

Resources Committee

Date: 30 July 2021
Subject: Core Investment Team
Report of: Eamonn Boylan, Chief Executive

PURPOSE OF REPORT:

This report relates to proposals within the Greater Manchester (GM) Core Investment Team to create extra posts, further to the report to the GMCA in June 2021. The proposed changes are fully funded by the Team's budget. These roles have been identified to support the Local Authorities to bring forward their development plans and more efficiently manage the central government funding that has been awarded to GM through the Getting Building Fund and Brownfield Housing Fund.

RECOMMENDATIONS:

The Resources Committee is requested to approve the amendment of the structure as follows:

1. Creation of 1 Senior Transaction Manager Post – new role
2. Deletion of 1 Transaction Manager Post
3. Creation of 1 Investment Transaction Manager Post – new role but based on existing Transaction Manager level
4. Creation of 1 Quantity Surveyor Post (Grade 11) – additional role but based on existing Grade 11 within the service.

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BOLTON
BURY

MANCHESTER
OLDHAM

ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

Equalities Impact, Carbon and Sustainability Assessment: Impacts Questionnaire

Impact Indicator	Result	Justification/Mitigation	Guidance
Equality and Inclusion			<i>See Equalities Impact Assessment Result</i>
Health			
Resilience and Adaptation			
Housing			
Economy			
Mobility and Connectivity			
Carbon, Nature and Environment			<i>See Carbon Assessment Result</i>
Consumption and Production			

Risk Management:

N/a

Legal Considerations:

N/a

Financial Consequences – Revenue:

The Core Investment Team is fully funded by interest and arrangement fees earned on housing and commercial property loans. The Senior Transaction Manager post will be funded through commercial property income and the remaining loans through Housing Investment Fund loan surpluses, as approved by the GMCA in June 2021.

Financial Consequences – Capital:

There are no capital financial consequences

Number of attachments to the report: 1

Comments/recommendations from Overview & Scrutiny Committee

BACKGROUND PAPERS:

- Report to the GMCA in June 2021: Utilisation of GM Housing Investment Loans Fund and Evergreen Fund surpluses and Inclusion of Brownfield Housing Fund Site

TRACKING/PROCESS	
Does this report relate to a major strategic decision, as set out in the GMCA Constitution?	No
EXEMPTION FROM CALL IN	
Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?	
GM Transport Committee	
Overview & Scrutiny Committee	

1. INTRODUCTION/BACKGROUND

- 1.1 In order to successfully meet future housing need in Greater Manchester, GMCA recognises the need to increase and accelerate housing delivery across the city region. The GMCA has launched the Housing Vision which sets out Greater Manchester's vision for the type and mix of development it would like to see brought forward across GM. The GM Housing Strategy has been published and provides the policy context. These documents set out the preference to deliver brownfield sites across GM, the desire to deliver a greater number of social and affordable houses and to support SME house builders and Community Led Housing initiatives. The GMSF (and emerging Places for Everyone document) includes a GM target delivery of 50,000 new affordable houses across GM over the period of 2018-2037.
- 1.2 In December 2018, the Combined Authority approved that the majority of GM Housing Investment Loan Fund (GMHILF) surpluses would be ring-fenced to support affordable housing priorities as identified in the GM Housing Strategy.
- 1.3 Given the current pressures across the Local Authorities it is proposed that a number of additional roles are created within the Core Investment Team that can provide specialist investment support to the Local Authorities to meet the objectives set out within the Housing Strategy.
- 1.4 It is also proposed that a Senior Transaction Manager post be created within the Core Investment Team to support the Investment Director in their additional responsibilities following the appointment of the second Investment Director to the Director of Place role.

2. ROLES TO BE CREATED

2.1 There are several roles that have been identified to be created to support the Local Authorities bring forward their development plans and more efficiently manage the central government funding that has been awarded to GM through the Getting Building Fund and Brownfield Housing Fund. This paper seeks approval to those roles. The roles will sit within the Core Investment Team to ensure that the investment skill set continues to be centralised in one team and allow for a blend of work across the Team. The posts can be summarised as follows:

- a. **Senior Transaction Manager (Salary: £75-80k dependent on the candidate)** – to support the Investment Director in their additional responsibilities. The Investment Director has overall day to day responsibility for the GMCA's investment funds, of which circa £300m is under direct management. The role profile for the Senior Transaction Manager is to be developed but will encompass the responsibilities of a Transaction Manager role (as set out in the Appendix) plus additional line manager, budget and deputy responsibilities.
- b. **Investment Transaction Manager** - to support the development of robust investment proposals (Local Investment Frameworks) across the GM Growth Locations. The Transaction Manager role is a generic role (with this role having a district focus) within the team and the role profile is attached as an Appendix.
- c. **Quantity Surveyor** - to provide an in-house Monitoring Surveyor Role for existing grant programmes. The Quantity Surveyor is a generic role within the team and the role profile is attached as an Appendix.

The salary levels for these roles are consistent with existing roles within the team. The Investment Transaction Manager is on equivalent level to existing Transaction Manager roles (£69,485) and the Quantity Surveyor is on par with the existing role within the service (Grade 11 £52,076 - £56,676).

The Senior Transaction Manager, who will act as a deputy and support to the Investment Director, is paid at a level set midway between Transaction Manager and Investment Director. This is felt to be commensurate with their responsibilities which will include line management of Transaction Managers.

Whilst the creation of an additional Grade 11 role does not require approval from Resources Committee it has been included for completeness.

4. RECOMMENDATIONS

4.1 Recommendations are set out at the front of this report.

5. CONCLUSION

- 5.1 The proposals within this report set out the requirements for additional resource into the Core Investment Team in order to provide the capacity for additional specialist investment support to be provided to Local Authorities.

Appendix

Transaction Manager Role Profile

The Core Investment Team is responsible for managing funding provided through the GM Investment Framework and the GM Housing Fund in support of the economic growth of the region. The team supports the development of business cases for investment and develops a pipeline of future projects to support the regeneration of region.

Key Role Descriptors:

This role is a senior post within the Core Investment Team to support the operation of the funds under management. The roleholder will be responsible for developing and managing a portfolio of loan and equity investments in private-sector led business and property development schemes across Greater Manchester, in line with an agreed Investment Strategy and Risk Management Framework.

Key Role Accountabilities:

Ensure that resources are commissioned and co-ordinated in a well-planned and controlled manner, ensuring that requirements and resource levels are fully identified.

Ensure effective communication through high quality reports, informal briefings and presentations to GMCA governance bodies, elected Members, MPs and organisations from the public, private and voluntary sectors.

Ensure that GMCA corporate requirements are consistently met, including for business planning, performance management and budget monitoring.

Specific Role Accountabilities:

Develop and manage a portfolio of loan and equity investments in private-sector led businesses and property development schemes across Greater Manchester, in line with an agreed Investment Strategy and Risk Management Framework, preparing detailed analysis to illustrate sensitivities and options in order to negotiate robust funding structures.

Report to the GMCA Investment Committees on investment propositions and pricing, identifying risks and mitigation strategies, and monitor the performance of investments made by the Funds to ensure that GMCA funding is safeguarded.

Establish good working relationships with a range of key partners including property developers, businesses, professionals and investors, and senior officers within Greater Manchester's constituent local authorities.

Instruct and manage external financial, property, construction and legal advisors to support due diligence, loan facility development, contracting and monitoring of investments.

Support the development of operational processes and credit and risk management practices.

Demonstrate personal commitment to continuous self development and service improvement.

Through personal example, open commitment and clear action, ensure diversity is positively valued, resulting in equal access and treatment in employment, service delivery and communications.

Where the roleholder is disabled every effort will be made to supply all necessary aids, adaptations or equipment to allow them to carry out all the duties of the role. If, however, a certain task proves to be unachievable, job redesign will be given full consideration.

Transaction Manager – Key Competencies and Technical Requirements

Behavioural Competencies

- **Leadership & Management:** The behaviours and actions of our managers define how we work and what we achieve.
- **Change:** Improving services and making the most of resources.
- **Delivery:** Delivery of high quality services is an essential part of what we do.
- **Influence:** Effective relationships give the best results.

Generic Skills

- **Communication:** Is able to effectively transfer key and complex information to all levels of staff, adapting the style of communication as necessary and ensuring that this information is understood.
- **Analytical:** Application of strong analytical reasoning skills and intellectual focus, taking in the wider external and internal environments. Proactively think through problems rather than reactively following a procedure-driven approach.
- **Commercial:** Demonstrates sound business intelligence and ability to identify commercially viable opportunities and secure value for money in service delivery.
- **Problem Solving and Decision Making:** Ability to react to immediate problems of a highly complex nature with associated risk factors and deliver pragmatic solutions sometimes under extreme pressure.
- **Financial Management:** Ability to represent the organisation at a senior level in financial, commercial and general management relationships with other organisations in both public and private sectors.
- **Project Management:** Ability to identify, assess and respond to the key risks to the achievement of strategic and operational objectives.
- **Strategic:** Thinks and acts cross-functionally and cross-organisationally, beyond one's own professional areas of specialism, perceiving the wider picture and the implications of short-term decisions for the achievement of long-term strategic goals.

Technical requirements (Role Specific)

Qualifications

- Degree level qualification (essential)
- Relevant professional qualification, e.g. Chartered Accountant

Experience

- Experience with an organisation involved in the funding of, or accessing funding for businesses and/or property/housing development schemes;
- Direct experience of scoping, structuring and monitoring funding (including recoverable investment) for businesses and/or property/housing development schemes;
- Specification, interpretation and constructive challenging of construction, property market, valuation, financial and legal advice;
- Negotiation with funding recipients, funding partners and key stakeholders;

Quantity Surveyor – Role Profile

JOB PURPOSE

The Core Investment Team oversees the investment of over £600m of funding into businesses and property developments, alongside providing commercial finance support to the wider CA. Of the £600m, circa £400m is directly invested and monitored by the Team.

The Quantity Surveyor is responsible for all property monitoring, ensuring that projects are running to budget and highlighting development issues. This is a technical role requiring strong property knowledge and experience.

KEY RELATIONSHIPS

- Developers
- Monitoring Surveyors
- Lawyers
- Local Authorities
- Colleges/Universities
- Transaction Managers
- Investment Directors

KEY RESPONSIBILITIES

- Overall responsibility for all property monitoring (circa £400m), including skills capital project monitoring.
- Attend site visits for all large and/or complex property schemes to understand the developments' progress and provide challenge when required.
- Review all external Monitoring Surveyors reports to identify key risks/issues.
- Advise the Transaction Manager on solutions to risks/issues that have been identified and support the conversations with the Developers around these issues.
- Prepare drawdown reports summarising the status of the development highlighting any significant risks and mitigating factors.
- Liaise with Local Authorities to understand their development pipelines.
- Advise the Transaction Managers on issues identified in the Construction reports, liaising with the lawyers when relevant.
- Line manage the Junior Quantity Surveyor with responsibility for overseeing their work.

General

- People management
- Writing reports

NB: This list of duties and responsibilities is by no means exhaustive, and the post holder may be required to undertake other relevant and appropriate duties as required.

KNOWLEDGE, SKILLS AND EXPERIENCE

Knowledge & Experience

- Chartered Quantity Surveyor with full RICS membership – MRICS (or equivalent)
- Ideally have minimum [3/5] years PQ experience
- Previous Residential/Commercial/Education project experience will be looked upon favourably
- Demonstrate good working knowledge of the JCT/NEC suite of contracts
- Understanding of property lending and structuring of transactions
- Ability to lead from the front as regards to client facing meetings, dealing with multi-disciplined teams and project delivery
- Experience of line management responsibilities

Skills & Behaviours

- Must be able to handle multiple jobs and manage their own workload, ensuring all deadlines are met.
- The role requires direct liaison with clients, developers and their professional teams and as such, excellent inter-personal skills are key.
- Confident and concise communicator both verbally and in writing.
- Accurate and excellent attention to detail.
- Pro-active and enjoys working autonomously and as part of a wider team.
- Ability to coach and mentor team members.
- Must have proficient IT skills, particularly MS Office (Word, Excel, PowerPoint).
- A collaborative approach to work, willing to share knowledge, experience, ideas and expertise for the betterment of group and self.
- Ability to work flexibly and creatively as part of an effective team
- Commitment to high standards of customer care and public service
- Requirement to travel outside the county to attend meetings etc. when required may include overnight stay
- Occasional requirement to attend residential training courses
- To be willing to work flexibly as occasional evening and weekend working may be required
- Willingness and ability to travel across the county when required, within a reasonable time to meet the role demands (individuals providing their own vehicle for use will be eligible for casual car user rate.