
**Manchester City Council
Report for Resolution**

Report to: Personnel Committee – 16 November 2016

Subject: Project Director ‘Our Town Hall’

Report of: Deputy Chief Executive (Growth and Neighbourhoods)

Summary

The Town Hall Complex is one of Manchester’s greatest cultural and civic assets, which makes a significant contribution not only to the heritage but also to the identity of the City.

The transformation of both Central Library and the Town Hall Extension have already shown how 21st Century services can be delivered from historic buildings, making better use of space whilst protecting their distinctive characters. It was always envisaged that the Town Hall and Albert Square would be next to ensure that Manchester’s Town Hall Complex can continue to be an asset for the city and its people for generations to come. A significant programme of work will ensure our historic building and visitor attraction is fully repaired and restored and remains an iconic landmark and a functioning and efficient Town Hall for the City and residents of Manchester.

The refurbishment of the Town Hall is currently estimated to cost up to £330 million and will take up to seven years to complete. In order to successfully deliver a project of this significance, complexity and scale the right leadership must be identified and this report brings forward a proposal to establish a senior post of Project Director ‘Our Town Hall’ reporting to the Deputy Chief Executive (Growth & Neighbourhoods) with a reporting line through to Capital Programmes.

Recommendations

Personnel Committee is recommended to;

1. Approve the creation of a senior leadership post of Project Director within the Capital Programmes division but directly managed by the Deputy Chief Executive (Growth & Neighbourhoods). The Project Director will be responsible for leading and delivering all aspects of the refurbishment programme, including the design and construction, procurement, supplier management and cultural change. The post will be time limited to the end of the refurbishment in late 2023.
2. Recommend to Council that recruitment commence to the role of Project Director with a salary package of circa £120,000 to £140,000. The role will be subject to the new approach to senior Job Evaluation and dependant on the outcome may require the introduction of a market supplement. The outcome of this exercise will be reported to this Committee in December and will include any recommendations to Council if required.

3. Recommend to Council the introduction of a completion payment of £50,000 for the Project Director upon satisfactory completion of the project to agreed timelines, cost and quality. This payment will also be dependant on the Project Director leaving the employment of the Council at the end of the Project.
4. Note that the Project Director will be responsible for the design and recruitment of a delivery team of industry experts to deliver the programme – this will include a core team within the Council and a virtual team drawing in specialist and technical skills from across the Council and from supply chains and contractors. If required these proposals will be brought back to this Committee early in the New Year.
5. Grant delegated authority to the City Treasurer, Deputy Chief Executive (Growth & Neighbourhoods) and Director of Human Resources and Organisational Development in conjunction with the Executive Member for Finance and Human Resources to progress all aspects of recruitment to the role of Project Director.

Wards Affected: - City Centre

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Manchester Town Hall (MTH) refurbishment could provide the opportunity for a significant increase in employment within the building.
A highly skilled city: world class and home grown talent sustaining the city's economic success	MTH refurbishment will provide new opportunities for young people and graduates, including apprenticeships and work placements, initially during the construction phase.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	MTH refurbishment will increase the productivity and the efficiency of Council staff and support the development of an equitable city, taking advantage of new opportunities offered by devolution. There is also the opportunity through the co-location of public and private uses and new modern meetings rooms to promote collaboration and networking to strengthen the collaboration between organisations, businesses and residents, including the community and voluntary sector.
A liveable and low carbon city: a destination of choice to live, visit and work	MTH refurbishment will contribute to sustainable economic growth by retaining employment within a central location. The refurbishment will significantly enhance the Town Hall's energy efficiency and enable the incorporation of sustainable design features.

A connected city: world class infrastructure and connectivity to drive growth	MTH refurbishment will retain and improve public uses within an accessible city centre location, connected to residents and visitors by the City's expanding public transport network. The work will reinforce the City's role as the centre of public and private sector networks and meetings in the north, with connections through the Airport to support international events.
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Full details are in the body of the report, along with any implications for

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue –

The costs associated with this post will be met from within the proposed budget for the Town Hall Refurbishment.

Contact Officers –

Name: Sara Todd
Position: Deputy Chief Executive, Growth and Neighbourhoods
Telephone: 0161 234 3286
E-mail: s.todd@manchester.gov.uk

Name: Sean McGonigle
Position: Assistant Chief Executive, (Growth)
Telephone: 0161 234 4821
E-mail: s.mcgonigle@manchester.gov.uk

Name: Carol Culley
Position: City Treasurer
Telephone: 0161 234 3406
E-mail: carol.culley@manchester.gov.uk

Name: Liz Treacy
Position: City Solicitor
Telephone: 0161 234 3087
E-mail: l.treacy@.manchester.gov.uk

Name: Geoff Little
Position: Deputy Chief Executive
Telephone: 0161 234 3280
Email: g.little@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Report to Executive Committee - Town Hall Complex Strategy – 23 July 2008
- Report to Executive Committee – Town Hall Complex Programme – Transforming Customer Experience – 11 February 2009.
- Report to Executive Committee – Town Hall and Albert Square Maintenance Programme - 1 October 2014.
- Report to Executive Committee – The Refurbishment of Manchester Town Hall and Albert Square: ‘Our Town Hall’ –27 July 2016.
- Report to Executive Committee – The Refurbishment of Manchester Town Hall and Albert Square: ‘Our Town Hall’ –16 November 2016.

1 Introduction

- 1.1 The refurbishment and restoration of the Town Hall will be the biggest and most complex project the Council has undertaken for many decades. Given the scale and complexity of the project as well as the highly significant heritage nature of the Town Hall it is essential to attract and secure an individual of the highest calibre to manage the project. This report seeks to establish a new leadership post of Project Director to drive and deliver the refurbishment of 'Our Town Hall', a role that will involve senior project management and construction project delivery alongside ensuring transformational cultural change in the operating context of the building. The Council require a Project Director with the appropriate range of skills and experience and a proven track record of designing and delivering major projects, including restoration of listing buildings, previous experience of working with English Heritage, obtaining listed building consent and demonstrable success of delivering major developments.

2 Background and Strategic Context

- 2.1 The Town Hall Complex is one of Manchester's greatest cultural and civic assets, which makes a significant contribution not only to the heritage but also to the identity of the City. Manchester Town Hall and Albert Square are the most important of the buildings and public realm within the Complex in terms of significance. The Town Hall is an internationally significant landmark, is Grade 1 listed and considered to be one of the masterpieces of Victorian architecture.
- 2.2 The Town Hall will be 140 years old next year. While it has been maintained and remains structurally sound, it is now seriously showing its age with many elements reaching the end of their natural lifespan. It was clearly never designed for modern day use. The transformation of both Central Library and the Town Hall Extension have already shown how 21st Century services can be delivered from historic buildings, making better use of space whilst protecting their distinctive characters. It was always envisaged that the Town Hall would be next to ensure that Manchester's Town Hall Complex can continue to be an asset for the city and its people for generations to come.
- 2.3 In 2014, approval was given to undertake a series of detailed surveys and investigations in order to identify a deliverable refurbishment scheme that would realise the potential of the building and square, ensuring they were safe to use and which would extend their operational life. The Executive report of 27 July 2016 summarised the outcomes from these Project Initiation works and identified a range of options to both bring the building up to a safe, operational condition and to secure its long term future as Manchester's most important civic and heritage asset. A report will be considered at Executive on 16 November 2016 recommending the immediate procurement of a design team to take the project through to RIBA stage 2. It is anticipated that a final decision will be taken on the appropriate mix of uses; the preferred delivery mechanism and procurement route for the project in March 2017.

2.4 The commencement of the detailed design of the refurbishment of the Town Hall and the imminent procurement of a construction contractor will require different skills going forward. The arrangements that have been in place to date have fully met the needs of the early stages of such a project but moving to detailed design and then to overseeing major construction work will require a different set of skills and experience. Whilst the preferred delivery mechanism and type of construction procurement won't be determined until March 2017 the role of Project Director as set out in the role profile will still be required irrespective of the approach. This report seeks approval to establish the post of Project Director to lead and deliver all aspects of the 'Our Town Hall' refurbishment project. The Project Director will be required to have an appreciation and understanding of the importance and sensitivity of the building's significant fabric which must, therefore, underlie the scheduling and specification of any works to the building. This will require a highly experienced Project Director to lead the development and programme of works.

3 The Proposal - Project Director

3.1 The transformation and refurbishment of 'Our Town Hall' is one of the most significant and challenging projects in the history of the Council. At the heart of this is the opportunity to continue to modernise the cultural and behavioural ethos within our workforce, and in turn create working environments which will support excellent and effective customer services. Clearly the civic role and function of the Town Hall will retain primacy and priority with commercial opportunity as secondary. However the refurbishment also provides the upgrading of office accommodation to modern standards thus continuing the cultural change in the way our workforce operates.

3.2 Key to this transformational change is the way in which innovative approaches are developed, providing services in new and improved working environments which optimise the use of space and technology. As the commitment of our workforce is vital to achieving cultural change, it is important that we harness commitment to the programme from a very early stage. It is therefore vital that new roles are created to underpin the effective coordination and delivery of both the construction aspects of the project and cultural changes which are crucial in achieving our ambitions. This must begin with the post of Project Director as lead accountable officer.

3.3 The objectives of the 'Our Town Hall' programme are to:

- Secure the long term future of the Manchester Town Hall, its civic role and its external setting
- Retain and enhance as a functioning and efficient Town Hall
- Restore and celebrate this significant heritage asset for Manchester
- Enhance the use of the building as a visitor destination and increase access to Mancunians
- Transform users' and visitors' experiences
- Reduce carbon footprint and energy costs
- Maximise commercial opportunities and offset costs to the public purse

- Deliver economic and social value for Manchester

3.4 Leadership and management of the overall programme will be driven by the new post of Project Director at a salary of circa £120,000 to £140,000 with an additional retention and completion payment of £50,000, payable as a lump sum upon successful completion of the project to time, budget and quality. The post holder will have responsibility for the design and construction elements of the programme and will also heavily influence cultural change across our workforce in line with Our Manchester and the emerging People Strategy. Together these strategies and the working environment will enable our workforce to change at the required pace and scale. This will require the Project Director to quickly establish and harness strong relationships with key stakeholders within and outside of the Council. The Project Director will be directly managed by the Deputy Chief Executive (Growth & Neighbourhoods) but will be part of the Capital Programmes structure to ensure that appropriate professional standards are maintained and enable synergies to be maximised with other construction related teams located within the Capital Programmes Division.

The responsibilities of the Project Director will include:

- Lead on all aspects of the execution, organisation, coordination, procurement, project management and planning of the construction process and provide management and leadership to a team of professionals to ensure successful delivery is achieved.
- Procurement and contract management - managing a wide range of different suppliers, including project resource, design team, building contractors and internal departments, technology vendors, commercial operators, partners and regulatory bodies.
- The use of industry standard methodologies for the planning and progress monitoring of the project and its constituent work streams.
- Leading on the engagement of all major internal and external stakeholders, ensuring dependencies across all work streams are identified and planned into the programme.
- Responsibility for progress, risk, delivery to programme, budget and communications.
- Responsibility for the transformational change aspects of the programme and meeting technology requirements.
- Oversight of fundraising.
- Developing a functional brief for all uses of the building.
- Maximising the social value and economic benefits that can be secured through the project including skills development, apprenticeships etc.
- Dealing with tenants, facilities management and asset maintenance, supporting the decant and recant of the building and ensuring operational readiness and soft landings.
- Supporting the development and operation of a strong and effective governance structures and procedures.

3.5 This is a particularly complex construction project given the unique nature of the building and its' Grade 1 listed status, it is therefore critical that the

candidate appointed to the role of Project Director has a proven track recording of delivering similar projects in terms of scale and complexity, including restoration of listed buildings, previous experience of working with English Heritage, obtaining listed building consent and demonstrable success of delivering major developments.

- 3.6 Consideration has been given to in house capacity which has revealed that the relevant skills and experience to carry out this role are not available within the Council. Therefore, it is proposed to engage the services of a recruitment partner to undertake an executive search. Whilst the initial approach will be to fill this post through the recruitment and selection process, the Chief Executive would not wish to preclude seconding in an individual with relevant experience and credibility from an organisation familiar with such development projects.
- 3.7 The Project Director will require significant design support. The proposed services required, structure of the design team, and initial scopes of service of are being developed and procurement activity is underway.
- 3.8 In addition to the design team, the Council's client project team will require strengthening and support from a number of other specialist services. This will include legal services; cost management, curatorial, operator, facilities management, procurement and many more. The client project team will be brought together where possible from existing City Council staff and where this is not possible, given the timescale for the work; the City Council will directly employ staff. Should any services not be able to be provided adequately via those two routes, then the use of secondment or consultants will be considered. Whilst some of the resources will be put in place in the short term to maintain progress with the project, it is proposed that the majority will be put in place once a Project Director has been recruited and depending on the outcome of the further work looking at commercial opportunities this recruitment may include a Creative Director.

4 Market Research

- 4.1 The proposal set out within this report has been formulated in consideration of feedback from independent industry specialists with proven industry experience of recruiting to similar roles within the design and construction market. This expert advice has been provided in relation to both the operating model and the new role of Project Director, including an insight into the required skills and expectations of the post holder.
- 4.2 The research undertaken included soft market testing with experienced recruitment partners within the industry, taking into consideration the scale, complexity and prestige of the role of Project Director for 'Our Town Hall'. The market research included obtaining information and advice from external partner organisations and four independent specialist recruitment professionals in this field. This has highlighted that the market and, in particular, the skills and experience the Council require are rare, therefore the skills and experience sought are in demand. This research has concluded that an experienced Project Director would require a salary of circa £120,000 to

£140,000.

- 4.3 The role of Project Director will be subject to the new approach the senior Job Evaluation that has been undertaken recently. Therefore depending on the outcome and to ensure remuneration is line with market research to attract high calibre skills in a highly competitive market there may be a requirement to attach a market supplement to the role of Project Director. Therefore, should the salary change following senior Job Evaluation and the need for a market supplement arise the appropriate approvals and recommendations will be presented to this Committee so a further recommendation can be made to Council.
- 4.4 This salary recommendation reflects the strategic importance of the restoration and refurbishment of 'Our Town Hall' as well as the skills and experience deemed essential for the role of Project Director. It is of significant importance that the Project Director be retained over the seven year period to lead the project to completion. It is therefore proposed that a retention and completion payment of £50,000 is introduced for the role of Project Director. This payment would be made only if the project is delivered to time, quality and budget and will be subject to specific measurable objectives and the termination of the contract of the Project Director without further payment.

5 Comments from the Trade Unions

To be tabled.

6 Comments from the Deputy Chief Executive (People, Policy & Reform)

I have been involved with the development of the proposals set out within this report and agree with the recommendations made. The proposals have been developed to ensure the relevant and appropriate leadership capacity is in place for the future.

7. Conclusion

- 7.1 Manchester Town Hall is unquestionably Manchester's greatest cultural and civic asset, which makes a significant contribution not only to the heritage but also to the identity of the City. The investment in the rest of the Town Hall Complex and St. Peter's Square has brought about the transformation of the Civic Quarter of Manchester but this transformation is incomplete due to the deteriorating condition of the Town Hall and Albert Square. The Town Hall must also be recognised for its' historical and future role within the City's economic success. Manchester's Civic Quarter is pivotal to the next phase of growth of the city centre economy and as the Town Hall sits as the centrepiece of the Civic Quarter its' importance in delivering a wider contribution to the City's growth priorities cannot be overlooked.
- 7.2 A single overarching Project Director for 'Our Town Hall' with full responsibility is an essential appointment, supported within the overall project budget, to ensure the successful delivery of this critical project. A full-time, experienced

strategic leader is required to steer this major capital project, to lead the restoration and refurbishment of this historic landmark. It is recognised that the City Council does not currently have any person with the required skills and sector experience to lead the project. It is therefore proposed to progress external recruitment with the support of an industry specific recruitment partner.