

SOUTH HOLLAND DISTRICT COUNCIL FINANCIAL COMMENTS & APPRAISAL

THIS DOCUMENT PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED REPORT

FROM: Nigel R Burch
REPORT: New Economic Development Officer Post
REPORT DATE: 9/5/19

	Year 1	£ Year 2	£ Year 3	£ Year 4
	2018-19	2019-20	2020-21	2021-22
Revenue				
<i>Income</i>		-		
Costs	Budgeted for post to start 1/7/19	£19,418 G4G £12,945 SHDC	£19,806 G4G £13,204 SHDC	£20,202 G4G £13,468 SHDC
Total Revenue -		£32,363	£33,010	£33,670

Capital				
<i>Income</i>				
N/A				
Costs				
Total Capital				

Considered By:

Date:

This appraisal is valid for 1 month from issue date.
If there are changes to the original report it may invalidate this document & must be reviewed by Finance.

Detail

The Economic Development/Inward Investment service at South Holland currently operates with 1.2 FTE staff, namely the Economic Development and Inward Investment Manager, and an Economic Development Officer who works 1 day per week for the service, the rest of her time being devoted to, and funded by, the ERDF funded Grants4growth programme. At the beginning of June 2018, a 2 year contract was signed with Opportunity Peterborough which provides additional resource to the service at a strategic level, but currently there is no resource within the team for the day to day tasks, desk top research, collation of data, updating of the website, Twitter account, Facebook page, organisational tasks, etc.

There is also the issue of succession planning and single point of failure in the service, many of the relationships with businesses and stakeholders that exist within the service are with one person, the Inward Investment Manager, and this presents a potential risk now, and in the future.

By bringing a new post into the team, we hope to be able to guide and mentor the post to grow within the service with a view to taking a more senior role in the fullness of time.

Grants4growth is now confirmed for a further 3 years, and as part of the new bid, we have built in some of the new posts time into the project, thus also reducing the overall cost to the Council to the end of June 2022.

- The assumption is that the new post will be deployed for 60% of their time on G4G (3 days a week), with 60% of their salary costs being recovered from G4G.
- £2000 has been budgeted to support their recruitment in early 2019
- The ED Officer salary is based on a band E (495 points) job evaluation carried out by Christina Thompson in late October using the JD and person spec (attached) prior to PCR submission.
- The costs for 19/20 will be less than shown as by the time the post is created and recruitment taken place, there will likely only be 9 months salary costs in the first year, these costings allow for a 2% increase in 20/21 and 20/22.

		19/20	20/21	21/22
		Year 2	Year 3	Year 4
SCP 26	Gross	24,799	25,295	25,801
	Pension 16.7%	4,141	4,224	4,309
	NI 13.8%	3,422	3,491	3,561
	Total Pay Costs	32,363	33,010	33,670
	60% Recharged to G4G	- 19,418	- 19,806	- 20,202
	40% Cost to SHDC	12,945	13,204	13,468
	Less ED Budgets	- 5,000	- 5,000	- 5,000
	Budget Pressure	7,945	8,204	8,468

Financial Services Comments

60% of total costs within the table on page one can be resourced from external funding from the Grants4Growth project for the next 3 years, therefore the cost to SHDC will be 40% of the total costs – approx. £13K pa. SHDC will need to meet the full cost of the additional post following the cessation of the Grants4Growth project.

Up to £5K pa can be met from current budgets within the Inward Investment service (based on known commitments), therefore the creation of this post would mean a budget pressure of approx. £6K pa from 2019/20 to 21/22 inclusive and £24K pa from 2022/23 following the completion of Grant4Growth.

Financial Risk

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