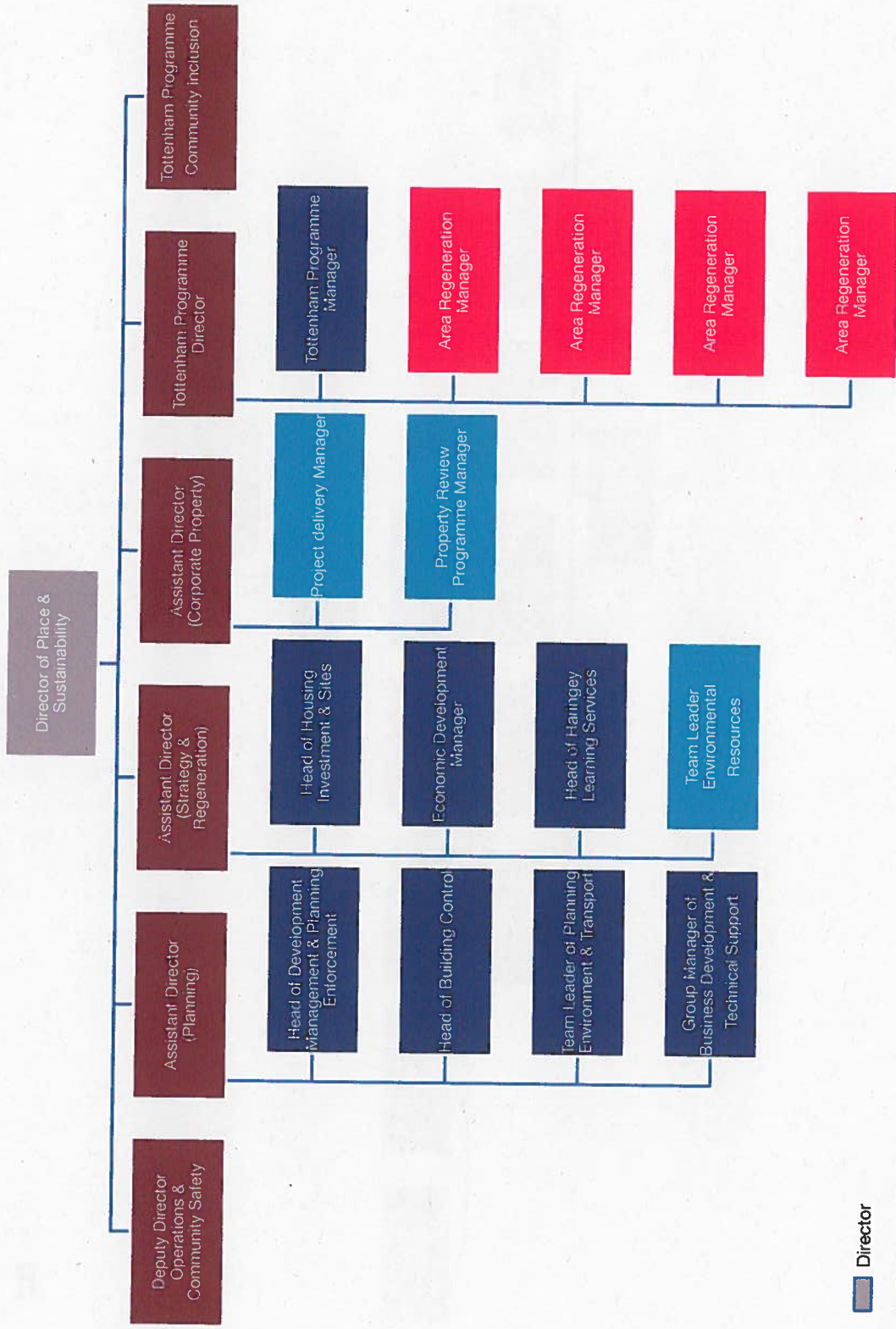


- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

ADULTS & HOUSING

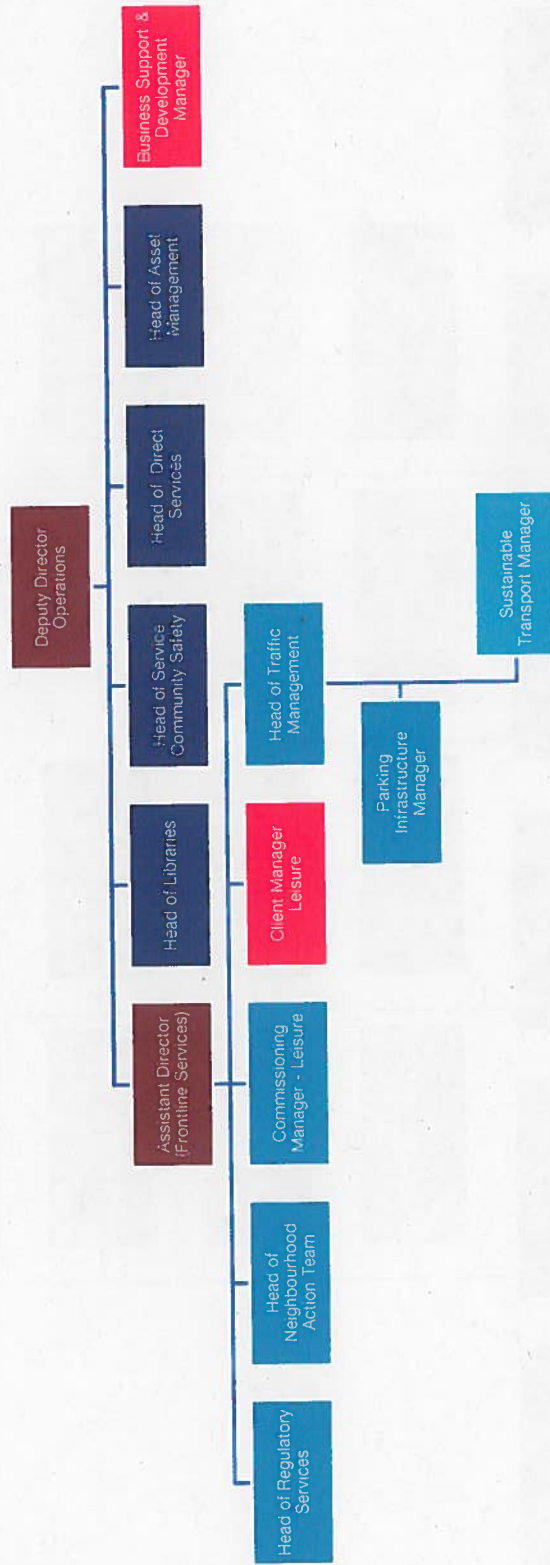


PLACE & SUSTAINABILITY



- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

OPERATIONS & COMMUNITY SAFETY



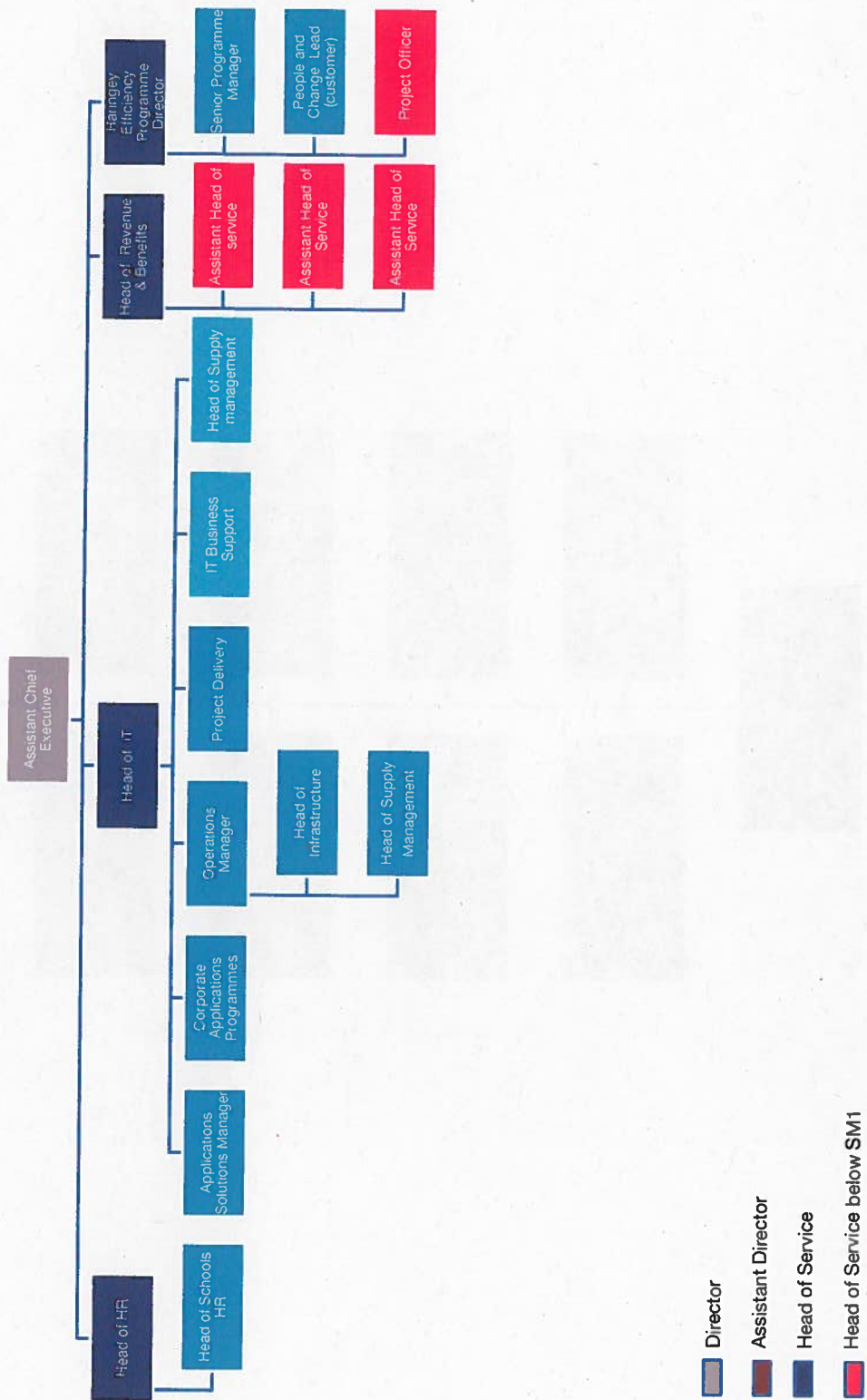
Director

Assistant Director

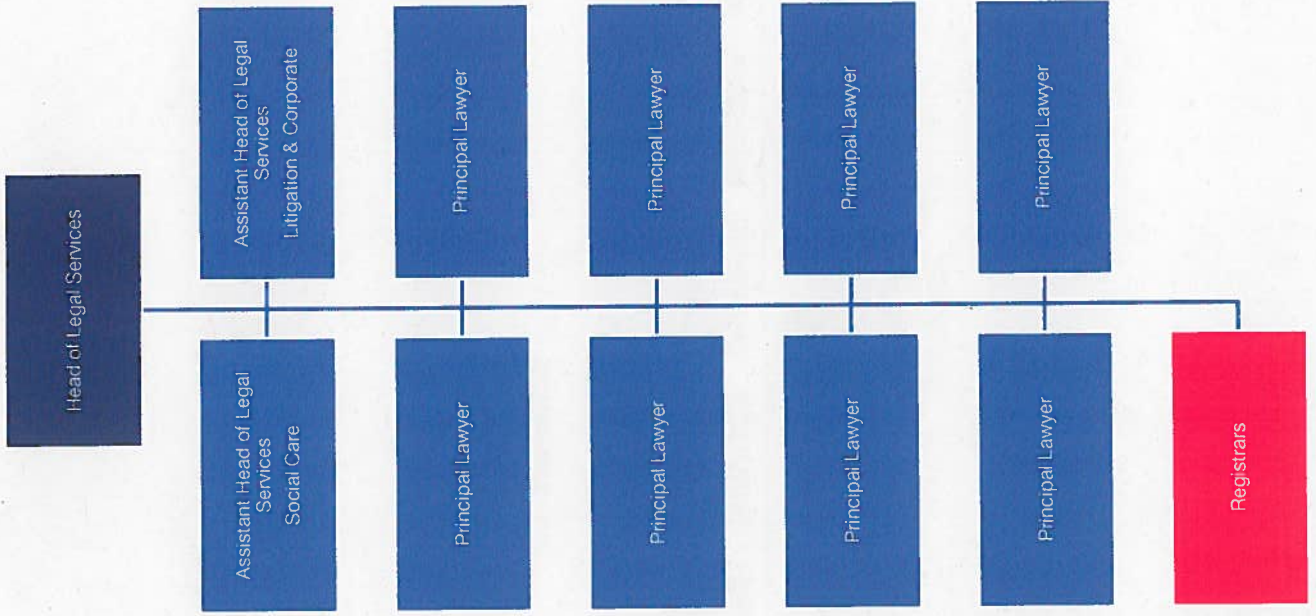
Head of Service

Head of Service below SM1

CORPORATE SERVICES

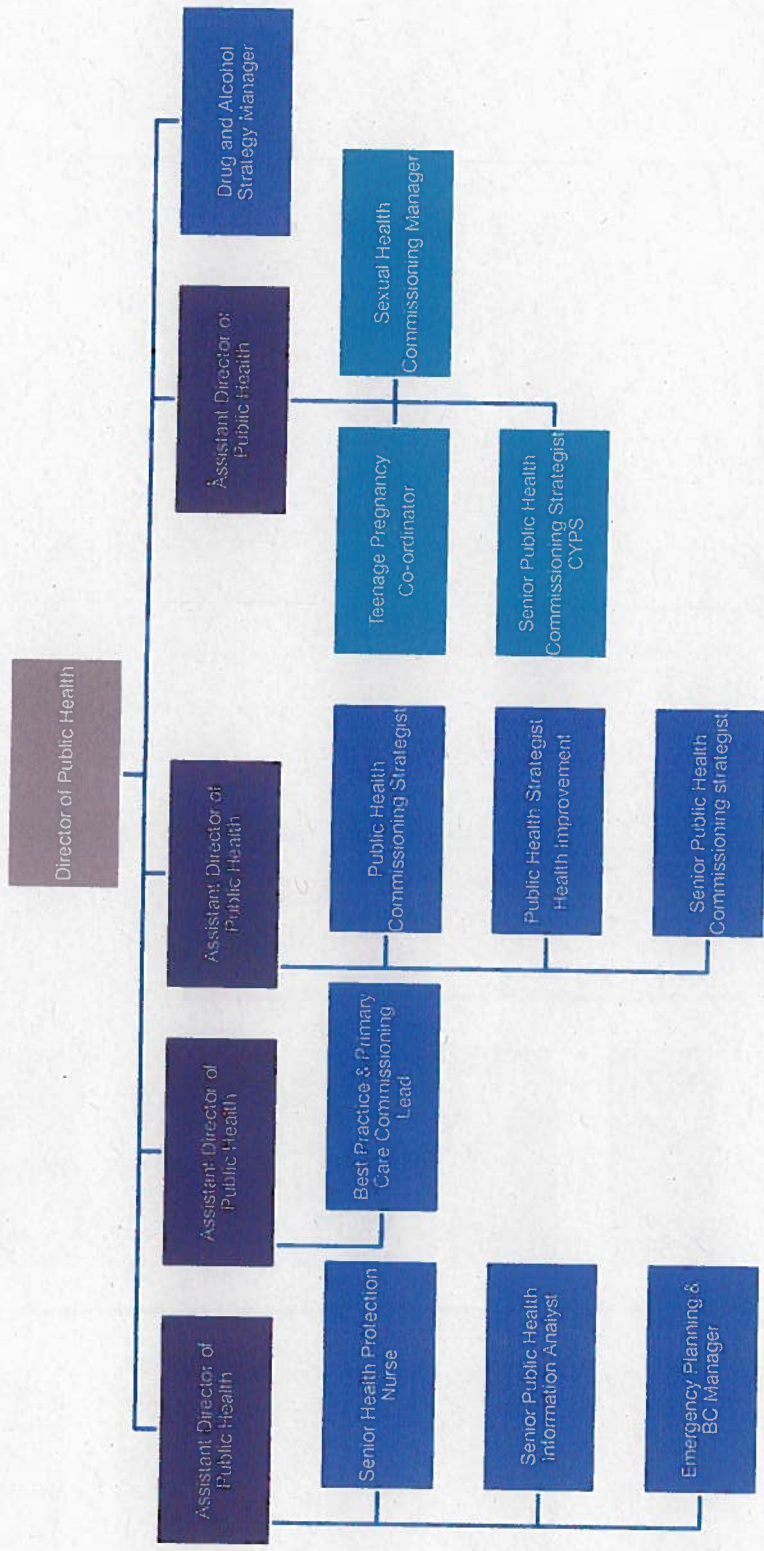


LEGAL SERVICES



- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

PUBLIC HEALTH



- Director
- Assistant Director
- Head of Service
- Head of Service below SM1

Proposed Senior Leadership Team

