
**Manchester City Council
Report for Resolution**

Report to: Personnel Committee – 16 March 2011

Report of Chief Executive

Subject: Corporate Core Service Redesign Proposals

Purpose of report

This report relates to the corporate core of the Council, comprising the Chief Executive's, Corporate Services and Transformation Directorates. Its purpose is to seek approval for changes to the management structure and organisation of the core, in order to give effect to the budget decisions approved by full Council on 9th March. The proposals within this report will reduce and refocus the resources within the core, whilst ensuring that it continues to support the effective discharge of the Council's leadership role for Manchester.

The proposals within this report are required to support delivery of the overall budget saving requirement for the corporate core of £44.9m which is 26% of the total net budget.

The report provides a summary of the overall proposals for management rationalisation across the corporate core and should be considered alongside proposals for service redesign across the Children's Services and Neighbourhood Services Directorates, which are reported elsewhere on this agenda. The proposals within all three reports are supported by an overarching report on this agenda on how the people aspects of transformation will be delivered to ensure delivery of the budget and medium term financial plan, whilst aligning our skills and capacity to the Council's priorities.

This focuses on changes in the following service areas:

Strategic Management of the core – Section 2 and Appendix A.

The Transformation Directorate and Performance Division – Section 3 and Appendix B.

Policy, Performance, Research and Intelligence Centre of Excellence – Section 4 and Appendix C.

Regeneration Division – Core Regeneration function -Section 5.1 and Appendix D.
Strategic Housing – Section 5.2 and Appendix E.

Neighbourhood Regeneration and Economic Development – Section 5.3 and Appendix F.

Programme Management and Resource Procurement – Section 5.4

Corporate Property / Strategic Development Function – Section 6 and Appendix G.

Performance Division functions transferred to other directorates:-

Crime and Disorder – Section 7.1 and Appendix H (See also reports on Neighbourhood Services and Children's Services for detailed proposals)

Joint Health Unit – Section 7.2.

Further redesign proposals in respect of the following services will be presented to future meetings of the Committee in line with the agreed transformation programme timeframes. The further reports will demonstrate a continued reduction in overall management costs for the Council;

- ICT and Customer Strategy
- Manchester Adult Education Service (MAES)
- Planning and Building Control
- Strategic Housing – Phase 2

Recommendations

That the Committee:

1. Note progress to date in integrating and transforming the corporate core of the organisation and to endorse the overall approach as set out in this report.
2. Disestablish the role of Deputy Chief Executive (Regeneration).
3. Disestablish the role of Strategic Director of Transformation.
4. Disestablish the two roles of Deputy Chief Executive (New East Manchester) and the role of Director of Neighbourhoods (New East Manchester).
5. Grant delegated authority to the Chief Executive, in consultation with the City Treasurer, the Assistant Chief Executive (People), the Leader of the Council and the Executive Member for Finance and Human Resources to implement the management structures as set out in this report and deal with all consequential staffing matters arising
6. Grant delegated authority to the Chief Executive, acting in consultation with the City Treasurer, the Assistant Chief Executive (People), the Leader of the Council and the Executive Member for Finance and Human Resources to develop and implement the structures beneath grade 12 management posts.

The current and future strategic management arrangements within the corporate core are attached at Appendices 1 - 8.

Financial implications for the revenue and capital budgets

The proposals included in this report will contribute to the overall combined savings target for the corporate core of £44.9m which includes £33.9m of savings as set out in the corporate core revenue budget as well as the £7.5m saving requirement on the Housing Revenue Account and a further £3.5m of direct grant reductions against which these proposals relate. The specific changes proposed in this report will result in a net cost saving to the Council of £1,136,434 (£1,386,449 including 22% on-costs) as a direct result of management rationalisation at grade 12 and above and disestablishment of 18 FTE posts.

It should be noted that a further reduction will also be achieved through from the rationalisation of posts at grades 10 and 11. These changes will contribute to the City Council's overall target to reduce management posts by 41% over the period 2011 to 2013, and will increase as a result of reductions to be made through further service redesign over the next year.

Contact officers

Name: Sir Howard Bernstein
Position: Chief Executive
Telephone: 234 3006
E-mail: h.bernstein@manchester.gov.uk

Name: Geoff Little
Position: Deputy Chief Executive (Performance)
Telephone: 234 3280
E-mail: g.little@manchester.gov.uk

Name: Steve Mycio
Position: Deputy Chief Executive (Regeneration)
Telephone: 234 3031
E-mail: s.mycio@manchester.gov.uk

Name: Richard Paver
Position: City Treasurer
Telephone: 234 3564
E-mail: r.paver@manchester.gov.uk

Name: Elaine Bowker
Position: Strategic Director, Directorate of Transformation
Telephone: 234 6958
E-mail: e.bowker@manchester.gov.uk

Name: Susan Orrell
Position: City Solicitor
Telephone: 234 3087
E-mail: s.orrell@manchester.gov.uk

1. SUMMARY

- 1.1 The budget approved by the Council on 9th March reduces the resources available to the corporate core of the Council to a greater degree than the outward facing Strategic Directorates. The budget also sets out how the organisation of the Council will change so that we are not deflected from our priorities for Manchester within the Community Strategy.
- 1.2 For the corporate core the priorities are:-
- a) Leadership of the City to create the conditions for private sector led growth and jobs for Manchester people;
 - b) Leadership of public sector reform to reduce dependency, the costs of which are disproportionately high for Manchester. Given the reductions in funding for public services this requires the creation of new methods of investment so that savings from reduced demand can be reinvested; and
 - c) Management of the Council to deliver the organisational changes needed to deliver the challenging reductions in the overall budget whilst continuing to deliver the Council's priorities. This focuses on improving commissioning by Strategic Directorates and integrating commissioning and delivery of services around individuals and families at neighbourhood level. Given the reductions in the size of the Council's workforce this requires a focus on delivery of m.people as the Council's method of flexible development and deployment of skills.
- 1.3 This report presents proposals changes in the organisation of the leadership and management of the corporate core to deliver the priorities set out above and to deliver the required budget reductions. The key changes are as follows:-
- a) The post of Director of Transformation will be disestablished and the core function which supports service transformation of the Council's services will be integrated under the leadership of the Deputy Chief Executive (Performance). This will embed the change management and business improvement function of the Transformation Directorate and the people aspects of the Town Hall transformation programme into the Performance Division along with the People, Performance, Research and Intelligence and Partnership functions. The ICT and Customer Strategy functions of the Transformation Directorate will be the subject of a separate report to this Committee later this year.
 - b) These functions will be drawn together across the Council and organised into centres of excellence with support drawn to Strategic Directorates through business partner relationships and to neighbourhoods through Neighbourhood Regeneration Teams. The centres of excellence model will be a key feature of the organisation of

the Council into Strategic Directorates, Neighbourhood Delivery and Regeneration Teams and the corporate core. Last year the HR/OD functions were organised into a centre of excellence model. This report sets out how Transformation, Policy Performance, Research and Intelligence will now also be organised into the same model.

- c) The Town Hall Transformation Programme will be integrated into the Performance Division. The Deputy Chief Executive Performance and the City Treasurer will work together to ensure an integrated programme across People, Capital and Property.
 - d) The post of Deputy Chief Executive (Regeneration) will be disestablished and the functions which support economic growth and regeneration will be grouped under the Assistant Chief Executive (Regeneration) reporting directly to the Chief Executive. These are the city policy (function focused on economic growth, housing, planning and transport policy) as well as neighbourhood regeneration, resource procurement, strategic housing, planning and Manchester Adult Education Service (MAES).
 - e) In the first of two phases of redesign, the Strategic Housing service will be restructured to integrate its strategic functions into the city policy function to focus on economic growth and neighbourhood regeneration.
 - f) Also within the regeneration function, the area regeneration teams are to be repositioned as Neighbourhood Regeneration Teams, including Ward Coordination, and the economic development unit will be strengthened. The regeneration programme management function will be rationalised to focus on resource procurement.
 - g) Skills within the corporate property, regeneration and the New East Manchester development team will be brought together to form a core Strategic Development Function. In addition to its current duties for which it remains accountable to the City Treasurer, the role of Head of Corporate Property will also take on responsibility for the Strategic Development Function reporting, for that purpose, to the Chief Executive.
 - h) The outward facing functions of the Chief Executives department of Culture, Crime and Disorder and the Joint Health Unit will be transferred into Strategic Directorates and whenever possible integrated into Neighbourhood Delivery Teams.
- 1.4 The remainder of this report explains in more detail the changes to organisational arrangements and roles at grade 12 and above to implement the changes set out above. Details are also given of the associated cost reductions. There are no increases in salaries resulting from these changes and all roles will be filled by existing staff.

2. STRATEGIC MANAGEMENT

- 2.1 The Chief Executive has been working closely with members of the Council's Strategic Management Team to consider the opportunities available for rationalisation of the current management arrangements. The disestablishment of the posts of Deputy Chief Executive (Regeneration) and Strategic Director of Transformation, result in an annual salary saving of £138,066 and £120,894 respectively.
- 2.2 These changes will result in a realignment of the post of Deputy Chief Executive (Performance), to lead the public sector reform agenda with key partner agencies, including delivery of the Manchester Investment Fund for complex families and the development of Community Budgets, and the internal leadership of service improvement within the organisation. The current and future strategic management arrangements within the corporate core are attached at **Appendix A**.

3. TRANSFORMATION AND PERFORMANCE

- 3.1 As part of the proposal to disestablish the post of Strategic Director of Transformation, further changes are also proposed to the wider management arrangements for the Transformation Directorate and the Performance Division, for which a summary of current and future management arrangements is included at **Appendix B**.
- 3.2 The functions of the current Directorate of Transformation will be slimmed down and embedded within the wider corporate core. The Head of Transformation (Business Change and Customer), and Head of Transformation (Town Hall) will transfer to the Deputy Chief Executive (Performance) and be aligned with the wider organisational improvement responsibilities of this post. The key priority for Head of Transformation (Business Change and Customer) will be to support the implementation of the changes across all directorates to deliver the savings and skills required by the budget and to support change programmes with public service partners and AGMA.

4. POLICY, PERFORMANCE, RESEARCH AND INTELLIGENCE CENTRE OF EXCELLENCE

4.1 Background

- 4.1.1 In September 2010, this Committee approved the reassignment of the Head of Financial Management to Assistant Chief Executive (Finance and Performance). This resulted in the deletion of the Assistant Chief Executive (Performance) post. The Assistant Chief Executive (Finance and Performance) has been working with the Assistant Chief Executive (Regeneration) to fundamentally review the policy, performance, research and intelligence functions within the corporate core and the directorates.

4.2 Rationale for change

4.2.1 The establishment of an integrated centre of excellence model will act as the main co-ordinating function, providing strategic oversight and support across all directorates, and aligning priorities and resources behind the organisation's strategic objectives and priorities.

4.3 **Performance, Research and Intelligence**

4.3.1 The primary purpose of the performance, research and intelligence function is to provide as much credible evidence as possible to support the decision making process. It is now necessary to raise the bar and respond to the new challenges. These include the need to:

- Support the development of the Manchester Investment Fund and Community Budgets.
- Play a central role in developing a corporate direction whilst continuously learning and improving.
- Better connect finance and performance information.
- Assemble the evidence required for switching investment to new interventions using cost benefit analysis.
- Establish a simple and strategic commissioning cycle with clear links between assessment, planning, data, delivery and performance management.
- Properly understand cross cutting and high risk issues.
- Respond to the challenge of more for less by providing methodologies to reliably compare policies.
- Support our leadership role in Greater Manchester.
- Strengthen our strategic relationship with the third sector.
- Strategic leadership of the equalities agenda
- Leadership for integrated commissioning

4.4 **Policy**

4.4.1 The City Policy function within the corporate core will be a small, outward facing team focused on our priority to create the conditions that will enable and drive economic growth. The team will integrate the key corporate policy functions for economy, housing, planning and transport and also take over management responsibility for resource procurement from its current establishment position reporting to the Head of Regeneration. This will enable the necessary synergies to be made between policy and case making for the city. It will provide an external leadership role for the City in our ability to shape the key national, regional and sub-regional relationships and organisational arrangements that influence and shape the context in which we pursue our growth aspirations.

4.4.2 Key policy issues on which the team will focus, might include: understanding and forecasting growth patterns; the transition of regional architecture (our current leadership role in shaping arrangements for the closure of the Regional Development Agency is an example); private sector investment and relationships; labour market dynamics; analysing the emerging localism agenda; becoming a strong advocate for the City with Government; and

identifying and accessing new funding and investment opportunities.

- 4.4.3 The City Policy Team team will work closely with each of the Directorates to ensure that there is a coherent and integrated approach to policy making in the City. The Team will also work closely with and add value to the work of external partners, particularly the Commission for the New Economy to ensure that the City has the necessary evidence base to support the roles set out above.

4.5 **Proposed service redesign**

- 4.5.1 It is proposed that current senior management arrangements across all service Directorates for Policy, Performance and Research and Intelligence functions, will be disestablished and responsibilities transferred to the existing posts of Head of City Policy and Head of Performance, Research and Intelligence. It is proposed to redesign the current role of National Census Coordinator as Data Governance Manager at the existing grade, to take on additional responsibilities for the management of data and data governance. Delegated authority is sought to establish the following management posts. These are existing posts re-organised and amended to reflect new priorities and the centre of excellence model. There are no increases in salary compared to the existing posts they replace.
- 4.5.2 Head of Business Improvement and Partnerships (Proposed Salary: circa £65k)
Performance, Research and Intelligence Manager (Proposed Salary: Grade 12)
Policy and Strategy Manager (Proposed Salary: circa £55k)
- 4.5.3 A structural representation of the new arrangements is provided at **Appendix C**. These proposed changes will result in an initial saving of £34,344. It should be noted that a further reduction will also be achieved as a result of additional reductions in Grade 10 posts.

5. **REGENERATION**

5.1. **Core Regeneration Functions**

- 5.1.1 As part of the proposal to disestablish the post of Deputy Chief Executive (Regeneration), further changes are also proposed to the wider management arrangements for the Regeneration Division, for which a summary of current and future management arrangements is included at **Appendix D** and explained below.
- 5.1.2 With the exception of culture, the remaining responsibilities of the Deputy Chief Executive (Regeneration) will be transferred to the post of Assistant Chief Executive (Regeneration). The focus of this post will be to provide leadership on creating the conditions for economic growth, translating growth into jobs and ensuring that Manchester people are equipped to access those jobs. The role will assume overall strategic management responsibility for

Housing, Planning and Transport, in addition to the existing responsibilities for Regeneration City Policy and MAES.

- 5.1.3 As indicated in section 4 above, the City Policy function, as part of the Policy, Performance, Research and Intelligence centre of excellence will have a central role in promoting economic growth. By integrating policy in relation to strategic housing, planning and transport, this team will be able to focus on the conditions required by the private sector to drive economic growth and to create jobs. In pursuit of this, the team will play a key role in supporting the Council's leadership role within AGMA.
- 5.1.4 In line with proposals presented to the Executive of 2nd February, in relation to the Combined Authority for Greater Manchester, it has been agreed that staff within the various Greater Manchester Transport Units will now be transfer to Transport for Greater Manchester (TfGM). The majority will be transferring under TUPE by virtue of their functions being transferred to TfGM under the new governance arrangements, with the assumption that staff will formally transfer on 1 April. The current Head of Transport will remain employed by the City Council but the role redefined to support AGMA and the Combined Authority. Whilst these moves support the overall ambition for management reduction within the corporate core, they do not represent a financial saving to the Council as a result of these posts previously, and in the future, being funded by AGMA or the Combined Authority. The residual City Council transport policy function will transfer to the City Policy unit, for which detailed proposals for redesign are contained within section 4 of the report.
- 5.1.5 Planning and Building Control service will focus on statutory roles and responsibilities involved in development management relating to planning applications, development compliance, and associated activities.
- 5.1.6 To enable this change there will be a number of issues arising in terms of operational arrangements, including;
- An initiative to consider the feasibility of establishing a combined Local Authority Building Control function at AGMA level with a possible implementation date of 1 April 2012;
The incorporation of the Planning Strategy team within the City Policy function as part of the Policy Performance, Research and Intelligence centre of excellence (see section 4).
- 5.1.7 The timescale for service redesign is linked with the Government's proposed changes to the planning system, including the move to full cost recovery on planning applications; the need for enhanced business systems to improve customer service and compensate for staff reductions; and, progress on the AGMA Building Control initiative.
- 5.1.8 In the first instance, the post of Head of Planning & Building Control is to be disestablished, which will result in a saving to the Council of £70,002. It is anticipated that there will be further management changes requiring Personnel Committee approval once the service redesign is complete which will result in

further savings whilst still ensuring appropriate leadership for the Planning service post-redesign. It is anticipated that proposals for Planning will be reported to Personnel Committee in June 2011.

- 5.1.9 Further rationalisation of management capacity, will also be achieved as a result of current developments relating to New East Manchester Ltd and delivery of the Eastlands Strategic Regeneration Framework, which will be reporting separately in more detail to the Economy, Employment and Skills Overview and Scrutiny Committee and submitted for approval to the Executive on 7th and 16th March respectively. Delegated authority from the Executive is sought to establish a formal joint venture partnership with Manchester City Football Club (MCFC) to drive forward the comprehensive development of Eastlands. The Partnership will also oversee a coordinated approach to the management and operation of the facilities in and around the Eastlands estate, through the establishment of a joint team comprised of officers from the Club and the City Council under the co-leadership of the current Chief Executive of New East Manchester, who will be seconded full time to the project.
- 5.1.10 Subject to approval of the Executive for delegated authority to establish the formal joint venture partnership with Manchester City Football Club, these proposals represent a combined saving to the Council of £350,196. This will be as a result of the secondment of the current Chief Executive of New East Manchester to the project on a full time basis, funded by the Sportcity Collaborative Agreement, and the disestablishment of two Deputy Chief Executive (NEM) and Director of Neighbourhoods (NEM) posts. Aligned to this which is a service redesign of the Corporate Property service and New East Manchester Development Team, for which further details are provided later in this report.
- 5.1.11 Responsibility for culture will transfer to the Neighbourhood Services Directorate. The Neighbourhood Services Directorate will also become the principal client for the development of cultural facilities, with delivery remaining the responsibility of the Capital Projects Team.

5.2 Strategic Housing

5.2.1 Background

- 5.2.2 A strong strategic housing function will be crucial to the delivery of the City's economic growth aspirations. In the period of recovery after a recession which impacted so severely upon the housing sector, with the pressing requirement to develop new models which suit the City's needs and planned changes to housing investment, the Council's leadership role of the housing agenda will be key. Housing is a fundamental part of the supply side to the economy which needs boosting and this is reflected in the Policy model being promoted elsewhere in the report which sets out to better integrate policy for economic growth, housing, planning and transport.

- 5.2.3 Alongside Planning and Transport, Housing will, therefore, integrate its strategic functions to support the economic growth agenda and the work of Neighbourhood Regeneration Teams. Service redesign will take place in two phases, one to be implemented immediately with a further more significant review in circa 12 months. This is to reflect the fact that there are a number of key priorities to be delivered during the next year or so including the HRA Business Plan, the re-procurement of the ALMO contract and securing the future housing management of remaining stock in the City. These proposals will require a review of current arrangements, transactional negotiations with third parties, compliance with procurement rules, consultation and an Executive decision. Delivering this scale of change will require retention of some managerial capacity over 2011/12 after which the structure will be reviewed again.
- 5.2.4 During Phase 1 of the service redesign, it is proposed that other support services will be transferred as appropriate to the wider corporate core (e.g., IT, capital programme and communications). Through a local co-operation agreement, the contribution of Registered Social Landlords will also be maximised. The remaining strategic functions will be aligned into a small core team.
- 5.2.5 In the future, it is proposed that the Strategic Housing Service will be refocused to become a strategic commissioner of services, ceasing to directly deliver services.

5.3 **Proposed Service Redesign**

- 5.3.1 The following management roles will be disestablished on the basis of the redesign outlined above:-

Head of Housing Strategy
Head of Estate Management
Head of Housing Access

- 5.3.2 A structural representation of the new arrangements is provided at **Appendix E**. These proposed changes will result in an initial saving of £164,843. It should be noted that a further reduction of £84,904 will also be achieved as a result of additional reductions in grade 10 posts and that further reductions still will be achieved at grade 11 as part of the second phase of the service redesign.

5.4 **Neighbourhood Regeneration and Economic Development**

5.4.1 **Background**

- 5.4.2 The purpose of the current area regeneration teams and economic development unit is to develop and deliver regeneration plans, projects and strategies to create successful neighbourhoods, communities and get more people into work. The work of these teams remains a key priority for the Council and its partners but the policy and fiscal context is changing

considerably at a National, Regional, Sub Regional and City level, driving the need to refine and improve our current ways of working and staffing structures.

- 5.4.3 In order to respond to the above context and key drivers, the overall aim is to strengthen the core function of the Economic Development Unit and to reposition the current area regeneration teams as Neighbourhood Regeneration Teams (NRTs). The transformation of the service has involved reviewing the work of several separate teams including:- Area Regeneration Teams, North, South, and East ,the Economic Development Unit ,Ward Support Officers and Administrative staff.

5.5 Proposed Service Redesign

- 5.5.1 The newly combined function will provide strategic leadership and an integrated response to focusing on place, people and work. In particular the teams will have a strong focus on the future development of 'Place' and take on an overall 'custodian of place role' acting as advocate for communities and neighbourhoods, influencing the commissioning of services and investment where it is needed most within the context of the Strategic Regeneration Frameworks (SRF).

- 5.5.2 Through the integration of Economic Development and Ward Support into the Neighbourhood Regeneration Teams stronger emphasis will be placed on tackling worklessness and providing more capacity to deliver on anticipated SRF work programmes. The NRTs will work closely with Directorates, the Neighbourhood Delivery Teams and Strategic Development.

- 5.5.3 In terms of senior management redesign it is proposed that the current Head of Economic Programmes role be disestablished and that the current Area Based Regeneration Manager posts be redesignated as follows, on existing salaries;

Regeneration Manager – South, Central and Wythenshawe
Regeneration Manager – East
Regeneration Manager – North
Regeneration Manager – EDU

- 5.5.4 A structural representation of the new arrangements is provided at **Appendix F**. These proposed changes will result in an initial saving of £58,089. It should be noted that a further reduction of £210,742 will also be achieved as a result of additional reductions in Grade 11 and 10 posts. These reductions will contribute to the total combined savings target of £2.5m for the Neighbourhood Regeneration, Economic Development, Programme Management and Resource Procurement service redesign projects. This savings target takes circa 40% of the capacity out of existing teams which reflects the fact that the service has been largely externally funded for the last ten years from grants which will no longer exist from April 2011 onwards. As such, it is proposed that a review of the impact of the savings on delivering priorities in neighbourhoods be undertaken in autumn 2011.

5.6 Programme Management and Resource Procurement

5.6.1 **Background**

- 5.6.2 Programme Management is currently an integral part of the existing regeneration service and provides support to the regeneration teams, and other teams within the Chief Executives Department and wider partners at both a local and regional level.
- 5.6.3 The work of the programmes teams is crucial in supporting the City Council's regeneration agenda. However as with regeneration teams, the policy and fiscal context has changed dramatically and the implications of the public funding reforms reduces and, in some cases ends, current funding regimes thereby reducing the need for programme management of such resources. Instead a key driver will be a requirement for the Council to place more focus on attracting new funding sources to support regeneration and Strategic Regeneration Framework activity across the city. There is therefore a need to refine and improve our current ways of working and staffing structures.
- 5.6.4 Greater Manchester is developing a new approach to investment, decision making and resource deployment. This is a challenging and technically complex agenda that requires significant input from across Greater Manchester authorities. It is essential that Manchester City Council plays a central role driving this work to ensure that it delivers for the City and that the potential to create a radically new settlement with Central Government is achieved. The Programme Management and Resource Procurement team lead this work for the City and will need to have a balance of skills that provides effective leadership in the development of new investment models, resource prioritisation methodologies and allocation.
- 5.6.5 In order to respond to the above context, the programming functions need to be rationalised and redesigned to focus on the identification and attraction of new forms of investment both public and private. The transformation of this service has involved reviewing the programming work of the area based regeneration teams, the Regeneration Programmes Group and related administration, programme management functions in Crime and Disorder, health and culture, Housing Market Renewal and the AGMA Grants Unit. The overall aim is to provide a Resource Procurement and Programme Management (RP&PM) function to provide a more streamlined and responsive service which responds to our corporate strategic priorities on behalf of the city. The future focus of RP&PM will be to develop a creative and dynamic service, best placed to successfully procure external funding for services and to provide project and programme management support linking back into an accountable body role for the Council.
- 5.6.6 Given the revised role for this team and the likely requirement for case-making and bid writing skills and support it is proposed to reposition the redesigned service within the City Policy Team to ensure strategic priorities are maintained.
- 5.6.7 The team's future role will involve:

- Identifying and bidding for external funding for MCC and its partners from UK Government, European sources and others including private sector.
- Leading, co-ordinating and supporting bid development and submission.
- Providing effective programme management functions which manage risk/performance/accountability on behalf of MCC and its partners
- Working closely with key partners and stakeholders in particular the new Centre of Excellence – Policy and Research.

5.6.8 The current management arrangements will be disestablished and replaced by a new post of Programme Management and Resource Procurement Manager at Grade 11.

5.6.9 A structural representation of the new arrangements is included at **Appendix G**. These proposed changes will result in an initial saving of £65,000 as a result of the disestablishment of the post of Head of Regeneration Programmes Group. It should be noted that a further reduction of £52,020 will also be achieved as a result of additional reductions in Grade 10 posts. These reductions will contribute to the total combined savings target of £2.5m for the Neighbourhood Regeneration, Economic Development, Programme Management and Resource Procurement service redesign projects.

6. CORPORATE PROPERTY / STRATEGIC DEVELOPMENT FUNCTION

6.1 Background

6.1.1 A new streamlined and focused approach is needed to lead and deliver transformational projects which remain critical to the City's future success over the coming years. Long-term, development-driven activity that is spatially focused is needed to continue the transformation and regeneration of the City. It will help to accelerate the process of restructuring both the economic base of the City and our housing markets. The changing nature of the organisation and the financial parameters that we must now work within call for a clear and well-organised approach to strategic development.

6.1.2 To achieve this ambition a realignment of skills is proposed across the Corporate Property function, the current New East Manchester Development Team, regeneration, planning and legal services. A core Strategic Development team will therefore be established under the leadership of the Head of Corporate Property who will report to the Chief Executive in relation to this function and continuing to report to the City Treasurer for the existing responsibilities of her post.

6.2 Rationale for Change

6.2.1 The current structure has been in place for three years and has worked well to deliver the Corporate Landlord approach, support regeneration priorities and manage the Jacobs contract. The service is being redesigned so that

resources are realigned to ensure that its key business plan priority, delivering significant savings from large scale rationalisation of operational property, is delivered. The service also needs to make efficiency savings and will do this by reducing the number of teams from three to two, creating a smaller but more flexible resource to provide advice to regeneration customers, rationalise the operational property and Asset Management teams to reflect a smaller capital repairs programme and simplify how the Jacobs contract is managed.

- 6.2.2 At present there are three teams: Property Strategy, Regeneration and Business Support (including Contract Management and Performance). It is proposed that the teams are rationalised into a more flexible Property Strategy team and a Commercial and Business Support team. To support the Head Corporate Property in the leadership of the Strategic Development Function it is proposed to align the two current Deputy Posts (Property Strategy and Commercial and Business Support) at a cost of £2,655
- 6.2.3 New East Manchester staff will transfer to the appropriate establishment within the Council. These staff will transfer to Corporate Property's establishment and will be in scope for the service redesign. The current cost of this team is £210k per annum. This cost will be absorbed in the proposals for the redesign of Corporate Property and the establishment of the strategic development function.

6.3 **Proposed service redesign**

- 6.3.1 The proposal is to bring together key skills within the Council to create a small core team. This team will have the capacity to lead projects, co-ordinate their analysis and appraisal and, working with staff and partners inside and outside the Council, bringing them forward for delivery. The team will include property development expertise, neighbourhood transformation expertise, programme and project management expertise. The core team itself will be small but will draw in resources from across the Council to provide financial, legal, planning, property and project management advice on a project-by-project basis. In the majority of cases the resources will already be funded within existing services, but there will need to be a budget for programme and project management as the Capital Programme team has a zero based budget.
- 6.3.2 It is proposed that the role of Head of Corporate Property be expanded to take on the responsibility of leading the core Strategic Development team. There is to be no change to the post holder of the Head of Corporate Property.
- 6.3.3 The core team will include two Strategic Neighbourhood Leads, one of whom will be Deputy Team Leader and who will lead on Collyhurst / Irk Valley regeneration on a full time basis and be identified from existing staff with the appropriate skills and expertise within the Council.
- 6.3.4 The second will focus on West Gorton regeneration, initially as a part time role from within the East Manchester Neighbourhood Regeneration Team. This may need to become a full time role should the Brunswick PFI be secured.

There will be also two Principal Development Surveyors and a Programme Manager again drawn from existing Council staff.

6.3.5 To enable the Head of Corporate Property to focus on leading the Strategic Development team it is proposed that the position of Chief Property Officer be established at a salary of £75k to oversee the management of the Property Strategy and a Commercial and Business Support team referred to in 6.2.2 above. It is proposed that the existing Deputy Chief Executive, Property, NEM (current salary £91,374), whose post is being disestablished, be appointed to the position. A further report will be submitted to Personnel Committee in 12 months to review these arrangements.

6.3.6 Senior management posts proposed for the new structure are as follows:

Strategic Neighbourhood Lead x2 (Proposed Salary: circa £70k)
Principal Development Surveyors x2 (Proposed Salary: circa £60k)
Programme Manager (Proposed Salary: Grade 12)

6.3.7 It is proposed that the new core Strategic Development function be funded for two years from the capital fund, with funding of £1m included in the budget. A structural representation of the new arrangements is attached at **Appendix G**.

7. PERFORMANCE DIVISION FUNCTIONS TRANSFERRED TO STRATEGIC DIRECTORATES

7.1 Crime and Disorder

7.1.1 It is proposed that the Crime and Disorder service be refocused and embedded into outward facing strategic directorates. The posts of Head of Crime and Disorder and Head of Youth Interventions will be disestablished resulting in savings of £75,000 and £60,000 respectively.

7.1.2 The core Crime and Disorder Strategic Partnership Team will be transferred to the Neighbourhood Services Directorate. The Community Safety Co-ordination and the Anti-social Behaviour Action Team will also move to Neighbourhood Services and be integrated into Neighbourhood Delivery Teams.

7.1.3 The family intervention services run by the Crime and Disorder Service and the Youth Offending Service will transfer from the core to the Children's Services Directorate.

7.1.4 Domestic abuse services will be integrated into the Adults Directorate and drug and alcohol commissioning to the public health function when this comes to the Council.

7.1.5 A structural representation of these proposals is included at **Appendix H**. These arrangements will ensure that the progress the City has made through partnership working to reduce crime and disorder can be maintained by embedding these functions with other frontline services. Despite significant

loss of external funding for crime and disorder, residents will continue to receive services which respond to their priority of reducing crime and disorder, especially anti-social behaviour.

7.2. Joint Health Unit

- 7.2.1 The appointment of a single Director of Public Health for Manchester, leading both the Public Health Team based in NHS Manchester and the Joint Health Unit based in the Council, means that these teams have already been managerially integrated to create Public Health Manchester. By April 2013 the majority of public health functions and funding will be transferred to the City Council.
- 7.2.2 In advance of the transfer of public health to the Council, a formal public health transformation project will commence on 1 April 2011, led by the Director of Public Health working with the Strategic Director for Adults. The end point of the project can be defined as a single public health specialist system that is based in the Directorate for Adults. However certain functions may sit with other bodies yet to be established (e.g. Public Health England) and the future employment arrangements for many NHS public health staff have yet to be determined.
- 7.2.3 The public health function, incorporating the Joint Health Unit, will focus on delivering the Community Strategy priority of health improvement and tackling health inequalities. As well as Statutory NHS responsibility, the Director of Public Health will also focus on the Council's key corporate priority of ensuring that more Manchester people have the health and wellbeing to take advantage of the city's economic wealth and to reach their full potential. The Director of Public Health will, therefore, attend the Council's Strategic Management Team, as necessary.

8. CONCLUSION

- 8.1 Subject to the Committee approving the proposals set out in this report, the changes to senior management will be implemented.
- 8.2 Detailed design of the structures below grade 12 will also be progressed in line with the principles set out in this report and in consultation with staff and Trade Unions.

9. COMMENTS FROM TRADE UNIONS

- 9.1 TO FOLLOW

10. COMMENTS FROM ASSISTANT CHIEF EXECUTIVE (PEOPLE)

- 10.1 I confirm that I support the proposals within this report and will ensure that appropriate support is provided to the Chief Executive to progress all arrangements for implementing the proposals and appropriate changes arising from them.

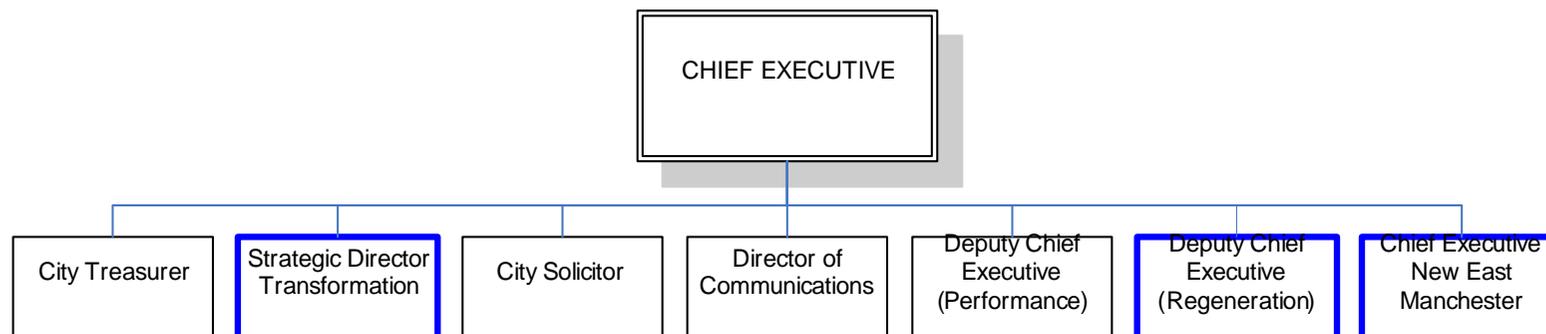
ATTACHED AS APPENDICES

- A. Corporate Core Strategic Management
- B. Transformation / Performance Strategic Management
- C. Policy, Performance, Research and Intelligence Centre of Excellence
- D. Regeneration Division
- E. Strategic Housing
- F. Neighbourhood Regeneration and Economic Development
- G. Strategic Development Function and Proposals
- H. Crime and Disorder

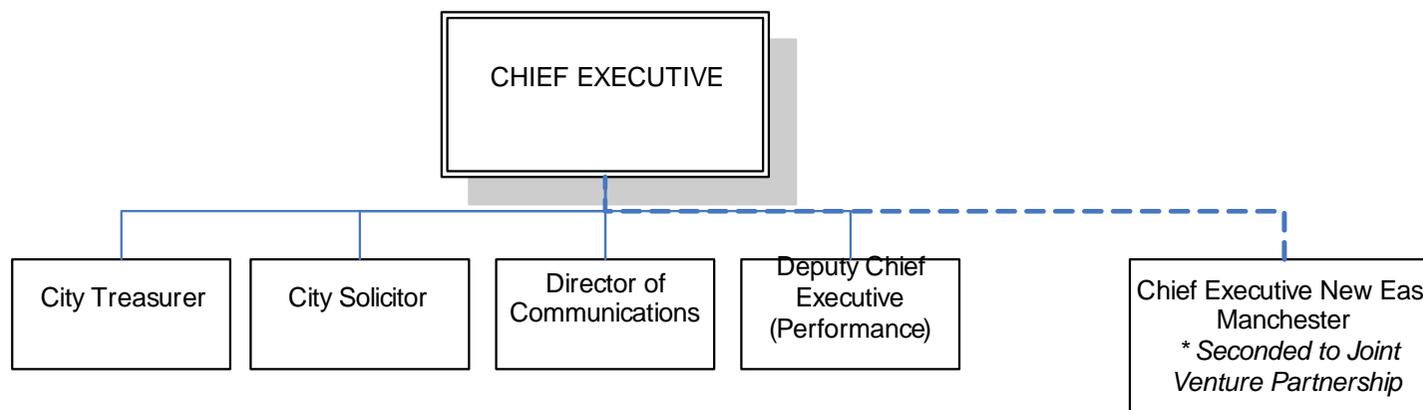
APPENDICES

Appendix A: Corporate Core Strategic Management

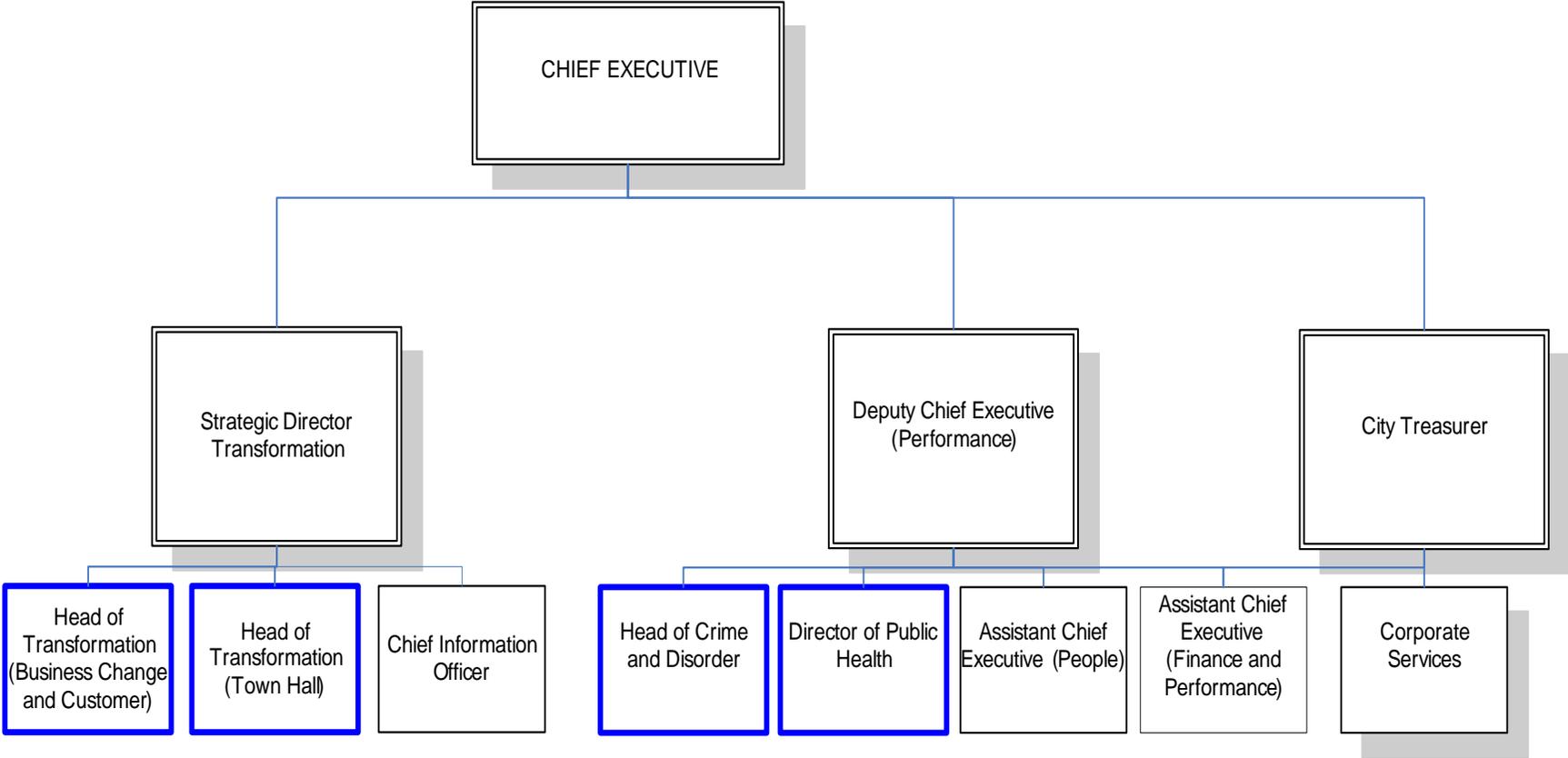
AS IS



TO BE

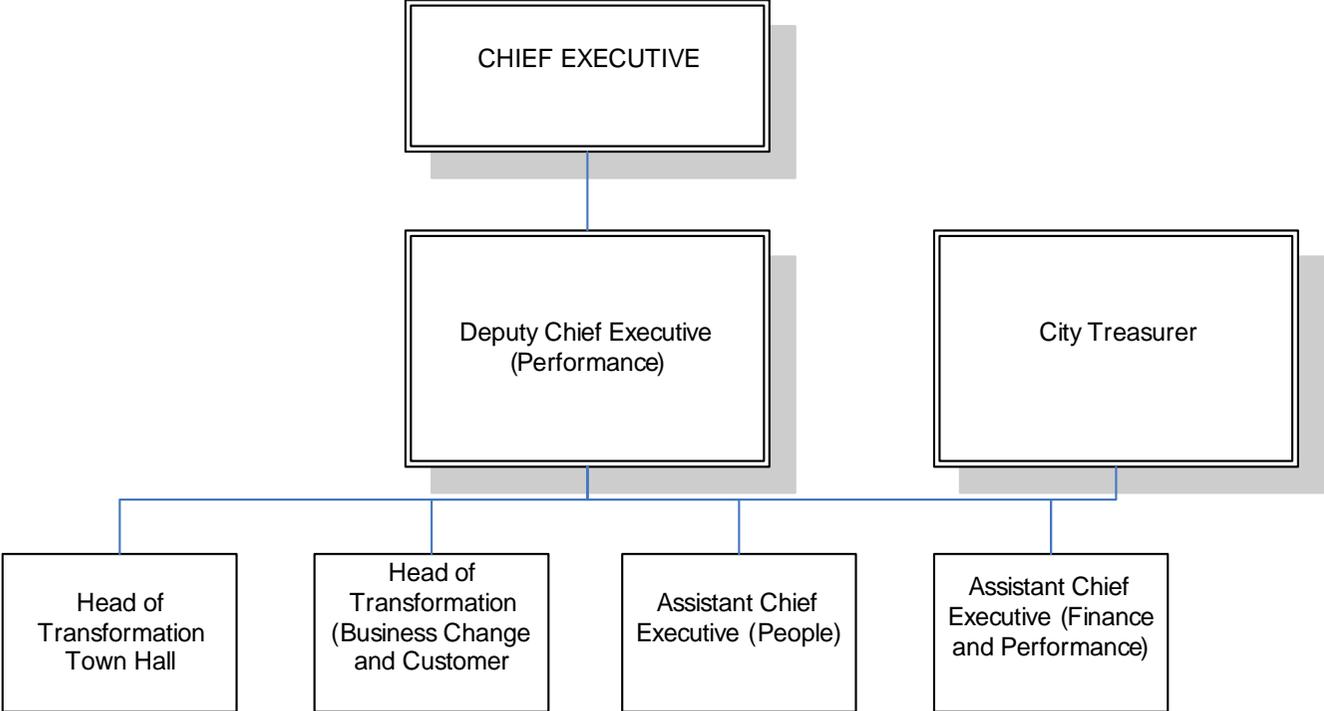


Appendix B: Transformation / Performance Strategic Management

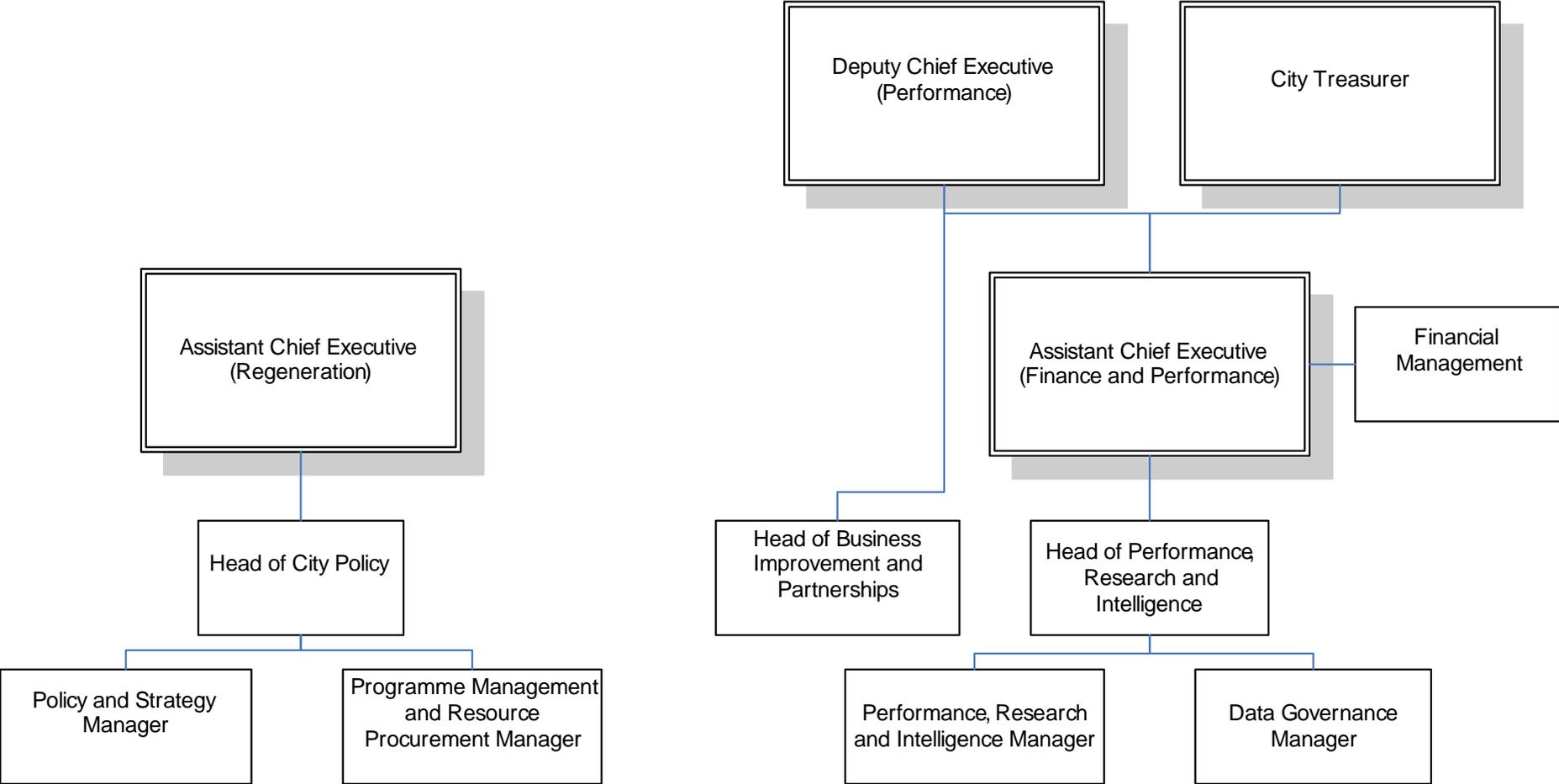


AS IS

TO BE

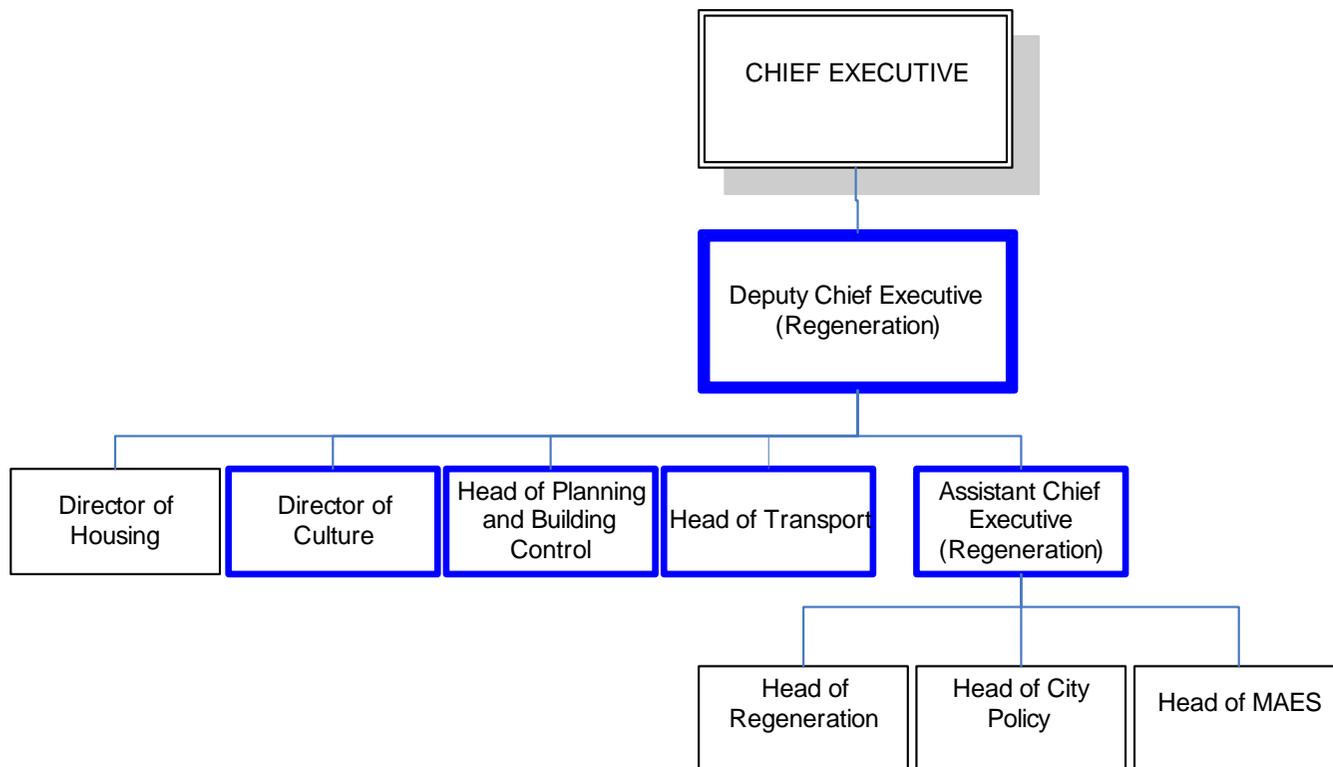


Appendix C: Policy, Performance, Research and Intelligence Proposed Service Redesign

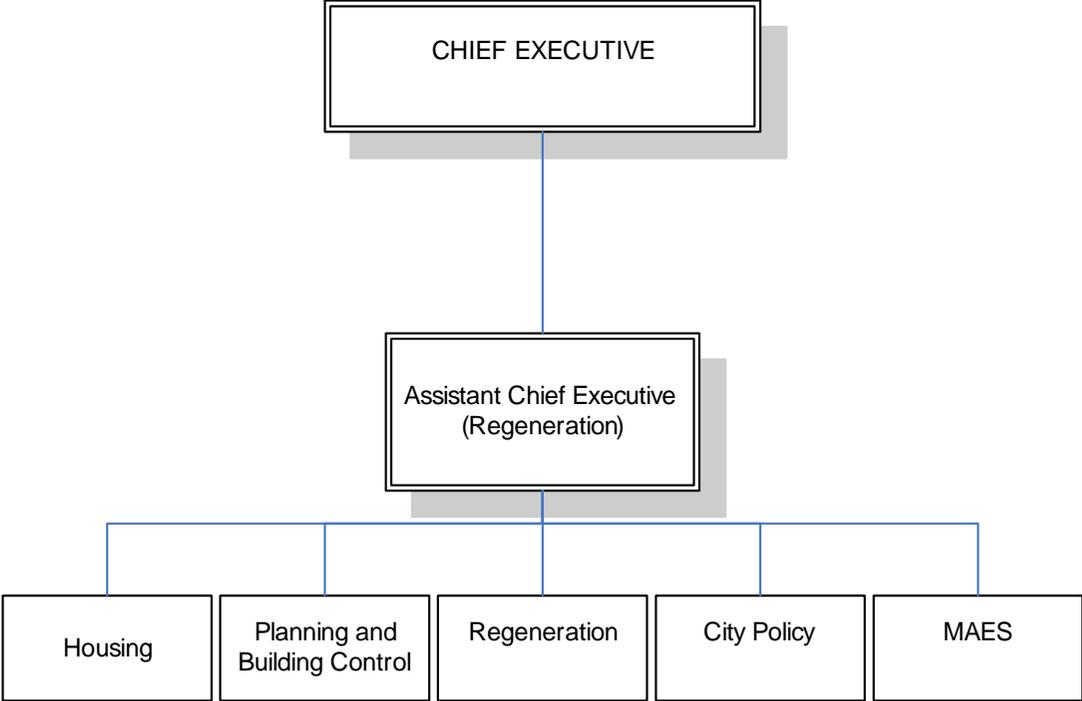


Appendix D: Regeneration Division Strategic Management

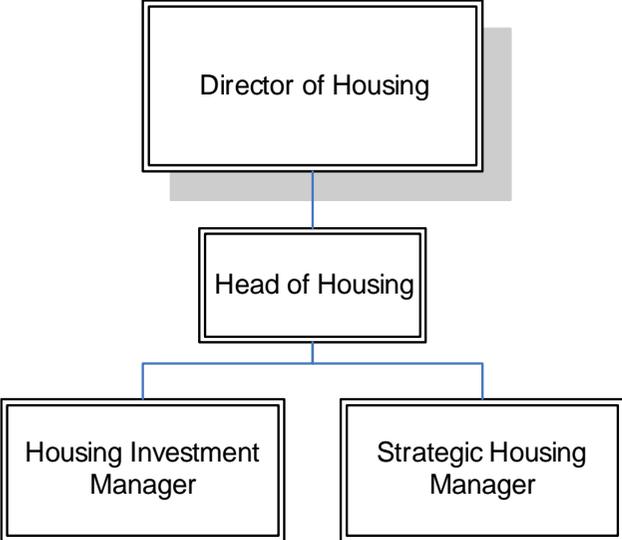
AS IS



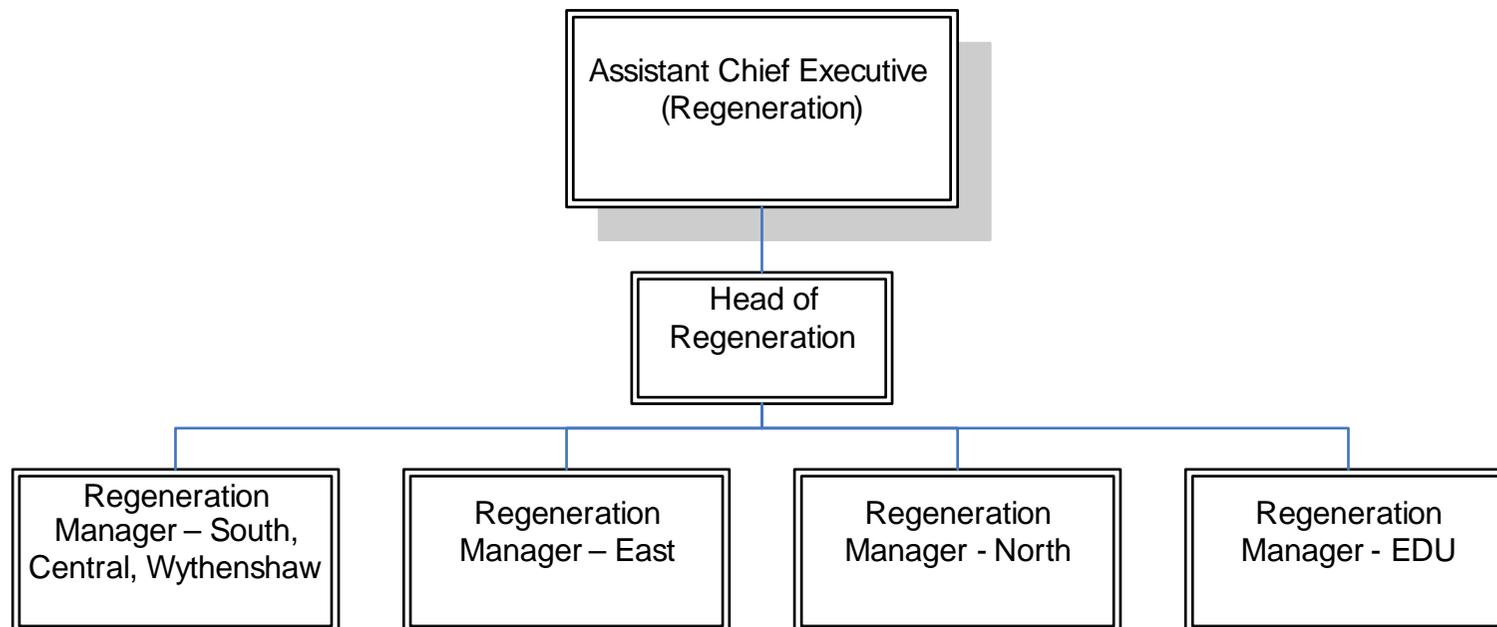
TO BE



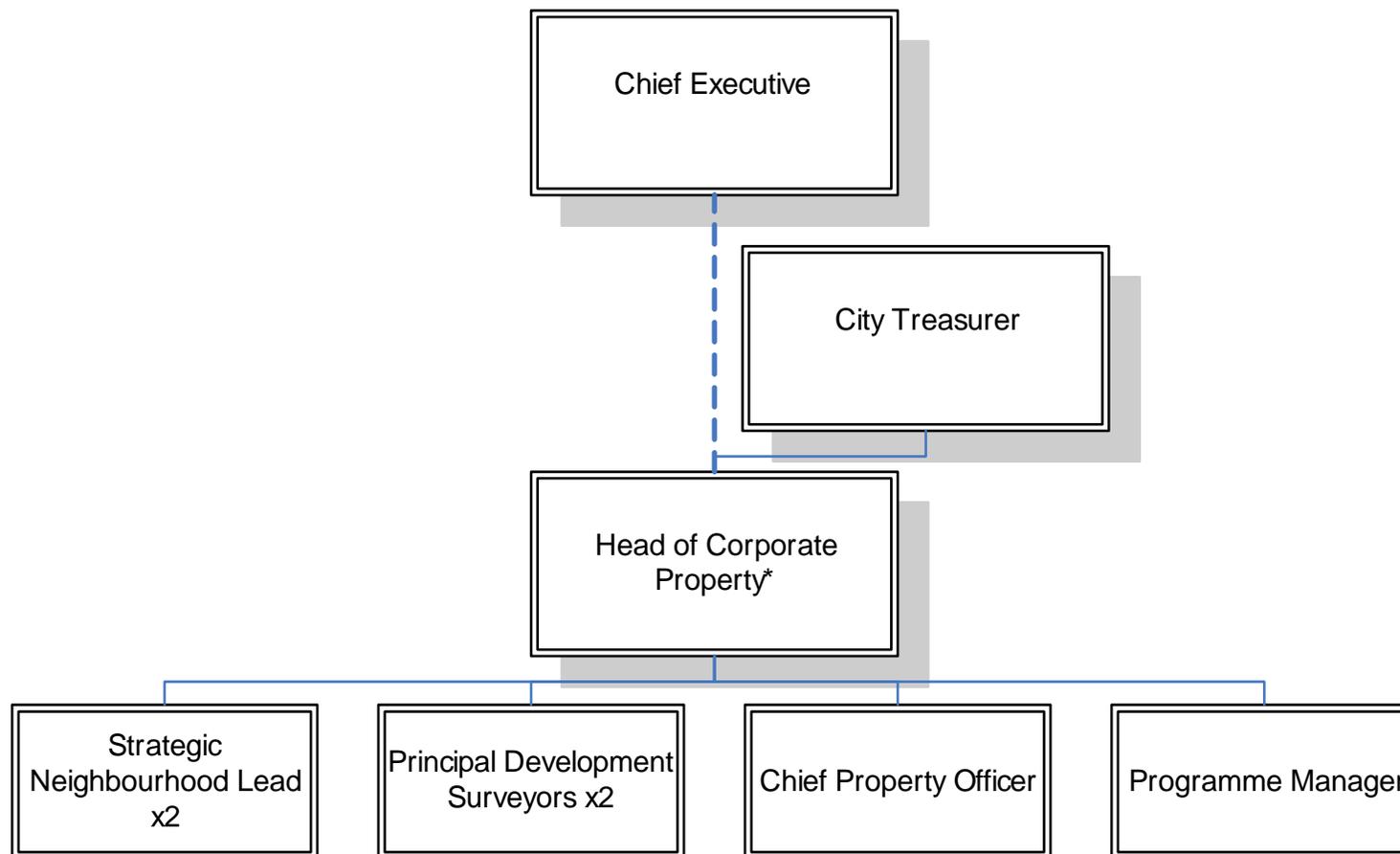
Appendix E: Strategic Housing Retained Functions



Appendix F: Proposed Neighbourhood Regeneration and Economic Development Service Redesign



Appendix G: Proposed Strategic Development and Property Function



- Reports to Chief Executive for the purposes of Strategic Development Function

- **Appendix H: Realignment of Crime and Disorder Functions**

