



REPORT of CHIEF EXECUTIVE

**to
COUNCIL
5 APRIL 2017**

PROPOSED CHANGES TO MANAGEMENT REPORTING LINES

1. PURPOSE OF THE REPORT

- 1.1 To propose changes to the reporting lines within the management structure and staffing resources within the Economic Development Team.

2. RECOMMENDATIONS

- (i) that the proposed changes to reporting lines within the senior management structure as set out at paragraph 3.7 to the report, be agreed;
- (ii) that a Virement of £10,000 from 2017 / 18 Housing salaries budgets to Economic Development salaries budgets to accommodate a regrading of the Economic Development and Partnerships post, be noted;
- (iii) that Members consider adding £20,000 to the base budget to fund an apprentice to sit within the Economic Development Team; and
- (iv) that delegated authority to be granted to the Chief Executive to enable changes to functional management reporting lines into the four Corporate Leadership Team positions in accordance with business need.

3. SUMMARY OF KEY ISSUES

- 3.1 The Council, at its statutory annual meeting in May 2014 agreed that the updated three Director Structure model as set out at **APPENDIX 1** to this report (Minute No. 33 refers). The approved structure has been subject to minor changes since then, with the Benefit Fraud function moving across to our Corporate Fraud and Enforcement team in the Planning and Regulatory Services directorate and removal of the Internal Audit Manager post through the externalisation of the Audit service. Changes to reporting lines have also been made to accommodate interim cover arrangements, so that Environment Services and Housing functions are currently reporting into the Director of Customers and Community and Economic Development to the Chief Executive.
- 3.2 A further permanent change to reporting lines is now proposed to accommodate current needs.

3.3 Economic Development

- 3.3.1 On 5 July 2016 the Department for Communities and Local Government (DCLG) published a consultation paper entitled “Self-sufficient local government: 100% business rates retention”. The conclusions of the consultation set out the Government’s intention to implement a reformed Business Rates Retention system with effect from April 2019. (Note that at the March meeting of the Essex Leaders and Chief Executives, Cllr John Spence of Essex County Council tabled the idea of Essex becoming a pilot two tier area to implement the changes with effect from 2018 / 19.)
- 3.3.2 Business rates income is variable in nature. Local business rates vary over time because of changes in the occupation of property and the construction of new business properties, renovations and demolitions. They are also affected by changes to the rateable value of property following appeals by ratepayers against the rating assessments made by the Valuation Office Agency (VOA).
- 3.3.3 Under the 100% rates retention arrangement, business rates income will become even more critical to the Council, since a larger proportion of our service funding will be dependent on it. Instability in rate income will be a significant corporate risk.
- 3.3.4 This fundamental change in the local government funding mechanism will create a much greater level of competition amongst authorities to attract and retain businesses within their area. Many authorities have already begun to develop packages to promote their locality as a place of choice to start or grow a business. This includes a range of offers including:
- Business rate discounts for new businesses and those relocating to the District;
 - Fast tracked planning and regulatory services;
 - A register of available land;
 - Business support services;
 - A website dedicated to business support and advice, including a page on how to do business with the Council;
 - Sign posting to a range of services;
 - Master planning and support for key employment areas;
 - Coordination and support for locality based business forums.
- 3.3.5 This clearly highlights the need for a step change in the Council’s approach to creating opportunities for economic growth and prosperity. With this in mind it is proposed that the reporting lines for the Economic Development and Partnerships Manager be moved from the Director of Planning and Regulatory Services (DP&RS) to report directly to the Chief Executive. This will enable a greater corporate focus on delivery of this key goal and will, in turn allow the DP&RS to focus on streamlining and delivering first class Planning Services and Regulatory Services. This will not affect Committee reporting arrangements, Economic Development will continue to rest within the terms of reference for the Planning and Licensing Committee.

- 3.3.6 The Table below sets out the current resources allocated to the Economic Development function.

	Grade	Full Time Equivalent (FTE)
Economic Development and Partnerships Manager (vacant)	J (37-40)	1
Economic Development Officer	G (25-28)	1
Economic Development Officer two Year Fixed Term (funded from the Magnox)	G (25-28)	0.4

- 3.3.7 The Job Accountability Statement (JAS) for the Economic Development and Partnerships Manager has recently been updated to emphasise the strategic focus of the role. The main purpose of the job per the updated JAS is:

“To be an ambassador for the Maldon District and play a key role in driving economic growth and infrastructure investment through partnership.

The post holder will be responsible for leveraging investment and exploiting opportunities for exemplar project and programme delivery which will see Maldon flourish. They will raise the awareness of the District and the work of partnership to secure Maldon’s regional profile.

The Manager will be responsible for development and delivery of the Council’s Economic Prosperity Strategy, programmes and action plans”.

- 3.3.8 The updated post has been subject to Job Evaluation (JE), which has resulted in an increase to Grade L, which is a competitive rate comparable to strategic roles in similar authorities. It is hoped that this will help to attract a candidate of the required calibre to drive forward this important agenda for the Maldon District. Additional budgetary resource will be required to accommodate this uplift as set out in the resources paragraph below.
- 3.3.9 It is also proposed that an apprentice be recruited into the Economic Development service to support the day to day operation of the team and expand the corporate capacity and experience in this key service area. A job description, which is in the process of being drawn up, will be subject to JE. Additional budgetary resource will be required to accommodate this as set out in the resources paragraph below. Members are asked to consider adding £20,000 to the base budget to fund an apprentice to sit within the Economic Development Team.

3.4 **Management Reporting Lines**

- 3.4.1 The need to work with a “one team” approach is instilled in all of our senior managers, not least the Corporate Leadership Team. Their willingness to be flexible in their approach and to work across directorates to deliver projects and develop solutions is essential to ensure a consistent corporate focus on delivery of our goals. With this in mind it is proposed that delegated authority to be given to the Chief Executive to enable changes to functional reporting lines into the four Corporate Leadership Team positions in accordance with business need. This will enable the organisation to be more reactive to changing needs.

4. IMPACT ON CORPORATE GOALS

4.1 The proposals set out in the report will support the following corporate goals

- Creating opportunities for economic growth and prosperity
- Delivering good quality, cost effective and valued services

5. IMPLICATIONS

- (i) **Impact on Customers** – An effective management structure and clear reporting lines will help to ensure that the organisation is more able to meet the challenges of the next five to ten years and ultimately to provide services that meet the needs of our customers.
- (ii) **Impact on Equalities** – Proper implementation of Human Resources (HR) policies will ensure equalities issues are considered and addressed. This will include job evaluating new roles and setting pay grades according to their scores.
- (iii) **Impact on Risk** – The post holders will have a role in the management of corporate risks.
- (iv) **Impact on Resources (financial)** –
 - a) Regrading of the Economic Development and Partnerships Manager post requires an additional £10,000 funding, this can be accommodated from savings that have arisen due to external funding that has been generated within the Housing Department.
 - b) The estimated cost of adding an apprentice post to support the Economic Development team is up to £20,000 to fund the salary and on costs.
 - c) **Impact on Resources (human)** –Implementation of the changes will be undertaken in accordance with the approved Managing Organisational Change and Redundancy Policy.
- (v) **Impact on the Environment** – None.

Background Papers: None.

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