

South Ayrshire Council

**Report by Director – Place
to Leadership Panel
of 12 March 2019**

**Subject: Economic Development and Regeneration –
Management Arrangements**

1. Purpose

- 1.1 This report outlines proposals to change Service Lead arrangements within the Council's Economic Development and Regeneration services to reflect its strategic objectives and the Ayrshire Growth Deal and Regional Partnership, and facilitate a wider operational and structural review.

2. Recommendation

2.1 It is recommended that the Panel:

- 2.1.1 approves the revised staffing arrangements, as outlined in [Appendix 1](#);
- 2.1.2 notes that the new post of Service Lead - Economy and Regeneration will undertake a detailed review of Economic Development and Regeneration activities and structure to reflect Council priorities and the Ayrshire Growth Deal and Regional Partnership and report findings and recommendations to Leadership Panel in September 2019;
- 2.1.3 approves the establishment of a single, integrated Events and Tourism team by transferring events and tourism activities (and associated resources) from the Economic Development Team to the Service Lead – Community Services and Facilities, with links to the thematic Placemaking review, currently being led by the Executive Manager - People; and
- 2.1.4 notes that the Service Lead – Community Services and Facilities and Executive Manager – People will undertake a wider structural review of all Council Events and Tourism activities, including where the new integrated team should sit within the Council structure, and report the findings and recommendations to Leadership Panel in September 2019.

3. Background

3.1 One of the Council's key strategic objectives is to make the most of the local economy by working with local businesses and organisations to utilise local assets and economic opportunities to support jobs, growth investment and regeneration.

3.2 The aspirations of this objective will be supported by the recently announced Ayrshire Growth deal, which is designed to increase economic growth and create jobs, and by the establishment of the Regional Partnership which will encourage a single approach to business support and economic growth.

3.3 A number of Council services, including Economic Development and Regeneration, are involved in delivering these specific outcomes, with clear links to the recognised need for effective Placemaking. While some progress has been made to achieve the overarching objectives and prepare for future requirements, there is a need for greater clarity of remit and purpose in relation to Economic Development and Regeneration, relative both to each other and to other Council Services.

3.4 *Economic Development*

3.4.1 There are 2 main elements to the current Economic Development service, Business development and support (including Business Gateway, business growth and sector development; and Tourism and Events.

3.4.2 In relation to Business development and support, there is an obvious overlap and duplication with the Regeneration Service which is likely to limit the Council's ability to maximise the potential opportunities now available, and, therefore, steps need to be taken to ensure structural arrangements are fit for future purpose.

3.4.3 There is also duplication and lack of clarity relating to Events and Tourism. In terms of Events, a number of Council services, such as sport and leisure, golf and museums organise, promote and participate in various events throughout the year but the corporate Events team sits within Economic Development and there appears to be no overarching programme or strategy in relation to planning and promoting events. Similarly, although the corporate lead Tourism role sits within the Economic Development team, the main activities that can encourage and attract tourism are developed, managed and promoted elsewhere in the Council, for example, golf, museums, beaches and heritage sites. While South Ayrshire clearly has the potential to be a world-class tourist destination, and while the Council is well placed to promote and practically contribute to South Ayrshire being a destination of choice, current management arrangements appear to prevent full exploitation of the opportunities.

3.5/

3.5 **Regeneration**

- 3.5.1 Recognising the overall disconnect and lack of cohesion between the Council regeneration activities and the work of Ayr Renaissance, and reflecting the need to develop the local economy, improve placemaking and progress regeneration activities cross Ayr and the 5 towns, the Review of Management Structure, approved by Council on 14 December 2017, integrated the management of Ayr Renaissance (comprising 2 FTE posts) within the Place Directorate to form the Regeneration Service.
- 3.5.2 Since that time, although some progress has been made, possibly because of the limited capacity within the Regeneration Service and its historical detachment, this has been limited and there is still an element of duplication and disconnect with other Council services, most notably Economic Development.

3.6 **Ayrshire Growth Deal**

- 3.6.1 The vision of the Ayrshire Growth Deal is for Ayrshire to be ‘a vibrant, outward looking, confident region, attractive to investors and visitors, making a major contribution to Scotland’s growth and local well-being, and leading to implementation of digital technologies and the next generation of manufacturing’. Building on the Growth Deal and reflecting the regional commitment to economic growth, the 3 Ayrshire Councils have jointly committed to establishing a Regional Partnership to allow all agencies in Ayrshire to work collaboratively to maximise the benefit of investment and facilitate growth on a scale that is not achievable by Councils individually. These 2 innovative and ambitious projects are critical to the Council’s wider economic development and regeneration activities referred to above. In addition, other agencies, including Scottish Enterprise, have indicated a desire to operate and liaise on a more Regional basis and this will allow greater collaboration at a Regional Level and with the other Ayrshire Councils.

4. **Proposals**

- 4.1 Reflecting the current situation outlined above, it is proposed to delete the current posts of Service Lead – Economic Development, graded Level 16 and Service Lead – Regeneration, which has a TUPE transfer grade of Chief Officer SCP 33, and create a new post of Service Lead - Economy and Regeneration, graded Level 16, which reflects the current and future Council priorities. It is also proposed that the new Service Lead – Economy and Regeneration undertakes a full structural review of the Economy and Regeneration service and reports the findings and recommendations to Leadership Panel in September 2019.
- 4.2 To establish a more cohesive and holistic approach which better exploits the potential opportunities, it is proposed to establish a single, integrated Events and Tourism team. This will require a comprehensive service review, which, it is proposed is led by the Service Lead - Community Services and Facilities. To facilitate this review, it is proposed to transfer the Events and Tourism activities from the current Economic Development service (and associated staffing resource), to the Service Lead - Community Services and Facilities, with links to the thematic placemaking review currently underway. The Service Lead –

Community Services and Facilities and the Executive Manager – People (currently leading the thematic review), will undertake a wider structural review of all Council Events and Tourism activities and report the findings and recommendations, including where the new integrated team should sit within the Council structure, to Leadership Panel in September 2019.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 These proposed changes will result in an financial saving of £103,620 of the £220,000 required by 'Reviewing and reducing Regeneration and Economic Development activities following wind up of Ayr Renaissance' approved by Council on 28 February 2019 as part of the 2019/20 budget setting process.

6.2 Any severance costs, arising through the Managing Workforce Change process, will be funded from the Workforce Change Fund.

7. Human Resources Implications

7.1 The staffing changes arising from this report will be implemented in accordance with the Council's Framework for Managing Workforce Change. Any further structural proposals resulting from the wider structural reviews referred to in 2.1.2 and 2.1.4 above, will be reported to Leadership Panel.

8. Risk

Risk Implications of Adopting the Recommendations

8.1.1 There are no risks associated with adopting the recommendations.

Risk Implications of Rejecting the Recommendations

8.2.1 There is a risk that the Council is unable to achieve its strategic objectives or the required outcomes of the Ayrshire Growth Deal and Regional Partnership and unable to develop a cohesive approach to events and tourism to help make the most of our economy.

9. Equalities

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 2](#).

10. Sustainable Development Implications

- 10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

- 11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

- 12.1 The matters referred to in this report have potential to contribute to the Council strategic objective of 'Make the Most of the Local Economy' and 'Enhanced Environment through Social, Cultural and Economic activities'.

13. Results of Consultation

- 13.1 There has been no public consultation on the contents of this report.
- 13.2 Consultation has taken place with Councillor Brian McGinley, Portfolio Holder for Economy and Culture, and the contents of this report reflect any feedback provided.

14. Next Steps for Decision Tracking Purposes

- 14.1 If the recommendations above are approved by Members, the Director – Place will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the 'Council and Leadership Panel Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Review and implement new Service Lead arrangements	31 May 2019	Director - Place
Report to Leadership Panel following review of Economic Development and Regeneration activities	17 September 2019	Service Lead – Economy and Regeneration
Report to Leadership Panel outlining findings and recommendations of wider structural review of all Council events and tourism activities	17 September 2019	Service Lead – Community Services and Facilities/ Executive Manager - People

Background Papers **None**

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Date: **7 March 2019**