



London Borough of Hammersmith & Fulham

CABINET MEMBER DECISION

FEBRUARY 2015

SECONDMENT AGREEMENT

Report of the Leader of the Council

Open Report

Classification: For Decision

Key Decision: No

Wards Affected: All

Accountable Executive Director: Nigel Pallace, Interim Chief Executive

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AUTHORISED BY:

The Cabinet Member has signed this report.

DATE: 18 February 2015.....

1. EXECUTIVE SUMMARY

- 1.1 Since January 2014, Jane West, Executive Director of Finance and Corporate Governance at H&F, has been leading on the Tri-borough Corporate Services Review and has been increasingly involved in the Tri-borough Managed Services Programme. She has also taken on line management during the year for City of Westminster's Directors of HR, Legal and Procurement as well as line managing the Tri-borough Chief Information Officer and the Bi-borough Directors of HR, Legal and Finance.
- 1.2 Following the change of Administration and the need to consider alternative potential approaches as well as to have regard to the report of the Critical Friends Board, it was not appropriate to pursue and conclude the Corporate Services Review as originally conceived under the previous Administration. Jane West's revised position has consequently not been formalised and H&F have not yet been receiving any contribution from Westminster or the Royal Borough of Kensington and Chelsea for the salary costs for Mrs West. This needs to be corrected.
- 1.3 Future arrangements for managing Shared Corporate Services across the three authorities and, potentially, other parties, have yet to be agreed by Members in all three councils although both H&F and RBKC have agreed the proposals for triborough ICT and legal services. This report sets out an interim proposal for a period anticipated to be of between three and six months' duration, which will be further developed, alongside the emerging changes to senior management in H&F likely to arise from an anticipated management restructure that will deliver on the new administration's manifesto commitments to reduce management, reduce costs and improve efficiency. A permanent set of arrangements should be capable of being put in place by the summer of 2015.
- 1.4 Hammersmith & Fulham has decided not to participate in a shared corporate services directorate and does not support the creation of a post of tri-borough shared executive director of corporate services. H&F will retain a direct reporting line between directors or heads of shared corporate services and the chief executive or other senior manager(s) with a predominantly solo H&F remit, dependent upon the outcome of the anticipated corporate restructure in H&F. Westminster City Council (WCC) has already set up a post of Tri-borough Executive Director of Corporate Services in its senior management structure, in anticipation of the original direction of travel under the corporate services review, which Mrs West is effectively currently covering alongside her usual responsibilities dating back to March 2014. The Royal Borough of Kensington and Chelsea (RBKC) is also of the view that the shared executive director post is necessary for at least a temporary period but has yet to decide whether it would wish to see such a post

on a permanent basis which, in the absence of H&F's participation in a tri-borough corporate services directorate, would be a bi-borough post shared by RBKC and Westminster. A decision on this is anticipated shortly by RBKC.

- 1.5 It is possible therefore that the post of Executive Director of Shared Corporate Services will exist within the next twelve months, even if only on a Bi-borough basis between WCC and RBKC. This report recommends interim arrangements to provide cover for the shared executive director post and capacity to complete the Triborough Corporate Services Review and Managed Services Programme. It is recommended that Mrs West be seconded to cover this role on a temporary basis provisionally until the end of August 2015.
- 1.6 As a consequence, Mrs West would not be funded by H&F from 1 April 2015 and her role of s151 officer will need to be covered. It is proposed that Hitesh Jolapara, Bi-borough Director of Finance, takes on the H&F s151 responsibility on an interim basis from a date to be agreed in February 2015, pending the anticipated management restructure in H&F, reducing his role in RBKC to an estimated 20% (one day per week) commitment.
- 1.7 Mrs West is also the H&F Returning Officer for the General Election to be held in May 2015. As this is a separate employment, Mrs West would continue to undertake this role during the secondment period and until after the general election has taken place.

2. RECOMMENDATIONS

- 2.1 This report seeks the approval of the Leader for:-
 - Jane West, Executive Director of Finance and Corporate Governance to be seconded to Westminster City Council to cover the post of Interim Bi-borough Executive Director of Corporate Services for WCC and RBKC from 1 March 2015, with her salary costs being met by Westminster City Council and the Royal Borough of Kensington and Chelsea from 1 April 2015.
 - Hitesh Jolapara to be the Interim s151 officer for H&F, from a date to be agreed in February 2015. His salary will become 80% chargeable to H&F with a 20% recharge to RBKC reflecting his one day a week continuing commitment to RBKC.

3. REASONS FOR DECISION

- 3.1 The establishment of an Interim Bi-borough Executive Director of Corporate Services role for WCC and RBKC will allow new permanent arrangements to be developed, alongside the establishment of a new senior management structure at H&F. It also allows the Interim Executive Director to devote a significant

proportion of time to the delivery of the Managed Services Programme which is on schedule to go live on 1 April 2015.

4. INTRODUCTION AND BACKGROUND

4.1 Jane West currently line manages the following posts:-

- Executive Director of Housing and Regeneration at H&F, Mel Barrett
- Tri-borough C10, Ed Garcez
- Bi-borough Director for Finance and Acting Director for H&F Direct, Hitesh Jolapara
- Bi-borough Director of HR, Debbie Morris
- Bi-borough Director of Law, Tasnim Shawkat
- Director of ICM and Acting Director of Strategy and Communications, H&F, Martin Nottage
- Director of Law, WCC, Peter Large
- Director of HF/OD, WCC, Carolyn Beech
- Chief Procurement Officer, WCC, Anthony Oliver
- Tri-borough Head of Managed Services ICF, Jeremy Beresford
- Tri-borough Managed Services Programme Director, Maria Benbow

4.2 Mrs West is currently leading on the following specific projects-

- H&F MTFS and Council Tax Setting
- Tri-borough Corporate Services
- Managed Services
- Business Intelligence
- Bi-borough Customer Strategy
- H&F General Election

4.3 She is also the Returning Officer, Senior Information Risk Owner (SIRO) and the s151 officer for H&F.

5. PROPOSAL AND ISSUES

5.1 This report proposes a revised, temporary formulation of Mrs West's changed role to provide capacity to make the changes required to restructure the shared Corporate Services across principally WCC and RBKC and to complete the implementation of Managed Services. The main proposal is that Mrs West be seconded from her current role of H&F Executive Director of Finance and Corporate Governance in order to take up the temporary role of Interim Bi-borough Executive Director of Corporate Services, initially located in Westminster from 1 March 2015 to potentially 31 August 2015.

- 5.2 This will require Mrs West to relinquish her statutory role(s) of s151 officer. It is proposed that the Bi-borough Director for Finance, Hitesh Jolapara takes up the role of interim s151 officer for H&F from a date to be agreed in February. It is also proposed that Ed Garcez, Chief Information Officer takes on the role of SIRO (Senior Information Risk Owner - the statutory responsibility for information governance).
- 5.3 Finally it is proposed that Mrs West will relinquish the line management of Executive Director of Housing and Regeneration at H&F, Mel Barrett; and Bi-borough Director for Finance and Acting Director for H&F Direct, Hitesh Jolapara; she would share line management of Bi-Borough Director of ICM and Acting Director of Strategy and Communications, Martin Nottage, with Nigel Pallace, Interim Chief Executive of H&F.
- 5.4 In order to complete the Shared Corporate Services Review, Mrs West will continue to manage all other direct reports listed at 4.1 during the secondment period for WCC and RBKC, subject to there also being a dual reporting line to Interim Chief Executive (H&F) or other designated H&F senior officer in respect of the heads of ICT, Legal Services and HR pending the anticipated corporate restructure in H&F Martin Nottage, Ed Garcez, Tasnim Shawkat and Debbie Morris will continue as H&F employees under these joint line management arrangements.
- 5.5 Mrs West will continue to lead for the time being on the following projects, plus other projects as required:-
- Developing the future Shared Corporate Services arrangements for WCC and RBKC including defining senior management relationships across the three boroughs and governance arrangements.
 - Second phase of Tri-borough ICT restructure, initiating the possible restructure or wider sharing of HR post-Managed Services plus developing revised arrangements for Procurement in WCC and RBKC.
 - In conjunction with appropriate senior officers in H&F, development of a potential target operating model for single Borough Procurement at H&F that meets Members aspirations for local control of procurement whilst also complementing the Tri-borough arrangement.
 - Completion of the Managed Services Programme - specifically delivery of the new arrangements for 9 April 2015 and dealing with any subsequent issues as the new systems bed in.
 - Running of the General Election in H&F and implementing Individual Electoral Registration.
- 5.6 Hitesh Jolapara will take on the lead for the H&F MTFS and Council Tax Setting.

- 5.7 Given that Charlie Parker is Senior Responsible Officer for Managed Services and Shared Corporate Services, it is proposed that Mrs West's line management will move to Mr Parker for the period of the secondment.
- 5.8 Mrs West will continue to attend WCC's Executive Management Team, the Bi-borough Joint Management Team, the Bi-borough Joint Transformation Board and the Shared Services Board. She will also chair a Shared Corporate Services Management Board meeting.
- 5.9 She will meet with the Tri-borough Corporate Services Members as required and will attend informal and formal Cabinets and Scrutiny Panels as required/invited.

6. LEGAL IMPLICATIONS

- 6.1 A secondment agreement will need to be signed defining the arrangements set out in this report.

Implications verified/completed by: Tasnim Shawkat, Bi-borough Legal Services London Borough of Hammersmith and Fulham, Tel: 020 8753 2700.

7. FINANCIAL AND RESOURCES IMPLICATIONS

- 7.1 A detailed analysis of Mrs. West's workload since April 2014 demonstrates that Mrs West has been spending approximately 19-20% of her time supporting WCC and 16-17% of her time supporting RBKC. It is anticipated that this balance of workload will continue until the end of March 2015 as she hands over to officers in H&F. The following table sets out the financial implications of this breakdown.

	WCC %	WCC £	RBKC %	RBKC £
1/4/14 - 30/6/14	19%	10,925	16%	9,200
1/7/14 - 31/3/15	20%	34,500	17%	29,325
Total		45,425		38,525

- 7.2 It is intended that H&F will charge WCC and RBKC for £83,950 in total for Mrs West's time in respect of 2014/15.
- 7.3 At this stage it is unclear the extent to which Mrs West will be still contributing to outcomes at H&F during the period of her secondment but this is likely to be small and diminishing over time. It is intended that H&F will cease funding any of

Mrs West's time from 1 April 2015, recognising that H&F met the whole cost of her contribution to the tri-borough corporate services programme prior to April 2014. If, in practice, despite this intention, Mrs West is asked to continue to undertake more than a small amount of work for the benefit of H&F then the s113 apportionment will be revisited accordingly.

- 7.4 Therefore from 1 April 2015 it is anticipated that Mrs West's costs of £19,167 per month will be split equally between WCC and RBKC i.e. £9,583 per borough per month of the secondment. WCC
- 7.4 RBKC will no longer be recharged for half of Hitesh Jolapara's salary but will meet 20% of this cost. The additional net cost to H&F can be offset by the saving in relation to Jane West's salary. The overall impact will be a saving to H&F in 2014/15 and 2015/16.
- 7.5 There is a new process being developed to report the quarterly recharging between the three boroughs to the Shared Services Board (senior officers) and the Leaders' Board Meeting. This process will be used to provide assurance that the s113 recharging mechanism that has been in place since 2012/13 is refreshed and adjusted as appropriate. There is also an independent annual review of all s113 agreements in February each year by the Finance Integration Project Board which includes senior finance staff from all three boroughs.
- 7.6 Implications verified/completed by: Hitesh Jolapara, Bi-borough Director of Finance, Tel: 020 8753 2501.

8. RISK MANAGEMENT

- 8.1 If the secondment is not agreed, there is a risk that the senior management arrangements being developed across the three key boroughs sharing various corporate services will be incompatible causing duplication and potentially gaps in provision. It will also potentially put the Managed Services implementation at risk by reducing the available resources.

9. PROCUREMENT AND IT STRATEGY IMPLICATIONS

- 9.1 Not applicable.

10. HR IMPLICATIONS

10. It is proposed that for the period of the secondment Mrs West remains an employee of H&F.

LOCAL GOVERNMENT ACT 2000
BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None.		