

	<h2>General Functions Committee</h2> <h3>2 December 2015</h3>
Title	Recruitment of a Commercial Director
Report of	John Hooton, Chief Operating Officer
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	None
Officer Contact Details	John Hooton John.Hooton@barnet.gov.uk 020 8359 2460

<h2>Summary</h2>
<p>The Council’s Commercial Director post oversees all of the commercial relationships with the Council’s external services, as well as overseeing the performance team that collate information on internally delivered services. External services include two contracts with Capita, the parking service, the Barnet Group, as well as shared services with Harrow for legal services and public health.</p> <p>The previous postholder left in September and recruitment has taken place for a new Commercial Director. To secure a candidate of sufficient quality, it has been necessary to consider a market factor supplement. This supplement is £17k over the base salary of £113k, so a salary of £130k.</p> <p>This report seeks General Functions Committee approval for a market factor supplement for the Commercial Director role.</p>

Recommendation

- 1. That the General Functions Committee agree a market factor supplement of £17k for the role of Commercial Director.**

1. WHY THIS REPORT IS NEEDED

- 1.1 The role of Commercial Director was advertised in September 2015. This process was initiated as a result of the departure of the previous post-holder. Through the candidate search process and following feedback from recruitment professionals, it became apparent that a market factor supplement could be required to enable the Council to secure a suitable candidate for this post.
- 1.2 The Council's Commercial Director post oversees all of the commercial relationships with the Council's external services, as well as overseeing the performance team that collate information on internally delivered services. External services include two contracts with Capita, the parking service, the Barnet Group, as well as shared services with Harrow for legal services and public health.
- 1.2 Analysis of similar roles in the local government market confirmed that a market factor supplement could be required.
- 1.3 Under the [Council Pay Policy Statement 2015/16](#), (Section 3.17 Market Factor Supplements) the application of any additional pay related to market factors must be set against a rationale.

2. REASONS FOR RECOMMENDATION

- 2.1 This report recommends that the General Functions Committee approve that Barnet Council applies market factor supplements to the Commercial Director post.
- 2.2 Subject to the endorsement of the recommendations outlined in this report, the Chief Operating Officer (Section 151) will reflect the necessary amendments in the budget allocations when these come forward to Policy and Resources Committee in the New Year.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Given the strategic importance of this role to the Council, it was considered that the risks of appointing at a lower pay grade were substantially outweighed by the benefits that would be delivered from a Commercial Director with significant private and public sector experience who can ensure

that the Council's major contractual arrangements deliver the best possible value for money.

4. POST DECISION IMPLEMENTATION

- 4.1 Following the decision, the Commercial Director will be recruited to. This role will report to the Chief Operating Officer within the Commissioning Group. The market factor supplement will apply for 12 months, and a review of the application of the market factor supplement will be undertaken annually in accordance with Council policy.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This role oversees the Council's commercial team as well as the Council's programmes and performance team. This team is at the heart of ensuring that the Council's internal and external delivery arrangements are meeting the objectives of the Corporate Plan.

- 5.1.2 This post oversees the contractual relationships the Council has with CSG, Re, NSL, Harrow (legal and public health), and the Barnet Group. It is also responsible for oversight of the Council's performance framework which holds to account internal services (Adults, Family Services, Environment). All of these relationships are fundamental in ensuring that the outcomes for the Environment, Housing, Adults, CELS and ARG committees are met.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 This proposal commits the Council to funding a market factor supplement of £17k for the Commercial Director post. This will be met from existing Commissioning Group budgets.

5.3 Social Value

- 5.3.1 Not applicable within the context of this report.

5.4 Legal and Constitutional References

- 5.4.1 The General Functions Committee has responsibility for decisions related to the pay and terms and conditions of employment for staff under [section 15 \(Annex A\) of the Constitution](#) – Responsibility for Functions.

5.5 Risk Management

- 5.5.1 Ensuring we have a high quality commercial team is essential in ensuring that the Council can successfully manage performance of services, particularly in a commissioned environment. This post will oversee contracts valued,

cumulatively, over £500m over the coming years. Ensuring that there is sufficient challenge to these contracts and leadership in the commercial team is essential in ensuring that these deliver value for money.

5.6 Equalities and Diversity

5.6.1 The council has in place a job evaluation scheme to ensure equality of pay and reward across the workforce. Where there is a variation from the grading of the role against the pay structure, we must be able to objectively demonstrate a need and rationale for this action. This report sets out the reasons for increasing the remuneration for the Commercial Director.

5.7 Consultation and Engagement

5.7.1 Consultation has taken place with the Chief Executive, Chief Finance Officer and Monitoring Officer.

5.8 Insight

5.8.1 Not applicable within the context of this report.

6 BACKGROUND PAPERS

6.1.1 None.