

**REPORT OF CHIEF EXECUTIVE RE EMPLOYMENT ARRANGEMENTS FOR
STAFF OF DISTRICT COUNCILS' NETWORK**

1. PURPOSE OF REPORT

To seek Council agreement to accepting the responsibility for the employment of two permanent staff on behalf of the District Councils' Network (DCN), with the DCN having now confirmed that all the financial implications (present and future) will be met by the funds available to the DCN.

2. RECOMMENDATIONS

That the Council:

1. accepts the responsibility for the employment of the permanent employees of the District Councils' Network - DCN Manager and DCN Support Officer - with the funding for all the employment liability being met by the DCN.
2. agrees a supplementary annual budget of £65,000, pro rata for 2011/12 (from 1 September 2011) £38,000.

3. BACKGROUND

- 3.1 The District Councils' Network was formed in November 2009, adopting more formal arrangements than previously used by the District Leaders' Sounding Board, which had existed for around five years prior to that date.
- 3.2 The DCN is a Special Interest Group (SIG) of the Local Government Group (formerly the Local Government Association - LGA), which acts as a single voice for Districts to Central Government and other national organisations. It currently represents over 180 of the 201 English District Councils. The County Councils' Network (CCN) performs the same function for County (and some Unitary) Councils and has five staff, employed on its behalf by Lancashire County Council.
- 3.3 Since mid-2010, the DCN has been serviced by a full-time Policy Officer (now DCN Manager) and in September 2011 appointed a DCN Support Officer for fifteen hours per week. The employment position for both posts now needs to be regularised, with effect from 1 September 2011.
- 3.4 Having been supported initially purely via member authority subscriptions (at £150 per year), the DCN recently secured funding of £217,000 per year for the next ten years from funds now released from the former Association of District Councils. An annual budget totalling £250,000 has been agreed by the DCN Executive (a Member Group), which allows for funding of both these posts, with a contingency for any associated employment costs. Both postholders have no previous reckonable service.

3.5 The Leader has agreed, in principle, that Hinckley and Bosworth Borough Council becomes the employer for these posts, as the DCN is not a corporate body in its own right. That 'in principle' agreement was subject to the DCN agreeing to indemnify this Council from DCN Funds against any employment liability arising from the employment of these two posts.

3.6 At the DCN Executive meeting on 12 September 2011, the following resolution was agreed:

'That the Executive ... indemnify Hinckley and Bosworth Borough Council (as the employing Authority), from its own funds, against any employment liability arising from the employment of the DCN Manager and Support Officer'.

3.7 On the basis of that resolution, Members are asked to agree the recommendation at the head of this report. For 2011/12, the posts are directly managed by the Chief Executive of this Council, as the District Councils' Chief Executives' Network Chairman until June 2012.

4. **FINANCIAL IMPLICATIONS [DB]**

The Borough Council will be responsible for the employment and related costs of the two posts. In a full year this will be £65,000. For 2011/12, as the arrangements began on 1 September 2011, this will be £38,000. The Council will need to agree supplementary budgets for these amounts in the years in question and beyond. All of the employment costs are to be made by the DCN to the council. The Council will, however, need to keep the position under review, particularly approaching the end of the ten years' funding period.

5. **LEGAL IMPLICATIONS [LH]**

The two individuals will be employed on HBBC terms and conditions on a fixed point salary. As this is not using the Job Evaluation Scheme, there is a small risk of equal pay issues arising. It is accepted that this is an extremely small risk.

With regard to the agreement to indemnify HBBC for the salary costs and future redundancy payments in respect of the posts, a separate legal agreement will be agreed, incorporating the agreement reached with the DCN.

6. **CORPORATE PLAN IMPLICATIONS**

The DCN acts on behalf of all District Councils, including HBBC, to support the furtherance and promotion of collective objectives, incorporating those of this Council.

7. **KNOWING YOUR COMMUNITY - EQUALITY AND RURAL IMPLICATIONS**

None.

8. **RISK IMPLICATIONS**

No significant risks.

9. **CORPORATE IMPLICATIONS**

By submitting this report, the report authority has taken the following into account:

- * Community Safety implications
- * Environmental implications
- * ICT implications
- * Asset Management implications
- * Human Resources implication
- * Planning implications
- * Voluntary Sector

Background papers: None
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