

GREATER **LONDON** AUTHORITY

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2257

Title: Support to address recruitment and retention issues in the Strategic Projects and Property Unit

Executive Summary:

Approval is sought to spend £22,600 on an independent review and remuneration benchmarking exercise of the Strategic Projects and Property Unit (SPP), to be conducted by MacDonald and Company. The review will result in recommendations to the GLA as to how it needs to augment SPP's structure and remuneration package to retain and attract high calibre personnel.

Decision:

That the Assistant Director of Strategic Projects and Property approves:

Expenditure of £22,600 to pay for a review and remuneration benchmarking exercise, conducted by an external recruitment consultancy.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Simon Powell

Position: Assistant Director of Strategic Projects and Property

Signature:

Date:

22/08/18

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 The Strategic Projects and Property (SPP) unit in the GLA's Housing and Land Directorate was established in 2012 to oversee and manage 635ha of GLA owned land and property including a range of high-profile and complex regeneration and development projects. The team comprises specialist and professionally qualified staff who are currently managing several of the largest regeneration sites in Europe, including Greenwich Peninsula and the Royal Docks. The land portfolio will provide the GLA with over £1bn of land receipts over the next 15 years and will deliver over 60,000 homes and 50,000 jobs.
- 1.2 Over time the roles and responsibilities of the team have expanded and now include: resourcing the Royal Docks Delivery team (a joint initiative with LB Newham leading on the regeneration of the Royal Docks with an anticipated expenditure of c. £300m over the next 5 years); acting as lead property and development experts to the wider GLA group, including scoping new business and partnership opportunities; providing property and development support to the Old Oak and Park Royal Development Corporation; providing development support to the recently established London (NHS) Estates Delivery Unit, set up to support the transformation of the health and social care estate and to free up land for homes; and, managing the Mayor's Land Fund (£250m) which is investing in the London land market to get more land into housing development. It is also responsible for the procurement and ongoing management of the Mayor's new London Development Panel – a new framework for rapid tendering of public sector development sites across London.
- 1.3 When the team was established the GLA was principally an authority responsible for strategy and policy formulation and the benefits and remuneration framework was structured to reflect these responsibilities. This framework needs to be reviewed and amended to better represent an organisation which is now much more market facing and delivery focused.
- 1.4 The SPP team has conducted several recruitment campaigns over the last 24 months in order to address high vacancy rates brought about by a number of staff departures. Roles have been advertised internally and externally but have yielded few applications and little interest. Candidates have not been of the calibre necessary to fulfil the roles advertised.
- 1.5 The unit now requires some external advice on the suitability of the GLA's reward package in property development roles. This ADD is retrospective due to the urgent need to seek external advice to address recruitment and retention issues as a high number of vacancies exist in the SPP team. Several projects the team manages are at a critical stage and to minimise external consultancy support costs it is important to resolve the issues as soon as possible so that a successful recruitment campaign can be implemented

2. Objectives and expected outcomes

- 2.1 Senior managers and HR officers have approved the funding for a study to analyse the units reward structure. The SPP team conducted an external tendering exercise and invited three specialist recruitment consultancies to bid for the work. MacDonald and Company were the successful bidder.
- 2.2 MacDonald has extensive recruitment and resourcing expertise in the property sector and will carry out a number of tasks:

- Complete a full external remuneration benchmarking exercise for similar roles in both the public and private sector, including base salary, and other benefits.
- Provide an overview of the availability and demand for key personnel in the external market, to consider current and future trends in the sector. Identify whether there are likely to be shortages in relevant positions and consider what GLA must do to attract the right people.
- Provide clear insight and key recommendations on how the GLA needs to augment its structure and remuneration package to retain and attract key personnel. Set out how the GLA need to change the way it approaches the market to secure talent in key roles and how it will need to change at an organisational level to retain key personnel.

3. Equality comments

- 3.1 The appointed consultant will be briefed on the GLA's equality policy and market analysis should include information on the gender and BAME pay gap in property roles. The consultant will be asked to advise on the best ways to address these issues.

4. Other considerations

- 4.1 MacDonald and company will be asked to set out some clear recommendations on action the GLA can take to address the recruitment and retention issues in the Strategic Projects unit. The consultant will be asked to set out an implementation strategy as part of a final report.

5. Financial comments

- 5.1 This decision seeks retrospective approval to spend £22,600 on an independent review and remuneration benchmarking exercise of the Strategic Projects and Property Unit (SPP), to be conducted by MacDonald and Company.
- 5.2 The cost of £22,600 (ex VAT) will be funded from the Strategic Projects and Property (SPP) revenue budget. Any changes to this proposal, including the requirement of additional funds, will be subject to further approval via the Authority's decision-making process.

6. Legal Comments

- 6.1 There are no specific legal implications pertaining to this proposal.

7. Planned delivery approach and next steps

Activity	Timeline
Appointment of MacDonald and Co	18/07/18
Inception meeting	20/07/18
Draft report delivered	20/08/18
Presentation to senior managers	w/c 20/08/18
Final report and implementation plan agreed	w/c 27/08/18

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Note: This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer: William Stewart has drafted this report in accordance with GLA procedures and confirms that the Finance and –if relevant- Legal teams have commented on this proposal as required, and this decision reflects their comments.

Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 20 August 2018.

HEAD OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

20-08-18