



## CABINET

Tuesday 2 June 2020

### TEMPORARY EXTENSION TO FIXED TERM CONTRACTS – ECONOMIC REGENERATION

#### EXECUTIVE SUMMARY

1. The East Suffolk Regeneration and Development Programme has expanded significantly over the past 18 months. Primarily, this now involves ambitious employment, residential, leisure, cultural and public realm led development programmes for Lowestoft and Felixstowe. The invitation from government to bid for up to £25m from the Towns Fund and develop a comprehensive Town Investment Plan for Lowestoft has further extended our plans and has culminated in the need to review the current staffing resource associated with delivering these programmes.
2. Currently two full-time Project Support Officers provide support across the whole of the East Suffolk programme and these posts are due to expire at the end of December 2020. This will be at a critical time when the Regeneration Team will be delivering a number of projects including those within the high-profile Town Investment Plan. This Cabinet paper is therefore requesting a 1-year extension for both support officer posts.
3. The delivery of these programmes will form a central part of East Suffolk Council's economic recovery plan following the Covid19 downturn and therefore it is crucial they are adequately resourced to ensure we emerge from the recession with a stronger and more resilient economy.
4. The cost to extend the support officer contracts for an additional year will be £76K and it is proposed that this is funded equally from Enterprise Zone income and the Council's core budget.

Is the report Open or Exempt?	Open
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Wards Affected:	All
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<b>Cabinet Member:</b>	Councillor Craig Rivett Deputy Leader and Cabinet Member with responsibility for Economic Development
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<b>Supporting Officers:</b>	Paul Wood Head of Economic Development & Regeneration 01394 444249 <a href="mailto:paul.wood@eastsoffolk.gov.uk">paul.wood@eastsoffolk.gov.uk</a>
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## **1 BACKGROUND**

- 1.1 In July 2018, following the completion of the Economic Regeneration Delivery Plan the staff resource within the Economic Regeneration Team was reviewed. This review took place to ensure that staffing was at the appropriate level to deliver this ambitious programme. Following this review funding was approved to expand the Economic Regeneration Team to include an additional part-time Project Manager and two full-time Project Support Officers. All these posts including the existing full-time Project Manager posts are temporary. The Project Manager roles are due to expire in December 2021 and the Project Support Officer roles are due to expire in December 2020.
- 1.2 Since the initial review, the Regeneration and Development Programme has extended significantly both within Lowestoft but also within Felixstowe to create an East Suffolk wide programme. In addition, with the emergence of the Lowestoft Town Investment Plan a further review of staffing is now required to ensure the overall programme is adequately resourced.
- 1.3 Following the Covid19 pandemic and subsequent economic shock/ recession the importance of the Regeneration and Development Programme has increased significantly. It is now a central element of East Suffolk's economic recovery plan and will address many of the issues the Covid19 recession is exacerbating. As such it is even more vital that the programme is adequately resourced to ensure we deliver the projects which will attract further investment and encourage business and employment growth.

## **2 RESOURCE NEED**

- 2.1 The use of temporary resource to support the regeneration programme has been successful in helping to manage workload, however, it is already apparent that this resource will need to continue beyond the expiry dates of the current fixed term contracts. To minimise the risk to the effective delivery of the regeneration programme there is a need to increase the length of the project support officer contracts as soon as possible to retain the temporary staff.
- 2.2 The risk of losing key support officers comes at a critical time. Alongside the ongoing delivery of the East Suffolk Regeneration and Development Programme, the team is also leading on the creation of a Town Investment Plan in a response to Government's invitation for Lowestoft to form a 'Town Deal' which could unlock up to £25 million in funding. The Investment Plan will set out a programme of interventions to deliver economic growth and regeneration in Lowestoft for the next 10 years, demonstrating the need for long-term, adequate resource if we are to achieve our ambitious growth plans.
- 2.3 Appendix A illustrates a summary of Economic Regeneration team's current staffing structure, which shows a total of 3.0FTE permanent members of staff, 2.6 FTE temporary Project Managers and 2.0 FTE temporary Project Support Officers to cover a programme of 5 work streams and 41 individual projects.
- 2.4 There are two issues that are putting the delivery of the programme at risk: the relatively small number of staff employed to deliver the large number of projects and the temporary nature of contracts.
- 2.5 Whilst it is acknowledged that externally funded projects will be time limited in nature and therefore it is appropriate that temporary project managers/officers should form part of the resource equation, there also needs to be a strong core team of permanent staff as the

expectation is that temporary project managers will leave before the end of a project to seek their next employment. This leaves the permanent team to finalise existing projects, which then prevents them working on the development of new projects or seeking further external funding. It also means that a significant amount of time is spent on recruitment.

### **Prioritisation of projects within the Regeneration Programme**

2.5 Since the review in 2018 the programme has increased in its scope and is now too large for the existing resource, therefore it is being delivered at a reduced capacity through the prioritisation of projects and careful management of the staffing resource available.

2.6 As the Lowestoft Town Investment Plan is currently being developed (to be completed summer 2020), the decision has been taken to wait until this plan is completed before undertaking a full review of prioritisation and resources required. The scope of the Town Investment Plan, which replaces the Lowestoft element of the Regeneration and Development Programme is of such magnitude that it will form a substantial part of the Regeneration Programme.

## **3 STAFF RESOURCE**

3.1 In order to fully and successfully deliver the regeneration programme, there is a need to improve the balance between permanent and temporary members of staff. The 1.6FTE project manager contracts expire in December 2021 and are currently funded from POT A of the Enterprise Zone income. A further full-time project manager, covering the Heritage Action Zone, is on a 3-year contract until March 2023, and is funded by Historic England.

3.2 The immediate risk relates to the Project Support Officer roles, whose contracts will end in December 2020. With the contracts ending this year it is known that both support officers are actively looking at more secure opportunities. This provides a risk to the day to day delivery of the programme as well as the delivery of the Town Investment Plan, which has an imminent deadline. A potential risk exists if both temporary support officers leave in the next couple of months, which would then make it extremely difficult to recruit to these roles with only a very limited time left on the contracts.

### **Immediate Project Support Officer resource options**

3.3 Project Support Officer resource at 2.0FTE is a shared resource across the 5 work programme streams and for programme management. A key benefit of having project support officers is their ability to enable project managers to focus on delivery and by taking ownership of the more day to day, process type activities.

3.4 Regardless of the temporary nature of the individual projects, the programme will always require this type of support. Therefore, it is requested that until a permanent resource solution can be found for this work, an immediate 1-year extension be provided to both the project support officer contracts.

## 4 HOW DOES THIS RELATE TO THE EAST SUFFOLK STRATEGIC PLAN?

4.1 The proposal meets the following council objectives:

**Growing Our Economy** – Delivery of the Regeneration Programme is pivotal in achieving the council's priorities for economic growth. The Project Support Officer's directly impact on schemes that seek to deliver inward investment, support the delivery of key infrastructure, and contribute to providing an enhanced environment for communities to live and work in.

**Maintaining Financial Sustainability** – The Regeneration Programme has a strong record of attracting external funding and generating income through its projects. Utilising these skills is vital as many initiatives aim to address areas in which the market has failed. The Support Officers play an essential role in collating data and freeing up the necessary resources to enable key tasks that would otherwise not be undertaken, that ensure projects continue to secure the funds required for delivery.

**Enabling Our Communities** – Economic Regeneration addresses a wide range of issues that exist within our communities. These range from reducing deprivation, to facilitating housing needs, to improving health and wellbeing. Ensuring these projects are adequately resourced will contribute to a thriving and sustainable community.

## 5 FINANCIAL IMPLICATIONS

5.1 The cost to extend the support officer contracts for an additional year will be £76k including all on costs and allowing for point incremental growth. It is proposed that 50% of this additional funding is sourced from Pot A of the Enterprise Zone income with the remaining 50% to be approved as growth to the core budget that was approved by Council in February 2020.

## 6 OTHER OPTIONS CONSIDERED

6.1 Do nothing option - runs the risk of key workstreams within the programme from missing critical deadlines and worst-case scenario, jeopardises future funding allocations if key outputs are not achieved. There could be an added risk of delays to the Town Investment Plan submission which could compromise any funding package achieved with Government.

## 7 OTHER KEY ISSUES

7.1 This report has been prepared having considered the results of an Equality Impact Assessment 'EQIA206825503'. No further actions are required.

## 8 REASONS FOR RECOMMENDATION

8.1 The East Suffolk Regeneration and Development Programme has been a major contributor to delivering the Council's corporate priority of enabling economic growth for a number of years. With the severe economic downturn resulting from the Covid19 pandemic the programme's importance has increased significantly and it is now also a central part of our economic recovery plan. The need to ensure that there is adequate resource to deliver this programme is therefore more important than ever to meet the Council's economic growth objectives and ensure we have a robust and resilient economy post pandemic, that is the rationale for requesting these extensions.

8.2 Furthermore, these posts strengthen our ability to deliver effective externally funded projects which in turn increases our ability to draw down further external funds.

**RECOMMENDATION**

That a one-year extension to the two Project Support Officer roles within the Economic Regeneration Team be approved to reduce the risk to delivery of the current and future East Suffolk Regeneration and Development Programme. This extension will run from 1 January 2021 to 31 December 2021 and result in growth to the 2020/21 budget of £38k.

**APPENDICES**

<b>Appendix A</b>	Economic Regeneration Team Staffing Structure
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**BACKGROUND PAPERS** – None

## APPENDIX A

Please note boxes in red signify fixed term contracts.

