

Haringey Council

Report for:	Corporate Committee	Item Number:	
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Title:	Senior Management Review and Restructure Update Report
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Report Authorised by:	<i>Nick 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 19 September 2013 I, as Head of Paid Service, confirmed my intention to review and reorganise the Council's structures and to commence a period of consultation. This report provides:

- The themes of the responses to the consultation
- The conclusion and outcomes as a result of consultation
- Details of the new structure including the positioning of the key departments of the Council
- Details of the transition period and interim arrangements including governance and statutory responsibilities
- Outline of the approach to recruitment and selection
- Impact of the new senior management structure on other structures and a proposal as to how these will be dealt with.

2. Recommendations

That Members note this report.



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3. Organisation context

- 3.1. The report to the Committee on the 19 September 2013 detailed the proposals to review and restructure the senior management team arrangements and provided the rationale for the change. '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, has the capacity to develop strategic options and also ensure *excellent outcomes and service delivery*'.

4. Consultation Activity and Responses

4.1. Consultation

Following the September committee meeting, wide ranging consultation and engagement took place with staff, members and partners. This included:

- Staff briefing sessions attended by over 400 staff.
- Newsletters and emails to all staff with a specific email mailbox set up to respond to any queries.
- Meetings with local Trade Unions.

The CE also wrote to a number of national and local stakeholders and attended a series of meetings to brief and discuss the proposals including with:

- Political groups and individual members
- The Secondary and Primary Heads Forums
- Local Safeguarding Children Board
- Public sector partners, through regular meetings and one-to-ones
- Homes for Haringey Board and separately its Interim Chairman accompanied by a tenant board member.
- The lead Partner of the External Auditor

All those who responded to the consultation will receive a formal response from or on behalf of the Chief Executive.

4.2. Issues raised in the consultation:

Overall, feedback on the restructure proposals was positive. It was recognised that structural change was needed to provide stronger leadership to the council, but as expected there were some issues raised about the detail and wider improvements that might be required at the council. These are detailed below:



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General Issues – culture and process

4.2.1. Cultural change

While most staff welcomed the proposals, some noted “we have been here before” and sought assurance on the officer and member commitment to wider change, and to a review of capacity and capability across the organisation. The development centres for staff at Assistant Director and Head of Service level have already begun to support such a change.

4.2.2. Pace

Some staff expressed concern about the pace of change and the associated risks. Some respondents were particularly concerned to ensure a rapid restructuring of the Council was not at the expense of equity and fairness.

This paper includes proposals for interim arrangements and the phasing of the implementation of parts of the restructure which address concerns about the disruption to important services. In addition, the engagement of an established HR partner to support the Development Centres and the proposed ring-fencing of suitable appointments should give internal candidates the maximum opportunity to succeed.

Specific roles and consequent changes

4.2.3. Children’s Services

There were very few respondents who disagreed with the revised approach to children’s services but issues were raised about the statutory requirements of the Director of Children’s Services role. These will be addressed by:

- Appraisal of the Director for Children’s Services (DCS) by the Chief Executive
- Agreement of clear terms of reference for the newly formed Statutory Officers Group, to further ensure the DCS has direct access to the CE, 151 Officer and Monitoring Officer to deal with safeguarding and other risks
- Completion and publication of a new Accountability Framework covering the DCS, Director of Adult Social Services and Director of Public Health to provide clarity on leadership and management accountabilities in the organisation.

There are a number of external changes impacting upon Children’s Services, including the new Ofsted framework for inspection, as well as the direction of travel set out in the paper on the Haringey 54,000 change programme considered by Cabinet on 12 November. These necessitate a number of subsequent changes to the management of Children’s Services.



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To ensure that leadership and management arrangements in place are both sufficiently robust to ensure effective management of the service and effective safeguarding practice, a number of changes will be proposed to structures within children's services. These will be reported to this committee.

Interim arrangements are already in place for a number of posts within the area to be covered by the new DCS structure. Further consultation will take place with staff in children's services over the coming weeks on a proposed structure.

4.2.4. Education and Schools

Head teachers and other stakeholders responded positively to the new structure, though some did raise a concern that it could potentially lead to a downgrading of the council's role in education. This is not intended to be the case and the strengthening of the new AD role, and the continued prominence given to education in the corporate plan should address these concerns. In addition it should be remembered that it is intended that the new structure will see greater delegation to all services to Assistant Director level.

The structures reporting to the AD, Schools and Learning will require some consequent changes and these will also be the subject of consultation over the coming weeks.

4.2.5. Homes for Haringey/AD Housing.

This proposal provided the greatest level of debate. Almost all respondents recognised the need to create a more unified housing service but differed as to how to achieve this. The Board of Homes for Haringey, welcomed the proposals, but some members of the Board were concerned that this should not be seen as a 'council imposition'.

Good progress has been made on addressing issues raised in relation to this proposal and a separate report, supported by the Cabinet Member and HfH Board will be presented to this Committee and Cabinet in 2014.

A key issue for resolution is whether the council or HfH should be the employer for the new joint post. In other boroughs with similar arrangements, the ALMO appoint the post-holder and second him/her back to the authority. Given the principles of an ALMO are to create arms-length capacity with accountability through a separate board, the arguments for such an arrangement are strong. The Board of HfH are of the view that if they can remain an accountable decision maker then it ought to be accountable for its officer leadership – the council of course retaining control through its ownership of HfH. These details, along with other governance changes will be the subject of a separate report to the next meeting of this committee.



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4.2.6. Commissioning

Partners and staff welcomed the creation of a commissioning function with appropriate corporate ownership. Where there were concerns they focused on the balance between procurement and commissioning and the potential for loss of insight as a result of too rapid change.

In the first instance the AD Commissioning will lead a joint Adults/Children's function which is already under development and further expansion and definition will only follow once these new functions are up and running. In addition, to manage this process further the Deputy Chief Executive will lead a Commissioning Board to bring together internal and external stakeholders on the development of commissioning in Haringey.

4.3. Strategy and Performance

As changes to the senior management team and operating model of the council are now being implemented there are consequences for line management arrangements of various teams across the organisation including the Strategy and Business Intelligence unit.

Proposals for new and interim line management arrangements for the 4 teams currently within the unit plus the Consultation Manager post and the Administration Assistant post will be circulated to the staff affected for consultation. Informal meetings have already taken place with staff and trade union representatives and further meetings have been offered to discuss the detail of the proposals.

4.4. Executive Assistants & Political Assistants

As changes to the senior management team are now being implemented, a review of the Executive Assistant support to be provided to the senior posts covered in this report will be undertaken.

This review will take place during December and January in consultation with affected staff and the senior leadership team. Likewise, there will be consultation on moving the PA post reporting to the Assistant Director of Corporate Governance.

Service and line management changes

Whilst it was not the intention of the September report to create the wholesale movement of service units around the council, the consultation raised a number of issues that should be addressed.



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4.4.1. Youth Offending Service

It is proposed that line management of the Youth Offending Service should transfer from CYPS to the new Head of Community Safety, once s/he is appointed. This is a move that was recommended by respondents to the consultation and makes sense given the growing capacity in the Community Safety Team.

4.4.2. Internal Audit

The September 26th Report proposed the strengthening of corporate governance arrangements and the creation of a Corporate Governance function. Some responses to consultation proposed that moving the line management of the Head of Internal Audit would further strengthen the role of the corporate governance function. It is proposed to make this change.

4.4.3 Scrutiny

As with Internal Audit, feedback indicated that aligning scrutiny with the Corporate Governance function might bolster its status and capacity to hold the Executive and Council to account. This is a common arrangement in many councils and it is proposed to consult with Scrutiny Members about such a change as part of this reorganisation.

Other changes:

4.5. Corporate Infrastructure

Programmes and Projects was another issue regularly raised, with wide support for a stronger corporate approach. Establishing a Corporate Infrastructure Service was therefore welcomed, but the title of the service was unpopular. Reflecting the functional descriptions of other services this will be known as the AD, Corporate Programme Office and Chief Information Officer .

4.6. Policy, Performance and Support

The review of Policy and Support and a review of the council's information and intelligence functions are now well underway. I expect any staffing implications to be reported to the January 2014 meeting of this committee.

5. Implementing the Structure

5.1. Affected Posts

In summary; eleven posts will be deleted, one post will have significant changes although will retain its existing title, three posts have some changes but not significant enough in terms of accountability to justify deleting and creating a new



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post, three posts will have a change to the post they report to, and ten new posts will be created.

Posts to be deleted from the Council's establishment list:

- Director of Corporate Services
- Director of Adult and Housing Services
- Assistant Chief Executive
- Deputy Director of Community Housing
- Deputy Director of Adults & Community Services
- Head of Legal Services
- Assistant Director of Front Line Services
- Haringey Efficiency and Savings Programme Director
- Head of Business Strategy and Information
- Head of IT
- Head of Organisation Development

New Posts to be established

- Chief Operating Officer
- Deputy Chief Executive
- Assistant Director Customer Services
- Assistant Director HR
- Assistant Director for Housing and Chief Executive of Homes for Haringey
- Assistant Director, Corporate Programme Office and Chief Information Officer
- Director of Adult Social Services
- Assistant Director for (Integrated) Commissioning
- Assistant Director (Social & Economic Regeneration)
- Assistant Director for Governance (Monitoring Officer)

Posts with Significant Change

- Director of Children's Services

Posts with some change

- Director of Place and Sustainability
- Assistant Director of Schools and Learning
- Deputy Director of Environmental Services & Community Safety

Posts with a change to reporting line

- Assistant Director of Finance
- Director of Public Health
- Assistant Director of Communications

5.2. Transition Period

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



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activities. Transition planning is in place to implement the new structure and this plan will help manage the impact of the new arrangements, ensure services to our residents are not affected and will enable the recruitment and selection process to conclude. This planning will also make certain that a detailed handover of objectives, budgets, risks and performance management can be completed to maintain business continuity.

In addition, once the senior leadership team are in place, it may be necessary for each Chief Officer to undertake a further review of their own organisation structures to ensure that they are fit for purpose to deliver the key objectives within the Corporate Plan.

5.2.1. Interim arrangements

The success of this transition plan is dependent on a number of key interim arrangements, which include:

- Appointment of an interim Chief Operating Officer which is a priority to manage financial risk, fulfil statutory responsibilities and establish and lead the operational aspects of the organisation. The process to make an interim appointment is underway and the recruitment of a permanent replacement will follow in the New Year.
- The Director of Strategy, who is currently on secondment from central Government, will act as the Deputy Chief Executive to provide immediate direction, stability and assurance to the organisation until the selection and recruitment process to this role is concluded. This process will commence immediately.
- The continuation of current interim arrangements for the Director of Children's Services role.
- The Director of Adults and Housing to remain in the organisation for an extended period to provide direction and implement the significant changes to Adults Social Care as health integration continues during 2014.

There will be a number of Assistant Director posts that will require interim arrangements until the recruitment and selection process is concluded.

5.3. Governance arrangements including statutory responsibilities

The new structure will, as noted above, require a review of the current governance arrangements and this will be undertaken by the Assistant Director for Corporate Governance during the transition period in readiness for Approval by the Council.



This review will include establishing an Accountability Framework and a Statutory Officers Group that will obtain internal and external evidence that any risks of not achieving corporate objectives are being mitigated effectively. The group will also provide assurance to the Chief Executive that; governance arrangements are being followed by Chief Officers and senior managers, statutory functions are being discharged by Chief Officers, and internal systems and controls are working effectively.

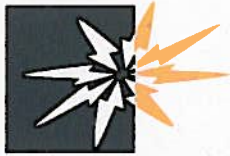
Within the Council's Constitution there is requirement to identify Chief Officers and those posts allocated statutory responsibilities. The statutory roles with regards to corporate governance will be as follows:

Statutory Responsibility	Post
Head of Paid Service	Chief Executive
Finance Director – Section 151 Officer	Chief Operating Officer
Deputy Section 151 Officer	Assistant Director of Finance
Monitoring Officer	Assistant Director of Corporate Governance
Director of Children's Services	Director of Children's Services
Director of Adult Social Services	Director of Adult Social Services
Director of Public Health	Director of Public Health

5.4. Approach to Recruitment and Selection

There will be a phased approach dealing with a number of ring-fenced roles first, and the other new Assistant Director posts providing opportunity for internal applicants to be benchmarked with external candidates.

The new posts will be advertised internally and externally, and the selection process will include an assessment centre 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 will provide them with valuable feedback from the information gathered during the process, and will support the creation of personal development plans.



The table below shows the recruitment and selection timetable

Phase	Role
Phase 1 – ring fence December	Assistant Director Corporate Governance Assistant Director, Corporate Programme Office and Chief Information Officer
Phase 1 December – End of February	Deputy Chief Executive Assistant Director Customer Services Assistant Director Commissioning
Phase 2 January - End of March	Director of Children’s Services
Phase 3 March - End of June	Director of Adults Social Care Head of Office
Phase 4 June – End of September	Chief Operating Officer

6. Background information

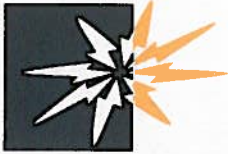
6.1. At the Corporate Committee on 22 January 2013 a report on Temporary Director/Senior Management Arrangements were discussed by the committee and it resolved:

- 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

6.2 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



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6.3.1 At the Corporate Committee on the 19 September 2013 the Committee received a report on Proposals to Review and Restructure of the Senior Management Team Arrangements. The recommendations included:

- For the Head of the Paid Service to implement consultation in line with the Councils restructuring policy with Councillors, staff, trades unions and partners on the proposals
- For the Head of the Paid Service to implement the proposals including any changes that were accepted as a result of that consultation
- Notwithstanding the above point, to provide a progress report back to this Committee in November.

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

The cost of the new senior management structure will 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.

Budget virements will be actioned during the transition period with the aim to complete these by the beginning of the financial year 2014-15.

8. Head of Legal Services and legal implications

The Head of Legal Services has been consulted in the preparation of this report.

At its meeting of 19 September 2013, the Corporate Committee delegated authority to the Chief Executive and Head of Paid Service to implement the proposals, including any changes to the senior management restructure that were accepted as a result of the consultation.

In reaching his final decisions on the structure, the Chief Executive will need to take into account the outcome of the consultation with staff and the findings of an equalities impact assessment.

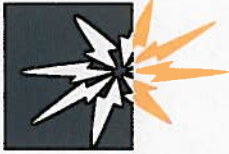
The dismissal and appointment of staff as a result of the final proposals must comply with the Council's procedures regarding organisational change, together with the legal and constitutional requirements set out at Part 4 K of the Constitution.

9. 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 – This report will be available and published by the end of November



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- At the end of the recruitment and selection assessment process
- At the end of the final panel interview

10. Head of Procurement Comments

No implications

11. Policy Implication

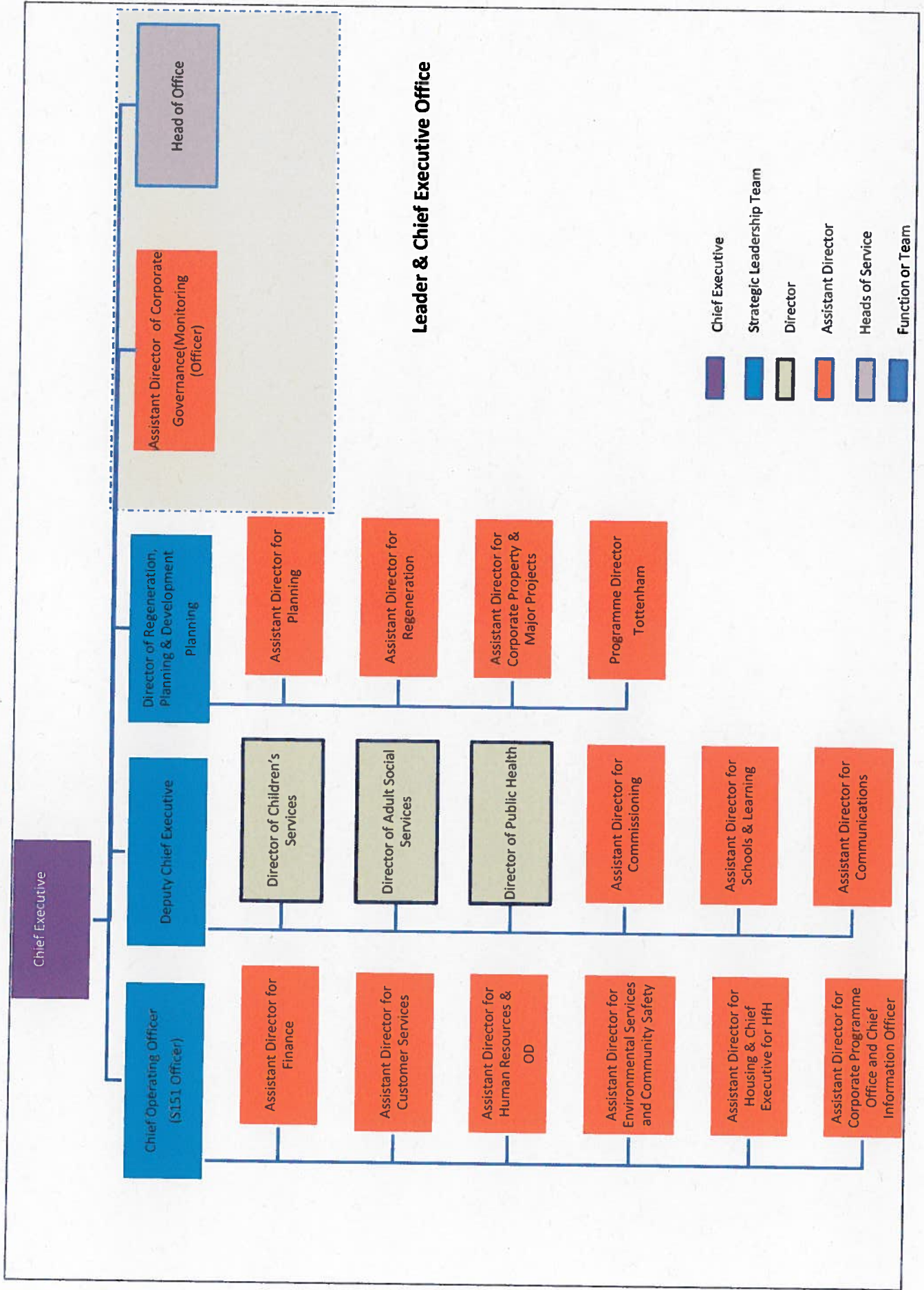
No implications

12. Use of Appendices

Appendix 1 – Structure

13. Local Government (Access to Information) Act 1985

Senior Leadership Team



Leader & Chief Executive Office

