

Notice of Meeting



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Personnel Committee

Monday 15 April 2019 at 11.00am
in Roger Croft Room Council Offices
Market Street Newbury

Note: The Council broadcasts some of its meetings on the internet, known as webcasting. If this meeting is webcasted, please note that any speakers addressing this meeting could be filmed. If you are speaking at a meeting and do not wish to be filmed, please notify the Chairman before the meeting takes place. Please note however that you will be audio-recorded.

Date of despatch of Agenda: Friday, 5 April 2019

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Moira Fraser / Janet Giddings on (01635) 519045/519422

e-mail: moira.fraser@westberks.gov.uk / janet.giddings@westberks.gov.uk

Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



To: Councillors Pamela Bale (Chairman), Dennis Benneyworth, Jeff Brooks, Richard Crumly (Vice-Chairman) and Carol Jackson-Doerge
Substitutes: Councillors Paul Bryant, Lee Dillon, Mollie Lock and Gordon Lundie

Agenda

Part I

Page No.

1. **Apologies for Absence**
To receive apologies for inability to attend the meeting (if any).
2. **Minutes** 5 - 8
To approve as a correct record the Minutes of the meeting of the Committee held on 12 February 2019.
3. **Declarations of Interest**
To remind Members of the need to record the existence and nature of any personal, disclosable pecuniary or other registrable interests in items on the agenda, in accordance with the Members' [Code of Conduct](#).
4. **Living Wage Amendment at Council** 9 - 10
Purpose: The following amendment to the Statutory Pay Policy (at 3.1) was proposed by Cllr Lee Dillon at Full Council on 05/03/19:

"All jobs within the Council are paid on salary grades within five or more incremental points. All jobs within the Council will be contractually remunerated as a minimum at the National Living Wage level and we will seek our suppliers to do the same, through our procurement processes".
Full Council agreed to refer the amendment for decision to the Personnel Committee.

See extract from the Personnel Committee on 17th September 2018 when the 'Real Living Wage' was discussed and a proposal not to proceed in accordance with this amendment was approved. It has now been confirmed that the amendment refers to the 'Real Living Wage' when it says 'National Living Wage'.
5. **Change of a Statutory Role** 11 - 46
Purpose: To seek approval from the Personnel Committee for a change in the allocation of the statutory role of Section 151 Officer as set out in the report to the Executive on 28/03/19 attached as Appendix D to the report.



6. **Date of Next Meeting**

- 11 June 2019

Andy Day
Head of Strategic Support

If you require this information in a different format or translation, please contact
Moira Fraser on telephone (01635) 519045.



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DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

PERSONNEL COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY, 12 FEBRUARY 2019

Councillors Present: Pamela Bale (Chairman), Richard Crumly (Vice-Chairman) and Mollie Lock (Substitute) (In place of Jeff Brooks)

Also Present: Robert O'Reilly (Head of Human Resources), Rebecca Bird (HR Officer) and Moira Fraser (Democratic and Electoral Services Manager)

Apologies for inability to attend the meeting: Councillor Dennis Benneyworth, Councillor Jeff Brooks and Councillor Carol Jackson-Doerge

PART I

7. Minutes

The Minutes of the meeting held on 17 September 2018 were approved as a true and correct record and signed by the Chairman.

In relation to item 6, Implementing the 2019 Pay Award, Councillor Mollie Lock noted that the Personnel Committee had agreed to Option B and that she had raised at the time her concerns about the impact that could have on schools' budgets. Robert O' Reilly accepted that as this was a national pay award it would be applied to all support staff in schools. Although he acknowledged that it could have an impact schools were, however, responsible for managing their own budgets. They were aware that this was going to happen as it was the second phase of a two year deal.

8. Declarations of Interest

There were no declarations of interest received.

9. Statutory Pay Policy 2019 (C3617)

Robert O'Reilly presented a report which sought Council's approval of the Statutory Pay Policy Statement for publication from 1st April 2019 in accordance with s38 of the Localism Act 2011. As part of the process the Personnel Committee were invited to comment on the report prior to Council approval.

The statement should set out the policies in relation to:

- Remuneration of its chief officers;
- The remuneration of its lowest paid employees (and the definition and reasons for defining it);
- The relationship between the remuneration of its chief officers and those who were not chief officers.

It was noted that the Pay Policy Statement for 2019 had been updated to reflect the new National Joint Council pay scales which would be implemented on 1st April 2019. The ratio between the highest and lowest paid employee would be 8.52 to 1 which was well within the maximum ratio of 20 to 1 which was set out in the Hutton Review of Fair Pay. In response to a query the Head of HR stated that it was unlikely that anyone in a local authority would exceed the maximum recommended ratio.

PERSONNEL COMMITTEE - 12 FEBRUARY 2019 - MINUTES

Councillor Richard Crumly queried if the threshold for taking redundancy payments to the Executive (£10k) was too high. Robert O' Reilly stated while this could be revisited it was the Executive that had set the threshold so it was unlikely that they would want to see it reduced. Following a discussion the Committee agreed that the threshold should remain at £10k.

Councillor Crumly queried whether it was appropriate for Heads of Service to be able to approve severance costs associated with sickness absence. Robert O' Reilly stated that when this was previously discussed it was agreed that the Council should adopt as humane an approach as possible in this area. Councillor Crumly queried what level of payments could be made. Officers explained that this depended on a number of factors including salary level and length of service. Councillor Crumly asked if the Council made use of section 203 agreements. Robert O' Reilly stated that the Council made use of proper settlement agreements in order to protect itself which included confidentiality clauses where appropriate.

Councillor Crumly noted that paragraph 3.8.3 stated that employees who left the Council with a redundancy or other severance payment 'will not normally be re-engaged by the council within two years of the termination date'. He questioned the need for including the word normally as he did not believe the Council should reemploy them within that time frame. He asked for a list of the number of times this had happened in the last two years. The Head of HR stated that he could not recall any instances when this had happened in the last two years. He provided examples of when it might be appropriate to re-engage staff and the Committee accepted the explanation and the reasons for the wording. Robert O' Reilly noted that at the time the policy had been adopted a benchmarking exercise had been undertaken and the Council had adopted one of the strictest approaches. Most authorities included a one year period with some authorities setting it as low as six months.

Councillor Crumly noted that the decision to re-engage employees within the two year period involved a number of Officers and Members and he believed that only Members should be involved in the decision. Officers stated that this was a transparent process and ultimately the decision to employ anyone rested with the Head of HR so it would not be appropriate for Members only to make this decision. The process did however allow for Member involvement in that the Leaders of the Administration and Opposition were involved. The Committee accepted the process.

Councillor Crumly noted that the issue of linked grades had been raised at a previous meeting and he wondered if this had been resolved. Officers explained that this had been looked at but as there would be cost implications for the Council the then Portfolio Holder for Human Resources had decided that for that reason they should remain unchanged. Councillor Mollie Lock noted that she was the one that had raised it and she accepted the explanation. She had also been informed that managers had some discretion as to which spinal column point (SCP) they appointed at and that the issue of 'overlap' could be resolved in that way.

Councillor Crumly asked if it was necessary to include the paragraph about employees receiving payment for working in particularly dirty or unpleasant circumstances. Councillor Pamela Bale noted that this would not apply to officers if it formed part of their normal working conditions as this would be reflected in their grade. She could think of potential circumstances such as the 2007 floods when this would be relevant and she would therefore like to see it remain. Councillor Lock supported the retention of this paragraph.

RESOLVED that the report would be recommended to Full Council at its meeting on 5th March 2019

PERSONNEL COMMITTEE - 12 FEBRUARY 2019 - MINUTES

(The meeting commenced at 2.00 pm and closed at 2.29 pm)

CHAIRMAN

Date of Signature

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PERSONNEL COMMITTEE

Extract from the MINUTES OF THE MEETING HELD ON MONDAY, 17 SEPTEMBER 2018

Councillors Present: Pamela Bale (Chairman), Richard Crumly (Vice-Chairman) and

Mollie Lock (Substitute) (In place of Jeff Brooks)

Also Present: Robert O'Reilly (Head of Human Resources) and Moira Fraser (Democratic and Electoral Services Manager)

Apologies for inability to attend the meeting: Councillor Dennis Benneworth and Councillor Jeff Brooks

Councillor Absent: Councillor Carol Jackson-Doerge

PART I

3. Minutes

4. Declarations of Interest

5. Transgender Policy

6. Implementing the 2019 Pay Award

The Committee considered a report (Agenda Item 6) which provided an explanation of the changes to the National Joint Committee (NJC) pay spine which would take effect on 1st April 2019 and how this would affect the Council. The report also recommended changes to the current pay policy of the Council to facilitate the implementation of the 2019 pay award on the new pay spine.

There were two options available to local authorities in implementing the pay award on the new spine:

Option A was to allow employees who were not already at the top of their grade to move up ("increment") one point on the 'old' spinal point column and then to assimilate them to the new spinal point column.

Option B was to assimilate employees to the new spinal point column and then allow employees who were not already at the top of their grade on the new spine to move up ("increment") one point on the new spinal point column.

The NJC guidance stated that each local authority had to decide which option to take.

Finance had modelled the two options and recommended Option B as the least expensive way to implement the 2019 pay award for corporate employees. If Option B was approved by the Personnel Committee it would also be applied to support staff in all maintained schools. Councillor Mollie Lock was concerned about the impact that this could have on schools budgets.

The report also took the opportunity to look at the West Berkshire Living Wage Supplement. This was a non-contractual discretionary payment to top up the hourly rate of the lowest spinal column points. The 2018 and 2019 pay awards had addressed the same issue and it was therefore recommended that the West Berkshire Living Wage Supplement should be frozen at its current rate from 1st October 2018. This was to avoid unplanned changes to wage differentials in future and risks around unequal pay. The Council 'shadowed' the NJC pay award for all its employees (except teachers) with the exception of the Chief Executive which shadowed the national pay award for Chief Executives. It was recommended that this anomaly was ended and from 1st April 2019 all employees,

including the Chief Executive, should receive the same pay award which shadowed the NJC pay award.

RESOLVED that:

1. Option B be adopted by the Council.
2. From 1st April 2009 all employees, including the Chief Executive, to receive the same pay award which shadowed the NJC pay award.
3. ***The 'West Berkshire Living Wage Supplement' be frozen at its current rate from 1st October 2018 to avoid unplanned changes to wage differentials in future; and to recognise that schools have not signed up to the "West Berkshire Living Wage Supplement" which has created an equal pay risk.***

Change of a Statutory Role- Summary Report

Committee considering report:	Personnel Committee
Date of Committee:	15 April 2019
Portfolio Member:	Councillor Dominic Boeck
Date Portfolio Member agreed report:	04 April 2019
Report Author:	Robert O'Reilly
Forward Plan Ref:	

1. Purpose of the Report

- 1.1 To seek Personnel Committee approval for the designation of a number of statutory roles (also known as 'proper officer' roles).
- 1.2 It is proposed that the Executive Director (Resources) will be designated as the Council's 'chief finance officer' designated as such under section 151 of the Local Government Act 1972 ("Section 151 Officer"). It is also proposed that the Executive Director (People) will be designated as the Council's Director of Children's Services ("DCS") and Director of Adults Social Services ("DASS"). It is proposed that these designations will take effect on the date that the posts become occupied.

2. Recommendations

- 2.1 That the statutory role of Section 151 Officer is transferred from the post of Head of Finance to the post of Executive Director (Resources) on the date when the post of Executive Director (Resources) becomes occupied.
- 2.2 That the statutory role of DCS is transferred from the post of Head of Education to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.
- 2.3 That the statutory role of DAS is transferred from the post of Head of Adult Social Care to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.

3. Implications

- 3.1 **Financial:** None
- 3.2 **Policy:** None
- 3.3 **Personnel:** Officers affected have been consulted regarding the recommendation in this report.
- 3.4 **Legal:** The Council is legally obliged to designate suitable officers to fulfil the statutory roles detailed in this report.
- 3.5 **Risk Management:** None

3.6 **Property:** None

3.7 **Other:** None

4. Other options considered

4.1 To leave the statutory roles with current post holders. This option is not recommended for the reasons detailed in this report.

Executive Summary

5. Introduction / Background

- 5.1 The Council has five statutory roles (also known as 'proper officer' roles) which must be attached to a post. The statutory nature of the roles is set out in various pieces of legislation (see Appendix C for details). The five statutory roles are: Section 151 Officer, Head of Paid Service, Monitoring Officer, Director of Children's Services (DCS) and Director of Adult Social Services (DASS).
- 5.2 The Council's constitution gives the task of allocation the statutory roles to posts in The Council to the Personnel Committee. The report to the Executive on 28th March 2019 titled '*Senior Management Arrangements from April 2019 - Final Proposals*' contained proposals which state that the statutory roles may be moved between suitable senior posts according to the needs of the Council. The mechanism for doing this is for the Head of Paid Service to make a recommendation to the Personnel Committee regarding a proposed change. This is the first report to Personnel Committee to do this.
- 5.3 The Scheme of Delegation at paragraph 3.1.3 contains a Schedule of Council functions, which indicates that the Personnel Committee shall be responsible for making for the allocation of the statutory (proper officer) roles in the Council.
- 5.4 The rationale for the recommendation in this report is set out in the Chief Executive's report to the Executive on 28th March 2019 – '*Senior Management Arrangements from April 2019 - Final Proposals*'. The summary report and supporting information (not the appendices) is shown at Appendix D for information.

6. Proposals

- 6.1 That the statutory role of Section 151 Officer is transferred from the post of Head of Finance to the post of Executive Director (Resources) on the date when the post of Executive Director (Resources) becomes occupied.
- 6.2 That the statutory role of DCS is transferred from the post of Head of Education to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.
- 6.3 That the statutory role of DASS is transferred from the post of Head of Adult Social Care to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.

7. Conclusions

- 7.1 The Executive approved the report '*Senior Management Arrangements from April 2019 - Final Proposals*' and the Personnel Committee is requested to approve the transfer of the statutory roles detailed in the recommendation.
- 7.2 If the Personnel Committee approves the recommendation in this report the post of Executive Director (Resources) will go out to external advertisement including the requirement that the successful candidate be qualified to be designated as the Council's Section 151 Officer.

8. Appendices

- 8.1 Appendix A – Data Protection Impact Assessment
- 8.2 Appendix B – Equalities Impact Assessment
- 8.3 Appendix C – Supporting Information
- 8.4 Appendix D – Summary report and Supporting Information (not appendices) from the report approved by the Executive on 28th March 2019 - '*Senior Management Arrangements from April 2019 - Final Proposals*'.

Appendix A**Data Protection Impact Assessment – Stage One**

The General Data Protection Regulations require a Data Protection Impact Assessment (DPIA) for certain projects that have a significant impact on the rights of data subjects.

Should you require additional guidance in completing this assessment, please refer to the Information Management Officer via dp@westberks.gov.uk

Directorate:	Resources
Service:	HR
Team:	HR
Lead Officer:	Robert O'Reilly
Title of Project/System:	Change of a Statutory Role
Date of Assessment:	28/03/19

Do you need to do a Data Protection Impact Assessment (DPIA)?

	Yes	No
<p>Will you be processing SENSITIVE or “special category” personal data?</p> <p>Note – sensitive personal data is described as “<i>data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation</i>”</p>	<input type="checkbox"/>	x
<p>Will you be processing data on a large scale?</p> <p>Note – Large scale might apply to the number of individuals affected OR the volume of data you are processing OR both</p>	<input type="checkbox"/>	x
<p>Will your project or system have a “social media” dimension?</p> <p>Note – will it have an interactive element which allows users to communicate directly with one another?</p>	<input type="checkbox"/>	x
<p>Will any decisions be automated?</p> <p>Note – does your system or process involve circumstances where an individual’s input is “scored” or assessed without intervention/review/checking by a human being? Will there be any “profiling” of data subjects?</p>	<input type="checkbox"/>	x
<p>Will your project/system involve CCTV or monitoring of an area accessible to the public?</p>	<input type="checkbox"/>	x
<p>Will you be using the data you collect to match or cross-reference against another existing set of data?</p>	<input type="checkbox"/>	x
<p>Will you be using any novel, or technologically advanced systems or processes?</p> <p>Note – this could include biometrics, “internet of things” connectivity or anything that is currently not widely utilised</p>	<input type="checkbox"/>	x

If you answer “Yes” to any of the above, you will probably need to complete [Data Protection Impact Assessment - Stage Two](#). If you are unsure, please consult with the Information Management Officer before proceeding.

Appendix B

Equality Impact Assessment - Stage One

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity as set out in the Public Sector Equality Duty (Section 149 of the Equality Act), which states:

- “(1) A public authority must, in the exercise of its functions, have due regard to the need to:**
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;**
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; This includes the need to:**
 - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;**
 - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;**
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it, with due regard, in particular, to the need to be aware that compliance with the duties in this section may involve treating some persons more favourably than others.**
- (2) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.**
- (3) Compliance with the duties in this section may involve treating some persons more favourably than others.”**

The following list of questions may help to establish whether the decision is relevant to equality:

- Does the decision affect service users, employees or the wider community?
- (The relevance of a decision to equality depends not just on the number of those affected but on the significance of the impact on them)
- Is it likely to affect people with particular protected characteristics differently?
- Is it a major policy, or a major change to an existing policy, significantly affecting how functions are delivered?
- Will the decision have a significant impact on how other organisations operate in terms of equality?
- Does the decision relate to functions that engagement has identified as being important to people with particular protected characteristics?
- Does the decision relate to an area with known inequalities?
- Does the decision relate to any equality objectives that have been set by the council?

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

What is the proposed decision that you are asking the Executive to make:	Change to a Statutory Role
Summary of relevant legislation:	See Appendix C
Does the proposed decision conflict with any of the Council's key strategy priorities?	no
Name of assessor:	Robert O'Reilly
Date of assessment:	28/03/19

Is this a:		Is this:	
Policy	No	New or proposed	Yes
Strategy	No	Already exists and is being reviewed	Yes
Function	No	Is changing	Yes
Service	Yes		

1 What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?	
Aims:	Change to a Statutory Role
Objectives:	Change to a Statutory Role
Outcomes:	Change to a Statutory Role
Benefits:	Change to a Statutory Role

2 Note which groups may be affected by the proposed decision. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this.		
(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)		
Group Affected	What might be the effect?	Information to support this
Age	none	
Disability	none	
Gender Reassignment	none	
Marriage and Civil	none	

Partnership		
Pregnancy and Maternity	none	
Race	none	
Religion or Belief	none	
Sex	none	
Sexual Orientation	none	
Further Comments relating to the item:		
none		

3 Result	
Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	No
Please provide an explanation for your answer:	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	No
Please provide an explanation for your answer:	

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage Two Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the [Equality Impact Assessment guidance and Stage Two template](#).

4 Identify next steps as appropriate:	
Stage Two required	No
Owner of Stage Two assessment:	n/a
Timescale for Stage Two assessment:	n/a

Name: Robert O'Reilly

Date: 28/03/2019

Please now forward this completed form to Rachel Craggs, Principal Policy Officer (Equality and Diversity) (rachel.craggs@westberks.gov.uk), for publication on the WBC website.

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Change of Statutory Role – Supporting Information

1. Introduction/Background

- 1.1 This report seeks Personnel Committee approval for a recommendation from the Chief Executive to transfer a number of the Council's statutory officer roles.
- 1.2 It is proposed that the statutory role of Section 151 Officer will be moved from the Head of Finance and Property, to the Executive Director (Resources). It is further proposed that the role of DCS will move from the Head of Education and the role of DASS will move from the Head of Adult Social Care and both of these statutory roles will be undertaken by the Executive Director (People). It is proposed that these new designations will take effect from the date that the Executive Director posts become occupied.
- 1.3 In accordance with section 113 of the Local Government Finance Act 1988, the Section 151 Officer is required to hold a specified professional qualification and if this proposal is approved, the Executive Director (Resources) will need to hold a relevant qualification.

2. Supporting Information

- 2.1 The Council has five statutory roles (also known as 'proper officer' roles) which must be attached to a post. The statutory nature of the roles is set out in various pieces of legislation (see Appendix C for details). The five statutory roles are: Section 151 Officer, Head of Paid Service, Monitoring Officer, Director of Children's Services (DCS) and Director of Adult Social Services (DASS).
- 2.2 Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs. This requirement leads to the statutory role of "Section 151 Officer".
- 2.3 Section 4 of the Local Government and Housing Act 1989 provides that it is the duty of every local authority to designate one of their officers as its Head of Paid Service. This duty leads to the statutory role of Head of Paid Service.
- 2.4 Section 5 of the Local Government and Housing Act 1989 provides that it is the duty of every local authority to designate one of their officers as its Monitoring Officer. This duty leads to the statutory role of Monitoring Officer.
- 2.5 Section 18 (7) of the Children's Act 2004 requires every upper tier local authority to appoint a Director of Children's Services. This requirement leads to the statutory role of Director of Children's Services (DCS).
- 2.6 Section 6 of the Local Authority Social Services Act 1970 is amended by Section 2 of the Children's Act 2004 to require a local authority with social services responsibility to appoint an officer as the Director of Adult Social Services (once it has appointed a DCS). This requirement leads to the statutory role of Director of Adult Social Services (DASS).

- 2.7 The Council's constitution delegates the duty to designate officers to each of the statutory roles to the Personnel Committee. The report to the Executive on 28th March 2019 titled '*Senior Management Arrangements from April 2019 - Final Proposals*' contained proposals which state that the statutory roles may be moved between suitable senior posts according to the needs of the Council. The mechanism for doing this is for the Head of Paid Service to make a recommendation to the Personnel Committee. This is the first report to Personnel Committee to do this following that Review.
- 2.8 The Scheme of Delegation at paragraph 3.1.3 contains a Schedule of Council functions, which indicates that the Personnel Committee shall be responsible for making for the allocation of the statutory (proper officer) roles in the Council.

3. Proposal

- 3.1 That the statutory role of Section 151 Officer is transferred from the post of Head of Finance and Property to the post of Executive Director (Resources) on the date when the post of Executive Director (Resources) becomes occupied.
- 3.2 That the statutory role of DCS is transferred from the post of Head of Education to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.
- 3.3 That the statutory role of DASS is transferred from the post of Head of Adult Social Care to the post of Executive Director (People) on the date when the post of Executive Director (People) becomes occupied.

4. Conclusion

- 4.1 It is considered that the designations of the statutory posts detailed in this report to the respective Executive Directors is appropriate at this time.
- 4.2 The rationale for the recommendation in this report is set out in the Chief Executive's report to the Executive on 28th March 2019 – '*Senior Management Arrangements from April 2019 - Final Proposals*'. The summary report and supporting information (not the appendices) from the Executive meeting are shown at Appendix D for information.

Officer details:

Name: Robert O'Reilly
Job Title: Head of HR
Tel No: 519358
E-mail Address: robert.oreilly@westberks.co.uk

Appendix D

The Chief Executive's report to the Executive on 28th March 2019 – '*Senior Management Arrangements from April 2019 - Final Proposals*' attached.

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Senior Management Arrangements from April 2019 – Final Proposals

Committee considering report:	Executive on 28 March 2019
Portfolio Member:	Councillor Graham Jones
Report Author:	Nick Carter
Forward Plan Ref:	EX3679

1. Purpose of the Report

- 1.1 To set out the final proposals for a new emergent senior management structure which, if agreed, would start to be implemented from April 2019.

2. Recommendations

2.1 That:

- (1) the consultation comments in paragraphs 2.21 – 2.29 of the main report are noted along with the resulting commentary;
- (2) the proposed new management structure outlined in Appendix E2 is agreed subject to further consideration of the Service Director (Children and Young People) post at an appropriate point in the future;
- (3) the proposal to implement this new management structure from April 2019 (subject to consultation) is noted, and that implementation of the new structure will be emergent;
- (4) appointment to the post of Executive Director (Resources) commences immediately in accordance with the Person Specification, Job Description and Remuneration set out in Appendix F. The Personnel Committee will be asked to authorise that this post is assigned the Council's Section 151 Officer if this recommendation is approved;
- (5) an annual review of the progress with implementing the management structure is undertaken by the Head of Paid Service to determine whether sufficient progress has been made with implementing the new arrangements;
- (6) on the subsequent appointment of Service Director posts, the Tier 4 management arrangements are reviewed and proposals brought forward on a Department by Department basis by the Service Director working to an agreed corporate framework;
- (7) a paper specifying remuneration levels for the Chief Executive, Executive Director, and Service Director posts be brought forward by the Head of HR after April 2019 and that this includes an option to enhance the current grade structure to assist recruitment and retention at Tier 4.

3. Implications

- 3.1 **Financial:** This senior management review is not driven by a desire to find savings. There is however an expectation that the changes, including enhanced remuneration will be met from within the existing budget envelope. Overall financial savings will be delivered through reducing the number of senior managers at Tiers 1 – 3. This is likely to be offset by an increase in remuneration but more significantly by a likely increase in capacity and capability at Tier 4. Costs will vary during the transitional phase. The appointment of an Executive Director (Resources) will create a budget pressure although this will be offset in part by a reduction in the numbers of Heads of Service within the Resources Directorate. It is recommended that any short term budget pressure emerging during 2019/20 is met from the Restructuring Reserve.
- 3.2 **Policy:** This Paper creates no policy implications for the Council.
- 3.3 **Personnel:** This Paper sets out a transitional move towards a new senior management structure which will be implemented from April 2019. It will involve the creation of a number of new Service Director posts and the deletion of Head of Service posts over a period of time. It is being recommended that recruitment to the post of Executive Director (Resources) commences immediately.
- 3.4 **Legal:** There are no legal implications associated with this report.
- 3.5 **Risk Management:** There are risks associated with moving to any new management structure. This paper proposes an emergent approach. New posts will be filled as opportunities arise. Redundancies will be avoided where at all possible. The major issue with such an approach is that a ‘hybrid structure’ is likely to emerge during what could be a relatively long period of transition which could potentially confuse and blur accountability. If implementation progresses too slowly then matters may need to be accelerated. The report addresses this. Any report proposing increases in senior manager remuneration is likely to draw attention both within and outside the Council. The Authority does however need an effective senior management team. It is unlikely to realise that if it does not pay the ‘going rate’ for the job particularly during a period of significant staff succession.
- 3.6 **Property:** There are no property implications associated with this Report.

4. Other options considered

- 4.1 An independent review by South East Employers (SEE) is set out at Appendix D. This highlights the structural options that have been explored as part of this Review. In practice there are not many to choose from. Further potential options are also

briefly set out within this Paper. The retention of the status quo has not been actively considered given it is deemed necessary to review remuneration levels and if these increase then there is a need to contain the overall cost of any new senior management structure within the existing financial envelope. This can only be done through restructuring.

Executive Summary

5. Introduction / Background

- 5.1 A new senior management structure was agreed by the Executive in December 2016. The new structure was subsequently implemented on April 1st 2017. At the same time it was agreed that a review should be undertaken into senior management remuneration given that salary levels were seen to have become uncompetitive. South East Employers (SEE) was subsequently commissioned to undertake an independent review. Whilst underway further discussions led to a view that given succession planning issues, and the emergence of a new Council Strategy, it would be helpful if an independent strategic review of the Council's senior management arrangements were undertaken at the same time.
- 5.2 This reports sets out the results of this independent Review, coupled with the initial views of the Executive and Head of Paid Service, and proposes a way forward.

6. Proposals

- 6.1 A set of initial proposals were subject to internal consultation during January and February 2019. They have been generally welcomed although a small number of amendments/suggestions are being made following the comments that were submitted.
- 6.2 The main proposals in this Paper with regard to new senior management arrangements from April 2019 can be summarised as follows:
- (1) The retention of the current and widely adopted 'People, Place and Resources' senior management framework but with the posts of Chief Executive and Executive Director (Resources) being separated.
 - (2) The replacement of 13 Head of Service posts with 7 Service Director posts. The proposed post of Service Director (Children and Young People) is to be kept under review.
 - (3) An acceptance that (2) is likely to have an impact on the Tier 4 (senior manager) structure.
 - (4) Implementation of the new structure is to be emergent, potentially over 2- 3 years, but subject to annual review.
 - (5) New remuneration arrangements to be put in place following agreement on the new structure. These will be the subject of a separate report.
 - (6) The new post of Executive Director (Resources) is now recruited to and is designated as the Council's S151 Officer. (The latter part of this recommendation needs to be approved by the Personnel Committee.)

7. Conclusions

- 7.1 It was agreed in December 2016 that an independent review of senior management remuneration would be undertaken. This has been done by South East Employers. The Review was extended midterm to embrace a wider review of the Council's

senior management arrangements given the emergence of a new Council Strategy, the ongoing need to become ever more efficient, and perhaps most importantly the need to consider future succession planning.

- 7.2 It has been concluded that the Council's underlying 'People, Place, Resources' model should be retained but that the Chief Executive role should be free standing. 13 existing Heads of Service should be replaced by 7 enhanced roles of Service Director. The Review has also concluded that remuneration levels need to be enhanced and this will be the subject of a separate report once the new structure has been approved. The new remuneration levels have had to be reflected in the job description of the newly appointed post of Executive Director (People). A separate paper proposing remuneration levels for the new structure will be prepared once the new structure has been approved.

8. Appendices

- 8.1 Appendix A – Data Protection Impact Assessment
- 8.2 Appendix B – Equalities Impact Assessment
- 8.3 Appendix C – Supporting Information
- 8.4 Appendix D – Review of West Berkshire Council's senior management arrangements and remuneration – South East Employers (July 2018)
- 8.5 Appendix E1 – West Berkshire Council – Senior Management Structure – Current
- 8.6 Appendix E2 – West Berkshire Council – Emergent Senior Management Structure from April 2019
- 8.7 Appendix F – Executive Director (Resources) – post details

Appendix A

Data Protection Impact Assessment – Stage One

The General Data Protection Regulations require a Data Protection Impact Assessment (DPIA) for certain projects that have a significant impact on the rights of data subjects.

Should you require additional guidance in completing this assessment, please refer to the Information Management Officer via dp@westberks.gov.uk

Directorate:	Resources
Service:	Chief Executive and Support
Team:	Chief Executive
Lead Officer:	Chief Executive
Title of Project/System:	Senior Management Arrangements from April 2019 – Final Proposals
Date of Assessment:	26 th February 2019

Do you need to do a Data Protection Impact Assessment (DPIA)?

	Yes	No
<p>Will you be processing SENSITIVE or “special category” personal data?</p> <p>Note – sensitive personal data is described as “<i>data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation</i>”</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be processing data on a large scale?</p> <p>Note – Large scale might apply to the number of individuals affected OR the volume of data you are processing OR both</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will your project or system have a “social media” dimension?</p> <p>Note – will it have an interactive element which allows users to communicate directly with one another?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will any decisions be automated?</p> <p>Note – does your system or process involve circumstances where an individual’s input is “scored” or assessed without intervention/review/checking by a human being? Will there be any “profiling” of data subjects?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will your project/system involve CCTV or monitoring of an area accessible to the public?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be using the data you collect to match or cross-reference against another existing set of data?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will you be using any novel, or technologically advanced systems or processes?</p> <p>Note – this could include biometrics, “internet of things” connectivity or anything that is currently not widely utilised</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

If you answer “Yes” to any of the above, you will probably need to complete [Data Protection Impact Assessment - Stage Two](#). If you are unsure, please consult with the Information Management Officer before proceeding.

Appendix B

Equality Impact Assessment - Stage One

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity as set out in the Public Sector Equality Duty (Section 149 of the Equality Act), which states:

- “(1) A public authority must, in the exercise of its functions, have due regard to the need to:**
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;**
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; this includes the need to:**
 - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;**
 - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;**
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it, with due regard, in particular, to the need to be aware that compliance with the duties in this section may involve treating some persons more favourably than others.**
- (2) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.**
- (3) Compliance with the duties in this section may involve treating some persons more favourably than others.”**

The following list of questions may help to establish whether the decision is relevant to equality:

- Does the decision affect service users, employees or the wider community?
- (The relevance of a decision to equality depends not just on the number of those affected but on the significance of the impact on them)
- Is it likely to affect people with particular protected characteristics differently?
- Is it a major policy, or a major change to an existing policy, significantly affecting how functions are delivered?
- Will the decision have a significant impact on how other organisations operate in terms of equality?
- Does the decision relate to functions that engagement has identified as being important to people with particular protected characteristics?
- Does the decision relate to an area with known inequalities?
- Does the decision relate to any equality objectives that have been set by the council?

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

What is the proposed decision that you are asking the Executive to make:	To agree to changes to the Council's senior management arrangements
Summary of relevant legislation:	N/A
Does the proposed decision conflict with any of the Council's key strategy priorities?	No
Name of assessor:	Nick Carter
Date of assessment:	26 th February 2019

Is this a:		Is this:	
Policy	No	New or proposed	No
Strategy	Yes	Already exists and is being reviewed	Yes
Function	No	Is changing	Yes
Service	No		

1 What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?	
Aims:	To establish over time a new senior management structure for the Council
Objectives:	To create a senior management structure that; <ol style="list-style-type: none"> 1. supports the Council's new Council Strategy 2019 – 2023; 2. maintains effective operational management, and; 3. provides value for money; 4. addresses succession planning issues; 5. addresses remuneration concerns 6. increases strategic capacity.
Outcomes:	<ol style="list-style-type: none"> 1. More effective management arrangements 2. Effective recruitment and retention
Benefits:	<ol style="list-style-type: none"> 1. Improved outcomes 2. Enhanced strategic capacity 3. Enhanced recruitment and retention

<p>2 Note which groups may be affected by the proposed decision. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this.</p> <p>(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)</p>		
Group Affected	What might be the effect?	Information to support this
Age	The proposals are focused on the Council’s senior management which are of an older age profile than the workforce as a whole. This is in part a reflection of the experience required to fulfil such roles	Age profile of senior management at Council compared to Council as a whole
Disability	None	The proposals are focused on senior management posts. The Council’s employment policies ensure that all those with protected characteristics are given equal opportunity to apply for such posts. The proposals set out here highlight the HR processes that would be followed to implement the new structure to ensure that no one group will be adversely affected by the proposals.
Gender Reassignment	None	See above
Marriage and Civil Partnership	None	See above
Pregnancy and Maternity	None	See above
Race	None	See above
Religion or Belief	None	See above
Sex	None	See above
Sexual Orientation	None	See above
Further Comments relating to the item:		

3 Result	
Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	No
Please provide an explanation for your answer:	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	Yes
Please provide an explanation for your answer: It is possible that, at some point, the proposals might involve the removal of senior management posts which could result in redundancies. The underlying process will however be driven by a gradual transition with implementation being driven by natural wastage of existing posts.	

If your answers to question 2 have identified potential adverse impacts and you have answered ‘yes’ to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage Two Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the [Equality Impact Assessment guidance and Stage Two template](#).

4 Identify next steps as appropriate:	
Stage Two required	
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	

Name: Nick Carter

Date: 26th February 2019

Please now forward this completed form to Rachel Craggs, Principal Policy Officer (Equality and Diversity) (rachel.craggs@westberks.gov.uk), for publication on the WBC website.

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Appendix C

Senior Management Arrangements – Final Proposals

1. Introduction and Background

- 1.1 It will soon be two years since the 2016 Senior Management Review was implemented. When the final report was approved by the Executive on 22nd December 2016 one of the recommendations was to review the remuneration of senior managers (Heads of Service and above) given that salary levels were found to be relatively low compared with other similar authorities. For clarity, this paper often refers to tiers of senior managers. To ensure consistency they are defined as follows in the context of this Report:

Tier 1 – Chief Executive

Tier 2 – Corporate Director/Executive Director

Tier 3 – Heads of Service/Service Directors

Tier 4 – Senior Managers (those reporting to a Head of Service/Service Director)

- 1.2 It was subsequently agreed with the Leader that an independent review would be commissioned to look at the issue in more detail and make recommendations on remuneration policy. South East Employers (SEE) was appointed to undertake the work.
- 1.3 During the summer of 2017 discussions took place with SEE and the Executive to frame the terms of reference for the work. These discussions also surfaced the current context within which the Council was working including the need for effective succession planning (the Council has a high proportion of senior managers aged over 55). Other relevant issues included the emergence of a new Council Strategy for 2019-2023, and the changing way in which we are having to operate which seems set to continue into the future. Whilst there was no immediate appetite for a further senior management review the Executive did feel it was opportune to review potential structural options in light of the above and the already agreed need to consider remuneration.
- 1.4 The departure of the previous Corporate Director (Communities) brought the issue of remuneration to a head. It was initially decided that a post of Executive Director (People) should be advertised with the additional designation of Deputy Chief Executive. The remuneration package was enhanced. The recruitment campaign was not successful and the post has recently been re advertised using the assistance of an executive search company. The designation of Deputy Chief Executive has been removed. The post was successfully recruited to in January this year.

- 1.5 SEE has now concluded its work. Since the draft report was presented various meetings have taken place with the Executive, the Chief Executive and Head of HR. As a result of these meetings some small changes have been made to the SEE report.
- 1.6 The initial proposals have also been the subject of internal consultation. A number of small changes and suggestions are being made as a result of the comments received. These are outlined later.
- 1.7 The purpose of this report is to present the SEE findings, set out what is now being proposed regarding a future management structure following internal consultation, and the process by which it would be implemented.

2. Supporting Information

The Proposals in Summary

- 2.1 The SEE report is attached at Appendix D for information. It is self-contained report which hopefully provides the background to this review.
- 2.2 Since the report was published internal meetings have taken place involving the Executive, Head of Paid Service and the Head of HR. The following were agreed as the basis for internal consultation which took place in January and February this year:
 - (1) the underlying structure based on 'People, Place and Resources' should be retained;
 - (2) the current twin hatted Chief Executive / Corporate Director (Resources) should be separated;
 - (3) Corporate Director posts should be replaced with Executive Director posts. The three Executive Director posts would not necessarily attract the same remuneration;
 - (4) the current 13 Head of Service posts would be replaced by Service Director posts and reduced in number. Service Director posts would be remunerated at the same level with additional payments for specific statutory roles where these were allocated to the post;
 - (5) there would be a need to review Tier 4 posts although this has not been considered as part of this Review (this is commented on later);
 - (6) remuneration should be brought into line with other similar authorities to ensure that the Council can recruit into and retain these key posts. The new senior management structure should not cost more than the existing one;
 - (7) implementation should be evolutionary with changes generally being made as current staff leave / retire. This is to avoid disruption and additional cost. The downside is that the new structure would potentially not be fully realised for some time;

- (8) In terms of Service Director structure the SEE report proposed eight posts. In summary it was however proposed that the seven Service Director posts were created as follows:
- (a) Service Director (Customer Services) – this would incorporate the following Service Units – Finance and Property, ICT and Customer Services and Commissioning;
 - (b) Service Director (Strategy and Governance) – this would include the current Legal, Strategic Support and HR Service Units;
 - (c) Service Director (Children and Young People) – this would include the current Children and Family Services and Education Service Units;
 - (d) Service Director (Adult Social Care) – this would encompass the current Adult Social Care Service;
 - (e) Service Director (Public Health and Wellbeing) – this would include the current Public Health and Wellbeing Service but also Leisure and Cultural Services from within the current Public Protection and Culture Service; it could also include the Building Communities Together team;
 - (f) Service Director (Development and Regulation) – this would incorporate Development and Planning and the Public Protection element of the Public Protection and Culture Service;
 - (g) Service Director (Environment) – this would encompass the current Transport and Countryside Service;
 - (h) It was being proposed that greater flexibility is introduced in the designation of the statutory roles where this is appropriate;
 - (i) In terms of internal officer governance the Chief Executive, Executive Directors and Service Directors would all form part of a reconstituted Corporate Board.

The Proposals in Detail

2.3 The SEE report at Appendix D highlighted a number of issues that needed to be in place if there is to be a compelling business case for change. These have been considered by the Executive subsequent to the presentation of the SEE report and the following conclusions have been drawn;

- (1) there are no major concerns with the current structure. It has appeared to have operated well since it was established in 1998 noting that it has been subject to a significant reduction in size over the past 20 years. It is also seen to represent good value for money given senior management costs in comparable authorities;
- (2) the review is not being seen as a savings exercise;
- (3) the Authority does need to become more outward facing and delivering greater strategic capacity is seen as important. Freeing up the Chief Executive to enable this is seen as one important step;

- (4) that said, the imbalance between the size of the various Head of Service roles now needs addressing. This is most notable in the Resources Directorate. Going forward the expectation is that each Service Director would have a broadly comparable portfolio and all would be remunerated at the same level. Service Director posts would have a more strategic role than the current Head of Service positions;
- (5) remuneration needs to be addressed at senior management level. This has been highlighted previously and the opportunity now needs to be taken to address the problem. The expectation is that a new management structure will not cost more than the current. During the period of transition costs are however likely to fluctuate;
- (6) whilst it is felt that there should be a generic management grade at Tier 3 (with additional payments for specified statutory roles where appropriate) there is an argument for individually evaluated posts at Tier 2.

- 2.4 Having taken the view that a business case does exist the above proposals were put forward for internal consultation.
- 2.5 The Council has operated with a 'People, Place, and Resources' based management structure for a number of years and this proposal does not change that. It does separate out the roles of Chief Executive and Executive Director (Resources) for the reasons set out above.
- 2.6 As can be seen from the SEE report other structures were investigated and considered but were eventually discounted. Overall, by far the most common structure within English unitary government remains the structure that is proposed here, or a variation of it.
- 2.7 Consideration was given to the creation of new Service Director posts based around more generic themes. These included commercialisation, commissioning, customer engagement, locality working etc. There were early discussions regarding a possible Service Director post of Digital Business Change which has not followed through into these final proposals. The general view taken was that given the Council's relatively small size and desire to work corporately these themes were better taken forward through informal working driven and led by the Executive Directors. The creation of an additional Executive Director post was key to this decision, a decision that was also made with a view to enabling the Chief Executive (and Executive Directors) to become more externally focused.
- 2.8 It is important to state that the roles of Executive Director and Service Director differ from those of Corporate Director and Head of Service. Executive Directors whilst providing leadership and coordination for their Directorates, will focus more on strategic matters whether they be internally focused or outward looking. Members have been clear in wanting to provide additional capacity to make this happen.
- 2.9 Service Directors will generally have wider remits than existing Heads of Service. They will be expected to lead on corporate initiatives as well as being accountable for delivery, performance and resource management within their Departments. It is recognised that to make this new structure work it will be necessary to look at the Tier 4 structure. As a starting point there will be a general expectation of no more

than 6 reports to each Service Director. It is recognised that this will lead to restructuring and a reduction of reports in most instances – in some cases there may be a case for an increase. Given Tier 4 will potentially be absorbing more of the ‘operational strain’ within the new structure it is also felt that remuneration will need to be considered at this level too. There may well be a need to move beyond Grade M for some of the posts at Tier 4. It is not envisaged that there will be grade parity for all of the posts at this Tier as there would be for the Service Director level above. In some Departments Tier 4 posts may well become a ‘professional lead’, a role currently undertaken by some Heads of Service.

2.10 The proposed alignment of Departments mirrors closely the current alignment of Service Units; more often than not Departments being an amalgamation of the latter. There is no real sense of there being a need for a more comprehensive realignment following the Senior Management Review in 2016 although there is still some way to go with fully developing in the various priorities that were identified in the earlier review most notably:

- (1) Commissioning;
- (2) Building Communities Together;
- (3) Street based services.

2.11 A view has been taken that the Council should, where appropriate, be more flexible in the way it allocates statutory posts. The allocation of statutory roles is a function delegated to the Personnel Committee, therefore any changes will be proposed by the Head of Paid Service to the Personnel Committee for approval. The following possible proposals to the Personnel Committee are:

- (1) Head of Paid Service – Chief Executive.
- (2) Monitoring Officer – Executive Director (Resources) or Service Director (Strategy and Governance) or possibly Tier 4.
- (3) Section 151 Officer – Executive Director (Resources) or Service Director (Customer Services). The post holder must be a qualified accountant.
- (4) Director of Children’s Services (“DCS”) – Executive Director (People) or Service Director (Children and Young People).
- (5) Director of Adult Social Services (“DASS”) – Executive Director (People) or Service Director (Adult Social Care).

2.12 Where a statutory role is undertaken by a Service Director an additional payment would be made.

2.13 Remuneration was the driver behind the original decision to commission SEE. The 2016 Senior Management Review had already highlighted the fact that remuneration for senior staff was below that of comparable authorities and that the SEE Review has confirmed that. Recruitment to the new Executive Director (People) post has created a new benchmark that will now need to be reflected more widely across the senior management structure. This will be the subject of a further paper to be prepared by the Head of Human Resources in the next financial year. The paper will also consider remuneration and grading issues at Tier 4. This

remuneration paper will be written with the proviso that the new senior management structure will need to cost no more than the current one, once fully implemented.

- 2.14 A smaller senior management structure will bring benefits in terms of coordination, communication and decision making. It is therefore proposed that Corporate Board is re designated to include the Chief Executive, Executive Directors and Service Directors. The timing of this change will be dependent on the speed with which the new management structure comes into place.

Implementation

- 2.15 This newly proposed structure could be implemented in one of two ways:
- (1) at a given date the new structure is implemented with existing Heads of Service competing for the reduced number of Service Director posts. Any resulting vacancies would be advertised externally;
 - (2) the new structure emerges over time with Service Director posts being recruited to as Heads of Service leave or retire.
- 2.16 There are pros and cons to both options. A single implementation point requires little transition but is going to be more costly and potentially quite disruptive. With a senior management team, many of whom are over 55, there would be a risk that few would apply for new Service Director roles preferring instead to take a redundancy package. This would add to the cost and potential transition risk. A gradual implementation is potentially less costly and disruptive but it is likely to create a hybrid structure which will look messy and potentially more difficult to manage for a time. In discussion with Members the view is that the second option is preferable and more appropriate given that effective succession planning is one of the drivers behind the review.
- 2.17 In practice it seems likely that the pace of the transition from Heads of Service to Service Directors will be driven, in the main, by the resignation or retirement of existing Heads of Service. In the Resources Directorate, where the greatest level of rationalisation will take place, it may be that this could be achieved in stages viz. an existing Head of Service may acquire an additional Service prior to any Service Director appointment being made.
- 2.18 In terms of moving the whole process forward from here it has been agreed with Members that approval of the new management structure should ideally have been achieved by March or April 2019 through the Executive. Implementation of any new structure will evolve from that point.
- 2.19 Members have also proposed that the Head of Paid Service should review progress with the implementation of the new structure annually. At some point it may become practical or inevitable for the final structure to be fully realised through a forced combination of existing Head of Service roles.

Results of Internal Consultation

- 2.20 Internal consultation on the proposals was undertaken during January and February 2019. The review was made available to all staff however only 20 responded. This included around 50% of Heads of Service and Corporate Directors.

- 2.21 Overall, the proposals were supported. In the case of senior management it was perhaps inevitable that concerns regarding their own personal positions were reflected in some of the responses. I have chosen not to tabulate individual responses since it is unlikely that the source of the comment could be identified.
- 2.22 There was particularly strong support for the retention of the People, Place, Resources structure and for the creation of Service Director posts. Some expressed concern that there was still inequity in the scale of the new roles. There was particular concern at the merging of Children and Family Services and Education.
- 2.23 There was a suggestion that a more detailed assessment of budget, risk, establishment etc. should be used to determine whether equity exists. This was done by SEE hence the proposals set out in this report. There is a recognition that further consideration of the proposed Service Director (Children & Young People) post is needed but functional integrity is also important. Some functions will have more staff than others – some will embrace a wider set of disciplines – others involve a much greater level of partnership engagement etc. The view remains that the proposals do ‘even up’ roles at Tier 3 and that a degree of pragmatism needs to be taken as to how far this can practically be taken.
- 2.24 The need to review remuneration, including at Tier 4, was recognised and supported. The proposal to create a unified Corporate Board was also supported.
- 2.25 An evolutionary approach was also generally supported although a number of people commented that it may need to be concluded after an agreed set time.
- 2.26 Comments were also received regarding the location of the Building Communities Team. This is a multi-agency team which is currently line managed by Thames Valley Police. It is notionally located within the Chief Executive’s Office with a link directly to the Chief Executive. There was a drive to retain this arrangement. The proposal in the consultation draft was to move it to within Public Health and Wellbeing. There is no desire to change the current working arrangements which see the Team reporting directly to the Police. If the Chief Executive is to be given more capacity through releasing management commitments then it seems illogical to retain the notional link with the BCT team. In practice oversight and guidance can be provided through the Building Communities Together Partnership which the Chief Executive currently chairs.
- 2.27 With regard to the proposal to merge Children and Families and Education, SEE were asked to look in more detail at what other unitary authorities were doing. A number have moved to such an integrated model although it does appear the majority have not. My suggestion at this point is to retain this proposal as it is but to conduct a further assessment of its merits before it is implemented. The key consideration should be driven by consideration as to whether the Education function in West Berkshire can be held by a Service Director with additional responsibilities. The recommendation and associated structure chart have been amended to reflect this.
- 2.28 Comments were also received that proposed Payroll moving to Customer Services and Commissioning to Strategy and Governance within the Resources Directorate. No change is being proposed to either at this point since it would seem more

appropriate for the Executive Director (Resources) to consider these issues. It will be noted that this Report is now recommending that this post is recruited to.

3. Options for Consideration

- 3.1 An independent review by SEE is set out at Appendix D. This highlights the structural options that have been explored as part of this Review. In practice there are not many to choose from. Further potential options are also briefly set out within this Paper. The retention of the status quo has not been actively considered given it is deemed necessary to review remuneration levels and if these increase then there is a need to contain the overall cost of the management structure. This can only be done through restructuring.

4. Proposals

- 4.1 The following recommendations are being made as part of this review:
- (1) That the proposed new management structure outlined in Appendix E2 as slightly amended following internal consultation is now approved:
 - (2) The management structure is implemented on a phased basis from April 2019:
 - (3) That an annual review of the progress with implementing the management structure is undertaken by the Head of Paid Service to determine whether the pace of change is sufficient:
 - (4) That on the subsequent appointment of Service Director posts the Tier 4 management arrangements are reviewed and proposals brought forward jointly by the appropriate Service Director, Executive Director and Head of Paid Service:
 - (5) That a paper specifying remuneration levels for the Chief Executive, Executive Director, and Service Director posts be brought forward after April 2019 and this also includes proposals regarding remuneration and grading at Tier 4.
 - (6) Recruitment to the post of Executive Director (Resources) commences in accordance with the job description and person specification at Appendix F.

5. Conclusions

- 5.1 It was agreed in December 2016 that an independent review of senior management remuneration would be undertaken. This has been done by South East Employers. The Review was extended mid-term to embrace a wider review of the Council's senior management arrangements given the emergence of a new Council Strategy, the ongoing need to become ever more efficient, and the need to consider future succession planning.
- 5.2 It has been concluded that the Council's underlying 'People, Place, Resources' model should be retained but that the Chief Executive role should be free standing. 13 existing Heads of Service would be replaced by 7 enhanced roles of Service Director. The Review has also concluded that remuneration levels need to be

enhanced and this will be the subject of a separate review once the new structure has been approved. The new remuneration level has already been reflected in the job description of the newly created post of Executive Director (People) which has recently been recruited to

6. Consultation and Engagement

- 6.1 An earlier version of this report has already been subject to internal consultation. The results of this consultation and commenting on it are set out in paragraphs 2.20 to 2.28.

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