

## Senior Management Arrangements from April 2019 – Final Proposals

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**Committee considering report:** Executive on 28 March 2019

**Portfolio Member:** Councillor Graham Jones

**Report Author:** Nick Carter

**Forward Plan Ref:** EX3679

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### 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 1<sup>st</sup> 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](mailto: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 <sup>th</sup> February 2019

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

	Yes	No
<p><b>Will you be processing SENSITIVE or “special category” personal data?</b></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><b>Will you be processing data on a large scale?</b></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><b>Will your project or system have a “social media” dimension?</b></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><b>Will any decisions be automated?</b></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><b>Will your project/system involve CCTV or monitoring of an area accessible to the public?</b></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>Will you be using the data you collect to match or cross-reference against another existing set of data?</b></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>Will you be using any novel, or technologically advanced systems or processes?</b></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.

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

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

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

**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.)

<b>Group Affected</b>	<b>What might be the effect?</b>	<b>Information to support this</b>
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
<b>Further Comments relating to the item:</b>		

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

<b>4 Identify next steps as appropriate:</b>	
<b>Stage Two required</b>	
<b>Owner of Stage Two assessment:</b>	
<b>Timescale for Stage Two assessment:</b>	

**Name:** Nick Carter

**Date:** 26<sup>th</sup> February 2019

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