
**MANCHESTER CITY COUNCIL
REPORT FOR RESOLUTION**

COMMITTEE: PERSONNEL
DATE: 10 JULY 2008
REPORT OF: THE CHIEF EXECUTIVE
SUBJECT: PROPOSED REALIGNMENT OF STRATEGIC
DIRECTORATE PORTFOLIOS

PURPOSE OF REPORT

To set out proposals for realignment of Strategic Directorate functions and responsibilities to reflect current and future Council priorities.

RECOMMENDATIONS

The Committee are recommended to agree the proposals for realigning Strategic Directorate functions as outlined in the report, including the specific proposals set out below:

1. To transfer responsibility for the City Council's strategic housing functions and line management of the Director of Housing from the Strategic Director of Neighbourhood Services to the Deputy Chief Executive (Regeneration).
2. To transfer responsibility for delivery of Supporting People functions from the Director of Housing to the Director of Adult Social Care.
3. To transfer the post of Assistant Chief Executive (Culture) from the Regeneration Division of the Chief Executive's Department to the Neighbourhood Services Directorate and redesignate the post Assistant Chief Executive (Neighbourhood Strategy and Delivery) with responsibility for:
 - Local Delivery and Neighbourhood Working Strategy;
 - Leisure (indoor and outdoor);
 - Libraries;
 - Street Management and Parking;
 - Regulatory and Enforcement Services;
 - Environmental Strategy (including Climate Change, Recycling and Waste Management);
 - Private Sector Housing;
 - Manchester International Festival.

4. To establish a new post of Head of Environmental Strategy at a salary of £70,000, responsible to the Assistant Chief Executive (Neighbourhood Strategy and Delivery).
5. To disestablish the post of Head of Environmental Services and create a new post of Head of Street Management and Enforcement, responsible to the Assistant Chief Executive (Neighbourhood Strategy and Delivery) and assimilate the Head of Environmental Services into this new post at her existing salary of £79,902.
6. To disestablish the post of Director of Manchester Galleries and create a new post of Director of Culture, responsible to the Deputy Chief Executive (Regeneration) and assimilate the Director of Manchester Galleries into this new post.
7. To transfer responsibility for the Anti Social Behaviour Action Team (ASBAT) from the Director of Housing to the Head of Crime and Disorder in the Performance Division of the Chief Executive's Department.
8. To approve the establishment of a new post of Director of Communications reporting to the Chief Executive at a salary of £75,000.
9. To approve the redesignation and regrading of the post of Head of Press, Grade 10 + 10% (£41,283 - £44,100) to Head of Media Relations at a salary of £50,000.
10. To grant delegated authority to the Head of Corporate Personnel, working in consultation with the Chief Executive and other relevant Strategic Directors to develop new job descriptions and amend existing job descriptions to reflect the changes proposed in this report and, where appropriate, progress recruitment to new and vacant posts in line with Council policies and practice.
11. To note that the Chief Executive will develop salary proposals as appropriate for those posts that acquire significant additional responsibilities in consequence of the implementation of the arrangements set out in this report and present these to the Senior Management Pay and Retention Sub- Committee of this Committee for consideration.
12. To grant delegated authority to the Chief Executive, in consultation with the Head of Corporate Personnel and the Executive Member for Finance and Human Resources, to review and implement any revised management structures or new posts necessary to support the strategic realignments proposed in this report.

FINANCIAL CONSEQUENCES FOR THE CAPITAL AND REVENUE BUDGET

The cost of establishing the proposed new posts and regradings set out in this report are circa £180,000, inclusive of salary related oncosts. This can be contained in existing budgets. The arrangements set out in this report will create greater synergies in strategic delivery of services and it is considered that further savings can be achieved in due course as these proposals are progressively implemented.

CONTACT OFFICERS:

Howard Bernstein, Chief Executive
email: h.bernstein@manchester.gov.uk 0161 234 3006

Jon Redfern, Head of Corporate Personnel
email: j.redfern@manchester.gov.uk 0161 234 1800

WARDS AFFECTED:

All

IMPLICATIONS FOR KEY COUNCIL POLICIES:

Anti-poverty	Equal Opportunities	Environment	Employment
Yes	Yes	Yes	Yes

1. BACKGROUND

- 1.1 The City Council's Strategic Management arrangements have been in place since 2000 and have been effective in addressing many challenges during this time. They have created the organisational infrastructure necessary to successfully deliver many major projects and have provided the basis for new and innovative working arrangements, particularly with partner organisations.
- 1.2 The size and organisation of the Strategic Management Team has been modified several times over the last eight years and most recently in 2006 with the establishment of the Neighbourhood Services Strategic Directorate. This Directorate incorporates overall management of the Housing, Adult Social Care, Environmental, Commercial and Trading Services functions and the Strategic Director took up post in May 2006.
- 1.3 A range of recent and impending challenges facing the City Council now mean it is timely to review the alignment of responsibilities within existing Strategic Directorate portfolios. In particular, the Chief Executive is mindful of the need to address the following challenges:
- (i) How the Council optimises its strategic housing role in light of the Stock Transfer Programme;
 - (ii) The need to create stronger alignment with certain housing functions and projects with regeneration based activity;
 - (iii) The opportunity to build upon the ongoing work being undertaken in Adult Social Care to transform the service;
 - (iv) The need to make a step change in implementing a neighbourhood focus to service delivery management;
 - (v) The need to continue the strong focus on cultural strategy and shaping the national agenda.
 - (vi) The need to strengthen our communications capability, both internally and externally, and to be able to respond more proactively to the expectations of residents and other stakeholders.
- 1.4 In light of these challenges and increased expectations, the Chief Executive believes it is timely to bring forward proposals that not only respond to these immediate challenges but also strengthen our organisational capacity to address the needs of residents and stakeholders going forward.
- 1.5 These proposals are wide-ranging and based on an assessment of our current capabilities and, wherever possible, are based on consolidating

and strengthening existing successes. It is however evident that for some future challenges we will need to attract external talent to bring in fresh ideas and innovations adopted by other successful organisations.

2. HOUSING SERVICES

2.1 Housing Services is currently located within the Neighbourhood Services Strategic Directorate in recognition of the Department's previous priorities around managing the City Council's public housing stock and acting as a landlord for Council house tenants. As we reach the conclusion of the largest and most complex housing transfer programme in the United Kingdom and divest ourselves of responsibility for the day- to- day management of public housing stock, it is timely to review the strategic management arrangements for the housing service. It is particularly important to ensure that synergies are optimised between the City Council's residual housing functions and the associated responsibilities and services provided by other City Council Departments.

2.2 Therefore in anticipation of the completion of the Housing Stock Transfer Programme it is proposed that the bulk of the residual housing service be transferred from the Neighbourhood Services Directorate to the line management responsibility of the Deputy Chief Executive (Regeneration). This would underpin the client management role for the new housing companies and also facilitate a much closer alignment of strategic responsibilities and co-ordination of key aspects of the City's regeneration agenda and specifically it would incorporate responsibility for:

- Housing Strategy;
- Client relationships with the ALMO and new housing companies;
- Strategic oversight of PFI and major capital programmes.

Day- to- day responsibility for programme management would transfer to the Director of Capital Programmes under the overall line management of the City Treasurer.

2.3 The Deputy Chief Executive (Regeneration) will continue discussions with the Director of Adult Social Care to determine the most appropriate long term arrangements for the commissioning and delivery of Homelessness functions to ensure the City Council can effectively discharge its statutory responsibilities.

2.4 Subject to the Committee agreeing this recommendation, it is proposed that the designation of the post of Director of Housing remain unchanged and that this post be transferred to the line management of the Deputy Chief Executive (Regeneration) on the current salary of £86,079.

3. ADULT SOCIAL CARE

- 3.1 Since her appointment in 2005 the Director of Adult Social Care has demonstrated very effective leadership of this service. An ambitious and innovative programme to modernise the service has been scoped out and the Director is working proactively with management colleagues across the Council and with partners in external agencies to ensure that the service moving forward meets and anticipates changing patterns of user need.
- 3.2 In addition to reviewing and modernising the existing Adult Social Care functions, the Director has been able to make critical linkages between her service and Homelessness and its causes alongside Supporting People Programmes. It is therefore considered timely to take this opportunity to formally transfer responsibility for the delivery of Supporting People Programmes from the Housing Service to the line management of the Director of Adult Social Care. Additionally, in order to optimise the value of work undertaken to date, further discussions will take place between the Deputy Chief Executive (Regeneration) and the Director of Adult Social Care to ensure that the overall framework for the commissioning and provision of these services is informed by the City Council's wider regeneration and housing strategies. Overall responsibility for Adult Social Care will remain in the Neighbourhood Services Directorate.
- 3.3 Subject to these arrangements being agreed and formally adopted it would be appropriate to review the salary for this post of £86,079 which was last revised in 2006, to more fully reflect its statutory status and the extended responsibilities. Subject to the Committee endorsing this proposition, the Chief Executive would propose to consult with the Head of Corporate Personnel and make proposals in this regard to the Senior Management Pay and Retention Sub- Committee of this Committee.

4. NEIGHBOURHOOD SERVICES

- 4.1 The Neighbourhood Services Directorate was formed in 2006 and an organisational chart setting out current responsibilities and functions undertaken in the Directorate is shown at Appendix 1. In the last two years much good work has been done to cement the principles of neighbourhood working and whilst the work undertaken should not be underestimated, there remain significant ongoing challenges.
- 4.2 Building on the developments in Neighbourhood Services over the last two years the Chief Executive believes the opportunity should now be taken to exploit the full potential of the Directorate by bringing together, under a single management regime, all of those services which are provided at a local level and within communities other than to children

and families. Once the City Council relinquishes responsibility for managing public sector housing stock, these will include Private Sector Tenancies, Regulation and Enforcement, Street Management, Libraries, Parks and Leisure facilities.

4.3 Neighbourhood Strategy and Delivery

In order to bring the necessary level of focus to improve the integration and delivery of these services in a way which makes a real impact in communities it is proposed to form a new Division within the Neighbourhood Services Directorate with responsibility for Neighbourhood Strategy and Delivery. The challenge of bringing these services together and infusing them with a sense of purpose and managerial focus is considerable. Success will be dependent on strong leadership and vision together with a clear understanding of the needs of Manchester residents.

- 4.4 The Chief Executive believes that the current Assistant Chief Executive (Culture) has all of the necessary attributes to lead this Division. Through her leadership of the Cultural Services portfolio, and particularly around innovations such as Libraries as Access Points, she has demonstrated that she has the skills and experience necessary to provide the leadership and imagination that would be required for success. Accordingly it is proposed to transfer the role of Assistant Chief Executive from the Regeneration Division to the Neighbourhood Services Directorate and give this post overall responsibility for leading an enhanced Neighbourhood Strategy and Delivery Division.

4.5 Strategic Management Team Sub Group

In order that the City Council can fully exploit the cross service and multi- agency potential of such arrangements it is proposed that a Strategic Management Team Sub Group be established under the leadership of the Deputy Chief Executive (Performance) to provide the necessary level of strategic focus to take this work forward. It is intended that the Sub Group would operate for an initial period of time, to be subject to review, and would draw its membership from senior officers in different disciplines across the City Council according to the specific issues and options under consideration.

- 4.6 These proposed arrangements would not be significantly different to how the Deputy Chief Executive (Performance) has previously supported the Director of Children's Services as that Directorate has evolved and matured to meet significant strategic challenges over the last few years. The Strategic Director of Neighbourhood Services will however retain line management responsibility for the redesignated post of Assistant Chief Executive (Neighbourhood Strategy and Delivery).

- 4.7 Whilst the SMT Sub Group will define a proper local focus on integrating and improving services, as well as ensuring the full involvement of partner organisations, there would still be a

considerable amount of practical work required to embed these principles and drive forward agreed priorities. The Assistant Chief Executive will therefore work with the Head of Corporate Personnel to review existing capacity and establish a dedicated team which would work closely with Members in order to progress the development of local strategies.

4.8 Environmental Strategy

Recent experience has demonstrated that the City Council requires considerably strengthened in-house strategic capacity on environmental issues. Increasingly the City Council has to respond to an international and national agenda and regrettably many of our recent responses have been reactive, rather than in the vanguard of shaping these agendas.

- 4.9 Accordingly, it is proposed to create a new post of Head of Environmental Strategy at a salary of £70,000, reporting to the Assistant Chief Executive (Neighbourhood Strategy and Delivery), with responsibility for working closely with Elected Members to frame a coherent environmental strategy and range of contingent policies. These would draw together the related components of environmental strategy, including green issues, recycling and waste and the challenges of climate change. In order to secure credible leadership of this function we would need to appoint the best person available through an external advertisement and a supported recruitment search.

4.10 Street Management and Enforcement

In recognition of these proposals and in order to retain a proper focus on the day-to-day management of street based services, car parking and critical regulatory and enforcement functions it is proposed to disestablish the post of Head of Environmental Services and create a new post of Head of Street Management and Enforcement, reporting to the Assistant Chief Executive (Neighbourhood Strategy and Delivery). The majority of these duties and responsibilities are currently undertaken by the current Head of Environmental Services and it is therefore proposed to assimilate the postholder into this new role at her existing salary of £79,902.

4.11 Manchester International Festival

The Assistant Chief Executive, alongside the Head of Cultural Strategy, has played a key role in the successful development and delivery of the Manchester International Festival. Therefore in order to build on this success and maintain momentum it is proposed that the Assistant Chief Executive (Neighbourhood Strategy and Delivery) will retain oversight of the organisation and delivery of the Manchester International Festival. This will also facilitate better integration of the key aspects of organisation and various licensing requirements which are currently managed from within the Neighbourhood Services Directorate.

4.12 If approved, these changes would constitute a considerable expansion of the existing duties and responsibilities of the Assistant Chief Executive. The Chief Executive would therefore wish to consult the Head of Corporate Personnel and bring forward proposals to revise the salary of this post to a future meeting of the Senior Management Pay and Retention Sub- Committee of this Committee.

4.13 **Commercial and Business Support**

No changes are proposed to the existing Commercial and Business Support Divisions of the Neighbourhood Services Directorate.

However, the Commercial Director intends to bring forward proposals in the next six months for the organisation he will require to deliver an invigorated Commercial Strategy for the City. Any proposed changes to posts and organisational arrangements will be submitted to this Committee for approval.

4.14 A proposed organisation chart setting out revised functions and responsibilities for the reconfigured Directorate, including the responsibilities of the Assistant Chief Executive (Neighbourhood Strategy and Delivery) is attached at Appendix 2.

5. REGENERATION DIVISION

5.1 The roles and functions of the Regeneration Division of the Chief Executive's Department were established in their current form in 2006 and a current organisational chart is attached at Appendix 3.

5.2 As set out earlier in this report, it is proposed to formally transfer management responsibility for the City Council's strategic housing responsibilities and client relationships with the ALMO and the newly formed housing companies from the Neighbourhood Services Directorate to the Regeneration Division. This will enable the Deputy Chief Executive to have oversight of the Council's wider housing strategy and ensure that this is properly linked in with other aspects of regeneration strategy. In order to optimise these linkages and also ensure that consequential impacts of the transfer of the Assistant Chief Executive to the Neighbourhood Services Directorate are properly managed the following realignments of responsibility are proposed in Regeneration Division.

5.3 **New East Manchester Ltd**

In terms of the wider Regeneration portfolio there will be an ongoing role for New East Manchester Ltd and NEM's acting Chief Executive is currently developing detailed proposals for the future organisation of the company for submission to this Committee in the next few months. In the meantime, however, it is proposed that the acting Chief Executive, whilst remaining a member of Strategic Management Team, will join the Regeneration Directorate Management Team to ensure greater integration of activities.

5.4 Cultural Strategy

The integration of culture into the mainstream economic and social regeneration in Manchester is seen as a national and international exemplar. We must build on this in order to maximise the competitive advantage of the city and the city region. The existing Cultural Strategy Team has made huge contributions to area regeneration through the work of staff based within local regeneration teams. They have also made a significant contribution supporting the delivery of enhanced outcomes in schools and adult learning.

5.5 The Cultural Strategy Team has maintained momentum across a range of cultural projects and, as we continue to develop the role of culture within our regeneration agenda, we must ensure that we maintain capacity to deliver major programmes and projects. The current Head of Cultural Strategy has a strong track record in delivering cultural capital programmes and it is proposed that she be seconded to work with the Chief Executive on major cultural infrastructure projects. All of these critical outcomes must be maintained and delivered by future arrangements for the management of the cultural strategy. It is proposed that the Chief Executive develop detailed proposals to achieve this in consultation with the Executive Member for Culture and the Head of Corporate Personnel.

5.6 Subject to the Committee agreeing the transfer of operational management of Libraries and Leisure Services to the Neighbourhood Services Directorate a strategic focus will need to be maintained on cultural activities to ensure momentum is maintained on existing commitments.

5.7 It is considered that this would be best achieved through redefining the Cultural remit to ensure that this is properly focused on influencing national and regional strategy and securing engagement with national arts and heritage bodies. It is therefore proposed to establish a new role of Director of Culture which would replace the existing post of Director of Manchester Galleries. In order to ensure continuity and further develop work currently underway, it is proposed that the existing Director of Manchester Galleries be assimilated into this new post.

5.8 Further work would need to be undertaken to review and rationalise the management and funding arrangements that currently exist within the current Cultural Strategy Team and City Galleries departments. It is therefore intended that the Director of Culture will work with the Head of Corporate Personnel in order to develop and implement detailed structural arrangements including sufficient capacity to work on key projects. Additionally, the Chief Executive would wish to consult with the Head of Corporate Personnel and bring forward separate proposals to review the salary of the new post of Director of Culture for consideration by the Senior Management Pay and Retention Sub-Committee.

5.9 Economic and Urban Policy

It is proposed that the Economic and Urban Policy Unit be strengthened to assume responsibility for Multi Area Agreements and other related activities. It is intended to engage the Strategic Director and the Manchester Improvement Programme in further developing the strategic direction of these agreements and the development of detailed arrangements around the organisation and management structure of this unit.

5.10 Remaining Regeneration Services

Under these proposals, there are no immediate changes to the roles and functions of the Regeneration teams, Transport, Planning and Engineering Services Divisions. Any future changes to the organisation and management structures of these services will be subject to approval by this Committee.

5.11 An organisation structure chart showing the proposed realignment of responsibilities in the Regeneration Division of the Chief Executive's Department is attached at Appendix 4.

6. PERFORMANCE

6.1 Over the past two years significant improvements have been made to the City Council's overall Business Planning processes, making them more aligned with the budget setting process, thus enhancing capacity to make more effective forward plans. The Chief Executive is keen to progressively strengthen this capacity through the creation of additional senior support for the Assistant Chief Executive (Performance) as a means of securing better integration between our performance management capability and the Manchester Improvement Programme. This will enhance the City Council's ability to focus more resources on new and changing corporate priorities and outcomes.

6.2 The progress we have achieved over the last few years is largely attributable to the leadership of the Assistant Chief Executive (Performance). Accordingly and in recognition of the expanded scope of this role, the Chief Executive proposes to consult the Head of Corporate Personnel and bring forward proposals to review the salary of the Assistant Chief Executive (Performance) for consideration by the Senior Management Pay and Retention Sub- Committee of this Committee.

6.3 The Performance Division will need to work closely with the Manchester Improvement Programme to ensure we derive maximum benefit from their complementary roles. In the short to medium term the Chief Executive is keen to retain a flexible in- house consultancy capacity to address major projects and drive through change in particular services. In particular a key priority for the Strategic Director

and the Manchester Improvement Programme will be to review existing IT strategy and delivery arrangements in consultation with the City Treasurer and the Deputy Chief Executive (Performance).

- 6.4 Additionally, it is proposed that the Anti Social Behaviour Action Team (ASBAT), currently located in Housing be transferred to the Crime and Disorder Team under the Deputy Chief Executive (Performance). This is consistent with the priority accorded to Anti Social Behaviour in the new three year Crime Strategy.

7. CORPORATE SERVICES

- 7.1 Arising from the implementation of the broader proposals in this report, the Chief Executive will be reviewing with the City Treasurer and other Strategic Directors the priority need to accelerate the process of change on the People Strategy, Information Technology and the Audit Service, including the need to effect changes to existing organisational arrangements.

8. CORPORATE COMMUNICATIONS

- 8.1 A comprehensive review of the City Council's internal and external communications has recently been undertaken. One of the conclusions of the review is that communications does not have sufficient status or profile within the Council and this activity needs to be strengthened to ensure that corporate messages are delivered consistently, both internally and externally.
- 8.2 The need to develop the communications function was also recognised by Members during the 2008/ 09 budget setting process when provision was made for growth in this area. Accordingly, in order to ensure more effective coordination of all of the City Council's existing communication capabilities and to harness them into a single strategic voice, it is proposed to create a new post of Director of Communications.
- 8.3 The establishment of a single post, reporting directly to the Chief Executive, will recognise the importance of this function in a modern business setting and also strengthen the City Council's capacity to interact more effectively and proactively with communities and key partners. It is intended that the post would have overall responsibility for:
- Press and Media;
 - Bilateral communication with Manchester residents;
 - Internal communications;
 - Marketing and events;
 - MFour.

- 8.4 Following consultation with the Head of Corporate Personnel and mindful of salaries paid for comparable posts in other organisations, a salary of £75,000 is recommended for this new post. Delegated authority is requested for the Chief Executive to review this salary in consultation with the Executive Member for Finance and Human Resources and the Head of Corporate Personnel if this is necessary to secure the services of an exceptional candidate.
- 8.5 It is also proposed to redesignate the recently vacated post of Head of Press to Head of Media Relations to more fully reflect the wider range of responsibilities of the post in a multimedia, 24-hour news environment. In recognition of these broader responsibilities it is proposed to regrade the post from Grade 10 + 10% (£41,283 to £44,100) to £50,000. Again, delegated authority is requested for the Chief Executive to review this salary in consultation with the Executive Member for Finance and Human Resources and the Head of Corporate Personnel if this is necessary to secure the services of a suitably qualified candidate.
- 8.6 The newly appointed Director of Communications would work with the Head of Corporate Personnel and other colleagues to formulate proposals to bring all existing communication functions and capabilities together into a single integrated management structure in line with the delegated authority sought in the recommendations at the front of this report.

9. CONCLUSION

- 9.1 Considerable thought has been given to the proposals set out in this report and the Chief Executive believes it is now timely to address a range of key strategic challenges by refocusing the roles of a number of key service heads and realigning responsibilities across the Strategic Management Team. Implementation of these proposals will ensure we not only retain existing capacity but also position the City Council to play a proactive role in shaping key national and international agendas on public sector housing, culture and environmental strategy.
- 9.2 Subject to approval by this Committee the Chief Executive will work with the relevant Strategic Directors, Heads of Services and the Head of Corporate Personnel to develop and implement new job roles and organisational structures. Further proposals will be developed and submitted to this Committee and the Senior Management Pay and Retention Sub- Committee as appropriate.

10. IMPLICATIONS FOR KEY COUNCIL POLICIES

- 10.1 The proposals set out in this report are entirely concerned with supporting the achievement of all Key Council policies.

ATTACHED AS APPENDICES

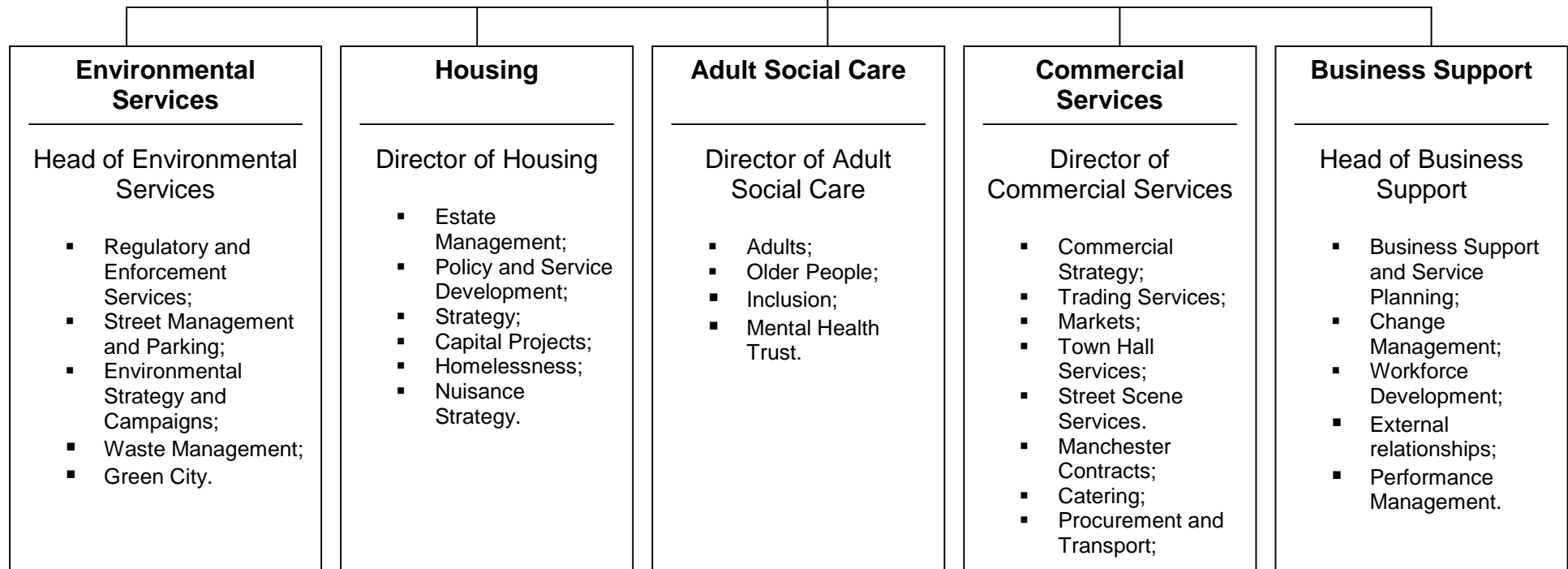
1. Current responsibilities of Neighbourhood Services Directorate;
2. Proposed responsibilities of Neighbourhood Services Directorate.
3. Current responsibilities of Regeneration Division, Chief Executive's Department.
4. Proposed responsibilities of Regeneration Division, Chief Executives Department.

APPENDIX 1

PRESENT

NEIGHBOURHOOD SERVICES

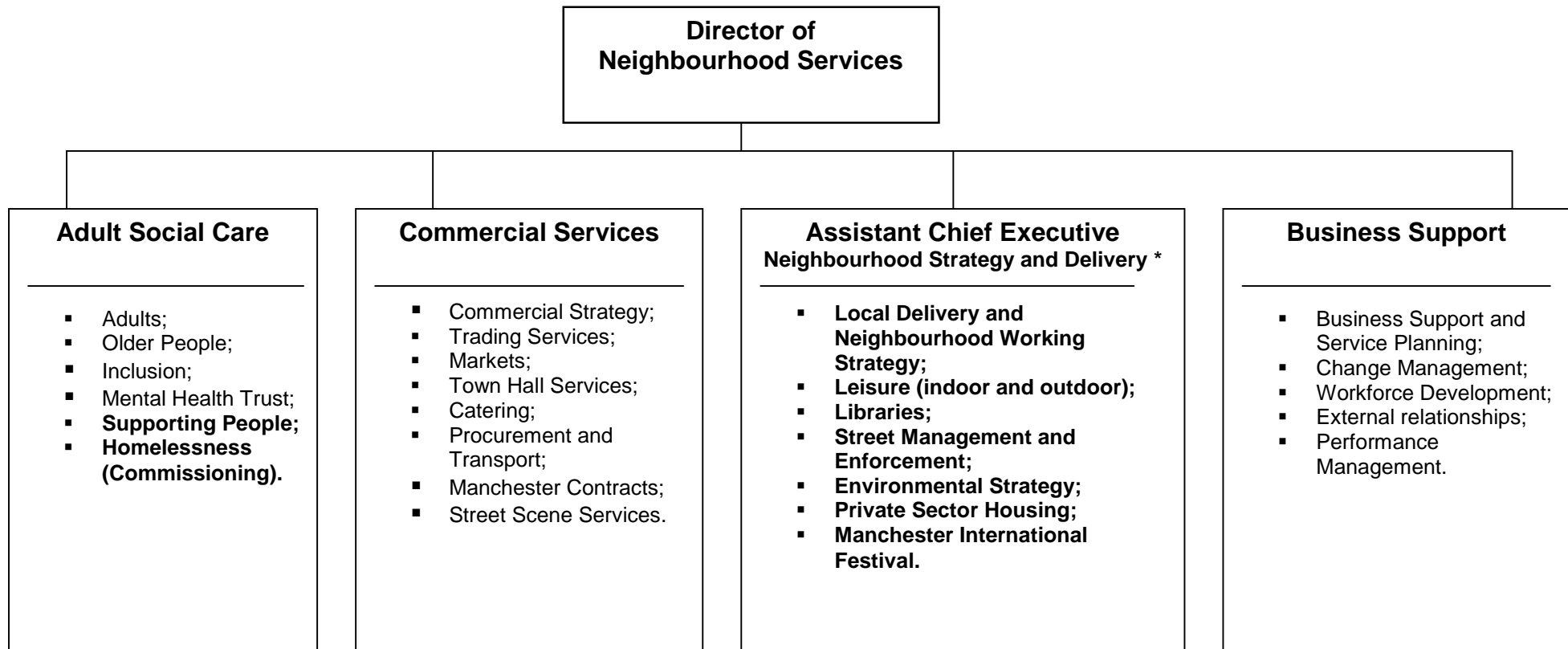
**Director of
Neighbourhood Services**



APPENDIX 2

PROPOSED

NEIGHBOURHOOD SERVICES



Bold Typeface denotes new/ realigned functions.

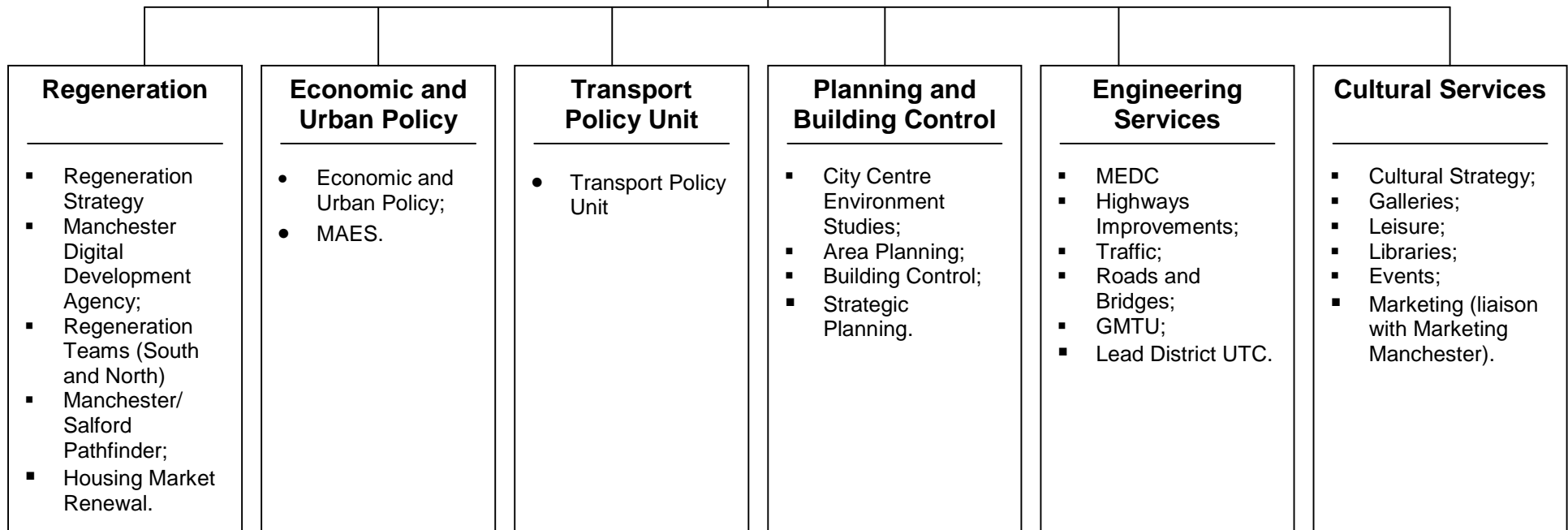
*Strategic direction provided by SMT Steering Group, chaired by Deputy Chief Executive (Performance).

APPENDIX 3

PRESENT

REGENERATION

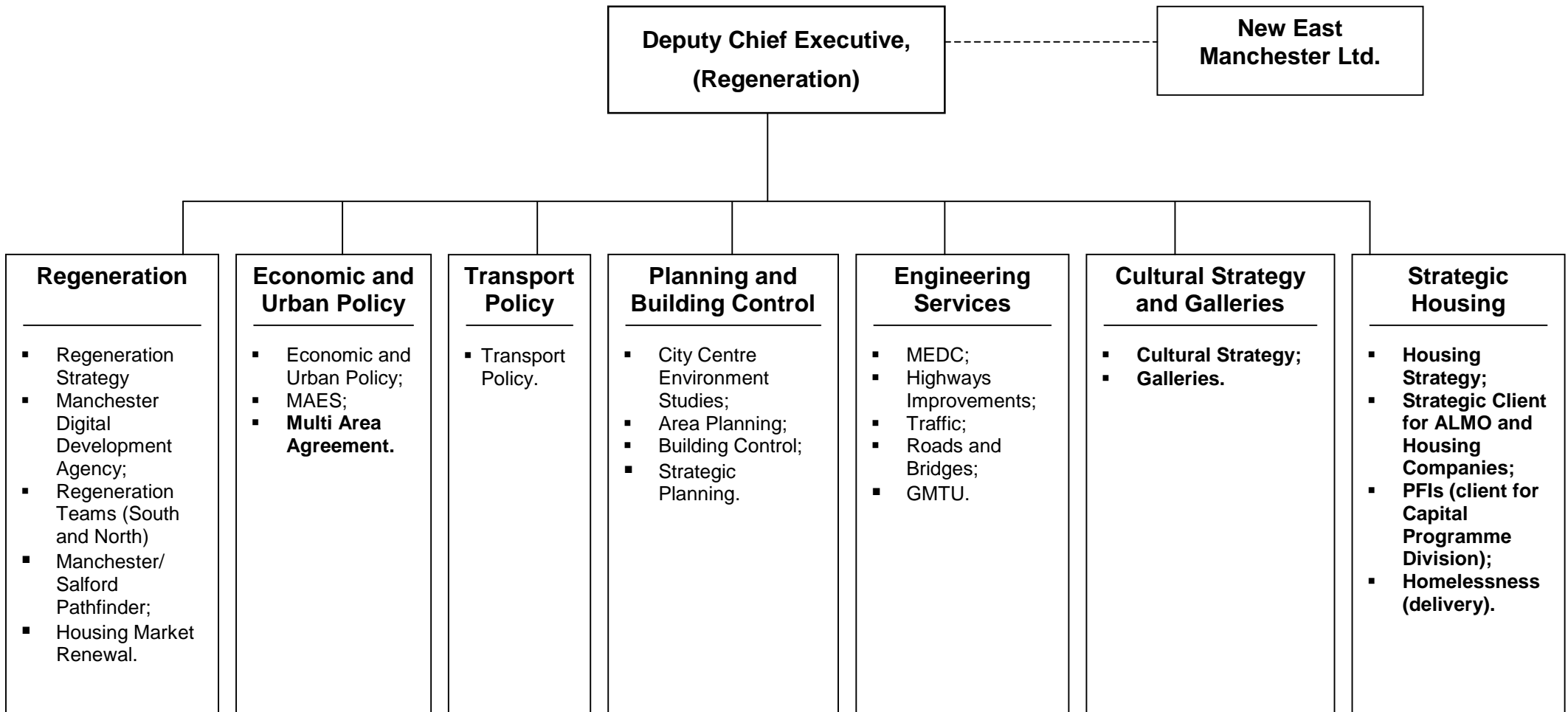
**Deputy Chief Executive,
Regeneration**



APPENDIX 4

PROPOSED

REGENERATION



Bold typeface denotes new/ realigned functions.