



<b>Classification</b>	<b>Item No.</b>
<b>Open</b>	

<b>Meeting:</b>	Human Resources and Appeals Panel
<b>Meeting date:</b>	10 December 2020
<b>Title of report:</b>	Executive Director Place
<b>Report by:</b>	The Leader of the Council
<b>Decision Type:</b>	Council
<b>Ward(s) to which report relates</b>	N/a

**Executive Summary:**

Place based executive leadership is required to deliver a number of important strategic objectives. It is proposed to re-establish an Executive Director – Place to lead the Department for Business Growth and Infrastructure in the delivery of these.

**Recommendation(s)**

**That:**

The HRA recommend to the Council’s Cabinet that the post of Executive Director – Place, is established.

## **Key considerations**

### **1 Background**

1.1 The Business Growth and Infrastructure (BGI) department was established in 2017/18 under the lead of an Executive Director and two Directors one for Housing and one for Regeneration and Capital Growth. The department was created before the current Chief Executive took up post and changed the overall structure of the Council. The original purpose for the BGI department was to operate as a master developer to generate new income streams for the Council from regeneration and housing development.

1.2. Progress was made setting up the department and on a number of projects. In September 2019 the Executive Director post was disestablished and a number of operational functions were moved to other departments. Subsequently the department has been led by the Director of Regeneration and Capital Growth who has been part of the Executive Team. The Director of Housing role is vacant.

### **2. Proposal**

2.1. The Chief Executive has reviewed the future of the department and has concluded that :-

(a) an Executive Director post should be re-established with the title Executive Director of Place;

(b) the post should be filled on an interim basis until the post a permanent appointment is made.

2.2. There are three main reasons for these proposals:

(a) a change in the purpose and direction of the department from the time when the previous Executive Director role existed;

(b) the need to put in place the skills and experience needed to lead delivery of the new Housing Strategy; and

(c) changes in the funding landscape following the Comprehensive Spending Review announced last month.

The basis of proposals made is set out in more detail below.

### **3 New role of Executive Director.**

3.1. The purpose of the Department has changed and a new Executive Director with a different skill set is required. The original role of the Executive Director Business Growth and Infrastructure was to lead the Department to create growth for the

Borough but to also generate income to replace the Council's reliance on government revenue funding.

3.2. There was a high level of emphasis on income generation for the Council through commercial activity. Although it remains the case that the Council can and should be more commercial in generating income this should not be at the expense of core objectives and this is a responsibility for the Corporate Core to lead not the BGI department. The role of the Executive Director will now be changed to focus on the core purposes of bidding for funding, delivering the new housing strategy and leadership of the department.

#### **4. Housing Strategy.**

4.1. The new Housing Strategy and action plan is one of the most important new strategies supporting the ten year vision for the future of the Borough set out in Bury 2030 : Let's Do It.

4.2. The strategy is key to a sustainable future for Bury's towns and neighbourhoods, a supply of affordable homes to retain people with the skills needed for future economic growth, specialist housing for older people and those who need support as well as housing, housing that supports health improvement and low carbon homes.

4.3. The strategy covers all tenures, including the private rented sector, the condition and management of Council homes and preventing homelessness. This scale of actions needed to deliver the strategy requires new and focused leadership at Executive Team level. This does not currently exist and the role of the new Executive Director of Place has been designed to fill this gap.

#### **5. Inward investment.**

5.1. The Comprehensive Spending Review (CSR) announced on 25th November contains a series of new funds which local areas can bid into. The new funds are :-

(a) A new **Levelling Up Fund** to invest in local infrastructure. This will be a cross Whitehall fund targeting for projects that have a visible impact on people and their communities and which will support economic recovery. As well as local transport projects the fund will support projects which upgrade town centres, community infrastructure and local arts and culture. The fund is capped at £20m per project which makes it relevant to Bury's scale.

The fund will be allocated through competitive bidding open to all local areas in England.

(b) The **UK Shared Prosperity Fund ( UKSPF )**. This fund will replace EU structural funds and is expected to reach £1.5bn per year. To secure funding places will need to develop innovative proposals for approval by government. A portion of the funding will target places most in need including ex industrial areas and deprived towns. It will support people and communities opening up new opportunities spurring regeneration and innovation.

The UKSPF will invest in places across the full range of people ( eg training and early years ), communities and places ( eg sporting facilities, civic and green infrastructure, community owned assets, neighbourhoods, town centres and housing improvements) and investment in local business. The new Bury 2030 Strategy currently out for consultation therefore provides exactly the right framework for Bury to development bids into the UKSPF and other funds.

(c) A new **National Home Building Fund ( NHBG )**. This will provide £7.2bn over the next four years which includes confirmation of an existing £4.8bn grant funding pot for land remediation, infrastructure and land assembly. The existing Brownfield Land Fund for Combined Authorities is also confirmed. The Affordable Home Programme is confirmed with a greater proportion of homes outside London. There is £2.2bn of new loan finance to support housebuilders to deliver Help to Build for custom and self builders and funding for SMEs and modern methods of construction. There is also additional funding to support rough sleepers and those at risk of homelessness which has increased to £676m in 2021/22. This will support frontline services and enabled Councils to fund their statutory duty to prevent homelessness.

The new Bury Housing Strategy which is currently out to consultation provides the right framework to underpin bidding into these housing funds, whether directly or via GMCA or Homes England. However the current skills available in the BGI department do not currently include the senior housing expertise needed to drive delivery of the new strategy and ensure that Bury accesses the funding available. The Executive Director of Place will have a specific focus on housing. This is a key gap for the Council which needs to be resolved by the new role.

5.2. The current structure of the BGI department will be insufficient for Bury to secure the maximum inward investment for Bury from these new funding regimes. The Executive Director of Place will be able to focus on bidding which will significantly outweigh the cost of the post.

5.3. There are two significant policy shifts within the CSR which support the case for an Executive Director of Place.

5.4. Firstly the Green Book project appraisal methodology is being adjusted to take full account of government policy objectives, including levelling up. Another important change is that it will no longer be possible for investment proposals to be "place blind". This means that HM Treasury will look for business cases that align with relevant local strategies and major interventions in local places. These are very

significant changes, long advocated by GM. The impact will be that places such as Bury will be more likely to secure funding, provided that the most relevant and high quality proposals can be submitted for the various funding streams.

5.5. Second there is a clear policy shift away from allocations being devolved and towards to centralised funding allocated via competitive bidding to Government. This can be seen in the methodology for the new Levelling Up Fund compared to the previous Local Growth Fund. This places a premium on the Council having the best possible case making and bid writing skills. Among other things the Executive Director of Place will bring these skills. The competition for funding will be fierce as all places seek to get as much funding as possible to support their recovery from Covid. The new funding pots are often lower in total funding than those they replace which will further heighten competitiveness in bidding for funding.

## **6. Interim Appointment.**

6.1. It is proposed to fill the post on an interim basis whilst an appointment is made in order to make progress on two immediate objectives.

6.2. The first is to support the Council in bidding for the new funding streams set out in section 5 above. The Council needs to gear up for the Levelling Up Fund quickly as £600m is available in 2021/22 and the Government will publish the prospectus for the first round of competitions in the new year.

6.3. There is also an urgency to the Council's preparation for the UKSPF as details will be announced in the new year of £220m of funding in 2021/22 for places to pilot programmes and new approaches.

6.4. The second objective of the interim role will be to provide necessary impetus to ensure successful implementation of housing strategy. This will include:

(a) providing advice on the longer term resource needed across the BGI department to secure delivery of the Housing Strategy including the organisational form for development of housing on Council owned sites;

(b) taking the lead in the client role for the Council's relationship with Six Town Housing using the mechanisms recently put in place to effectively manage those relationships and performance and to enable the Council to consider its future aspirations for the ALMO, including consideration of further service responsibilities; and

(c) to bring together the currently dispersed functions across the Council such as housing options and urban renewal, along with development of the housing strategy function into a single cohesive part of the BGI department that is well placed to work effectively in a joined-up way across the rest of the Council.

## **7 Other alternative options considered**

In determining this proposal full consideration has been given to the previous substantive post and maintaining the status quo. The recommendation to committee is, however, that neither of these arrangements will provide the capacity required to deliver the scale of place leadership opportunity now presented.

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### **Community impact/links with Community Strategy**

This post will play an important leadership role in delivering the “Place” component of the Bury 2030 local industrial strategy.

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### **Equality Impact and considerations:**

*Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:*

*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;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

*The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.*

<b>Equality Analysis</b>	<i>The change in structure does not present any equality impacts. The recruitment to this post is an opportunity to further the diversity of the workforce. External advertising should therefore take account of opportunities to target under represented community groups</i>

*\*Please note: Approval of a cabinet report is paused when the 'Equality/Diversity implications' section is left blank and approval will only be considered when this section is completed.*

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**Assessment of Risk:**

The following risks apply to the decision:

<b>Risk / opportunity</b>	<b>Mitigation</b>
The post is not filled	Comprehensive advertisement and use of an executive search campaign  Interim resource will be secured

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**Consultation:**

The new post does not affect any substantive postholders and therefore is not subject to consultation.

The TU will be notified.

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**Legal Implications:**

Recruitment to this post must be in accordance with the Council's Constitution, the new recruitment policy for Chief Officers (subject to approval of that policy) and comply with the requirements for equality and diversity.

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**Financial Implications:**

The cost will be met from additional income growth that will be generated through council tax, business rates and capital receipts. These will be factored into the Council's medium term financial strategy and will be monitored on a quarterly basis by Cabinet. Until the post is fully embedded, the cost will be underwritten from the corporate capacity budget.

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**Report Author and Contact Details:**

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**Background papers:**

HRA Reports April and September 2019

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning