

For general release

REPORT TO:	APPOINTMENTS COMMITTEE 16 January 2015
AGENDA ITEM:	6
SUBJECT:	REMUNERATION OF THE ASSISTANT CHIEF EXECUTIVE (CUSTOMER AND TRANSFORMATION)
LEAD OFFICER:	Chief Executive and Head of Paid Services Director of Human Resources
CABINET MEMBER:	N/A
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: The Council's management structure	
FINANCIAL SUMMARY: The cost of the new post is £120,000. This can be funded from the 2015/16 Resources department budget. The tier 1 restructure of the Resources department proposes a reduction of one director post.	
KEY DECISION REFERENCE NO: n/a	

1. RECOMMENDATION

- 1.1 That the Committee approves the salary on appointment of up to £120,000 including a market supplement for the post of Assistant Chief Executive (Customer and Transformation) as set out in paragraphs 3.8 to 3.14

2. EXECUTIVE SUMMARY

- 2.1. This report seeks the Committee's approval of a salary package for the post of 'Assistant Chief Executive – Customer and Transformation' post of up to £120,000 per annum (including a market supplement).

3. DETAIL

Background

- 3.1. The Council on the 15 July 2014 made a decision to amend and appoint to the 'Chief Executive' position and to delete the roles of 'Executive Director – Resources & Customer Services' and 'Executive Director – Adult Social Care, Housing and Health'. This recognised the need to respond early to the financial

pressures being faced by the Council in 2015/16 and in early preparation for the reshaping of the Council from the influence of the transformation programme.

- 3.2. In readiness for the creation of a three department Council (Resources, Place and People departments) and implementation of the top management tier from 01 April 2015, the Public Health responsibilities have transferred to the Chief Executive, Housing Services have transferred to the Executive Director of Development and Environment and Adult Social Care services have transferred to the Executive Director of Children's, Families and Learning.
- 3.3. Consultation is now under way over the shaping of the tiers at Director-level starting with the Resources Department. Proceeding with the first tier reshaping of the Resources Department will ensure that the subsequent development of the People and Place departments is more successful, and in turn help provide future stability as these departments are reshaped and created in their own right. The support provided to the remaining two departments will be critical to their success for the organisation.

Resources Department

- 3.4. Under the previous interim arrangements since March 2013 the Resources and Customer Services Department and the Chief Executive's Office were combined under the Chief Executive's Department. The creation of a permanent new Resources Department will end these arrangements and the associated uncertainties connected with interim measures.
- 3.5. Included within the Resources Department is a new role of 'Assistant Chief Executive - Customer and Transformation' to lead the main functions of the Customer Call Centre, ICT, Business Support, Access Croydon Services, External and Internal Communications, Customer Services, Welfare and Benefits, Land Charges, Interpreting Services, Transformation, Freedom Pass Scheme, London Taxi Scheme and Blue Badge Scheme which are to be placed in a single Customer Services division. This will ensure a more effective customer focussed service through the transformation programme bringing together the front and 'middle' office services and the opportunities associated with the alignment of transformation and ICT.
- 3.6. It is recognised that this role will have significant influence in reshaping the organisation's business model and delivery of the Transformation Programme and will work closely with the Chief Executive in developing the continued transformation vision on a council-wide basis to deliver the political and strategic vision for the council for the residents of the borough.
- 3.7. The role will be one of two formal silver command deputies for emergency situations in the borough, as was the case for the Floods in February 2014. It will also act as one of two local Gold Command officers for the council in the event that the Chief Executive is called upon for London wide Gold Command duties.

Salary

- 3.8. The current grading structure for chief officers was established on the basis that director posts would generally report to Executive Directors. This is reflected in the assumed weight and size of a director role and the pay attached to each grade.

The changing nature of certain roles in becoming broader, more strategic and reporting directly to Chief Executive is not provided for in the current pay structure. As a result the level of pay attached to the current grades can be uncompetitive.

- 3.9. The review of top tiers is an opportunity to revise the pay and grading structure for chief officers (see 3.15 and 3.16 below) but this should be done for April 2015 when the proposed senior management structures of all three departments are more advanced. In the meantime the Council needs to operate within its existing pay policy.
- 3.10. Under the Council's current pay arrangements the Assistant Chief Executive - Customer and Transformation' role would be graded at Chief Officer Grade B on a salary range of between £92,608 and £100,637 (these figures take into account a 2% national pay award that is expected to be confirmed early in 2015).
- 3.11. Benchmarking against comparable roles in London and south-east England indicates that that the Council will need to apply a market supplement to offer a competitive salary and attract the highest calibre candidates. A comparison of salary data from the London Council's pay survey 2014 and from the Hay Group indicates that a total salary package of up to £120k for a role of this size would reflect the upper quartile in terms of market pay.
- 3.12. The Council's pay policy statement allows for the use of market supplements if the Council is unable to recruit to a role at its designated grade. Market supplements are paid in addition to the salary for the grade and the supplement is subject to review. There will be provision in the individual's contract of employment for the Council to decrease or remove the market supplement accordingly.
- 3.13. Following the decision of the annual council meeting on 03 June 2014, the Appointments Committee has delegated responsibility for voting on salary packages on appointment that exceed the threshold specified in statutory guidance issued by the Secretary of State under section 40 of the Localism Act 2011. The statutory guidance is that elected Members should be given an opportunity to vote before: salary packages upon appointment above a specified threshold are offered; and severance packages beyond a specified threshold are approved for staff leaving the Council's employment. For both these purposes, the specified threshold is currently £100,000. This report is presented for the approval of salary a package that exceeds the stated threshold.
- 3.14. In anticipation that it may be necessary to appoint on a salary package that exceeds the specified threshold the Committee is asked to approve a salary package of up to £120k (including a market supplement) for the role of 'Assistant Chief Executive -Customer and Transformation'. The market supplement is to be paid pending review of a new pay policy for directors as mentioned below. The precise level for any market supplement will be agreed by the Director of Human Resources in liaison with the Chief Executive and Head of Paid Service in accordance with the provisions approved by Members.

Pay Policy

- 3.15. As mentioned above the current pay structure for senior staff is no longer fit for purpose. The realignment of the senior management tiers presents an opportunity to review the pay arrangements with a view to simplifying pay, removing certain

allowances and supplements and aligning pay more closely to the market. As pay for staff at this level is determined locally and is outside of any collective bargaining with the trade unions there is greater flexibility than with other staff groups.

- 3.16. Details of the new pay arrangements will be incorporated into the 2015-16 pay policy due to be considered by Council in February 2015. The emerging proposed 'pay principles' for a first-tier officers (Executive Directors, Assistant Chief Executive and Directors) are:
- a) Creation of small number of pay reference points (or spot pay) to replace grades with incremental progression.
 - b) Reference points to be set taking into account market pay and based around the London Council's and Hay 50th percentile.
 - c) Reference points to be reviewed every two years.
 - d) Individual's base pay to be set at one of the pay points taking into account the size of the role undertaken.
 - e) Market supplements (where payable) should not exceed the pay point for the next level and should be no more than 10% of base salary.
 - f) Market supplements reviewable every 2 years starting April 2017 - and if lowered this would be subject to 12 months' notice
 - g) Removal of all other allowances (except Returning Officer duties)
 - h) Separation from national pay awards i.e. pay does not increase with the cost of living pay increases agreed the Chief Officer nationally

4. FINANCIAL AND RISK CONSIDERATIONS

4.1 The effect of the decision

The overall costs of the proposed structure for the Resources department are within the proposed 2015/16 budget. This is a new post but can be funded from the budgets for deleted roles within the department at director level.

4.2 Risks

None identified.

4.3 Options

The alternative option of not filling the role is not considered sustainable.

4.4 Future savings/efficiencies

This role is a key position in supporting the transformation required of the council to deliver against the cut in our grant

Approved by: Richard Simpson, Director of Finance and Assets

5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 5.1. The Solicitor to the Council comments that the Council may appoint such staff as it considers necessary for the proper discharge of its functions on such reasonable terms and conditions, including remuneration, as the Council thinks fit.

Approved by Julie Belvir, Council Solicitor and Monitoring Officer

6. CUSTOMER, EQUALITIES, HUMAN RIGHTS, FREEDOM OF INFORMATION, DATA PROTECTION CRIME AND DISORDER IMPACT

6.1. There are no direct considerations arising from this report.

CONTACT OFFICER: Heather Daley, Director of Human Resources

BACKGROUND DOCUMENTS: None

Assistant Chief Executive – Customer and Transformation

The Assistant Chief Executive – Customer and Transformation will play a key Council-wide role in the Council's Corporate Leadership Team (CLT) and Extended Leadership Team (ELT) in leading and delivering corporate objectives. Each member of the CLT and ELT will be responsible for the technical delivery of their roles and the corporate competencies, while living and promoting the corporate values through their day-to-day work.

Reports to: Chief Executive

Responsibility for: Customer Call Centre, ICT, Business Support, Access Croydon Services, External and Internal Communications, Web and e-services, income collection including council tax, business rates and general debt, Customer Services, Welfare and Benefits, Land Charges, street naming and numbering, Interpreting Services, Transformation, Freedom Pass Scheme, London Taxi Scheme and Blue Badge Scheme

Job Purpose:

You will work as part of the Corporate Leadership Team and Extended Leadership Team with a direct report into the Chief Executive. You will take overall responsibility for a corporate customer services division, which will include a number of customer facing services. Leading the council-wide transformational programme you will work to bring together front and middle office services and develop opportunities associated with the alignment of both transformation and ICT.

You will have significant influence in reshaping the organisation's business model and delivery of the council-wide transformational programme, Croydon Challenge.

Key Stakeholder Relationships:

Internal: Councillors, Corporate Leadership Team, Directors

External: Audit Commission, Government Departments, National Consultation Groups, Strategic Partners, Other Local Authorities, Trade Unions, MPs, Partner Organisations, Professional Bodies, The Ombudsman.

Statutory Responsibilities:

This role has no assigned statutory responsibilities.

Political Restrictions:

This post is politically restricted and under the Local Government and Housing Act 1989, as amended by the Local Democracy, Economic Development and Construction Act 2009 and the post holder may not have any active political role either in or outside the work.

Delegated Authority:

The post holder is required to be on call as part of a Chief Officer on-call rota.

The post holder is required to deputise for the Chief Executive in the role of London Local Authority Gold at a borough level.

Key Outcomes:

This role is responsible for the following key outcomes:-

1. Forward-thinking, clear, comprehensive, reliable and resilient technology and business support solution that delivers customer access, efficiency and effectiveness throughout the organisation.
2. A culture of effective council-wide transformation management across the organisation – ensuring innovation, timeliness, cost efficiency and pragmatism in supporting the organisation to deliver its key priorities.
3. A culture of first class customer service operation - delivering a first class customer service experience – maximising opportunities for residents to self-serve and supporting independence through digital inclusion.
4. The delivery of the Council's business model, full integration of front, middle and back office services.
5. Provide effective communication and engagement internally and externally to inform and understand residents and staff and to build and protect the council and Croydon's reputation.

Key Deliverables:

- Lead the organisation through the corporate values by promoting, embedding and encouraging individual and team engagement.
- Deliver and maintain the Council's vision and strategies ensuring they embedded throughout the transformational programme.
- Work closely with the Chief Executive, Corporate Leadership Team and Extended Leadership Team in developing the continued transformation vision on a council-wide basis and to deliver the political and strategic vision for the council for the residents of the borough.
- Lead, develop and deliver the customer service strategy for the organisation both at the front line and middle level services.
- Lead on the creation and implementation of the Council's customer engagement and customer engagement strategies.
- Create and maintain an effective transactional service strategy for the Council and its partners.
- Use innovative and effective methodology to build and create an effective customer service including face to face, web services and telephone services which focuses on service improvement and customer satisfaction.
- Ensure well executed delivery of the internal and external corporate communications strategy and brand image.
- Lead the delivery of revenues and benefits services within the Council, including council tax, business rates, housing benefits, debtors and creditors.
- Lead the delivery of a business support service within the Council.

- Lead the delivery of the ICT function to deliver an effective and innovative service both internally and externally.
- Build and maintain an effective customer administration service.

Specific Minimum Qualifications and Expertise:

- Proven ability to lead a strategic team at a similar level through customer services and leadership capability.
- Track record in managing and maintaining transformation projects in similar sized organisations, with the ability to create solutions to problems while engaging the workforce in change management.
- Developed expertise in complex budgeting and audit responsibility for budgets in excess of £500m.
- Excellence in team management and service delivery in relation to customer service and service improvement initiatives.
- A proven ability of managing, engaging with and improving multi-faceted services.
- Significant track record in executing team and individual performance effectively.
- Expertise in the development and maintenance of customer satisfaction tools and engagement methodologies.
- Embedded communication ability both upwards and downwards within an organisation and externally to improve delivery.

Leadership Framework:

Our leadership framework follows the principles of a competency framework and all of our leaders are expected to demonstrate these through their application process.

Developing Oneself – You demonstrate the values every day, you are passionate about the services you lead and deliver the vision and outcomes of Croydon Council. You are inspirational and engage others through personal leadership making the vision understandable to everyone.

Inspiring and Developing people – You identify talent and develop their capability to ensure a committed and motivated workforce, you create a culture based on the corporate values and ensure staff and stakeholders deliver a desired outcome.

Collaborating and Influencing for Results – You are challenging and innovative in your approach to driving high standards and value for money, you trust and respect staff and partners and empower them to be courageous to try new approaches.

Enabling and Facilitating the Community – You create effective collaboration between stakeholders, establish relationships and understand others perspectives. You are open and honest with others. You build a shared sense of purpose across Croydon, ensuring delivery and a collective use of resources

Corporate Values:

Our values are the base of every job role within Croydon – our values are fundamental in everything we do as a Local Authority. You are required to demonstrate a commitment to our corporate values and this will be assessed using the criteria below:



One Team: To cross boundaries to work together towards shared goals with colleagues, partners and communities

- You are strategically innovative in your approach to building and maintaining partnerships and you and your teams act in a joint enterprise with them. You use your contacts and colleagues to bring teams together.

Proud to Serve: We strive to always do our best for the community, getting the most from limited resources and using taxpayers' money wisely

- You are proud to be part of the wider Croydon and the contribution you and your teams make to it. You make a difference to people's lives through engagement and you strive to get the best possible value for money for customers

Honest and Open: We work hard to build trust by treating everyone with honesty and integrity

- You think through who needs to understand to demonstrate and explain clearly. You take people's views into account continuously. You trust people, colleagues and staff, to do their best and deal with any issues positively

Taking Responsibility: We encourage and support each other to take responsibility and show what we can do, learning together and recognising each others' contributions

- You are clear where formal accountability lies and where we can all take responsibility for results. You praise your colleagues for their efforts and ideas and thank them for their contributions

Valuing Diversity: We make the most of the many perspectives that make Croydon distinctive

- You treat all staff and customers with equal value and respect. In everything you do, you make good use of the wide variety of background, skills and perspective your teams, the Council and the community demonstrate

December 2014