

21 November 2017

Trust in water

Information for applicants

**Senior Director Analytics, Chief
Economist**

Ref: OFW-BC188

www.ofwat.gov.uk

o f w a t



Introduction from Cathryn Ross, Chief Executive



Water is not a dry issue.

The water sector in England and Wales has come a long way in the past 27 years. At privatisation, polluted beaches and rivers and neglected infrastructure meant we were seen as the ‘dirty man of Europe’.

The regulation of this sector was entrusted to the Water Services Regulation Authority (Ofwat) which has maintained a steady hand in driving and incentivising the sector to deliver and to improve. Over the period since privatisation, the water companies have invested more than £120 billion in maintaining and improving services for consumers and the environment. Today, for example, the amount of water lost through leaks is down by about a third since the mid-1990s. In addition, salmon have returned to the River Mersey, once considered one of the most polluted in Europe. All of this has been delivered efficiently too – a litre of tap water, supplied and taken away, costs less than half a penny.

But the world is changing. The water sector faces new problems and very different challenges. In the future, climate change may mean we get more droughts and more floods, making it harder to maintain resilient supplies. Our population is growing, putting more pressure on the water we use. Lifestyle changes have increased our appetite for water in our homes, our work places and our places of leisure. The changing social and economic landscape also means we need to reconsider how business operates and how customers are able to afford their water and sewerage bills.

Ofwat needs to be at forefront of determining and implementing a regulatory system that will protect customers’ interests, drive efficiencies and innovation, enable efficient companies to finance their functions and to ensure that the ‘promises of privatisation’ are delivered. We all need sustainable solutions to these problems.

To do this, Ofwat needs to be at the very top of its game.

Our Senior Directors are key to this. We work closely together and with our board to shape Ofwat’s portfolio and get the best out of all of our people, to deliver our strategy and improve the experience of customers and society. And there are more

opportunities to do this than ever before, with the opening of the business customer market in England to competition in April 2017 and the reforms we are bringing to wholesale markets through our forthcoming 2019 price review.

Thank you for your interest in joining Ofwat at what is a very exciting time for us and the sector we regulate. We look forward to receiving your application.

Cathryn Ross
Ofwat Chief Executive

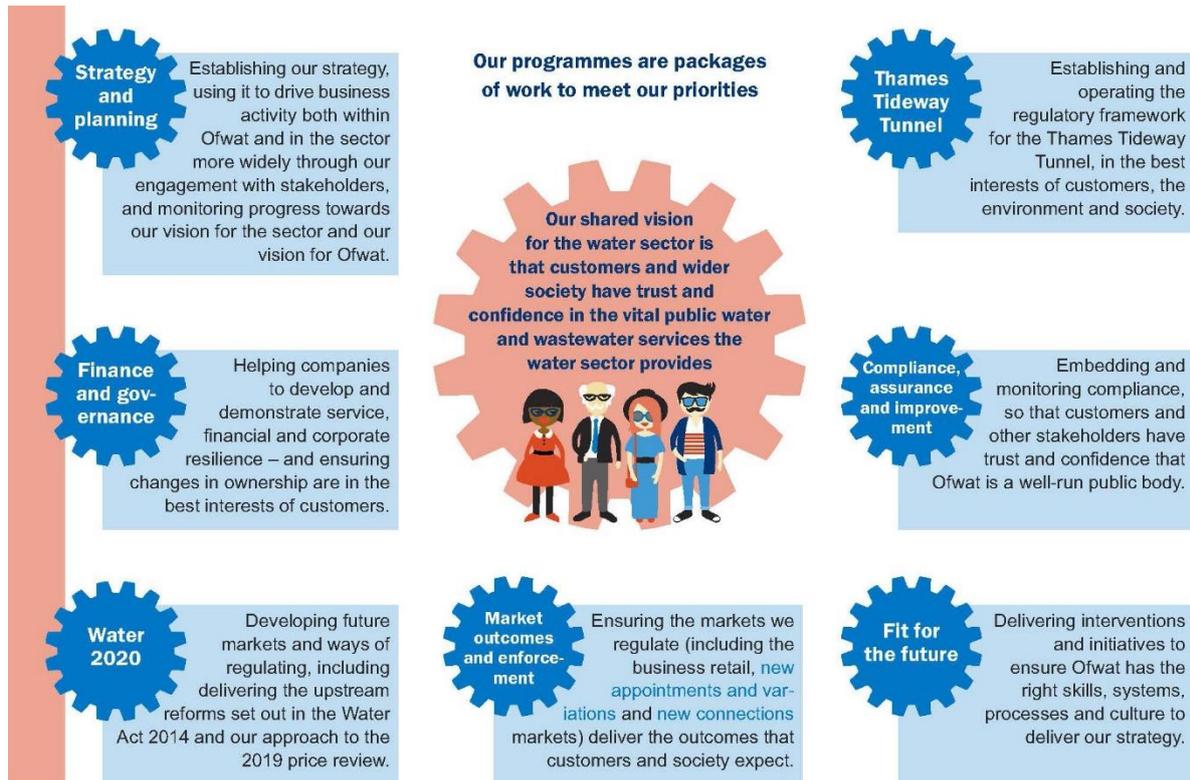
About Ofwat

Ofwat (the Water Services Regulation Authority) is the economic regulator of the water and wastewater sector in England and Wales. Our role is to help it build trust and confidence with customers, the environment and wider society in the provision of these vital public services. Our strategic priorities include:

- delivering the reforms provided for in the Water Act 2014 and help to ensure that they deliver real benefits for water customers and society. This includes putting in place the arrangements for the regulation of the non-household retail market, which opened to competition in April 2017. It also includes supporting the development of water trading and abstraction reform. Doing these things will require further changes to the way we set price limits in our 2019 review;
- maintaining the confidence of investors in the water sector and our regulation of it, though this period of change; and
- developing the means by which we monitor the sector's performance against our vision of trust and confidence, and receive assurance from the sector.

Our business model

- Ofwat delivers its strategy through eight programmes



Our values

All our work is underpinned by our values. They set out how we behave and what we aspire to be.

We are Ofwat

We aspire to act in line with our values in everything we do



Role expectations for Senior Directors at Ofwat

Ofwat has an ambitious strategy that puts us at the leading edge in economic regulation, at the forefront of developing and implementing an economic regulatory regime that uses market mechanisms and regulatory tools to protect customers' interests, drive efficiencies and innovation, enable efficient companies to finance their functions and ensure that the 'promises of privatisation' are delivered. This requires, strong, committed strategic leadership from the very top of the organisation, and this is what you will provide every day and in everything you do.

Our work is high profile and fast moving, within a dynamic and agile environment. The work that you'll be involved in every day will be about helping us to deliver our strategy, helping to us to be the regulator we want to be and helping the sector to deliver outcomes that matter to customers and society.

You will be a member of our Senior Leadership Team (SLT). This involves providing support to our Chief Executive in their role in ensuring the effectiveness and efficiency of Ofwat's portfolio in delivering our strategy. You will identify, understand and proactively manage the risks and opportunities we face corporately and across our portfolio. As part of SLT you will be responsible for ensuring that we have the capacity and capability we need across the office to deliver our strategy. You will take a strategically aligned corporate approach in everything you do. You will provide strong, strategic, clear and committed leadership across the office – not only to your own programmes and resource pool more in relation to everything we do. You will champion and role model our values and behaviours, and support others in doing so. You will provide support and challenge to other members of SLT, helping to ensure it is a high-performing team.

You will have a high degree of accountability to the Chief Executive for strategic delivery. This may be as Senior Responsible Officer (SRO) of one or more of our programmes, or may be in relation to one of our critical cross-cutting functions. As SRO you will be accountable for the delivery of the benefits of your programme, in line with agreed milestones and budget. You will have delegated budget responsibility in line with this. If you have particular professional responsibilities you may (also) have responsibilities in respect of signing off certain types of expenditure in line with our governance framework and internal controls.

You may be a Strategic Resource Manager (SRM) for one of our resource pools. All our people sit within one of our seven resource pools, reflecting the primary skills they bring to Ofwat. If you are an SRM you will be accountable to the Chief Executive for ensuring that your resource pool has within it the skills and experience that Ofwat needs. You will also be expected to understand how those needs will evolve in the coming years and to have plans in place to ensure that we continue to have the skills and experience we need in future. This will include taking an active role in workforce planning, learning and development (including informal and on-the-job opportunities) and succession planning.

You may be the head of one of our professional groups. This will see you responsible (working closely with the relevant SRMs) for ensuring provision of professional training in your area. This may involve formal CPD accredited course or conferences but you are encouraged to think creatively about how best to ensure we keep our people up to date in their professions, including informal means. All of our Senior Directors will have specific professional skills, whether in Head of Profession roles or not, in relation to which you will be seen as a leader across the organisation. You will create opportunities to ensure you use your professional skills to contribute across Ofwat's portfolio.

You will be an exemplary ambassador for Ofwat, remaining on-message and strategically aligned at all times. You will have significant stakeholder engagement responsibilities, which will include engagement across a wide variety of topics with our key stakeholders such as government officials, regulated companies, consumer

bodies, and NGOs. It may also include speaking at major events, attending select committees, and media engagement.

You will be expected to attend board meetings as appropriate. You will be expected to contribute proactively to debates across the full range of topics under consideration (not only those relating to your programmes, resource pool or profession). You will be constructive and supportive, but challenging where necessary. You will be succinct and on-point. You will also participate fully in the Senior Leadership Team's planning and preparation for board, to maximise the effectiveness of the discussion.

People who are new to the Senior Director level will find the learning curve steep. You will need to view things from a wider perspective, seeing more of the linkages and interdependences between your areas of work and Ofwat's portfolio, between Ofwat's work and that of wider stakeholders, and through time. You will also need to be comfortable with accountability for big ticket issues and substantial budgets. You will need to get used to the 'always-on' demands of leadership. Your time management and prioritisation skills will be at a premium, as your work is dominated by issues that are both urgent and important. Your skills in delegating, managing and coaching others will become more important for the same reason.

As a Senior Director, you will have a thorough understanding of the business of economic regulation, what we are trying to achieve and our regulatory model. You will also appreciate what this means in practice for how we use our regulatory toolkit and what this means for how we work (our operating model), the skills and experience, values and behaviours we need. You will have excellent strategic and tactical thinking skills, and understand the linkages and interdependencies across our work, enabling you to help maximise the value we deliver across our portfolio.

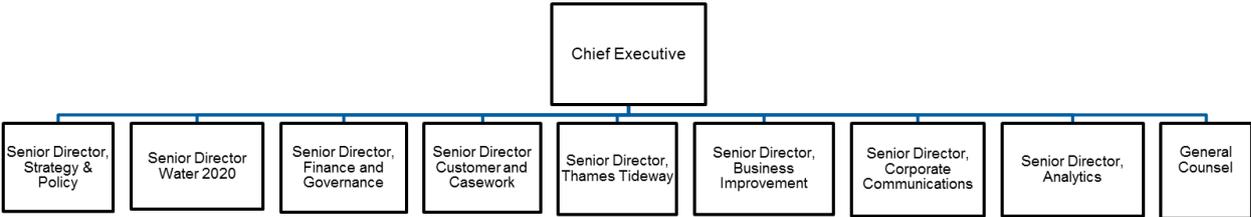
You will also have a good understanding of the external environment in which we operate. You will be able to see how our strategy and our work fits with the work and interests of our key stakeholders. You will have excellent abilities to engage with key stakeholders, including an ability to explain the more technical aspects of what we do in a way that resonates with your audience. You will be proactive in getting the best value out of everything we deliver through skilled use of stakeholder engagement and communications tools, working with our experts as appropriate.

You will also have first class leadership and management skills. This will include tools and techniques that enable you to drive delivery in our programme and project environment. But it will also include the ability to inspire, engage and empower people, so that every individual makes the best contribution they can, learning as they go, so we create a whole that is greater than the sum of its parts.

You will have an inclusive and open approach, that sees you proactively consulting others, seeking challenge, and keeping people updated on developments. You will also have sound judgement, and be unafraid to take decisions when necessary. You

will be confident, but self-aware and able to ask for help when you need it. You will be energetic, self-motivated, hard-working and resilient.

Senior level organisation chart



PR19 Senior Leadership Team

Specific role profile

This role profile is intended to provide an indication of what the post holder could expect within their personal portfolio. While the level of responsibility commensurate with the post will endure, the specifics of responsibilities in relation to delivery, people management, professional leadership, and stakeholder engagement may change over time.

Senior Director Analytics, Chief Economist

As our Chief Economist and Senior Director, Analytics, you are someone with a real passion for Ofwat and our strategy. Your motivation to inform, enable and incentivise this vital public service sector to deliver more for customers will shine through.

As the Strategic Resource Manager for our Analytics pool, this passion will translate into an ability to inspire a diverse range of professionals to deliver against Ofwat's strategy. You will need to ensure they have a good appreciation of the strategy, and feel confident to test, challenge and stretch it. You will also need to work with your people to ensure that their expertise is channelled constructively into timely delivery across our portfolio. You will be experienced in working in a programme and project based environment, and will bring insight on where we might make improvements to our ways of working, especially where this will improve the value we get from our Analytics people.

Beyond your pool, you will work closely with our programme SROs and other SRMs to develop and implement a strategic workforce plan for your pool, ensuring that Ofwat has the right mix of analytics skills and experience to deliver today but also to keep delivering in the face of an increasingly dynamic sector, in years to come. This will involve role modelling our 'learning' value and supporting a culture of willingness to try new things and learn on the job. It will also see you developing and implementing a medium term learning and development plan across your pool. And you will develop and make good use of your network across our stakeholders and with relevant consultancies to ensure that we have access to the best expertise from beyond Ofwat, through secondments and contract work.

As our Chief Economist, you will be excited by the transition of the water sector from one dominated by vertically integrated regional monopolists, largely looking within their own boundaries, to one with much greater use of markets at the retail and wholesale level, a more complex matrix of outcome delivery and greater dynamism. Your background will be in industrial economics and market analysis, and you will have a good appreciation of the theory and practice of economic regulation. You will be at the forefront in developing our thinking about the opportunities and challenges this transition presents, and in translating this into our work programme. You will have a good appreciation of the regulatory tool kit, of best practice in regulation, and of cutting edge practice across sectors and across the world. You will use your own knowledge and your networks to bring new ideas and challenge into Ofwat. You will generate enthusiasm, passion and professional pride in our economists, but will also ensure that their analysis is user-friendly, timely and channelled in line with our strategy. You will proactively make and implement judgements on the level of analysis that is appropriate for the policies we are developing and the decisions we are taking.

As our Chief Economist, your role cuts across the whole of Ofwat's portfolio. This will give you insight from across our different programmes, and you will proactively bring these

insights to bear, especially through your participation in programme boards and at SLT, to help Ofwat best manage linkages and interdependencies. You will be comfortable with Ofwat's open risk appetite across most of its portfolio, and will play a valuable role in identifying and managing risk and opportunity across the office.

As the Chief Economist in a leading edge economic regulator, you will develop your network and will participate in conferences, roundtables and discussions beyond Ofwat. You will be an excellent ambassador for Ofwat in these forums, explaining our approach but also willing to listen, engage and take on board challenge and learning. You will be respected and sought out by others for the quality of your contribution to debates on regulation, competition and relevant aspects of public policy.

You are expected to take on the role of SRO for Assurance in our 2019 Price Review. We have been clear that this next price review will bring a tough challenge to the companies we regulate, which places considerable weight on this Assurance role. It will involve being accountable for the provision of assurance to Ofwat's Chief Executive, and through her to the Ofwat board, on the quality of the decision-making process within the price review. This will include, for example, assurance on data quality, modelling, analysis, governance and (working with our general counsel) legal robustness. As SRO for Assurance you will report directly to Ofwat's Chief Executive, separate from the SROs charged with delivering the review itself. In this role you will have direct exposure to Ofwat's Audit and Risk Assurance Committee and to the Ofwat board. Our price review analysis will begin when we receive the companies' business plans in September 2018 and will conclude when we issue our final determinations in December 2019. However, you will be involved in planning and preparing for the review before September 2018, and you may be involved in any subsequent appeals.

You will also play an important role as a member of our Senior Leadership Team, which is outlined in our general Senior Director role expectations. You will bring your understanding of market dynamics to our consideration of Ofwat's strategy, work programme and prioritisation. You will also bring an understanding of what matters to our Analytics people, and you will bring insights from your stakeholder network. But you will also be able to see beyond these specific perspectives and contribute to the work of the SLT in the best interests of Ofwat as a whole. In line with your wider corporate leadership responsibilities you will be given a role as 'champion' of a specific area of our ways of working (such as learning and development, matrix working, or internal communications) that we wish to push forward. You may also be allocated responsibility for one of our strategic risks and opportunities, which will see you looking across the office for insight on the specific aspects of the risk or opportunity, for implications and mitigations.

Chief Economist, Senior Director, Analytics

Reports to:	Chief Executive
Member of:	<p>Senior Leadership Team</p> <p>Analytics resource pool</p> <p>Will attend Board for relevant items</p>
Programme delivery role:	<p>No current SRO responsibilities, but may take on SRO responsibilities from time to time. Expected to become SRO for Assurance in our 2019 Price Review, starting no later than September 2018.</p> <p>Expected to sit on the following programme boards: Strategy & Planning (ensuring Ofwat's portfolio is best calibrated to deliver our strategy), Water2020 (designing our approach to wholesale markets and to the 2019 Price Review); Market Outcomes and Enforcement (regulating the competitive business customer retail market and taking forward enforcement cases); Finance and Governance (promoting best practice in corporate governance in the sector, overseeing financial and corporate resilience in the sector, and overseeing companies' delivery and financial performance in line with price review settlements).</p>
Strategic Resource Manager (SRM) role:	SRM for the Analytics pool, comprising c. 55 people who provide professional analytical expertise across our portfolio in the areas of economics, regulatory accounting, corporate finance, and engineering

<p>Stakeholder engagement role:</p>	<p>Will include senior level stakeholders related to the economics profession, such as Chief Economists in other regulators (through the UK Regulators Network) and across government departments, relevant academics, think tanks and research institutes.</p> <p>Also expected to play a role as an ambassador for Ofwat with wider stakeholders, as appropriate (e.g. Parliamentarians, regulated companies, customer representatives).</p> <p>Media engagement (traditional media interviews, blogs, vlogs, Twitter) as appropriate.</p>
<p>Head of profession role</p>	<p>As Chief Economist you will be Head of profession for Ofwat's economists</p>
<p>Specific professional skills, knowledge and experience essential for this role:</p>	<p>Strong academic training in economics, in particular microeconomics and especially industrial economics. An undergraduate degree is expected; a relevant postgraduate degree would be advantage.</p> <p>Extensive experience of the practical application of economic theory and techniques to relevant areas of policy making, decision-making, and enforcement.</p> <p>An understanding of our stakeholder environment as relevant to the role</p> <p>Excellent written and oral communication skills – and in particular the ability to explain complex concepts and analysis effectively to a lay audience.</p> <p>Excellent leadership and management skills. The ability to inspire and motivate people with a diverse set</p>

	<p>of professional backgrounds to make their best contribution in line with Ofwat's strategy.</p> <p>Also:</p> <p>Experience of successful delivery through programme and project management</p> <p>An appreciation, appropriate to the role, of the legal framework that underpins economic regulation (statutory duties and powers, public law, appeals and judicial review).</p> <p>An appreciation, appropriate to the role, of the policy development process.</p>
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Terms and conditions of employment

Contract

This is a permanent appointment, though Ofwat is open to considering loans or secondments.

Salary

The full-time salary for this role is circa £120,000. Salary is paid monthly by credit transfer. The role is a senior civil service role within SCS pay band 2.

Location

The role could be based in either Birmingham or London. Wherever the successful applicant is based we envisage significant travel (at least weekly) to the other location. We also offer scope to work from home, subject to the requirements of the job.

Contracted place of work and taxable expenses

Any person who regularly works more than two days a month in both the Birmingham and London offices, irrespective of their contracted place of work, is considered by HMRC to have [two permanent workplaces](#).

The payment of your rail fare, accommodation or subsistence in this situation attracts tax and National Insurance because you are receiving a benefit.

Ofwat meets the cost of the tax and National Insurance by grossing up your expenses and recovering the net amount through your monthly pay package. But the expenses are classed as taxable earnings, which could impact on any attachment of earnings – for example, student loan repayments, high income child benefit and state benefits.

For further information on taxable expenses, please email payroll@ofwat.gsi.gov.uk.

Hours of work

This role is envisaged as a full time role, required to work a minimum of 37 hours, excluding lunch breaks. You will be required to work such additional hours as is reasonable and necessary for the efficient performance of your duties. We are also open to applications on the basis of 0.8FTE and from job-sharers.

Probation

There is a probationary period of six months for all new entrants. Subject to satisfactory performance, the post holder will be transferred to permanent establishment at the end of their probation.

Annual leave

On appointment the post holder will be entitled to 25 days annual leave plus 10½ days' public and privilege holidays a year. Annual leave entitlement will be increased by one day for each year of continuous employment with Ofwat, up to a maximum leave allowance of 30 days.

Pension

On appointment, you are eligible to join the Civil Service Pension. The Civil Service offers a choice of defined benefit and stakeholder pensions, giving you the flexibility to choose the pension that suits you best. We offer you a choice of two types of pension.

Alpha: this is an occupational pension scheme and provides a defined benefit worked out on a Career Average basis.

From 1 April 2017, employee contributions will be:

From 1 April 2017, member contributions will be based on actual salaries.

From 1 April 2017, employee contributions will be:

Actual pensionable salary (annual)	All members
Up to and including £21,422	4.60%
£21,423 to £51,005	5.45%
£51,006 to £150,000	7.35%
£150,001 and above	8.05%

From 1 April 2017, employer contributions will be:

Revised Salary Band (£)	ASLC rate from 1 April 2017
23,000 and under	20.0%
23,001 to 45,500	20.9%
45,501 to 76,000	22.1%
76,001 and over	24.5%

- Partnership:** this is a stakeholder pension with a contribution from Ofwat. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

For existing members of a Civil Service Pension scheme you will be given the opportunity to maintain this.

To learn more about the Civil Service Pension schemes, please follow the link <http://www.civilservicepensionscheme.org.uk/>

Ofwat benefits

We also offer a range of additional benefits. These include:

- access to our package of benefits via our 'Rewards on Tap' scheme. This is a voluntary benefits scheme where staff have access to exclusive discounts on a range of goods and services such as retail outlets, theatre tickets, holidays, insurance and gym membership;
- childcare voucher scheme;
- cycle-to-work scheme;
- season ticket loan for travel between home and office;

- flexible working arrangements;
- fees paid for membership of relevant professional bodies;
- regular professional development;
- health and wellbeing initiatives such as, employee assistance programme and occupational health; and
- free eye tests and contribution towards lenses/spectacles for VDU users, if appropriate.

Further information

Security clearance

Any offer of appointment will be subject to satisfactory completion of security and pre-employment checks. Further information about the security checking procedure is available on request.

Nationality and immigration control

This post is open to nationals of states within the British Commonwealth and the European Economic Area (EEA) and certain members of their families. There must be no employment restriction or time limit on your permitted stay in the UK.

If you would like further information on Nationality and Immigration Control, please email us at people@ofwat.gsi.gov.uk.

Stocks or shares

Because of the nature of the information you will come into contact with and the need to be wholly independent of the water sector in England and Wales, you and your family (including your spouse or civil partner and any children or step-children under the age of 18 who still live at home, or any other member of your household) will be precluded from owning, purchasing or dealing in the shares of the water companies and their holding companies.

How to apply

Applications should include a:

- curriculum vitae (**CV**);
- **supporting statement** of up to 2 pages that outlines the contribution you can make to Ofwat, including how you meet the specific professional skills, knowledge and experience set out above as essential for this role and demonstrate behaviours outlined in our competency framework;
- completed **CV supplement form**; and
- completed **diversity monitoring form**. It is important that this is completed – there will be an option for you to state that you ‘prefer not to say’.

Please email your CV and supporting documents to recruitment@ofwat.gsi.gov.uk.

If you are unable to make an electronic application, you may submit your application on paper.

Selection timetable

Closing date	Friday 1 December 2017
Sifting	Week commencing 4 December 2017
Interview date	15 December 2017

The selection process will include psychometric testing.

If you have any queries about any aspect of this role or selection process, please call Jennie Ferguson, on 0121 644 7647.

Civil Service Commission

This appointment is being overseen by the Civil Service Commission, which regulates recruitment to the Civil Service, providing assurance that appointments are made on merit after fair and open competition. You can read the Civil Service Commission’s recruitment principles [here](#).

The Commission also promotes an understanding of the Civil Service Code which sets out the constitutional framework within which all civil servants work; and the

values, honesty, integrity, objectivity and impartiality - which civil servants must uphold.

The Commissioner for this appointment, June Milligan, will chair the selection panel. This panel will also include Cathryn Ross, the Chief Executive of Ofwat, John Russell, the Senior Director Strategy and Policy and an independent member.

Expenses

We will refund travelling costs at the rate of standard rail fare for the journey or motor mileage rates (cars: 25p per mile).

Please note that proof of purchase will be required for all public transport expenses.

We cannot refund expenses for travel into the UK. If you have to stay overnight, please contact recruitment@ofwat.gsi.gov.uk for further details.

Data protection

We will use your application only to inform the selection process, after which we will destroy it. If you are successful, it will form the basis of your personal record with us and we will store it in manual and electronic files.

We will hold any data about you in completely secure conditions, with restricted access. Information in statistical form on present and former employees is given to appropriate outside bodies.

We will include data that you provide on the diversity monitoring form in a general database for statistical monitoring purposes only, enabling us to monitor the effectiveness of our policy on equal opportunities in employment. Individuals will not be identified by name.

We shall consider that, by applying for this role, you are giving your consent to the processing of your data in the ways described above.

Diversity

Ofwat aims to be an equal opportunities employer. We intend to make sure that there is equality of opportunity and fair treatment for all irrespective of:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership status;
- pregnancy and maternity;
- race, religion or belief; or
- sex or sexual orientation.

We would like to assure you that we will treat the information you provide on the diversity monitoring form in the strictest confidence and only use it to help us monitor appropriate equal opportunities policies. This information plays no part in our selection process.

Investors in People (IIP)

Ofwat has IIP accreditation which reflects good management practices throughout our organisation, including in business planning, individual objective setting, learning and development opportunities, as well as continuous constructive feedback through our delivery and development conversations approach to performance management.

Complaints procedure

If you feel your application has not been treated in accordance with the recruitment principles and you wish to make a complaint, you should contact Natasha Harris, Director, Operations (People), Ofwat, Centre City Tower, 7 Hill Street, Birmingham, B5 4UA in the first instance. If you are not satisfied with the response you receive from us you can contact the Civil Service Commission via any of the following routes:

In writing to:

Civil Service Commission, G/8

1 Horse Guards Road, London

SW1A 2HQ

Via email to:

info@csc.gov.uk

Or call on:

0207 271 0831