REPORT OF THE CHIEF EXECUTIVE

TO
THE WORKFORCE PANEL
ON
TUESDAY 22ND AUGUST 2017

TITLE: REVIEW OF LEADERSHIP ARRANGEMENTS

RECOMMENDATIONS:

1. That the Workforce Panel notes the reallocation of responsibilities for the corporate support and enabling functions to the Director of Service Reform and Development.

2. That the Workforce Panel approves the establishment of a new post of Assistant Director, Finance (Section 151 Officer).

3. That the Workforce Panel agrees the membership of the Appointment Panel for the post of Assistant Director, Finance.

4. That the Appointment Panel be delegated to agree the final details of the recruitment and selection arrangements as follows: -
   (a) Agree the job role description.
   (b) Agree an internal recruitment approach in the first instance, external if necessary.
   (c) Agree the detail of the selection process.
   (d) Appoint a suitable candidate and notify Cabinet Members allowing any objections to the offer to the City Mayor.
   (e) Make recommendations to the full council to approve the appointment.

EXECUTIVE SUMMARY:

This report sets out the approach to achieve changes to management arrangements, following the resignation of the Director of Finance and Corporate Business, a post which also carries the statutory Chief Finance Officer (Section 151 Officer) financial responsibilities.
The approach outlined will provide capacity to continue to carry out our responsibilities for effective financial management, whilst continuing to drive change, improvement and transformation through the alignment of the corporate support and enabling functions within the Director of Service Reform and Development responsibilities.

This report requests approval for the creation of a post of Assistant Director, Finance and sets out the proposed arrangements for the recruitment and selection to that post.

BACKGROUND DOCUMENTS:

KEY DECISION: NO

DETAILS:

1. **Introduction**

   This report sets out the approach to achieve changes to management arrangements, following the resignation of the Director of Finance and Corporate Business, a post which also carries the statutory Chief Finance Officer (Section 151 Officer) financial responsibilities.

   The Chief Executive has, since his appointment, continually reviewed management arrangements to reduce costs over recent years in response to fiscal challenges, reducing resources and changes to services with the most recent changes being agreed by the Workforce Panel in April 2017. In line with this approach and building on the principles of flexibility and fluidity to deliver the mayoral priorities this report sets out a number of proposed changes to the organisation structure and management arrangements and demonstrates further financial savings in senior management costs.

   The approach outlined will provide capacity to continue to carry out the Council’s responsibilities for effective financial management, whilst continuing to drive change, improvement and transformation through the alignment of the corporate enabling functions within the Director of Service Reform and Development responsibilities.

   This report also requests approval for the creation of a post of Assistant Director, Finance and sets out the proposed arrangements for the recruitment and selection to that post.

   The proposals outlined in this report would further rationalise the leadership and management arrangements with a reduction of a Director post and provide further maximum savings of £48k to the council.
2. **Corporate support and enabling functions**

A key priority for the corporate support and enabling functions is supporting the delivery of the transformation programme together with driving improvement and supporting change. These services will therefore be aligned with the reform and transformation agenda within the Director of Service Reform and Development responsibilities and the post of Director of Finance and Corporate Business will be deleted.

The Chief Executive working with the Director of Service Reform & Development together with the City Solicitor will, with immediate effect, take forward and lead the review and redesign of those services which are part of the Project Connect transformation programme and the current review of ICT services.

The purpose of Project Connect is to deliver quicker, easier and better access to information and services; a great experience; and excellent customer service whenever someone deals with the council. It is a fundamental shift towards managing a seamless customer experience from first point of contact to resolution for queries relating to Council Tax, Housing Benefits, NNDR and Universal Services (thematic areas) whilst maximising internal and external relationships with partners, statutory agencies, the community, or the individual in a whole system.

The project brings together people from across a range of dependant and interdependent services all of which are key to the design of a seamless customer experience. The involvement of all of these services within one overarching redesign programme allows us to co-design the customer experience across any channel realising the ambitions set out in our Customer Strategy, Anti-Poverty Strategy and the GM design principles.

The City Solicitor will play a lead role in the commercial work and external contracts currently led by the Director of Finance and Corporate Business.

The Chief Executive will work with the Assistant Director, HR & OD to review and revise the role description for the post of Director of Service Reform and Development to include responsibility for the corporate support and enabling functions.

3. **Chief Finance Officer (Section 151 Officer)**

3.1 To provide assurance and continued resilience for the administration of the financial affairs of the council it is proposed to establish the post of Assistant Director, Finance (Section 151 Officer). The post holder will contribute to the corporate management of the council, in particular through the provision of professional financial advice to the Chief Executive, City Mayor, Councillors and other officers.
3.2 Background to the post

This post will ensure that the appropriate arrangements are in place for the proper conduct of the council’s financial affairs and will monitor their adequacy and effectiveness in practice; ensure the effective discharge of the statutory duties set out in the Section 151 Responsible Officer role; and provide robust financial leadership for the council, setting direction in accordance with the standing orders and financial regulations.

The Council Constitution states that where the Council proposes to establish a post at Local Scale Band E and above this will be determined by the Workforce Panel, who will also establish a Committee or Sub-Committee to act as the appointment panel. Therefore, arrangements for the recruitment and selection to this post sit with the Workforce Panel.

In addition, the full council is required to approve the appointment of the Section 151 officer following the recommendation of the appointment by a sub committee of the Workforce Panel.

This report sets out the proposed arrangements for the recruitment and selection to this post.

3.3 Salary

The post has been evaluated under the bespoke job evaluation scheme for Local Government Chief Officers and Senior Managers and sized, scored and ranked accordingly. The salary scale, as determined by the outcome of this exercise, is £68,130 to £74,944 per annum in line with Band E of the agreed senior pay structure.

3.4 Recruitment Advertising Approach

It is proposed that this post be advertised on an internal only basis in the first instance ringfenced to existing appropriately qualified officers of the council, as detailed below:

The officer appointed as the CFO must, by virtue of section 113 of the Local Government Finance Act 1988 in England and Wales, be a member of a specified accountancy body (as detailed in section 113 (3)). The bodies are -
(a) the Institute of Chartered Accountants in England and Wales,
(b) the Institute of Chartered Accountants of Scotland,
(c) the Chartered Association of Certified Accountants,
(d) the Chartered Institute of Public Finance and Accountancy,
(e) the Institute of Chartered Accountants in Ireland,
(f) the Chartered Institute of Management Accountants, and
(g) any other body of accountants established in the United Kingdom and for the time being approved by the Secretary of State for the purposes of this section.
Recruitment from the existing workforce will offer a valuable career development opportunity to a competent employee, and is consistent with our commitment and approach to succession planning and workforce and leadership development.

An internal appointment will also ensure that the post holder has an existing awareness of the context and financial arrangements within the City Council and system wide i.e. pooled budgets.

However, arrangements to advertise externally will be made should there be no suitable internal candidates.

In line with Section 114 of the 1988 Local Government Finance Act the City Council should also nominate a Deputy Section 151 Officer, who must also be suitably qualified, to undertake the duties of the chief finance officer during their absence. Appropriate arrangements will be put in place to develop the capability of an internal officer or through an external appointment if necessary to provide appropriate financial assurance and resilience.

4. Recruitment Arrangements

4.1 Appointment Panel

It is one of the responsibilities of the Workforce Panel to establish an Appointment Panel for the recruitment and appointment to posts at this level. In respect of this post, it is suggested that the Panel be convened from the membership of the Workforce Panel as follows: -

- Lead Member (Workforce and Industrial Relations)
- Lead Member (Finance and Corporate Business)
- Leader of the Opposition or nominated representative

The Panel will be advised by the Chief Executive and Director of Service Reform and Development and appropriate technical adviser as necessary.

4.2 Recruitment and Selection Process

The Appointment Panel will be responsible for the whole recruitment and selection process. This would comprise of a number of stages, including:

- Approval of the job role description.
- Agreement of diary dates for short listing and interview process.
- Final selection of successful candidate
- Make recommendations to the full council to approve the appointment.
5. Recommendations:

5.1 That the Workforce Panel notes the reallocation of responsibilities for the corporate support and enabling functions to the Director of Service Reform and Development.

5.2 That the Workforce Panel approves the establishment of a new post of Assistant Director, Finance (Section 151 Officer).

5.3 That the Workforce Panel agrees the membership of the Appointment Panel for the post of Assistant Director, Finance.

5.4 That the Appointment Panel be delegated to agree the final details of the recruitment and selection arrangements as follows: -
   (a) Agree the job role description.
   (b) Agree an internal recruitment approach in the first instance, external if necessary.
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   (d) Appoint a suitable candidate and notify Cabinet Members allowing any objections to the offer to the City Mayor.
   (e) Make recommendations to the full council to approve the appointment.

KEY COUNCIL POLICIES: Council Constitution, Part 4, Section E, Officer Employment Procedure Rules.

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS: N/A

ASSESSMENT OF RISK:

SOURCE OF FUNDING: Revenue funding

LEGAL IMPLICATIONS: Provided by Miranda Carruthers-Watt, City Solicitor

Workforce Panel can be satisfied that the proposals contained in this report are lawful. In particular, the recruitment proposals concerning the posts of Assistant Director, Finance (Section 151 Officer) are in line with Council’s constitution. It is also necessary to comply with the provisions of the Local Government Finance Act as set out below.

The officer appointed as the Chief Finance Officer must, by virtue of section 113 of the Local Government Finance Act 1988 in England and Wales, be a member of a specified accountancy body (as detailed in section 113 (3)).

Section 114 of the 1988 Act provides that the duties of the chief finance officer of a relevant authority under sections 113 (2) or 113 (3) shall be performed by him personally subject to section 114 (6) which provides as follows -
If the chief finance officer is unable to act owing to absence or illness his duties under shall be performed -

(a) by such member of his staff as is a member of one or more of the bodies mentioned in section 113(3) and is for the time being nominated by the chief finance officer for the purposes of this section, or

(b) if no member of his staff is a member of one or more of those bodies, by such member of his staff as is for the time being nominated by the chief finance officer for the purposes of this section.

The current arrangements within the Council are in line with these rules and the proposed arrangements will be made in accordance with the requirements of S114.

HR IMPLICATIONS: Included in the body of the report

FINANCIAL IMPLICATIONS: Included in the body of the report

OTHER DIRECTORATES CONSULTED:

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WARD(S) TO WHICH REPORT RELATE(S):