

Slough Borough Council

Report To:	<u>Employment & Appeals Committee</u>
Date:	21 March 2023
Subject:	Slough Borough Council's implementation of the recruitment direction
Chief Officer:	Stephen Brown
Contact Officer:	Sarah Hayward
Ward(s):	All
Exempt:	NO
Appendices:	List of roles covered by the recruitment direction agreed with Commissioners

1. Summary and Recommendations

1.1 The report sets out steps taken by the council since the 1st September 2022 when Commissioners were given new reserve powers to appoint to the top three tiers of Slough Borough Council. It acknowledges that Commissioners have not routinely been kept up to date with developments and sets out steps taken to address this, including which roles are covered by the powers. It further sets out issues with the council's current recruitment and Human Resources (HR) practice and the early steps being taken to address them. It acknowledges that the council's response to the direction was not sufficient in quality or pace and sets out how this will be addressed.

Recommendations:

1.2 Members of the Employment & Appeals Committee are requested:

- a) To note the contents of the report

Reason

1.3 On 28 July 2022 the Secretary of State announced that after due consideration he was minded to use his powers under the Local Government Act 1999 to expand the intervention at the Council. On 1 September 2022 Minister Paul Scully announced that he would expand the intervention at the Council to cover recruitment to specific levels of senior management. The council's understanding of the direction is set out below in the background section.

1.4 The council did not initially respond effectively to the new direction. This includes not setting out which posts are covered by the direction and not notifying Commissioners when relevant posts were being recruited to and so Commissioners were denied an opportunity to assess whether they needed to use their powers.

1. 1.5 The council acknowledges that HR practice across the council is not where it should be in terms of delivering a modern and efficient service to attract and retain the staff Slough needs to recover and succeed. In part HR was directly and significantly negatively affected by Our Futures as posts were reduced on the on the basis of greater self service by managers. The model wasn't effectively implemented. There are wider issues of capacity and resources that also need to be address in HR and across the council.

Commissioner Review

The Council's ability to attract and retain excellent leaders is crucial to its ability in delivering its recovery and improvement programme. This report outlines at high level the issues the Commissioners faced in the spring and summer of 2022 in being able to attract the right calibre of people to take the organisation forward, and these issues led to the Direction issued in September 2022 referred to in this report. The Council's initial response to this Direction was disappointing.

However, the report presented here seeks to redress that and sets out some of the background, the status of recruitment activity to the affected posts, and some indication of the elements of the recruitment improvement plan

It is important that this area of work is reviewed on a regular basis alongside responses to the other Directions via the Improvement and Recovery Board to ensure the improvements needed are delivered.

2. Report

Introduction

- 2.1 As previously reported Members are aware the Council has received a formal Direction from the Secretary of State for Levelling Up, Housing and Communities (DLUHC) made under s.15(5) and (6) of the Local Government Act 1999. This Direction was issued on 1 December 2021 and sets out the functions of the Council to be exercised by Commissioners appointed by DLUHC.
- 2.2 With effect from 1 September 2022 and following the Commissioners' initial six-month report, the Minister expanded the Directions in Annex B of the Directions to include the following:

"5. All functions to define the officer structure for the senior positions, to determine the recruitment processes and then to recruit the relevant staff to those positions."
- 2.3 *'Senior positions' is defined in Annex B of the Directions as 'direct reports to the Chief Executive and their direct reports, and their Group Managers – tier one, tiers two and three.'*
- 2.4 Commissioners sought the powers from the secretary of state for a number of reasons. Their experience of the recruitment process, functions and outcome was poor. A number of recruitments didn't run as they should have and took considerably longer than needed. The outcomes are still not where they should be in terms of timeliness and effectiveness of process, ability to attract quality candidates and candidate relations with both successful and unsuccessful candidates. It is recognised that not all of the recruitment challenges rest with

HR, practice is also not what it should be with recruiting managers and holistic corporate improvements need to be made. These will need to start however in HR.

- 2.5 The direction applies to the Chief Executive, his direct reports the Executive Directors (ED/s), their direct reports Associate Directors (AD/s) and their 'Group Managers'. The term 'Group Managers' is subject to some confusion with some areas using this title and others not. Recent discussions with the Commissioners have clarified the position and a list of posts covered by the directions is appended to this report in the annex.
- 2.6 It is recognised that this understanding should have been sought by the council in summer 2022 and this report seeks to address that clear oversight. Further the report notifies the cabinet about posts recruited to that should have been subject to a commissioner view as to their involvement in or oversight of the process.
- 2.7 All ED posts have been appointed via the member appointment process set out in the constitution and have involved Commissioners with the exception of the ED of Place and Communities who was already in post prior to the intervention. The ED structure is now complete, and all staff are in post apart from the new S151 Officer who joins the council in March. Following discussion with commissioners, executive and personal assistants to the chief executive and EDs are excluded from the direction. The other tiers covered have either experienced ad hoc need to recruit replacements to some of the posts in the annex or have been subject to service specific restructures with the involvement of commissioners. An example is finance.
- 2.8 In order to ensure commissioners are appropriately involved in future recruitments a step is being added to the recruitment control process regarding the posts covered by the direction to ask whether Commissioners' views have been sought about the intention to recruit and recruitment requests will not be approved corporately until the Commissioners views have been given and the extent of their involvement established.
- 2.9 The reserve powers enable Commissioners to exercise them for any of the roles covered by the direction. However, Commissioners have advised the council that their practical level of involvement will be commensurate to the seniority and their assessment of risk involved. All ED recruitment will have extensive involvement of the Commissioners. AD recruitment will also involve Commissioners but the level of involvement will be on a risk basis – those AD posts with very significant budgets and/or budget savings, involving significant change, and HR and ICT who are subject to specific directions and critical to Slough's recovery are likely to see greater involvement of the Commissioners in the process. The precise nature of commissioner involvement established at the start of the recruitment process by the relevant ED discussing the process with the Commissioners.
- 2.10 A lighter touch approach will be taken to the direct reports of the ADs – these will be agreed on a case by case basis but Commissioners will expect to see as a minimum that roles have been reviewed and job requirements updated where necessary to drive recovery in Slough.
- 2.11 Any restructures affecting these tiers, whether in departments or whole council will need Commissioner involvement. Recent examples include the finance restructure and the ICT restructure.

- 2.12 If the recruiting manager, ED or AD is interim the Commissioners will seek greater involvement and/or assurance over permanent appointments being made.
- 2.13 Work is being undertaken to start to make improvements to the HR function and practice across the council including the recruitment function and practice. The challenges are multifaceted and include issues with the HR function, the availability and use of appropriate technology and HR practice by line managers and staff across the organisation. This will take time to solve and a full improvement programme is in the early stages of development. The improvement plan will be incorporated into the Council's overarching Improvement and Recovery Plan and reported to the Improvement and Recovery Board chaired by the Commissioners.

3 Options considered

This report is for noting only

4 Background

- 4.1 Since the new directions were placed on the Council in September a number of senior appointments have been made. This includes the Chief Executive and all EDs apart from the ED Place. These appointments give a greater sense of stability and stronger leadership throughout the organisation.
- 4.2 All of the above appointments have had Commissioner involvement and oversight. The Chief Executive and the Interim Monitoring Officer were appointed by the Commissioners and their appointments were reported to Council. Similarly in relation to the S151 Officer who has yet to take up post.
- 4.3 As part of the need to improve processes relating to recruitment, the Commissioners have fed back that in future all shortlisted candidates for Executive Director posts must include an interview with the Chief Executive prior to final interview with the Sub Appointments Committee, and only those candidates which the Chief Executive deems as appointable will go through to this final stage. Similarly, any ADs candidates should be interviewed by the relevant Executive Director before progressing to the final interview the Final Interview Panels.
- 4.4 Currently there are some AD posts that remain vacant or are filled by interim AD. EDs have been reviewing these posts and have started to recruit to them. To date, the post of AD's for Property, Housing, and Education have interims that have been engaged. Commissioners were consulted on the process to engage these.
- 4.5 The commissioner feedback for roles at the AD level is that in terms of members, as a minimum the Lead Cabinet Member for the function needs to be included in the final interview panel. Again, the Commissioners have recommended that the ED for the function has an interview with each shortlisted candidate to assess their suitability before presenting to the final interview panel. This feedback has been taken on board.
- 4.6 It is understood that only one AD has been appointed and one Interim Group Manager have been appointed since the recruitment directions were initiated in September 2022, and our current understanding is that the process for both

started prior to the direction being issued. A process has been put in place to prevent a recurrence.

- 4.7 A step has now been added to the recruitment control form, to record Commissioners involvement in the specific recruitment covered by the direction, which will be determined by them. Approval to proceed with a recruitment process will not be given until Commissioners have completed the form.
- 4.8 Underpinning the Commissioners' initial request for the direction was their experience of recruiting to the Executive Director tier in the first half of 2022 and reports from staff recruiting to more junior roles that recruitment processes weren't fit for purpose, and took excessive time to work through.
- 4.9 The end to end HR practice across the council is not modern or efficient, challenges lying both within services as well as the HR function. It is acknowledged that there needs to be an improvement plan to work with staff to improve practice, policy and process across the authority.
- 4.10 Improvement work has begun. In January a cross council workshop identified issues and quick wins that could be take both by services and HR. These are being worked through and implemented. The HR team has also identified improvements they can make and are working through them, they are also in the process of reviewing policies. A new ED for Strategy & Improvement has now been appointed, with improvement to HR practice being one of her key objectives. An HR improvement plan will be taken to the Improvement and Recovery Board in due course.
- 4.11 To develop the improvement plan further diagnostic work needs to be undertaken. Consideration is being given to an LGA peer review of HR which will help us understand both HR and cross council steps that need to be taken. Improvements will need to be in a range of areas, including but not exhaustively, ensuring we have the right professional skills and knowledge in a permanent staff base in HR, good adherence to policy and procedure across the authority and good systems that support automation, reduce workload and reduce both human error and the number of hand offs between staff. As this plan develops it will be reported through appropriate council governance and to Commissioners at the improvement and Recovery Board. Improvement work required will include developing the skills and capability both in the HR services and across the organisation, embedding consistent use of processes and a compliance culture, developing new policies, systems and processes to modernise the function and practice, bringing in greater automation. A clear improvement strategy will be agreed through council governance including the lead members, employment and appeals committee and Commissioners.
- 4.12 A number of documents are supplied at the annexes, including our recruitment policy for staff not subject to member appointment, this is currently being updated; the constitutional extract covering member appointments; the list of posts affected by the direction, and those that have been recruited to without Commissioner notification; a copy of the wording of the direction.

5 Implications of the Recommendation

Financial implications

- 5.1 There are not significant financial implications arising from this report.

Legal Implications

- 5.2 On 1 December 2021 the Secretary of State for Levelling Up, Housing and Communities made statutory directions requiring the Council to take prescribed actions and that certain functions be exercised from this date by appointed Commissioners, acting jointly or severally. The directions were extended on 1 September 2022. The directions were made under Part 1 of the Local Government Act 1999 due to the Council having failed to comply with its best value duty. The general duty of best value is set out in section 3 of the Local Government Act 1999 and requires local authorities to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.
- 5.3 The functions to be exercised by the Commissioners include functions associated with governance and scrutiny of strategic decisions, requirements for the proper administration of financial affairs, functions associated with the oversight of collection of revenues and benefits and appointment of the three statutory governance officers and the scrutiny officer, as well as functions to define the officer structure at a senior level, determine recruitment processes and recruit relevant staff to these positions.
- 5.4 The Explanatory Memorandum to this Direction confirms that in practice most decisions are expected to be taken by the Council, however the Directions are designed to give the Commissioners the power to tackle weaknesses identified to ensure the Council is better equipped to meet the best value requirements. Cabinet should have regard to the advice and comments of the Commissioners contained in this report.

Risk management implications

- 5.5 There are minimal risks associated with this report. It seeks to clarify implementation of the direction and therefore should reduce risk.

Environmental implications

- 5.6 There are no direct environmental implications as a result of the recommendations contained in this report.

Equality implications

- 5.7 There are no direct equality implications as a result of the recommendations contained in this report.

Procurement implications

- 5.8 There are no direct procurement implications as a result of the recommendations contained in this report.

Workforce implications

- 5.9 This report recommends approval for key appointments to the workforce taking account of the requirements set out by the Secretary of State into the council.

Property implications

- 5.10 There are no direct property implications as a result of the recommendations contained in this report.

6 Background Papers

See the annex attached

Annex

Third tier posts by directorate:

People – Adults:

Reporting to AD Adult Social Care Operations

Group Manager - Long Term Services – Level 10

Group Manager - Short Term Services – Level 10

Reporting to AD – People Strategy and Commissioning

Group Manager – Purchasing - Level 10

Group Manager – Market Management – Level 10

Group Manager – Commissioning – Level 10

Commissioning Strategy Manager - Level 8 – 3-month temporary post from Jan 23 to March 23.

Commissioning Support Officer - Level 5 – business support

Reporting to Deputy Director of Public Health

Public Health Principle – Level 10

Public Health Intelligence Officer – Level 6

Public Health Business Support – Level 5

Strategy and Improvement:

Reporting to AD Strategy

Group Manager - Data, Insight, Strategy – Level 10

Reporting to AD Transformation

3x Programme Managers – Level 9

2 x Project Support Officers – Level 6

Reporting to AD HR

Group Manager HR – Level 10

Health and Safety Manager – Level 9

Workforce Development Manager – Level 9

Business Continuity and Emergency Planning Manager – Level 9

Reporting to AD Customer and Business Services

Group Manager Customer Services – Level 10

Complaints, Casework & FOI – Level 8

Reporting to Chief Digital Officer

Enterprise Architect - Level 10

Governance Reporting & Compliance Manager - Level 10

Programme Delivery Manager - Level 10

Technology Operations Manager - SML11

ICT&D Services Manager - Level 10

Digital Customer Engagement Manager - Level 10

Reporting to Head of Communications and resident engagement

Group Manager – Communications – Level 10

Property and Housing

Reporting to the ED Property and Housing
Head of Planning Policy – Level 10
Head of Development Management – Level 10
Group Manager – Building Management – Level 10

Reporting to the AD Property
Group Manager Place Delivery - Level 10.
2 x Principal Asset Managers – Level 9
Reporting to the AD Housing
Group Manager Accommodation services Level 10
Neighbourhood Manager Level 9

People Children's

Reporting to the AD Education and Inclusion
Group Manager - School Services – Level 10
Principal Educational Psychologist – on Soulbury Scales – Level 10
Head of Music Service (Arts Council funded) – Level 10
Group Manager – SEND and inclusion – Level 10 Vacant
Group Manager – School Effectiveness – Level 10 - vacant
.xGroup Manager - Early Years - Level 10
xGroup Manager – Children Centres – Level 10 vacant
× Please note these roles were the responsibility of the AD Children Services – post never recruited to since he left and all the posts have been reporting to the AD education and Inclusion

Place and Communities

Reporting to the AD Place & Community
Group Manager Community – Level 10
Group Manager Community Safety, Housing Regulation & Enforcement - Level 10
Group Manager Public Protection – Level 10

Reporting to the AD Operations
Group Manager - Carbon and Sustainability Level 10
Group Manager - Environmental Services Level 10
Group Manager - Highways and Transport Level 10 vacant

Finance and Commercial Services

Reporting to Head of Revenues and Benefits
Benefits Manager Level 9
Revenues Manager Level 9
Revenues and Benefits Systems Control Manager Level 9
Housing Recovery Lead Level 8
Debt and Welfare Lead – Level 8

Reporting to Deputy Director Financial Management
Head of Commercial Services – SML 11
5X Strategic Finance manager – SML 11/12

Reporting to Deputy Director Corporate and Strategic Finance
Head of Financial Governance, Internal Audit, Counter Fraud Risk, and insurance –
SML 11
3 X Strategic Finance Managers SML 11 /12
Reporting to S151
Head of Transactional Services – SML 11

Reporting to Monitoring Officer
Head of Governance and Scrutiny – Level 10