

GMCA Resources Committee

Date: 25 June 2024
Subject: Finance Department Structure and Re-grades
Report of: Steve Wilson, GMCA Treasurer

Purpose of Report

The purpose of this report is to seek GMCA Resources Committee approval for a number of changes to the positions and grading of staff within the GMCA Finance and Investment team, the report proposes the following changes:

- The four GMCA Heads of Finance Posts be re-graded to SM6 from current grade 11 following the completion of a job evaluation process
- The disestablishing of the post of Chief Investment Officer (CIO) is following the decision of the current post-holder to retire.
- The experience of the previous CIO, and others with technical expertise be drawn upon on a consultancy basis to support the GMCA Investment Team
- The disestablishing of a vacant SM6 Transaction Manager role and the creation of two SM7 Investment Manager roles.

Recommendations:

The Resources Committee is requested to approve the following:

1. The re-evaluation of four Heads of Finance posts from Grade 11 to grade SM6
2. The disestablishing of the Chief Investment officer post
3. Consultancy proposals for GMCA Investment Advisors
4. The disestablishing of a vacant SM6 Transaction Manager role and the creation of two SM7 Investment Manager roles.

Contact Officers

Steve Wilson, GMCA Treasurer

Laura Blakey, Director of Strategic Finance & Investments

Claire Postlethwaite, Director of Operational Finance

Equalities Impact, Carbon and Sustainability Assessment:

None

Risk Management

None

Legal Considerations

None

Financial Consequences – Revenue

Set out in section 3

Financial Consequences – Capital

None

Number of attachments to the report:

None

Comments/recommendations from Overview & Scrutiny Committee

None

Background Papers

None

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

Bee Network Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction

- 1.1. This report sets out a number of proposed changes to the finance and Investment team at GMCA.
- 1.2. The proposed changes are the result of both the departure of key members of staff and the re-evaluation of existing posts through the formal GMCA job evaluation process.
- 1.3. The financial impact of the proposed changes will be managed within the overall Finance and Investment teams' budget.

2. The GMCA Finance and Investment Functions

- 2.1. The GMCA Finance and Investment team sits within the overall responsibility of the GMCA Treasurer. The Directorate is made up of the following functions:
 - Operational Finance Team
 - Strategic Finance and Investment Team
 - Audit, Risk and Assurance Team
 - Commercial Team
- 2.2. The role and structure of the directorate has been reviewed as a result of the following changes within GMCA:
 - The impact of the Trailblazer Devolution Deal and the introduction of a single settlement for GMCA funding
 - The departure of the GMCA Deputy Treasurer
 - The retirement of the GMCA Chief Investment Officer
 - The retirement of a Transaction Manager and commencement of GM Advance, GMCA's new Advanced Manufacturing and Materials Investment Fund.
- 2.3. Following the departure of the previous GMCA Deputy Treasurer postholder to take up the position of Chief Finance Officer at Salford City Council the following changes were made to the senior structure in the finance team.
 - The existing role of Investment Director was expanded to take responsibility for strategic finance including leading the financial implications of the introduction of the trailblazer devolution deal and the single settlement.
 - A new post of Director of Operational Finance was created to replace the previous Deputy Treasurer role.
 - A role of Head of Strategic Finance was created at a GMCA grade 11 to support the work of the new Director of Strategic Finance and Investment

2.4. Within the overall finance directorate there have been a number of other changes or issues which impact on the individual teams within the directorate. These are set out below:

GMCA Investment Team

2.5. The previous “Core Investment Team” at the combined authority has been re-established as the “GMCA Investment Team” under the leadership of the expanded role of Director of Strategic Finance.

2.6. This change is designed to drive the following benefits:

- To create leadership for the effective introductions of the single settlement for GMCA reflecting the changing nature of strategic decision making within the new environment.
- To allow for the future development of additional capability and capacity to support the decision making and monitoring within the future arrangements.
- To allow for better alignment between the GMCA investment functions and the wider GMS and single settlement outcomes.

2.7. In addition to the changes described above the existing GMCA Chief Investment Officer has decided to step down from the role in July 2024. Following their departure the post will be disestablished with overall leadership of the Investment function moving to the Director of Strategic Finance and Investment working directly to the GMCA Treasurer.

2.8. The Investment Team will continue to need additional commercial advice and experience when considering investment proposals. In order to facilitate this it is proposed that the team draw upon experience on a consultancy basis – consultants may include the outgoing Chief Investment Officer, Bill Enevoldson, alongside other experienced investment professionals.

2.9. It is therefore proposed the resources committee delegate authority to the GMCA Treasurer to agree terms for continued support from Bill and other consultants on an as required basis. The cost of support will be funded from GM investment fund surpluses.

2.10. In addition to the proposed changes to the leadership of the investment team, the recent retirement of an SM6 Transaction Manager, coupled with the launch of the new £10m Advanced Manufacturing and Materials investment fund, has led to capacity constraints within the Investment Team.

2.11. The creation of two SM7 Investment Manager roles will create additional transactional resource and capability in the team to both deliver the new fund and

provide capacity in the wider team to continue to support the delivery of wider commercial activities both within the CA and its districts.

Re-evaluation of Heads of Finance Roles

2.12. The leadership of the GMCA finance function relies heavily on the “Heads of Finance roles” that were created when the finance department was restructured in 2020.

2.13. That restructure created three Heads of Finance posts which led the key teams within the department. The three roles are:

- Head of Finance – Capital and Treasury Management
- Head of Finance – Corporate and Technical
- Head of Finance – Management Accounts

2.14. In addition, the following role was created following the establishing of a new strategic finance function following the trailblazer devolution deal:

- Head of Strategic Finance

2.15. The Heads of Finance roles have been re-evaluated in line with the LGA framework with the outcome of that re-evaluation being that the posts should move from Grade 11 onto the Senior pay-scale (SM6).

2.16. The revised grading is in line with comparative posts within local government and reflects the crucial role these postholders have in the overall financial management of the combined authority which is one of the largest and most financially complex organisations in the UK public sector.

3. Financial Implications

3.1. The impact of the changes has a net recurrent effect of an increase in costs of £10k and will be managed within the overall finance directorate budget.

4. Recommendations

4.1. The Resources Committee is requested to approve the following:

- 1) The re-evaluation of four Heads of Finance posts from Grade 11 to grade SM6
- 2) The disestablishing of the Chief Investment officer post
- 3) Consultancy proposals for a GMCA Investment Advisor
- 4) The disestablishing of an SM6 Transaction Manager role and the creation of two SM7 Investment Manager roles.