MANCHESTER CITY COUNCIL
REPORT FOR RESOLUTION

REPORT TO: **PERSONNEL COMMITTEE**

REPORT OF: **CITY TREASURER AND CHIEF EXECUTIVE, NEW EAST MANCHESTER**

DATE: **13 NOVEMBER 2007**

SUBJECT: **PROGRAMME MANAGEMENT SUPPORT TO NEW EAST MANCHESTER LTD.**

PURPOSE OF REPORT

To propose the establishment of an additional Programme Management position within the Capital Programme Division of the Corporate Services Directorate to provide Programme Management support to New East Manchester Ltd.

RECOMMENDATIONS

The Committee is recommended to:

1. Approve the establishment of an additional Programme Manager post at Grade 10 +20% (£43,938 – £46,929) within the Project Management Group of the Capital Programme Division, with specific responsibility for New East Manchester Ltd (NEM).

2. Grant delegated authority to the City Treasurer in consultation with the Chief Executive, New East Manchester Ltd. and Head of Corporate Personnel to finalise the job description for this post and progress recruitment arrangements.

FINANCIAL CONSEQUENCES FOR THE CAPITAL AND REVENUE BUDGETS:

As the Capital Programmes Division operate as a zero budget employee costs are recharged to client services. The resultant cost of £57,227 (calculated at the top of Grade 10 +20%with on costs included) will be met by NEM from existing capital budgets.

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BACKGROUND DOCUMENTS:

None

WARDS AFFECTED:

All wards within NEM area.

IMPLICATIONS FOR KEY COUNCIL POLICIES:

Anti-poverty	Equal Opportunities	Environment	Employment
Yes	Nil	Yes	Yes

1 BACKGROUND

1.1 The Capital Programmes Division of the Corporate Services Directorate provides specialist support and expertise across the City Council and associated organisations in project management. This in turn facilitates more effective management of the City Council's Capital Programme through the application of specialist project management skills, procedures and systems.

1.2 As part of the City council's wider capital programme, New East Manchester Limited oversees the delivery of the regeneration framework by co-ordinating and integrating activity across a range of agencies, initiatives and projects active in the area. This is achieved through a co-operative and co-ordinating partnership approach utilising and maximising the powers and expertise of the existing statutory agencies acting on behalf or in support of these agencies in commercial negotiation, project appraisal and project management.

1.3 Within the broad economic, social and physical regeneration programmes there are a number of key strategic projects, which are critical to the transformation of their respective areas. The current forecast of capital expenditure for 2006/07 is circa £30 million with this figure expected to increase significantly of the next few years. These are large and complex physical projects involving a range of public and private sector partners and delivery arrangements planned over the next ten years including 15,000 new homes and an additional 700,000 square metres of new business space.

2 CURRENT PROJECT MANAGEMENT CAPACITY

2.1 Given the workload anticipated over the next two to three years, there are currently insufficient suitably skilled resources within NEM to deliver this programme.

2.2 Although there are considerable technical skills in development, regeneration and housing, there remains a shortfall in Project Management capabilities. As such projects with an accumulated spend of circa £30million are at risk of being overspent, failing to be delivered on time and/or to the required quality standards.

2.3 In order to deliver what is required there is an urgent need to source qualified Programme / Project Management staff capable of delivering complex capital projects and programmes, and to specifically put an individual in place with the experience and ability to provide leadership and management in this area.

2.4 To date some limited support is currently being given to NEM in setting up Programme / Project Management processes and reporting procedures. However a longer-term solution needs to be put in place.

3 PROPOSED ARRANGEMENTS

3.1 In order to support these future challenges it is proposed to assign a new post of Programme Manager in the Capital Programme Division structure but to be located within New East Manchester's organisation under a long-term, service level agreement (SLA). Operational management will be the responsibility of NEM including the allocation of workload and day-to-day performance management. Professional development and long term performance issues would however be the responsibility of the Capital Programmes Division.

3.2 Establishing this post in Capital Programmes Division ensures access to the Division's systems (e.g. Capital Project Software), processes (e.g. The Gateway Process) and also professional specialists. Recruitment and retention opportunities will also be enhanced through the links to the career progression and development which being part of this Division offers.

3.3 It is proposed that this post is assigned at the established Programme Manager grade of Grade 10 +20% (£43,938 – £46,929). A generic job description would be used for this role, with minor amendments to reflect the context of NEM.

4 COMMENTS OF HEAD OF CORPORATE PERSONNEL

4.1 I have discussed these proposals with the City Treasurer and the Chief Executive of New East Manchester and support the approach set out in this report and its recommendations. I believe that the creation of an additional Programme Manager post will ensure that NEM is properly resourced to enable the successful delivery of large and complex projects. By establishing the post within the Capital Programmes structure, this will enable the availability of professional expertise to complement local delivery of specific regeneration programmes and will be able to provide the requisite degree of focus to ensure that the City Council derives optimum strategic benefit from its Programme Management resources.

4.2 The grade proposed for the new posts of Programme Manager at Grade 10+20% is established already within the Capital Programmes organisation profile and support the establishment of the post at this salary grade.

4.3 I will support the Head of Capital Programmes and the Chief Executive (NEM) to ensure applications are received from suitably qualified and motivated professionals.

5 IMPLICATIONS FOR KEY COUNCIL POLICIES

5.1 The effective delivery of programme and project management in the City Council is critical to supporting a wide range of key council policies in terms of improving life and employment opportunities for all of Manchester's residents.