



Manchester's Ambition

An Interview with Sir Howard Bernstein,
Chief Executive, Manchester City Council, United Kingdom



Sir Howard Bernstein

EDITORS' NOTE Sir Howard Bernstein joined Manchester City Council as a junior clerk, rising to become the council's Chief Executive in 1998. In 1996, he was appointed Chief Executive of Manchester Millennium Limited, the public/private sector task force, to oversee the redesign and rebuilding of the city center after a terrorist bomb had damaged buildings. He later successfully steered Manchester through the 2002 Commonwealth Games, the largest multi-sport event hosted in the U.K., and he has also served as Clerk to the Greater Manchester Passenger Transport Authority bringing the tram back to the streets. He was awarded honorary degrees by UMIST, Manchester University, and Manchester Metropolitan University and a knighthood for the service he has tirelessly given to Manchester.

How has Manchester been able to maintain its strength in this tough environment?

One of the real strengths of Manchester's economy today is its diversity and strength in commercial and professional services and knowledge or science based activities. But fundamentally, we're also seeing real evidence of growth in some of the other sectors, particularly in the creative and media fields. So we've all enjoyed some high growth periods over the past 10 years or so. Thankfully, in Manchester's case, it's made us a more resilient city. There are going to be tough times over the next 12 months for everyone, but we'll cope with it better than most.

Which areas will the city council focus on to make sure that Manchester stays on the right course?

We have to keep focused on our ambitions, yet at the same time adapt to new circumstances. We have to keep moving forward and focus on being able to capitalize on our position to recover quickly post recession. Some sectors might stall for the next 12 months or so, but others will prosper, so we're still going to see progress. We are currently looking to see where we expect the next round of investment to come from. Part of our role is to shape and create new areas for investment, and a lot of our effort now is being devoted to supporting those new investment opportunities which will come to fruition in the next couple of years. Also, we are very focused on those businesses and people who are struggling because of the downturn. We will work with them to ease their transition during these difficult times. So we are strongly focused on the quality of our business and resident support. We provide quality debt counseling and look at ways of stimulating the housing market, particularly for new families. These are challenging times for all leaders right now, but we look to demonstrate, through sheer audacity, that we can move forward and become, in the next five years or so, even stronger than we are today.

Is there an effective awareness of the growth Manchester has experienced, and of the story it has to tell with regard to its diversity of industries?

I think in some part. It's becoming an increasingly understood narrative. But we never sit still and we have to do a lot more to ensure that that it's universally understood, and I don't think we're at that point yet. While much of our history has been associated with change, it's only over the past 10 years or so that we've become synonymous with growth. The perception of Manchester in many parts of the world was that it was a very proud cosmopolitan and industrial city, which had struggled to adapt to the global marketplace. Manchester, over the past 10 years, has demonstrated its ability to adapt, so we've now become more synonymous with growth and opportunity. We have to keep that process moving forward, and at the same time, not be afraid to widen people's horizons and levels of understanding about what a city like Manchester offers in terms of jobs, opportunity, and high quality of life.

Is the education system in Manchester where it needs to be, and has the city council been involved in making sure strong opportunity is there?

Public services in Manchester have been at the top of our agenda for a very long time. A competitive city has to be one which is creating wealth. But a sustainable city has to be one where the people who live there are able to access the benefits that wealth creation brings. Obviously education and developing motivation and self-esteem for people who live within Manchester is a fundamental part of what we are about. Our education service has dramatically changed its course. Ten years ago, it struggled, but it's now a vastly improving service delivering real outcomes for local people. We're on the verge of embarking on our new academy program, comprised of six new schools, which will all have a bespoke theme of leadership that has been selected because of its representation of key growth sectors within the economy such as commercial services, technology, life sciences, health, media, and construction and built form, to name a few. Part of the rationale for that program is to improve the pathways and connections between the place of work and the classroom. We have real ambitions about driving that program to deliver results for many years to come.

How focused are you on making sure health care is accessible and at the level it needs to be?

We have a universal employer health model in Manchester that matches what we have in the rest of the U.K., and we're seeing massive investment in our health facilities in the heart of Manchester. There is a very strong story to tell about our system of health and the quality of health care. One of the challenges in places like Manchester is to ensure that the excellence of these facilities is also able to change the lifestyle for many people, as it has in many parts of the Western world. But in terms of the quality of our health care, it's second-to-none.

Have environmental issues and the concept of "going green" been a key focus for you, and are you addressing those areas?

We certainly are. The issue of climate change, whether we like it or not, is going to become increasingly high on the list of concerns of investors and occupants. If you want to be a truly world-class successful city, then you've got to be seen to be at the forefront, tackling environmental

responsibilities as seriously as you tackle economic and social responsibility. All of those things increasingly have to go hand in hand. So when we talk about environmental sustainability, it's about how we can continue to grow the economy in a way that reduces our carbon emissions. When we talk about social responsibilities, it's about how we can ensure that people get to work without necessarily causing carbon emissions. It's about how we create a truly sustainable city, and we're doing a



Manchester by night

lot of work with our partners in really trying to raise the bar on how we can become not only ethically, but environmentally sustainable as a city over the next 10 years. We're very confident that a lot of the work we are doing will put us very much at the forefront of that agenda.

With regard to the accessibility to Manchester, both from a cargo perspective as well as on the passenger side, is the transportation system where it needs to be, and do you have the capacity to grow as needs increase?

We have a transport system that is very effective now, and it will remain very effective over the next five years or more. However, if we maintain the level of growth we've seen over the past 10 years, we will need to make another round of transport investments over the next decade or more. We've seen what happens when growth doesn't keep pace with transport, or when transport systems don't keep pace with growth: it puts a break on growth; it increases business costs; business becomes uncompetitive; and you then start to either seek help or possibly even decline, and that's not something we want to see happen in Manchester. We have a great public transport system now; our connections to international markets through Manchester Airport are extremely strong. Manchester Airport is one of the biggest airports in Europe; 22 to 23 million passengers go through now, serving more destinations than Heathrow, and passenger numbers will be up to 40 million in 10 years or a little more. We already have an expansion of the tram being built but we realize that over the next 10 years or more, we've got to see another round of significant investment in infrastructure, and that's one of our key priorities going forward.

You touched on the diversity of Manchester's industries. Are there specific industries on which you're most focused for bringing in foreign companies and foreign investment?

There are broad opportunities here, so we try to create targets within each sector. We try to create very clear views of who should be thinking about a Manchester/U.K./European option, and where we believe they fit into Manchester and benefit in terms of its skills, infrastructure, and organizations. We would have been in a position to

have announced at least one more major financial institution opening a location in Manchester last year. We were actually quite close on two, but all bets were off when the economy began to melt down. However, our new world-class financial district, Spinningfields, has proven a great success and is home to, among others, The Bank of New York Mellon. There are something like 1,700 jobs moving out of London and elsewhere and into the Manchester area, especially in the life science area. We're focused on a very clear and methodical approach that is designed to mix and match where we think Manchester is with where we want Manchester to be, and where we believe individual organizations ought to be as well. Our investment and development agency, MIDAS, is constantly striving to find new opportunity and has an enviable record in attracting sustainable foreign investment.

How close are the relationships between the city council leaders and the private sector leaders, and how key are those partnerships in regard to the future success of Manchester?

I do not see myself as the Chief Executive of the Manchester City Council alone; I see myself as the Chief Executive of Manchester, the place. That's very important to me being able to discharge that leadership responsibility effectively. How I work with the private sector and the voluntary sector are key to changing the place and to realizing our collective ambitions for the future of Manchester. The relationships that we have with businesses are legendary. Most of what's gone on in Manchester over the past 10 years has been delivered via very strong joint ventures incorporating partnership arrangements with private sector companies. That happens because the public sector can be quite good at doing certain things, but it's not very good at delivering major development projects; the private sector has those skills. So what we try to do is to ensure that the way in which we work together harnesses the skills and energies of both sectors in the most efficient and productive way.

What is your overall vision for continuing the success that Manchester has seen over the past 10 years?

We can all be called visionaries and we can have a vision, but that vision has got to be

compelling, realistic, and deliverable, and that means it has to be rooted in the marketplace. The collective vision we've had about Manchester over the past 10 years has been innovative yet realistic, and was proven deliverable, because it has been delivered. What we've got to do, however, is to not look back but to constantly look forward. We must recognize the different challenges facing us over the next couple of years while also looking to what the challenges might be in five years plus. We must

constantly keep a very clear perspective with regard to the long-term ambition of Manchester, and work together as a partnership to deliver it. We must also never lose our sense of balance in terms of how the market has to respond to that vision, because if the market doesn't accept that or realize it, then it's not going to happen.

With regard to foreign investment, the U.S. has been a key market for you, but are you also promoting Manchester as a brand in other regions of the world?

We now have a unique opportunity that is gaining increasing momentum because of the Abu Dhabi group's involvement in one of our football clubs. It is the first time that sovereign funds have been invested anywhere in the U.K. outside of London. So that's given us an additional impetus. They are great people and remarkably focused individuals with great ambitions for the part they want to play in Manchester. We have to keep focused on what the realistic ambitions of Manchester are.

When you first took this position, what excited you about the opportunity, and has it been what you expected?

I've worked in Manchester all my professional life. I was born in Manchester, so for me, it's more of a vocation. The Manchester of today is very different from the Manchester of 20 years ago. The great thing about the physical and economic change we're experiencing is that the things that we've been doing over the past year and what we're going to be doing this year are not even going to be coming out of the ground for another two or three years. But Manchester's success can only be measured by further change. Cities never stand still. My predecessors made that mistake; they thought the glory years of the '50s and '60s would automatically be followed with others. The changes in market forces globally changed all of that. What cities have to do is to be encouraged to constantly reinvent. Manchester is about where people, ideas, innovation, and creativity all come together. What we try to do in Manchester is promote that culture of innovation, because that's where the future of a great city like Manchester will come from, as places like New York have proven many times over many years. ●