



## Belfast City Council

<b>Report to:</b>	Development Committee
<b>Subject:</b>	Completion of the Departmental Restructuring – Tourism, Culture Arts and Central Grants Team
<b>Date:</b>	10 February 2010
<b>Reporting Officer:</b>	Tim Husbands / Shirley McCay Acting Director of Development ext 3459
<b>Contact Officer:</b>	Karen Russell, Business Improvement Manager ext 4702

### Relevant Background Information

On 13 June 2007 the Development Committee considered and gave approval for the change management process for the Development Department, which included support from Business Improvement (BIS) for Departmental restructuring activities. This followed the Council's approval on 1 November 2006 for interim restructuring across the Council ahead of the Review of Public Administration (RPA) and the associated organisational impact of the transfer of functions on the Development Department.

Following this BIS were commissioned to undertake specific structural reviews of the following Units: Policy and Research; Events; the Waterfront and Ulster Halls; Community Services; Markets; Culture and Arts; and Business Support. In October 2008 the Development Committee considered and gave approval to the restructuring recommendations provided by BIS and implementation has been ongoing.

All structural change proposed by BIS resulted in a reduction in the Department's salaries and wages budget of £76,311.

Following the 2008 unit reviews, two operational matters remained to be addressed:

#### Operational tier of Tourism, Culture and Arts

Centralisation of grants – the final outcome and specific implications of the independent review of the Department's grant process were pending and an appropriate structure was to be established.

The purpose of this report is to provide recommendations in order to address these matters and draw the Departmental re-structuring to a close, and also to supplement the £76,311 savings to date.

## **Key Issues**

### Departmental Issues

Substantial progress has been made in implementing the Department's re-structuring.

In addition to the £76,311 savings attained through the overall Departmental restructuring, further savings can now be achieved through the deletion of the vacant Head of Urban Development post, with a proportion of these finances being used to create posts to address the issues outlined below:

#### Tourism, Culture and Arts

Tourism, culture and art makes a very valuable contribution to the economic competitiveness and quality of life of Belfast. The whole of the Unit supports both the tourism sector and the culture/arts sector through distinctive strategies and direct interventions in generating employment, increasing skills, creating better products and delivering greater economic impact for the City and its ratepayers. It also encourages the ever growing numbers of tourists to visit Belfast: A record 7.1 million people visited Belfast in 2008, generating almost £437 million for the Belfast Tourism economy.

The operational strand of the Tourism, Culture and Arts Section is currently populated with six posts divided equally into three permanent and three fixed term contract (FTC) posts. However, there is no long term budget provision in the Section's estimates for these posts once they end. At this time, the operational tier would be, in effect, reduced by half its number. This, of course would offer significant challenges in the delivery of the Tourism, Culture & Arts service.

Evidence gained through the consultation process and provided by management indicates that the current permanent officers are working to full capacity and in conjunction with the FTC posts to deliver the objectives of the service. Frequently, there are compromises made on the level of support given to the respective sectors in order to fulfil the most pressing duties.

Additional permanent support at officer level would ensure the continuation of this high profile service. A new generic post that spans all 3 disciplines would be vital to the intergratation of the new, merged Unit and the delivery of the future strategy. The activities undertaken by this post would be prioitised through the Unit's Annual Business Plan. This would enable the post to be flexible across the Unit and target and support specifc areas as demand needed.

The Unit has 2 student posts, one allocated to Tourism and one to Arts.

However, any expertise and training gained by the student is lost to the Section when the student leaves and is replaced on an annual basis. It would, therefore, be more beneficial to the Section if there was a permanent project/programme type post that will support the professional officers in delivering their key objectives & programmes. This post would give stability and flexibility to the Unit while retaining the knowledge, skills and expertise gained in house. The activities undertaken by this post would be prioitised through the Unit's Annual Business Plan. This would enable the post to be flexible across the officer level and support specifc projects as needed.

## Central Grants Team

The independent review of grants highlighted a number of issues with the current grant process and its management:

- Poor customer service;
- Inefficiency and risks to the Council through lack of sharing of information;
- Inefficiency of human resources;
- Lack of robust monitoring and accountability.

To address these issues the establishment of a Central Grants Team was identified which would aim to:

- Improve governance and accountability;
- Provide greater consistency in systems, processes and decision making;
- Ensure separation between application, assessment and award, and monitoring and evaluation;
- Enhance the coordination, management and ongoing review of the grant-making process to in turn minimise grants processing timescales and make the process more customer focused.

As a result, the Department developed a proposed implementation plan to split the Department's grants into three tranches (Community Access Fund, Annual and Multi-annual) and develop and implement new grant processes which would be co-ordinated by a newly established Central Grants Team. Members will recall that these plans were presented to Committee in June 2009 and at subsequent Party Briefings, and Members approved the proposals at Committee in October 2009.

It is proposed that the Central Grants Team will consist of 1 permanent post that will ensure ongoing compliance with audit, legal and best practice requirements and 2 fixed term contract (FTC) posts to aid the establishment of the grants processes and systems which will take place in a phased approach, culminating in a unified Departmental grant system in 2011.

Currently there is 1 FTC Project Assistant post within Culture and Arts and 1 FTC Monitoring Officer post within the Economic Development Unit which are both solely focused on grant administration and monitoring related duties. The Culture and Arts Unit review undertaken by BIS which was approved by Committee in October 2008 recommended that the FTC Project Assistant post should transfer to a Central Grants Team upon its establishment due to the similarity of the work undertaken by it.

Both FTC posts are coming to an end. However, due to: 1) their functionality, 2) the need to better coordinate grants administration and 3) due to finances for both posts being provisioned for in the Department's short/ medium term budget, it is proposed that these finances are used to create two fixed term contract posts to assist in the establishment of the Central Grants Team, processes and systems.

## Future Considerations

### Tourism, Culture and Arts

The proposed new strategy for this Unit recognises "the Unit taking on a range of styles and approaches such as influencing, facilitating, advocating, co-ordinating, funding, partnering, brokering and where necessary, delivering".

However, if operational pressures and the loss of posts at operational level are not addressed then this would represent a risk to the delivery of services for the culture and arts sector and the tourism sector.

### Central Grants

If the operational pressures are unaddressed, there are potential risks as outlined:

- Effectiveness and efficiency will not be realised;
- There will be a reduction in the quality and value of service provision;
- The reputation of the Council could be compromised;
- The Department may face business continuity and sustainability pressures;
- Employee relations issues are likely to increase; and
- There will be lack of compliance with audit and legislative requirements.

Going forward the CGT will be used as a corporate pilot with the aim to inform and provide a solution for the distribution of grants on a Council-wide basis. Work is currently underway in regard to this through the Strategic Finance Groups Agenda.

### Conclusions

The proposals have been developed to ensure the Department has a sound organisational base to deliver against the Corporate and Departmental strategic direction.

In developing the recommendations BIS has taken account of the continuing need to comply with the corporate improvement and efficiency agenda, particularly in relation to the limited creation of additional posts and maximising the current resource base. Where possible, opportunities to re-configure or re-align posts have been identified to limit the creation of new posts.

The creation of the new posts is offset by the deletion of the post of Head of Urban Development.

The proposed new structures are set out in Appendix 1.

## **Resource Implications**

### Financial Implications

The overall costing for the recommendations are based on the current approved Departmental salaries and wages budget, taking into consideration the recent deletion of the former Head of Urban Development post from the Development Department structure.

Additional savings to the already achieved £76,311 reduction in the approved salaries and wages budget for the Department are shown in the table below:

Creation of Permanent Posts:	Notional Grade	First Year Cost (£)
Tourism, Culture & Arts		
1 x Project Assistant	Sc 6	22,221
1 x Tourism, Culture & Arts Officer	PO 1	27,849
Central Grants Team		
1 x Grants Officer	SO 2	27,052
	Total	77,122

Deletion of Posts:	Grade	Saving (£)
Tourism, Culture & Arts		
1 x Student (Tourism)	Sc 1b	12,312
1 x Student ( Culture & Arts)	Sc 1b	12,312
1 x Head of Urban Development	Head of Service	72,030
	Total	96,654
	Total Saving	19,532

Creation of FTC Posts:	Notional Grade	Cost (£)
Central Grants Team		
1 x Grants Assistant (Systems and Administration) (2 year FTC)	Sc 6	No additional cost*
1 x Grants Assistant (Monitoring) (2 year FTC)	Sc 6	No additional cost*

\*Monies already budgeted for by Department on a short/ medium term basis.

The overall reduction in the approved first year salaries and wages budget for the Department is £19,532. The combined overall saving is £95,843 when the saving of £76,311 from the original reviews is taken into account.

#### Human Resources

There is no change to the Department's establishment figure.

Normal HR processes and procedures will apply in the implementation of the recommendations.

Detailed consultation will take place as applicable with all relevant stakeholders including HR, Trade Unions and staff to develop an implementation plan which is fully in accordance with all relevant HR policies and procedures.

**Recommendations**

The Committee is asked to agree the following recommendations outlined below to address the issues and considerations identified:

Tourism, Culture and Arts

- Delete 2 x Students posts Scale 1b
- Create 1 x Project Support Assistant (Notional salary Scale 6 )
- Create 1 x Tourism, Culture & Arts Officer (Notional salary PO1)

Central Grants

- Cessation of the fixed term contract posts of Project Assistant and Monitoring Officer, both salary scale 6.
- Create 1 x 2 year fixed term contract post of Grants Assistant (Systems and Administration), notional salary scale 6
- Create 1 x 2 year fixed term contract post of Grants Assistant (Monitoring), notional salary scale 6
- Create 1 x Grants Officer, notional salary scale SO 2

**Decision Tracking**

Following approval and subsequent ratification, the proposed Departmental structural changes are implemented and the posts recruited through the corporate recruitment and selection process.

Timeline: August 2010

Reporting Officer: David Orr

**Key Abbreviations**

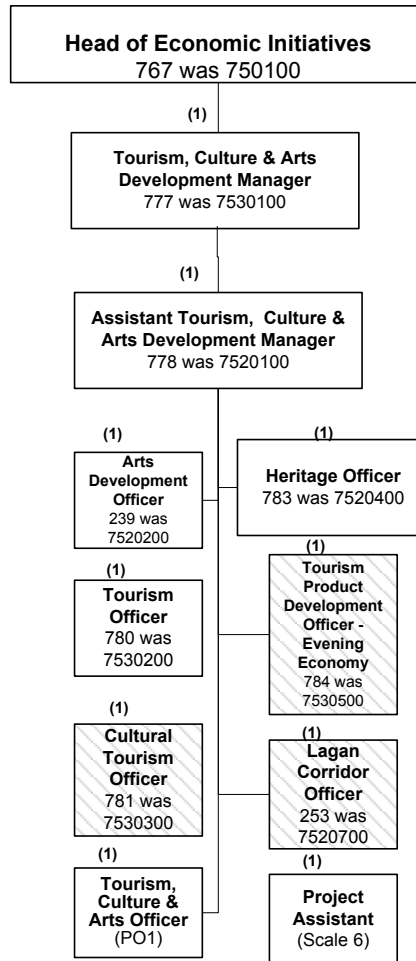
BIS – Business Improvement  
HR – Human Resource  
FTC – Fixed Term Contract

**Documents Attached**

Appendix 1: Proposed Structures

Appendix 1

Proposed Tourism & Cultural Development Section  
January 2010



Appendix 1

Development Department - Directorate Support with proposed CGT Structure

