
**MANCHESTER CITY COUNCIL
REPORT FOR RESOLUTION**

COMMITTEE: PERSONNEL

DATE: 3 NOVEMBER 2008

SUBJECT: PROPOSED REVISIONS TO STRATEGIC MANAGEMENT ARRANGEMENTS

REPORT OF: THE CHIEF EXECUTIVE

PURPOSE OF REPORT:

To propose the transfer of the Deputy Chief Executive (Performance) to the post of Deputy Chief Executive (Regeneration) and to propose the secondment of the Strategic Director of Neighbourhood Services to support the work of the AGMA Environment Commission.

To consider the arrangements necessary to progress the recruitment and appointment to the resultant vacancies of Deputy Chief Executive (Performance) and Strategic Director of Neighbourhood Services.

To propose the creation of a new post of Head of Strategic Cultural Projects in the Regeneration Division of the Chief Executive's Department.

To propose the transfer of line management responsibility for ICT Services from the City Treasurer to the Director of the Manchester Improvement Programme.

RECOMMENDATIONS:

The Committee is recommended to:-

1. agree that the current Deputy Chief Executive (Performance) be appointed to the post of Deputy Chief Executive (Regeneration) on his current terms and conditions of employment;
2. agree that the Strategic Director of Neighbourhood Services be seconded to undertake a senior management role to support sub- regional working, including the work of the AGMA Environment Commission;
3. determine the composition of the Appointment Panel to progress all aspects of the recruitment and appointment to the consequential vacant posts of Deputy Chief Executive (Performance) and Strategic Director of

Neighbourhood Services in accordance with the City Council's Constitution and Officer Employment Procedure Rules;

4. approve the transfer of line management responsibility for the ICT Service to the Director of the Manchester Improvement Programme;
5. approve the establishment of a new post of Head of Strategic Cultural Projects within the Regeneration Division at a salary of £65,000 and appoint the Head of Cultural Strategy to this post;
6. grant delegated authority to the Chief Executive, acting in consultation with the Head of Corporate Personnel and the relevant Executive Members and Strategic Directors, to progress and implement consequential adjustments to organisational structures to support the successful introduction of these proposals, including appropriate interim management arrangements pending permanent appointments being made to vacant Strategic Director posts.

FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGET

The cost of seconding the Strategic Director, Neighbourhood Services to undertake a senior role supporting AGMA will be circa £100,000, inclusive of salary related on-costs. Discussions will take place with other AGMA Chief Executives to secure long term funding for this arrangement but in the short term, these costs will be met from within existing revenue budgets.

The cost of creating a new post of Head of Strategic Cultural Projects will be circa £80,000, inclusive of salary related on-costs and these additional costs can be met from within existing Revenue budgets.

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BACKGROUND DOCUMENTS

Report to Personnel Committee on 10 July 2008 – Proposed Realignment of Strategic Directorate Portfolios.

WARDS AFFECTED

All

IMPLICATIONS FOR:

ANTI POVERTY EQUAL OPPORTUNITIES ENVIRONMENT EMPLOYMENT

Yes

Yes

Yes

Yes

1. INTRODUCTION

- 1.1 At the previous meeting of the Committee on 10 July 2008, Members approved a series of recommendations from the Chief Executive around the realignment of strategic portfolios. These proposals were mainly concerned with ensuring that the Council continues to discharge its residual Strategic Housing functions effectively following the successful completion of the Housing Stock transfer programme.
- 1.2 Members also approved arrangements to strengthen capacity within the Neighbourhood Services Directorate in order to bring a clearer focus to the development of an integrated Neighbourhood Strategy and also reconfigure managerial responsibilities within the Directorate. Members also approved the creation of a new post of Director of Communications, designed to draw together and strengthen the management of the Council's different communications activities and apparatus.
- 1.3 Strategic Directors are now engaged in actively implementing these proposals and work is in progress to make appointments to newly created posts and realign organisational structures as appropriate to ensure optimum effectiveness of these new arrangements.
- 1.4 Since the previous report was approved there have, however, been a number of developments which either impact or need to be considered as part of the detailed implementation of those resolutions. In particular:
- The Deputy Chief Executive (Regeneration) and Director of Housing have been appointed to senior positions in the newly created Homes and Communities Agency (HaCA), to be effective from 1 December 2008;
 - There is a clear need to strengthen the capacity of the AGMA Chief Executives and the work of the AGMA Executive, including the work of the proposed Environment Commission;
 - There is a need to realign organisational arrangements to support the effective implementation of the recently approved Corporate Information Strategy;
 - Key strategic cultural projects which are pivotal to the delivery of regeneration objectives across the City.
- 1.5 In the circumstances, the Chief Executive wishes to bring further proposals for consideration by this Committee to address these more recent and emerging challenges.

2. DEPUTY CHIEF EXECUTIVE

- 2.1 In wishing the Deputy Chief Executive (Regeneration) good luck in his appointment to this important new role with HaCA, the Chief Executive is mindful of the need to maintain momentum across a wide range of key strategic priorities, particularly in relation to the development of a strategic housing function.
- 2.2 Additionally there are a wide range of other priorities that the Deputy Chief Executive (Regeneration) is leading on around addressing issues of worklessness and job creation in the City, where it is important that the Council continues to retain the confidence of key partner agencies and other stakeholders.
- 2.3 In the circumstances the Chief Executive believes that it is important to maintain continuity through the appointment of a successor who has a clear understanding of the City's priorities and who is able to command the respect of key partner organisations, including relevant government agencies and private sector companies. Whilst there are a number of other capable and motivated senior managers within the current Regeneration structure, it is not considered that any of these yet have sufficient breadth of experience to address the full range of responsibilities of this portfolio.
- 2.4 Having given this matter very careful consideration, the Chief Executive wishes to propose that Steve Mycio, the current Deputy Chief Executive (Performance), should be transferred to the post of Deputy Chief Executive (Regeneration) on his current terms and conditions of employment. As a former Director of Housing, Mr. Mycio has in depth experience of the Housing agenda and the strategic responsibilities that the City will need to discharge following the completion of the stock transfer programme.
- 2.5 As a successful member of the Strategic Management Team Mr. Mycio also has a deep understanding of the City's corporate priorities and has the requisite management and leadership qualities that will be necessary to successfully drive through the development of a strategic Housing function. Additionally he will be able to provide the level of support and leadership for the Regeneration Management Team that is necessary to successfully deliver key priorities for the City.
- 2.6 If the Committee were to agree to this transfer, then it is proposed that Mr Mycio relinquish all of his current responsibilities as Deputy Chief Executive (Performance) with the exception of continuing to lead the SMT Sub Group responsible for developing a Neighbourhood Strategy as agreed at the last meeting of this Committee.
- 2.7 If Members were to agree this appointment then it would be necessary to ensure that we maintain focus and momentum across the entirety of the Deputy Chief Executive (Performance) portfolio, particularly in relation to developing a comprehensive and sustainable Performance Management framework which will support a successful Comprehensive Area Assessment

outcome. Equally it is critical that the City Council continues to provide strong and effective leadership for strategic partnerships on issues around health improvement and crime and disorder, in conjunction with the Health Authority, Police and Probation Service. The Deputy Chief Executive (Performance) has played a pivotal role in co-ordinating activities of strategic partners and it is vital that we maintain highly visible leadership across these key agendas.

- 2.8 The Chief Executive therefore recommends this post be subject to an external appointment process in order to identify the very best talent available to address the City's key strategic priorities.
- 2.9 Members are therefore recommended to appoint a Panel to progress all arrangements with regard to the appointment of a new Deputy Chief Executive (Performance). In accordance with the City Council's constitution and Officer Employment Procedure Rules the composition of the Panel should be politically balanced.
- 2.10 Given the timescales attached to an external recruitment process and in order to maintain continuity in the short term, it is requested that delegated authority be granted to the Chief Executive, working in consultation with the Leader of the Council and the Executive Member for Finance and Human Resources, to make appropriate arrangements for the management of the Performance Division, pending a permanent appointment to the post of Deputy Chief Executive (Performance).
- 2.11 The Director of Housing has also been offered an appointment with the newly formed Homes and Communities Agency and will take up this new appointment from 1 December 2008. In the circumstances, the Deputy Chief Executive (Regeneration) will consult with the Executive Member for Neighbourhood Services and the Head of Corporate Personnel in order to make all necessary arrangements to appoint a new Director of Housing.

3. STRATEGIC CULTURAL PROJECTS

- 3.1 The delivery of major cultural projects continues to be central to the successful delivery of the city's regeneration priorities and are critical to our ambition to be a major international city.
- 3.2 The Chief Executive and Deputy Chief Executive (Regeneration) take a lead role in the development of such projects utilising support where appropriate from within the Regeneration Division or through the Cultural Strategy Team. Whilst this approach has been sustainable to date and has contributed to successes around the refurbishment of the Manchester Art Gallery and the opening of the Bridgewater Hall, it is evident that more dedicated capacity is required at a more senior level to sustain these successes.
- 3.3 At the present time, the Head of Cultural Strategy is coordinating the City Council's input to major cultural projects working directly to the Chief Executive and Deputy Chief Executive (Regeneration) and is being paid an

honorarium payment to take her salary to the equivalent of £65,000. The Chief Executive now wishes to take the opportunity to consolidate this arrangement by creating a new post of Head of Strategic Cultural Projects to lead on key projects, both at implementation and feasibility stages.

- 3.4 The role will encompass the need to design specific delivery models and governance arrangements to facilitate wide stakeholder engagement. Responsibilities include the need to ensure all projects deliver financial and environmental sustainability and are subject to high-level risk assessment.

Key responsibilities for the post will include:

- Design and manage the delivery of key strategic cultural projects for the Council, working with a range of stakeholders.
 - Design and deliver creative proposals for major Council led new projects, including outline Business Cases and advocacy documents.
 - Identify and make recommendations on new opportunities for investment in cultural strategic projects following needs analysis across the cultural infrastructure.
- 3.5 It is proposed that the post is established at a salary of £65,000 and that the Head of Cultural Strategy is assimilated into this role as it formalises the responsibilities that she is currently undertaking. The postholder will report to the Deputy Chief Executive (Regeneration) but will work closely with the Chief Executive on a day- to- day basis.
- 3.6 It is further requested that delegated authority be granted to the Deputy Chief Executive (Regeneration) in consultation with the Head of Corporate Personnel to finalise a job description for this new role.
- 3.7 The Head of Corporate Personnel will support the new Head of Strategic Cultural Projects to establish a small dedicated team from within existing resources to take forward detailed work programmes around the delivery of key strategic cultural projects.

4. NEIGHBOURHOOD SERVICES

- 4.1 In the report to Personnel Committee on 10 July 2008, Members approved revised arrangements for the management of the Neighbourhood Services Directorate and in particular, the assignment of new roles of Assistant Chief Executive (Neighbourhood Strategy and Delivery) and Head of Environmental Strategy. The assignment of these new posts, together with the establishment of an SMT Sub Group led by the Deputy Chief Executive (Performance) signals a clear intention to bring much greater strategic focus to activities within the Neighbourhood Services Directorate and to exploit cross service and multi-agency working arrangements wherever possible.

- 4.2 Work is now underway to implement revised structural arrangements to support these redefined objectives and the post of Head of Environmental Strategy is currently out to advertisement.
- 4.3 The AGMA Executive is currently considering proposals which identify the capacity that needs to be put into place at senior levels to establish the AGMA Commissions and enable them to realise the city region's ambitions. These proposals are shaped by an understanding that the capacity to provide leadership at a sub-regional level needs to be identified, in the first instance, from within AGMA authorities.
- 4.4 The Council has already recognised the need to support sub- regional working, including taking a leading role in the work of the AGMA Environment Commission.
- 4.5 As might be expected with an emerging agenda, there is a demand and need to increase the City region's ability to respond and to and meet its environmental challenge and opportunities. The publication of the mini stern, the focus on waste and recycling and the challenge of low carbon growth have given rise to renewed momentum, but the different elements and agencies at work across the Commission need to be coordinated and directed on behalf of the Commission.
- 4.6 The Commission requires a visible leader who can pull together the different elements of the Commission's work programme, oversee the establishment of the CCA and work with the other Commissions to shape a step change in the city region's response to environmental challenges. There is an urgent need to engage with other cities nationally and internationally, to strengthen links with senior business leaders and harness the resource that is available in the city region's higher education sector.
- 4.7 Given the criticality of this work, AGMA recognises that this needs to be effectively led and coordinated by a suitably senior manager who is well versed and up to date on these issues, as well as having a clear understanding of the emerging AGMA perspective. The Strategic Director of Neighbourhood Services is already engaged on these activities and following discussions he has indicated that he would be prepared to be seconded from his current role to be dedicated to these activities.
- 4.8 It is therefore proposed that, subject to agreement with AGMA Leaders and Chief Executives, the Strategic Director of Neighbourhood Services be seconded to exercise a senior management role to support sub- regional working, including taking a leading role in the work of the AGMA Environment Commission for an initial period of two years, to be subject to review. Accountability would be to the lead AGMA Chief Executive on Environment.
- 4.9 Subject to the Committee agreeing to this proposal, it is recommended that an Appointment Panel is formed to progress all arrangements with regard to the appointment to the vacant post of Strategic Director of Neighbourhood Services. In accordance with the City Council's Constitution and Officer

Employment Procedure rules, the composition of the Panel should be politically balanced.

- 4.10 Given the timetables attached to an external recruitment process, it is recommended that delegated authority is given to the Chief Executive, acting in consultation with the Leader of the Council and the Head of Corporate Personnel with the relevant Executive Members to effect appropriate interim arrangements for the effective management of the Neighbourhood Services Directorate, pending a substantive appointment.

5. MANAGEMENT OF ICT SERVICE

- 5.1 The City Council's ICT Service is currently located in the Corporate Services Directorate under the strategic management of the City Treasurer. The service is currently involved in a Service Improvement Project which is progressively centralising management of all the City Council's ICT functions.
- 5.2 A new Corporate Information Strategy has recently been agreed which recognises the essential strategic role of information in supporting the delivery of key council and city wide priorities including the Local Area Agreement, the Community Strategy and thematic partnerships. It also supports the achievement of a Knowledge Capital of skilled and motivated people, and delivery of the City Council's own People Strategy.
- 5.3 Advances in technology are increasingly providing us with opportunities to use information in innovative ways that improve the lives of our customers and their neighbourhoods. There are also opportunities to make better use of information to provide improved services more efficiently.
- 5.4 The Information Strategy has been developed by the Director of the Manchester Improvement Programme in consultation with SMT colleagues and is now moving into its implementation stage. It is becoming clear that integrated strategic leadership and delivery arrangements are appropriate.
- 5.5 The Chief Executive therefore believes that it is timely to propose a transfer of the day- to- day management of the ICT service from the City Treasurer to the Director of the Manchester Improvement Programme. This will provide for a strategic momentum in implementing the Information Strategy that is aligned to the aims of the Manchester Improvement Programme, and is in direct support of transformational change.
- 5.6 There is sufficient capacity, experience and vision within the existing MIP management structure to realign the organisation of the ICT service with the agreed objectives of the Information Strategy. Additionally, the success of the implementation of this strategy rests primarily with changing attitudes and behaviours when managing and using information. The Director of the Manchester Improvement Programme is eminently well placed to give appropriate strategic consideration to the cultural and behavioural issues which will secure the ultimate success of this strategy.

- 5.7 As such, the Director of the Manchester Improvement Programme will exercise strategic leadership responsibilities for the development of the Council's People Strategy in support of the achievement of required cultural change. The Director of MIP will therefore continue to work closely with the Head of Corporate Personnel and the Head of Leadership Development who will retain day- to- day management for delivery of the People Strategy and the associated professional resources.

6. IMPLICATIONS FOR KEY COUNCIL POLICIES

- 6.1 The proposals set out in this report are entirely concerned with supporting the achievement of all key Council Policies.