Structure Benchmarking
Draft

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Introduction

This report is a follow-up to an initial benchmarking undertaken in January 2015.

In January 2015, Cardiff Council were keen to understand how their senior management structure compared with other similar councils. A new structure introduced in 2012, which aimed to strengthen Cardiff's strategic capacity through more granular directorates, had significantly increased the number of Tier 1 management roles.

The benchmarking found that with 10 officers at Tier 1, Cardiff had the most Tier 1 officers of any council in our sample group, and significantly more than the average of 5 across the sample. At the Tier 2 level (mostly referred to as Assistant Directors at Cardiff), Cardiff had the fewest number of officers with 8 officers compared to the average of 18, and was the only council to have fewer officers at Tier 2 than Tier 1.

In the environment of continued severe budgetary pressures requiring councils to find new efficiency savings and re-define how they deliver services, coupled with challenging agendas, many councils have looked to change their management structure in order to make savings. Cardiff's somewhat atypical structure has changed over time, as have the structures of other councils in response to these challenges. This report compares the current structure with that of other similar councils, as well as providing a pay benchmark.

The sample used for examining the number of management roles in this report consists of the councils that constitute the Core Cities group and the largest unitary councils outside of the Core Cities group. The data is based on the most recent publicly available information, and as such it is showing a slightly historic picture. We know that some councils are in the process of restructuring, and we have excluded some on this basis (for example Manchester). For some councils, including some that were included in the sample in 2015, there is no current data available and as such they have been excluded from this sample group. For two councils, Leeds and Glasgow, there was no publicly available information for the Tier 2 structure, but we have included their Tier 1 data here.

Management numbers

The table below shows the number of management roles at Tier 1 and Tier 2.

For those councils that were included in the original sample undertaken in January 2015, the difference in the number of officers is also shown. For councils that were not included in the 2015 sample, *n/a* is used to indicate that we do not have a comparator.

Council	Population	Core City	Tier 1	+/- since 2015	Tier 2	+/- since 2015	Total Mgmt	+/- since 2015
Birmingham	1,111,300	Y	9	+4	29	+12	38	+16
Leeds	774,100	Y	8	—				
Glasgow	606,300	Y	7	n/a				
Sheffield	569,700	Y	3	-1	19	+5	22	-6
Cornwall	549,400	N	4	+1	17	-4	21	-3
Bradford	531,200	N	4	-4	19	-3	23	-7
Durham	519,700	N	5	—	24	+1	29	—
Wiltshire	486,100	N	2	-1	13	-3	15	-4
Liverpool	478,600	Y	6	-1	12	-6	18	-7
Bristol	449,300	Y	4	—	19	-2	23	-2
Kirklees	434,300	N	5	—	12	—	17	—
Croydon	379,000	N	4	-3	18	+4	22	+1
Cheshire East	375,400	N	3	n/a	17	n/a	20	n/a
Fife	368,100	N	5	n/a	22	n/a	27	n/a
Cardiff	357,200	Y	7	-3	9	+1	16	-2
Coventry	345,400	N	3	-2	16	-2	19	-4
Ealing	343,100	N	4	-2	13	+3	17	+1
Leicester	342,600	N	5	n/a	16	n/a	21	n/a
East Riding	336,700	N	5	—	18	+8	23	+8
Cheshire West	333,900	N	3	n/a	13	n/a	16	n/a
Nottingham	318,900	Y	4	+1	17	-3	21	-3
Newcastle	292,900	Y	5	—	30	+1	35	+1

Cardiff compared to other councils

- The average number of officers at Tier 1 is 5. This is fewer than Cardiff, who have 7 officers at Tier 1, though the disparity is smaller than in January 2015.

- The average number of officers at Tier 2 is 18. This is significantly more than Cardiff, as with 9 Tier 2 officers Cardiff has the fewest in the sample.

- The average total number of management roles is 22. With a total of 16 Tier 1 and 2 roles, Cardiff has one of the lowest total management roles in the sample, due to the lower number of Tier 2 officers.

Themes observed

There is a lot of variance between the councils in the sample group, but there are some themes that emerge:

- Many councils have reduced their overall number of senior management roles. The extent of this varies, with some reducing the numbers fairly significantly by removing roles at both Tier 1 and Tier 2 level (for example Bradford and Liverpool). Others have reduced the overall number by a smaller amount (for example Coventry and Bristol).

- A notable exception to this trend is Birmingham, where there is a fairly granular directorate structure in place. The creation of a Children's Trust has also increased management numbers.

- In some councils where there has been a reduction of Tier 1 management roles, we can see that there has been an increase in the number of Tier 2 management roles (for example Croydon and Ealing), which indicates that accountability is being delegated further down the organisation.

- Where councils have a larger number of directorates, mots commonly, we can see that People is split into smaller directorates addressing Children Services, Adult Services and Health separately. We also see that Place is divided in a number of councils into directorates such as Neighbourhood Services and Development/Regeneration.

- We are also seeing a number of different directorates beyond the traditional People, Place, and Resources. In addition to the creation of the regeneration focused directorates separate to Place, there are directorates focused on areas such as economic growth, corporate strategy, and transformation in a number of councils.

Pay benchmark

The table below shows the national benchmark data for basic pay in the public and not-for-profit sectors, against Cardiff's grades and current pay.

Cardiff Grade	Hay Evaluation Level	Current Pay	Public and Not for Profit Basic Pay Benchmarking Data – National		
			Upper Quartile	Median	Lower Quartile
Corporate Director	700	£132,613	£157,555	£139,490	£128,302
Director	608	£122,412	£140,000	£120,331	£102,766
(Not used in Cardiff)*	*528*		*£113,460*	*£98,270*	*£88,553*
Assistant Director	460	£83,240	£113,460	£88,080	£76,559
(Not used in Cardiff)	*400*		*£100,548*	*£74,052*	*£65,576*
OM1	350	£54,673 - £66,625	£85,850	£63,636	£56,352
OM2	304	£44,744 - £54,049	£63,083	£53,644	£47,842

*other than for the City Deal Programme Director

Cardiff compared to the benchmark data

- For most grades (such as Corporate Director, Assistant Director, and the OM grades) Cardiff's current pay is between the lower quartile and market median.

- The top of the OM1 and OM2 salary bands and Director salary is currently marginally above the market median.

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