Manchester City Council
Report for Resolution

Report to: Personnel Committee – 13 September 2017

Subject: ICT Market Supplement Extensions

Report of: Chief Information Officer, ICT

Summary

This report sets out proposed arrangements to extend the market supplement for the existing roles of Head of Enterprise Architect, Head of Delivery and Test, and Head of Service Operations. It is anticipated that this uplift will only be required for a further two years as the transformation programme across ICT will have progressed to such a point that the responsibilities of the team no longer require the increased salary. This position will however be reviewed in line with Council policy.

Recommendations

Personnel Committee are recommended:

1.   To approve a two year extension of a market supplement, at a cost of £17,820 per annum, for a maximum of two years for the three roles listed below. Please note that over the two year period any salary increases as a result of pay awards will result in a reduction to the market supplement as outlined within the Market Rate Policy:

     ● Head of Enterprise Architecture, Band SS3, £83,830 (plus market rate £6,170)
     ● Head of Delivery and Test, Band SS3, £74,175 (plus market rate £5,825)
     ● Head of Service Operations, Band SS3, £74,175 (plus market rate £5,825)

2.   To note that, in line with agreed policy, the market rate supplement will be reviewed jointly every eighteen months by the Chief Information Officer and the Director of HROD, to establish continuation of these arrangements.

Wards affected: None

Financial considerations – Revenue:
The costs of extending the current arrangements are already budgeted for within existing financial plans and are inclusive of pension and National Insurance contributions.

Financial considerations – Capital:
None

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Implications for:

Anti Poverty	**Equal Opportunities**	**Environment**	**Employment**
No	Yes	No	Yes

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers listed on the previous page.

● Report to Personnel Committee, 24 March 2015: *ICT Transformation*

1.0   Introduction

1.1   This report seeks the approval of the Council's Personnel Committee to extend the current market supplement arrangements for three members of the ICT Leadership Team; the Head of Enterprise Architecture, Head of Delivery and Test, and Head of Service Operations. This will ensure the retention of professionally skilled staff with significant experience in their respective fields of expertise.

2.0   Background

2.1   The senior leadership structure for ICT, agreed by Personnel Committee in March 2015, included the new post of Chief Information Officer (reporting directly to the Chief Executive) supported by seven new leadership posts.

2.2.   At the same time, Personnel Committee granted delegated authority to the then Deputy City Treasurer and Deputy Chief Executive (People) to develop and implement the department's structure at Grade 12 and below. This structure has now been successfully delivered.

2.3   The proposals were developed in line with the Council's Pay Policy Statement and agreed approach to job evaluation.

2.4   The ICT Leadership Team are all in post and working to the approved operating model with five key service areas:

   i.   **Service Operations**: Responsible for the daily delivery of ICT services to the business providing user support, technical maintenance of the environment and the overall management of the ICT estate.
   ii.   **Delivery & Test**: Responsible for implementing change programmes to deliver new and improved ICT services to the business and providing test assurance services for new and changed ICT services.
   iii. **Programme Management Office**: Responsible for the overall reporting on ICT performance and resource management including the management of ICT risk and compliance.
   iv.   **ICT Strategic Business Partners**: Responsible for the overall relationship management and engagement with business services, confirmation of requirements and the development of directorate ICT strategies.
   v.   **Enterprise Architecture**: Responsible for setting the roadmap for ICT and ensuring that the ICT estate is aligned to the business strategy, ensuring new and changed ICT services provide the right capabilities for the effective running of the business.

3.0   The role of the Head of Enterprise Architecture,

3.1   As part of the new Operating Model for ICT an Enterprise Architecture function was established managed by a Head of Enterprise Architecture at a salary of £80,000, plus a market supplement of up to £10,000. The salary level for this role was revised when the senior job evaluation scheme was implemented in April 2017 resulting in a salary increase to £83,830 and market supplement

revision to £6,170. The market rate supplement for this role was deemed appropriate to continue at this time.

3.2   The Head of Enterprise Architecture is a senior, strategic and highly skilled professional who understands the depth of technological complexity, working across the following service areas:

● Infrastructure and networking
● Technology
● Solutions and applications, mobility cloud computing and hosting models
● Business architecture including operating model development, process decomposition, functional analysis
● Data and information architecture
● Security and compliance.

3.3   The creation of this function was agreed in recognition that ICT infrastructure and applications were significantly aged, not aligned to the business drivers of the Council and were no longer fit for purpose. Enterprise Architecture has played an essential role in taking this position forward in a coordinated manner aligned with both business need and the technological environment.

3.4   Significant development in this area has been seen in the last two years helping the Council to identify legacy technology which requires update, reduce service risk, develop a technology roadmap, and build an investment strategy to drive the council towards appropriate technologies fit for business ambitions. Under the direction recommended by this team the Council has already seen the implementation of significant change, including 'Going Google', the new Adults and Children's social care platform, printer rationalisation, mobile phone strategy and end user device strategy for all Council employees.

3.5   Over the next two years the Enterprise Architecture function will recommend best value technology and direct the new innovative enabling technology solutions that will underpin the Greater Manchester Health and Social Care reform within Manchester, transform the Council's Data Centre and Disaster Recovery Service solutions, introduce new telephony solutions for all staff across the council, and, lead and shape business change to drive down costs and risks whilst increasing technological resilience and operational efficiencies. These programmes of work will require consistent and highly skilled leadership to develop the strategy for the implementation of these technologies.

4.0   The role of Head of Delivery and Test

4.1   As part of the new Operating Model for ICT a Delivery and Test function was established managed by the Head of Delivery and Test at a salary of £70,000, plus a market supplement of up to £10,000. The salary level for this role was revised when the senior job evaluation scheme was implemented in April 2017 resulting in a salary increase to £74,715 and market supplement revision to £5,825. The market rate supplement for this role was deemed appropriate to continue at this time.

4.2   This purpose of this role is to bring delivery certainty to the portfolio of projects and programmes, own and drive the Capital Investment Plan for ICT and successfully implement change across the council to enable the business to take advantage of latest best value technologies, reduce operational risks and enable different ways of working.

4.3   The teams reporting to this role are structured to ensure that there is alignment with the business and that deep knowledge of the application landscape is better understood. This knowledge enables those business areas to function. The leadership team reporting to the Head of Delivery and Test consists of four Programme Managers, three of which have a collective responsibility to support the directorates (Growth and Neighbourhoods, Corporate Core, Children's and Families). The fourth Programme Manager delivers the cross cutting technological change which impacts all colleagues across the council e.g. Disaster Recovery, Telephony etc. The fifth member of the leadership team is responsible for testing solutions to ensure that they are fit for purpose when implemented.

4.4   During the past two years this team have delivered technology solutions for individual business units and implemented change across the council. Increasingly the changes the team are required to implement could be considered as transformational and as such during the next few months this team will embrace new and modern delivery techniques and methodologies to increase the pace and volume of change.

4.5   Over the next two years this team will be expected to deliver a significant proportion of the 5 year ICT Capital Plan which totals £55m.

5.0   The role of Head of Service Operations

5.1   As part of the new Operating Model for ICT a Head of Service Operations role was established at a salary of £70,000, plus a market supplement of £10,000. The salary level for this role was revised when the senior job evaluation scheme was implemented in April 2017 resulting in a salary increase to £74,715 and market supplement revision to £5,825. The market rate supplement for this role was deemed appropriate to continue at this time.

5.2   The Head of Service Operations is a unique role at the Council. Whilst in principle the post holder provides a Monday to Friday service, the reality is that the services this department provides support the Council 7 days a week, 24 hours a day.

5.3   Service and availability of infrastructure and applications is the number one priority for ICT as failure of ICT services could impact the most vulnerable residents and partner organisations. As such over the past two years the current role holder has overseen a transformation of this department and won several awards including the Corporate Core Customer Focus Award. The post holder was also finalist at Awards for Excellence in two categories whilst taking the lead on the data centre recovery during the data centre fire of December 2015.

5.4   During the last two years IT Service Operations have implemented the award winning 'Know IT All' bar at no cost to the council. The team have overseen the transformation of the service desk and implemented new technology, reset the baseline and expectations with the Council's IT suppliers, reduced contract spend, ensured the Council is fully licensed, implemented service penalties for partners and, rolled out thousands of new devices across the council. The performance of the service desk now regularly exceeds 90% Service Level Agreement targets.

5.5   Over the next two years Service Operations will develop and adjust further to include Health and Social Care support for the new Local Care Organisation, work collaboratively to support other public bodies e.g. Shared Service Desk, support the successful implementation of Capital Programmes, robustly defend of the Council from cyber threats and oversee the transition the data centre and disaster recovery solution.

6.0   Market Research and Salary Intelligence

6.1   Research has taken place which included comparable local authorities as well as private sector industries, and information and advice was gathered from an independent external partner organisation, industry IT specialists, and recruitment experts specialising in strategic IT roles. This has highlighted that the IT labour market is active and, in particular, that the skills and experience the Council need to attract and retain are highly sought after and in demand.

6.2   The evidence and research considered does not change the proposed salaries which have been determined as in line with the Council's job evaluation process. However it has indicated that in order to retain these high calibre skill sets in a competitive market, there may be a requirement to continue to pay the market supplements outlined above.

6.3   In conclusion, the continuation of the market supplements outlined above will be required to retain and attract the required skills over a further period of Transformation within ICT. The Chief Executive will consider and review the Requirements for any such payment within the parameters and guidance set out in the Council's Pay Policy Statement.

6.4   Intelligence indicates that if market supplements as outlined within this report are applied, the Council will be able to attract and retain skilled candidates from the North West IT market who may otherwise be attracted to other organisations in Manchester. This has recently been evidenced through discussions which are outlined above regarding the current North West market position.

6.5   Furthermore, there is confidence that the technological journey the Council is undertaking in conjunction with the offer of a market supplement will prove attractive and will be considered to be a unique opportunity to those wishing to be part of a wholesale digital enablement strategy.

6.6   Personnel Committee should note that the extension of a market supplement will be reapplied to all three posts from 16th September 2017 - 2019, a total of up to £17,820 per annum for a maximum of two years. This cost will not impact the revenue budget targets for the service.

7.0   Key Policies and Considerations

(a) Equal Opportunities

Changes will take place within the existing framework and HR policies which have been subject to Equality Impact Assessments. There are no equality implications in terms of service delivery.

(b) Risk Management

None

(c) Legal Considerations

Proposals have been developed in line with the Council's legal obligations as an employer and the Council's corporate workforce policies.

8.0   Trade Unions Comments

To follow

9.0   Comments of the Director of HROD

9.1   I have been involved with the development of the proposals set out within this report and agree with the recommendations made. The proposals have been developed in line with the Council's Pay Policy Statement and agreed approach to job evaluation.

10.0   Conclusion

10.1   In summary, Personnel Committee are asked to approve the extension of the existing market supplements received for the three roles described above at a total cost of up to £17,820 per annum for a maximum of two years to commence 16th September 2017 until 16th September 2019.