

Manchester City Council Report for Resolution

Report to: Young People and Children Scrutiny Committee – 26 January 2016
Health Scrutiny Committee – 28 January 2016
Executive – 17 February 2016
Finance Scrutiny Committee – 25 February 2016

Subject: Children and Families Budget and Business Planning 2016/17

Report of: Deputy Chief Executive (People), Interim Strategic Director of Children's Services, Director of Education and Skills, Strategic Director Adult Social Services, Joint Director Health and Social Care

Purpose of the Report

This report provides a high level overview of the priorities to be delivered in the Children and Families Directorate in 2016/17 alongside the Directorate's budget saving proposals. This report should be read in conjunction with the Locality Plan, Pooled Budget and Schools Budget reports elsewhere on the agenda together with the accompanying delivery plans which set out the performance, financial, risk management, workforce monitoring framework and public sector equality duty impacts.

The report sets the savings the Directorate has to make in the context of its objectives and broader changes to deliver them. The accompanying delivery plans provide a framework that will be used during the 2016/17 financial year to monitor performance towards objectives, workforce development, risk and financial outturn. Taken together, the three Directorate reports and delivery plans show how the directorates will work together and with partners to make progress towards the vision for Manchester set out in the new Manchester Strategy.

Recommendations

The Scrutiny Committees are invited to review and comment on the Children and Families Budget and Business Plan

The Executive is recommended to approve the proposals in this report to be included in the budget to be recommended to Council

Wards Affected: All

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	Supporting the Corporate Core in driving forward the growth agenda with a particular focus on integrated commissioning and delivery which will focus on utilising available resources effectively and developing a diversity of providers including entrepreneurs and social enterprises. This will provide opportunities for local jobs
Reaching full potential in education and employment	Integrated commissioning will focus on utilising available resources to connect local people to education and employment opportunities, promoting independence and reducing worklessness. Working with schools to engage and support our communities.
Individual and collective self esteem – mutual respect	The focus is on changing behaviours to promote independence, early intervention and prevention, the development of evidence-based interventions to inform new delivery models integration with partners where appropriate.
Neighbourhoods of Choice	Development of integrated health and social care models and local commissioning arrangements that connect services and evidence-based interventions to local people and enable families and their workers to influence commissioning decisions aligned to locally identified needs. Schools as community hubs playing an essential role in reaching out to communities and leading early intervention and prevention approaches at a local level

Implications for:

Equal Opportunities	Risk Management	Legal Considerations
Yes	Yes	Yes

Financial Consequences for the Capital and Revenue Budgets

The proposals set out in this report form part of the draft revenue budget submitted to the Executive on 17 February 2016.

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Background documents (available for public inspection):

GM Strategic Plan – Taking Charge of Our Health and Social Care
Manchester Locality Plan

1.0. CHILDREN AND FAMILIES VISION

- 1.1 The changes proposed in this report are directed towards the vision of the Manchester Strategy. Our vision is of all Manchester people being skilled, aspirational, resilient, connected to the City's growth and therefore productive. Our vision is also of all of the City's neighbourhoods being successful places where people choose to live and where they can access a range of good services. This is reflected in our close working relationship with the Growth and Neighbourhoods' Directorate.
- 1.2. The population of Manchester is growing and becoming younger and more successful. The proportion of the population needing expensive targeted services should therefore reduce. However, the City continues to experience significant concentrations of deprivation in some neighbourhoods. The Directorate must therefore continue to reform services so that they help more people to connect to growth and become independent and resilient. The aim is for the number of people and families needing targeted services to reduce in absolute terms.
- 1.3. The vision of the Manchester Strategy therefore drives us to continue the reform of public services. The purpose of reform is to improve outcomes with less resources. We will do everything we can to protect the vulnerable and to intervene earlier to prevent vulnerability. We will integrate services and focus on the strengths in people's lives so that we help people to be as independent as possible. The aim is to safely release resources so that with the rest of the Council and other agencies, we can secure universal services that attract productive people.
- 1.4. It does not make sense to assess and support people in ways that fail to take account of the influence of their families, their community and the environment in which they live. This is why we must provide the leadership for whole family working across the City which starts with understanding the people, their strengths and the support (or assets) they can draw around them from family, friends and their community.
- 1.5. Where targeted support from public services is necessary, we must co-ordinate the right support, at the right time, in the right sequence to help people and their families to address the issues that are getting in the way of them being more independent.
- 1.6. We will work together with partners to understand who needs targeted services and ensure that appropriate interventions happen as early as possible so that people can make changes to their lives and return to independence and are not left unsupported so that issues escalate and families end up in crisis.
- 1.7. These reforms only work if the basics of service quality are being improved. The programme of change proposed in this report has therefore been designed with four service priorities in mind:-

- to avoid negative impact on the Children's Services Improvement Plan, bearing in mind that the next staging post is an Ofsted re-inspection next summer;
- to underpin the Adult Social Care Improvement Programme which is now underway following a Peer Review and to prepare our services for integration with health services;
- to keep children and vulnerable adults safe; and
- to support the Education and Skills part of the Directorate to respond to the significant increase in the number of children in the city. This challenge is key. We must secure improvements in English and Maths, particularly at age sixteen. We also need to support the development of the curriculum for employability and preparation for apprenticeships.

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2.0. CONTEXT SETTING AND OVERVIEW

2.1. About the Children and Families Directorate

- 2.1.1. The Directorate for Children and Families is responsible for social care services for children and families, public health, and for education, skills and youth services. The Directorate has statutory responsibilities for safeguarding children and adults. The Directorate is focused on helping people who have to rely more than most on targeted and specialist services to make the changes in their lives which will see them become more independent. Connecting people to the economic growth of Manchester by helping them overcome the barriers to training and jobs is key to this.
- 2.1.2. The current breakdown of the 2015/16 budget and workforce for the Directorate is as follows:

Business Area	2015/16 Gross Budget £,000	2015/16 Net Budget £,000	2015/16 FTE Number
Children's Safeguarding	82,306	67,754	699
Adult Social Care	166,783	122,121	1,278
Directorate Core and Back Office	11,113	10,560	220
Public Health	38,230	34,835	31
Education and Skills	492,890	26,535	612
Total	791,323	261,805	2,840

2.2. What Good Looks Like

2.2.1 To explain the vision this section sets out what success will look like.

2.2.2 More children will be ready for school at age five. Children and young people will be succeeding in education, employment and training, achieving above national averages at ages 5, 11, 16 and 19 and the gap in educational attainment between those from different backgrounds will have closed. From the early years to further education, the quality of educational provision will be good or better, with the vast majority accessing free early education as part of an integrated early years offer.

2.2.3 Throughout primary and high school, children and young people will develop an understanding of the skills and attributes needed for success in further learning and work, and will follow a positive pathway to further and higher level learning and work.

2.2.4 Children and young people will recognise Manchester as a good place to grow up, where their voices are heard and where there are many formal and informal activities through which they are actively engaged in the excitement of Manchester.

2.2.5. Fewer residents will be unemployed. More will have good skills and good jobs.

2.2.6 There will be a reduction in child poverty, dental decay, obesity and mental health problems.

2.2.7 Children's Services will be rated as good by Ofsted. More families will be supported through early help, which will be embedded across localities with strong community and voluntary sector engagement, and fewer children will be subject to statutory intervention. Domestic violence and abuse will have reduced. There will be fewer looked after children. Of those that are looked after, the majority will be living in the City with Manchester carers. Children will be adopted earlier.

2.2.8 Specialist children's services will be commissioned from GM-wide centres of excellence and there will be a stable, high-performing, flexible workforce,

with strong leadership and management integrated with other agencies. Resources will be shared across integrated teams.

- 2.2.9 The voluntary and community sector will continue to play a large role in creating neighbourhoods where people want to live and supporting communities that may be more dispersed but face particular challenges or exclusion. The sector will continue to run youth groups, sports and arts clubs, environmental and campaign groups, take over appropriate buildings and turn them into community hubs, welcome and integrate newcomers to the City from around the globe, run community allotments and community cafes and much more. The Council will have a productive and reciprocal relationship with the sector. Council policies and processes, such as for funding and for transfer of buildings to the sector, will reflect this and be flexible, streamlined and as light touch as possible.
- 2.2.10 Adult social care will have an integrated approach to assessment through neighbourhood care teams with health partners. There will be virtually no waiting times for an assessment as there will be a Trusted Assessor model of delivery – meaning that any relevant competent health or social care professional will be able to undertake a social care assessment and be well trained to do so.
- 2.2.11 The need for face to face assessments will be reduced by offering more technological solutions to help yourself, where online questionnaires will help citizens navigate to solutions and people can directly access community assets that do what they are looking for.
- 2.2.12 Through integrated health and social care, the Council and partners will achieve a 20% shift of resources from hospital to community services so that more people can be supported in their own homes, rather than hospital. There will be more locally-based rapid response services that can intervene earlier to help people who are poorly from deteriorating further and therefore requiring acute care.
- 2.2.13 There will be more community assets and communities will be more Age-Friendly and Dementia-Friendly. The City will have at least three more large Extra Care Housing schemes to cater for older people who seek retirement housing with the option for on-site care. There will be a reduction in people dying in hospital and more people dying in their preferred place of choice.
- 2.2.14 Early intervention and prevention services, guided by public health priorities will improve the life chances of adults living in the City and address health inequalities. People will be safeguarded from harm and abuse and wellbeing will be at the heart of everything the authority does for citizens.

2.3 Delivering Reform and Improving Quality

- 2.3.1 The Directorate will expand and develop the approaches which have been tested through public service reform. This will include a stronger focus on

helping people to connect to the networks of support within their neighbourhoods, as well as having access to good universal services.

- 2.3.2 Supported by the new Greater Manchester (GM) public service reform programme, different strands of reform will be brought together. Over time, the new early help hubs will develop into public service hubs and connect to the neighbourhood teams providing integrated health and social care.
- 2.3.3 The Directorate will build on its experience of using Cost Benefit Analysis to track investment in new delivery models to impact on demand for services. This will enable decommissioning and redirecting mainstream resources to fund the new delivery models. This approach has been tested with the troubled families programme and it is now being applied to the looked after children and the complex dependency investment programme. The same methodology will be used to implement the health and social care reforms.
- 2.3.4 The Directorate will play a full part in the work at GM level to use the influence GM now has through devolution over the future of health and social care, early years services, children's services and employment and skills programmes.
- 2.3.5 Implementing reform, whilst also improving the basics of service quality is the key leadership challenge for the directorate.
- 2.3.6 Four key challenges are:-
- (i) implementation of the Children's Services Improvement Plan and the fundamental review of all public services to children across GM;
 - (ii) GM devolution supporting integration of health and social care in the city, including mental health;
 - (iii) the future role of schools and the Council's leadership role; and
 - (iv) a shift to a strengths-based model which connects people with support in communities and a stronger relationship with the voluntary sector.

The following sections deal with each of these in turn.

2.4 Children's Services

Response to Ofsted

- 2.4.1 There is no higher priority for the Council than protecting vulnerable children and ensuring that children and their families receive good help and, when required, good care. The Council is part way through implementation of an Improvement Plan responding to the Ofsted judgement that Children's Services and the Manchester Children's Safeguarding Board are both inadequate. To support the Improvement Plan the Council last year

approved the deployment of £14m over 2015/17 to invest in new working arrangements, evidence based practice and capacity to:

- improve the consistency and quality of social work practice;
- reduce the number of Looked After Children over four years by 382; and
- to shift 310 foster care placements from independent foster care agencies to internal foster carers.

2.4.2. The £14m up-front investment funds the 'double-running' cost of the workstreams and placement costs until the target savings are delivered. The savings will fund the new investment and release cashable savings.

2.4.3 Although there are savings proposed from Children's Services (**see section 4.2 below**) these have been designed to avoid holding back the improvement journey. The savings proposed can be delivered safely as a consequence of the improvements in service quality and reduction in Looked After Children (LAC) numbers.

2.4.4 It is important to recognise the strategy to improve outcomes for LAC and reduce the overall numbers has required a significant lead in period. This is due to the many strands of improvement work that are required to work at the same time to achieve the reduction. Some slippage has occurred in mobilising all of these strands (foster care payment rates, review of high cost placements, return home of Section 20 placements). It is anticipated that in the coming months these strands can now be maximised to accelerate progress.

2.4.5 Early indications that the strategy is working can be seen from LAC savings of **£2.2m** achieved so far in 2015/16 and the reduced number of LAC from **1368** in November 2014 to **1268** in November 2015.

Fundamental Review of all Services to Children in Greater Manchester

2.4.6 The Greater Manchester (GM) Devolution Agreement published alongside the 2015 Spending Review includes a fundamental review of the way that all children's services are delivered. The Government is supporting the Greater Manchester Combined Authority with this review. An early priority is to develop and implement an integrated approach to preventative services for children and young people by April 2017. The aim is to improve outcomes for children across GM, reduce numbers of Looked After Children, Children in Need and children with Child Protection Plans; and to deliver wider improvements for families (such as improved health outcomes, reductions in domestic violence, drug and alcohol misuse, and housing issues).

2.4.7 The review will involve developing innovative proposals for collaboration across all GM authorities and partners to reduce complex demand. There are seven workstreams:-

- Complex dependency and early help to effectively reduce future safeguarding requirements;

- More complex statutory safeguarding cases;
- Children in Care, including fostering and adoption;
- Health, Early Years, Child and Adolescent Mental Health Services (CAHMS) and Special Education Needs (SEN);
- Youth Offending and Youth Justice;
- Schools, Education, Work and Skills; and
- Quality Assurance including the role of Independent Reviewing Officers.

2.4.8 Initial analysis of the variation in performance and spend across GM has estimated that continuing with 'business as usual' will lead to £40m additional financial pressures by 2020, but that there is the opportunity through this review to develop proposals that could save around £70m by then. The high-level ambition is to achieve at least a 20% reduction in LAC numbers across GM. Manchester has a goal of reducing numbers to the Core City average of 918, which is a reduction of 29%. At this stage, no additional saving from the work is included in the budget proposals.

2.5 Integration of Health and Social Care

2.5.1 The health and social care Locality Plan, provided elsewhere on the Executive agenda, details the five year vision and plan to improve the health outcomes of residents of the City, while also moving towards financial and clinical sustainability of health and care services. The Locality Plan is the city's input to the devolution proposals for GM.

2.5.2 The reforms focus on integrated services with 12 neighbourhood teams co-ordinating proactive care for those with complex needs, enabling their needs to be met earlier, within their local community and home, and ideally before their needs escalate to requiring specialist in hospital services.

2.5.3 The Locality Plan identifies the major pieces of work required to reform health and social care and rests on three mutually dependent elements:-

- A single commissioning function for health and social care for the City. This will bring together the commissioning functions of the three Clinical Commissioning Groups (CCGs) and the City Council. There will be a single executive team. The Boards of three CCGs will remain so that their understanding of the people, patients and clinicians in their patch is not lost.
- The One Team model of integrated health and social care services built on 12 neighbourhood teams will be commissioned with a single contract and single contract holder for the City to ensure speed, scale and consistency of implementation. This single contract will enable the transfer of resources from acute and residential settings to homecare and other community based services.
- A single Manchester hospital service to achieve economies of scale in back office and clinical services.

- 2.5.4. The CCGs and Council have agreed in principle that they will pool budgets where this makes sense. In the medium term this will be a minimum of £168m from the City Council and £210m from CCGs, a total of £378m, based on identified indicative budgets for 2015/16. A report recommending these pooled budgets appears elsewhere on the agenda.
- 2.5.5. The funding settlement allocation of resources to NHS England, includes a direct allocation of £450m revenue to GM, representing its 'fair share' of available transformation budgets over a five year period. The GM Strategic Partnership Board will set the criteria for the deployment of this funding (Transformation Fund) to deliver the major change programme set out in the GM Strategic Plan. The Transformation Fund will also support the implementation of some of the priorities in the Manchester Locality Plan.
- 2.5.6. Governance of health and social care is also being strengthened at both GM and Manchester levels in order to provide a secure environment for the move into a higher gear of implementation. In the City, this will include proposed changes to the Health and Wellbeing Board and the creation of a Joint Commissioning Board with the CCGs, a strengthening of the new Manchester Provider Group and a new Locality Plan Programme Board. Transparency and accountability of decision making is a key principle for these changes.

Mental Health

- 2.5.7 It is proposed that there is a whole system approach to the delivery of mental health and wellbeing services that support the needs of the individual and their families, living in their communities. This will include greater integration across health and social care services within each of the ten GM localities as well as across the wider GM conurbation and accessed in a consistent, simple way.
- 2.5.8 To achieve this the commissioning and provider landscape will need to be transformed to deliver stronger outcomes, deeper integration, needs based pathway models, pooled budgets and more community based models of support, building on the transformational programmes already in place for example Working Well and Complex Dependency. It will also address the connections between poor mental health and employment through the provision of timely and appropriate support building on the current GM Mental Health and Employment Programme of activity.
- 2.5.9 Children and Young People's mental health forms an integral part of the Health and Social Care early implementation priorities. Devolution provides GM with the opportunity to take advantage of its unique position and collectively respond to the challenges outlined within Futures in Mind and in doing so make a step change in the provision of services for the young people in GM.
- 2.5.10 Manchester's Locality Plan picks up the opportunity of these changes at GM and proposes to integrate community mental health teams at a

neighbourhood level along with community health, adult social care and primary care. Services for people with more acute mental ill health specialist services will be provided within the GM footprint.

2.6 Education and Skills

- 2.6.1 The success of the City's schools system is central to the delivery of the vision of all Manchester people being skilled, aspirational, resilient, connected to the City's growth and, therefore, productive. Ensuring children and young people - the next generation of adults and parents - progress through and from school with the qualifications and with the skills and attributes necessary for success can only be achieved through strong leadership and partnership working with the schools system.
- 2.6.2 The recent announcements in the Spending Review regarding consultation on a reduced statutory role for local Councils in running schools (through all schools becoming academies in the course of this parliament), together with changes in funding for the schools system and the Council's part in it, require a revised strategic approach to working with schools in the City. The Council expects there to be enhanced expectations on its role in the education system, a retention of responsibility for outcomes overall, for ensuring the schools system is locally cohesive and meets local need, for admissions and school place planning, and for children with special educational needs and who are vulnerable.
- 2.6.3. Proposals within this report for additional capacity for the Education and Skills part of the Directorate reflect the very significant growth in pupil numbers, school numbers and size, and the increasing complexity and expectations of providing leadership and challenge to a diverse system - including robust challenge for maintained schools within the current system.
- 2.6.4 Very recent information suggests the medium term future is very likely to see a requirement for all schools to work in formal structured partnerships including within the multi academy trust framework. The government will look to local authorities to support this process and shape the pattern of provision to meet local need through suitable local groupings of schools. A proactive approach to this, both within the City and across GM, will need to be central to the approach, with the move to a national funding formula for schools likely to provide further incentive for schools in Manchester to work in more formal partnerships. Such structured partnerships offer benefits – to sustain capacity in a self improving system, to create the capacity for local leadership of wider services and with parents and families, and to secure leadership within the city for the City's schools system – but will require significant structured planning and partnership working to achieve a locally based approach.
- 2.6.5 Alongside this, it will be vitally important to focus on the Council's key priorities to: secure better GCSE outcomes; improve the quality of all schools; put employability and careers education and guidance at the heart of school improvement; secure sufficient good quality school places; and

develop the role of schools as leaders of early help and early years services in their local areas. Using the Council's local leadership role to champion key initiatives, e.g. in reading – will enhance delivery of these core priorities.

- 2.6.6 The Directorate also proposes to test an approach whereby schools provide leadership and co-ordination for early help. The early help strategy is underpinned by the further development of the early years new delivery model and delivery of the Sure Start offer. Under the proposal, schools will connect to early help hubs which will ensure that a more targeted approach to early help delivery is effective at a neighbourhood level on the ground.

In light of these changes, a review of the role of the City's schools and of the Council's leadership role is being scoped.

2.7 Strengths-Based Approach

- 2.7.1 In line with the Manchester Strategy many of the proposals in this report are based on a different relationship between public services and the City, unlocking the power and potential of residents, communities and businesses. The Council and its partners are developing a new plan for what this means in practice drawing on learning from the other authorities as well as Manchester's own programmes like Age Friendly Manchester, its Behaviour Change programme and the Good Week pilot for younger adults with SEN.
- 2.7.2 This new relationship will comprise a number of elements. These will include staff having different conversations that build on people's strengths and assets; developing new approaches for how public services engage and empower local communities; encouraging new behaviours and attitudes among all partners in the City; improving the social and physical connectivity of the City; and creating new uses for Council-owned properties by helping communities to use them.
- 2.7.3 Many of the proposals in this report contribute to this new relationship, including the proposals relating to learning disabilities, health and social care integration, early years and early help. These proposals reject the traditional model of needs led public services asking people what their problems are, and instead look at the uniqueness of people, their potential skills, assets, relationships and community resources. This different approach concentrates primarily on what is important to people, what they want to do, and the strengths and nature of their social networks. The approach enables staff to really get to know people well, focus on the whole person rather than purely a person's needs and discover their skills, gifts and aspirations.
- 2.7.4 The budget proposals from all Directorates contain detail on how this approach will be applied to particular areas. These will form part of a single, overall approach which is being developed with the Manchester Leaders Forum, wider partners and communities to help drive forward the work and ensure proposals are coordinated. This will include core themes around investment and funding, development of community links, community asset

transfer, workforce development and changing the basis of assessment and referral processes.

2.8 Voluntary Sector

- 2.8.1 The Manchester Strategy particularly values the role of the voluntary sector, recognising that the ideas, knowledge and flexible approach to problem solving in this sector is hugely important in shaping the city and supporting communities. In particular the strategy recognises and values the deep connection many voluntary organisations have with the people who use their services and the communities within which they operate. Local people and users of services are often managing, working for, or volunteering with the organisations. In turn this means that these organisations can often connect with people in more profound and effective ways. The sector has played a critical role in building community capacity, managing assets and delivering services.
- 2.8.2 The role of the voluntary and community sector is central to the strength based approach. The Council wants to support the sector to have maximum impact and reach. It is intended to work with the sector to develop proposals before 2017/18 to pool different grant pots and relevant commissioning budgets to enable a new approach to supporting the development of community assets. The new approach to funding would be aligned with the integration of services at neighbourhood level and, in particular, the integration of health and social care and the further development of early help hubs into wider Public Service Hubs. This would be underpinned by support to an infrastructure body charged with growing and supporting community assets.
- 2.8.3 Working with the voluntary and community sector can be hampered by bureaucratic processes. For example, transferring premises to community use or seconding staff into or from the voluntary and community sector can sometimes take so long that the moment is lost. The Council will therefore undertake a review with the sector to identify those internal Council processes which most often get in the way. The Council will then review and streamline those business processes that have been prioritised. The timescales and priorities for this work will be agreed with Executive Members. Voluntary sector staff are now part of the teams developing the detail of integrated health and social care and early help.
- 2.8.4 In the past year the Council have done much to start to change our relationship with the voluntary sector. The Council have run co-production/co-design processes around equalities funding and proposals to change how carers' organisations are supported. The Council have worked successfully with a group of voluntary sector Chief Executives to improve the involvement of the sector in some of the major change processes.
- 2.8.5 In considering budget proposals the directorate has been mindful of the impact of previous rounds of budget savings on the voluntary sector. Minimum wage rises and pension changes are also increasing the pressure

on voluntary sector budgets. The proposals in this paper will have a minimal (though not nil) impact on the sector.

- 2.8.6. In the main the Council will be extending existing grant arrangements until the end of March 2017 although this will be conditional on the agreement of refreshed outcomes which align to the Council's strategic priorities. This will include the current arrangement with the VCS infrastructure organisation. It is also proposed that there will be a simplified monitoring process so organisations receiving funding from more than one source within the Council will submit a single rather than multiple returns.

3.0. DIRECTORATE BUDGET

3.1 Introduction

- 3.1.1 The Directorate has responsibility for the majority of the Council's targeted and specialist services. Over the period 2011/12 to 2015/16 the Directorate has delivered the substantial part of a £166m savings programme. The Directorate's budget for 2015/16 saw a £39m reduction. In setting its budget for 2013/14 to 2015/16, the Council has aimed to reduce demand for these services in order to shift the balance of spending towards universal services which promote growth and protect neighbourhoods as places to live.
- 3.1.2. The proposed Budget and Business Plan for 2016/17 has been shaped by the vision and priorities set out so far in this report and by the following principles for change:
- targeting services – by place, by cohorts, and by better co-ordination;
 - where there is a need to intervene to reduce dependency the principles of public sector reform will be applied (bespoke packages of integrated services, with lead workers on a whole family basis);
 - whole systems thinking to understand the totality of resources in the City;
 - co-design of new approaches with residents and partners;
 - strategic commissioning to bring together fragmented services;
 - opportunities to secure investment;
 - assessing for opportunity and solutions, not just problems; and
 - new emphasis on universal education and skills as dependency on reactive children's services reduces.
- 3.1.3 The proposed 2016/17 budget and key changes from 2015/16 are detailed in the table below with accompanying notes and further detail is provided at **Appendix 1**.

Business Area	2015/16 Net Budget	Savings Approved Budget (2015/16 Budget Setting)	New Proposed Savings	Other Adj¹	2016/17 Net Budget
	£,000	£,000	£'000	£'000	£'000
Children's Safeguarding	67,754	(300)	(4,634)	0	62,820
Adult Social Care	122,121	(1,309)	(2,795)	(651)	117,366
Directorate Core and Back Office	10,560	0	0	0	10,560
Public Health	34,835	(6,230)	(871)	0	27,734
Education and Skills	26,535	(1,544)	(562)	5,075	29,504
Total	261,805	(9,383)	(8,862)	4,424	247,984

(1) Other Adj – other adjustments

- (i) The 2015 budget process approved proposals for implementation in 2016/17 totalling £9.383m and which are detailed at **Appendix 2a**.
- (ii) Budget assumptions within Education and Skills business area allow for the second tranche of public health grant in relation to the transfer of commissioning responsibility for 0-5 year olds (£5.411m) and assume SEN reform implementation grant ceases in 2016/17 (£336k) a net total of £5.075m.
- (iii) In the context of Government policy to delay implementing the phase two proposals for the Care Act, including the financial cap and threshold, the additional funding built into the Adult Social Care business area 2015/16 base budget has been reduced by £0.651m.

3.1.4. In addition to the cash limit budget which is allocated by the Executive, the Directorate budget includes the following specialist funding arrangements, each with its own set of funding regulations, requirements and priorities and where significant announcements have been made recently. A number of related Government consultations are underway or due in early 2016.

- the Pooled Budget with Health and Better Care Fund (BCF);
- the Public Health Grant; and
- the Dedicated Schools Grant and Education Services Grant.

In developing the budget strategy and proposals, it has been integral to understand the financial context for these budget areas, which includes considerable uncertainty and risk. Further significant changes will take place through 2016.

3.2 Pooled Budget, Better Care Fund (BCF) and Integration

- 3.2.1 The BCF was established by Government in 2015/16 to provide identified funds to local areas to support the integration of health and social care. All local authorities and their partner Clinical Commissioning Groups (CCG's) are required to pool their BCF funding allocations and to prepare a delivery plan to implement specific national conditions in relation to integration, including a requirement to set a 3.5% target for reducing non-elective admissions. The BCF arrangements are intended to be an enabler and forerunner to a far wider level of integration of health and social care required to achieve long term financial sustainability and which for Greater Manchester (GM), is set down and agreed within the GM Devolution settlement.
- 3.2.2. For Manchester, the 2015/16 BCF delivery plans includes £43.861m of funding which comprises a revenue element (£37.638m), a capital element (£4.452m) and a discretionary additional Council element from the Public Health Grant (£1.771m). A significant proportion of the pooled fund (£20.901m) supports the delivery of specific services commissioned by the Council and the CCG's which were continued under the BCF. The remainder was allocated to a Local Development Fund, with £3.159m set aside for the mandatory payment for performance risk reserve and the balance of £19.801m for new schemes and investments.
- 3.2.3 The Spending Review confirmed that the BCF remains a key government tool in supporting integration of health and social care across the country. The existing BCF remains in place and will be subject to an updated policy framework. £1.5bn of additional funding for an improved BCF will be allocated to local authorities, whilst the existing BCF will continue to be directed at localities via CCGs. The provisional allocations for the improved BCF for Manchester are £3.3m for 2017/18, £14.8m for 2018/19 and £24.4m for 2019/20.
- 3.2.4. The ambition for expanding the pooled budget as integration of health and social care progresses over the next two to three years is set out in the Locality Plan. In the medium term, this will be a minimum of £168m from the City Council and £210m from CCGs, a total of £378m, based on identified indicative budgets for 2015/16. The first phase of the expansion, covering the services in scope of 'One Team' below, was supported by the Health and Wellbeing Board on 13 January and the report is included elsewhere on the agenda.
- Single point of access
 - Neighbourhood teams
 - Integrated intermediate care and reablement
- 3.2.5. The pooled budget framework will need to include clear arrangements for tracking the movement of resources from acute to the community provision, underpinned by robust evaluation and cost benefit analysis (CBA). Piloting of the CBA methodology is already demonstrating that this approach is an effective tool for tracking 'benefits'. The next steps will include scaling up this approach over the next 12 months.

- 3.2.6. The implementation of the improved BCF will become a key component of the Directorate's budget strategy. Turning the investment into new integrated services which reduce demand on hospital and residential services and transfer funding from these services to protect integrated social care on an on-going basis will remain a significant challenge.
- 3.2.7. The freedom for local authorities to implement a Council Tax precept for social care which gives those local authorities with responsibility for social care the ability to raise additional income to spend exclusively on adult social care is also an important development and the provisional estimate for Manchester is additional income of approximately £2.475m. This will be invested in providing services for the growing numbers of people in the city including providing care and support for people with learning disabilities and to provide additional mental health services. The funding will help to support a more sustainable budget and easier transition to the larger pooled budget in the medium term.
- 3.2.8. Additional social care funding will support a platform for commissioning certain social care services on a Greater Manchester wide basis relating to:
- rapid improvements in discharge to assess facilities and new models of homecare to support people to stay at home. This will not only improve the quality of life for individuals who receive services but also provide career pathways for the homecare workforce which is predominantly made up of local people;
 - the work undertaken in Greater Manchester to support the transition for people with Learning Disabilities from residential to community settings;
 - investment in scaling up the innovation and demand reduction work through a programme of workforce reform that focuses on a strength based model and the development of community assets; and
 - implementing the Greater Manchester Mental Health Strategy, which will result in changes to both commissioning and provider arrangements.
- 3.2.9. The Council and its NHS partners will, together, have to make decisions to decommission existing services where there is sufficient evidence to demonstrate that new integrated services are providing a better alternative as outlined in the Locality Plan. Together, partners need to be exploring all opportunities to invest in the new integrated services. There will therefore be a review of the effectiveness of 2015/16 BCF schemes.
- 3.2.10. Development of the pooled budget in 2016/17, preparations for the 2016/17 BCF and the improved BCF, deployment of the social care precept (if agreed) and access to the Greater Manchester Transformation Fund are critical considerations for future financial planning. The GM Strategic Plan 'Taking Charge of Our Health and Social Care' provides the detailed strategic context.

3.3. Public Health Grant

- 3.3.1. Responsibility for commissioning Public Health started to transfer to local authorities in 2013/14 and in 2015/16 this was expanded to encompass funding for commissioning of Health Visiting and Family Nurse Partnership from 1st October with the funding baseline consequently increased for the part year affect in 2015/16 to £53.7m. The Public Health grant has been an important component of the budget strategy over the last three years and actions have been taken to re-commission external contracts and refocus Council activity to deliver Public Health outcomes. Currently approximately £35m of the grant is externally commissioned and £19m commissioned from internal Council services.
- 3.3.2. The Government has implemented an in-year 2015/16 reduction to public health funding of 6.2% which for Manchester equated to £3.3m. The Spending Review has confirmed that the 6.2% reduction will be on-going but with further reductions of 2.2% in 2016/17, 2.5% in 2017/18, 2.6% in 2018/19 and 2.6% in 2019/20. These reductions total £8.652m and are set out in the table below.

Estimated Public Health Funding Reduction 2015/16 - 2019/20				
Year	Funding	Original Allocation £000	Estimated Reduction £000	Revised Allocation £000
2015/16	Public Health Grant 0-5 Grant (Oct 15 - Mar 16)	48,303 5,441		
		53,744	- 3,327 6.2%	50,417
2016/17	Public Health Grant 0-5 Grant (full year)	50,417 5,411		
		55,828	- 1,228 2.2%	54,600
2017/18	PH Grant inc 0-5 grant	54,600	- 1,365 2.5%	53,235
2018/19	PH Grant inc 0-5 grant	53,235	- 1,384 2.6%	51,851
2019/20	PH Grant inc 0-5 grant	51,851	- 1,348 2.6%	50,503
Total estimated reduction by 2019/20			- 8,652	

- 3.3.3. The Department of Health has recently consulted on a revised formula for the Public Health grant from 2016/17 and the outcome is still awaited and will inevitably impact on allocations. The pace of change for implementing a new formula is not yet confirmed. Manchester's consultation response had made the case that the various components in the formula need to be weighted even stronger in relation to health inequalities.
- 3.3.4. A programme of Public Health Savings for 2016/17 (£6.230m) is already approved and it is detailed within **Appendix 2a**. The next phase of proposed savings from re-commissioning public health services is detailed at section 4.4 and the strategy is to ensure spending on public health remains clearly aligned to the Government grant and as such, once the consultation outcome is known, further budget proposals may be required.

3.4. Education Funding

- 3.4.1 The Dedicated Schools Grant (DSG) is the main source of funding for the majority of school related operational expenditure. Deployment of DSG must be made in accordance with specific schools funding regulations and the City Treasurer is required to certify compliance annually.
- 3.4.2 The Council works closely with the Manchester Schools Forum on the deployment of DSG and consults with school governing bodies on any proposals to change the formula used to calculate school delegated budgets, within the national parameters set by Department for Education (DfE). Funding is allocated over three blocks, schools, early years and high needs.
- 3.4.3. The DSG is a key consideration in the Directorate budget. For 2016/17, the grant is estimated at £470.976m and this is reflected in the gross expenditure budget under Education and Skills provided at Appendix 1. The schools funding system has national restrictions to minimise fluctuations in funding for schools, but consequently also limits flexibility and makes the management of overall resources, particularly for the high needs block, more challenging. The Manchester Schools Forum has worked closely with the Director of Education and Skills to ensure the on-going financial sustainability of services within the high needs block, which support schools, but this is becoming increasingly difficult with increasing SEN needs and a fairly static budget.
- 3.4.4. The Spending Review announced that the DSG and the pupil premium grant per pupil amounts will be protected. DfE is planning to introduce a new National Fairer Funding Formula, with a consultation expected in early 2016 and implementation of changes from 2017. A new formula will aim redress imbalances in funding under the current system, exhibited in the fact areas with similar characteristics can receive very different levels of funding. As Manchester is currently relatively highly funded, there is risk of a reduction in funding for Manchester maintained schools and academies. However assurances have been given that the new funding formula will take into account the needs of disadvantaged pupils. It is likely that these changes will be phased in over the course of this parliament.
- 3.4.5. A separate report on the 2016/17 DSG budget proposals is included on the Executive agenda. It is not proposed to amend the local formula ahead of forthcoming consultation proposals. The significant increase in pupils is bringing additional funding and approximately £2.3m of headroom is available after resourcing all commitments to protect schools budget per the minimum funding guarantee, provide for the growth in places and funding for new schools. The DSG budget proposals report recommends approximately £1.8m of the headroom is transferred to the high needs block with the remainder used to increase the basic per pupil funding amount in the local formula. This aims to strike the right balance between the following pressures:

- the impact of a number of years at 0% flat cash settlements against rising cost pressures. Schools are facing pressures including pension and national insurance changes, pay awards and rising utility costs;
 - pupil numbers continue to increase significantly and this impacts on funding tied up in the growth fund and on transitional funding for new schools until they move to capacity;
 - the high needs block funding includes some growth in 2016/17 but remains under significant pressure in respect of growing special educational needs (SEN) demand;
 - an expansion of special school provision by 157 places in line with increasing pupil populations; and
 - new duties under the Children and Families Act 2014 will inevitably see further growth in the number of 19-25 year olds with high needs remaining in education.
- 3.4.6. The Education Services Grant (ESG) is a further significant grant and was introduced in 2013. The grant, which is allocated on a per pupil basis, is provided to local authorities to support services to maintained schools including school improvement and education welfare and also to academies who undertake the duties directly. Local authorities also get a fixed per pupil amount of £15 to fund duties which cannot be transferred to academies. A 20% reduction in ESG funding was implemented in 2015/16 as part of government spending reductions. The Spending Review includes reference to a consultation in early 2016 on plans to reduce the local authority role in running schools by removing a number of statutory duties which will in turn phase out funding for the ESG to local authorities and academies from 2017/18. The general funding rate for 2016/17 has reduced from £87 to £77 to begin this transition. Manchester's predicted 2016/17 ESG is approximately £5m. The grant is held corporately and not in the Children and Families budget.

3.5. Other Grant Programmes

- 3.5.1. In addition to the Dedicated Schools Grant and Public Health Grant detailed above, the Directorate's budget includes a range of other services areas funded through government grant which are summarised in the table below and accompanying notes. At this stage, the 2016/17 budget assumptions assume an equivalent level of grant to 2015/16 and budgets are updated in year as grant announcements are made. They are reflected in the gross expenditure budget detailed at Appendix 1.

Grant Programme	Business Area	Grant Funding £'000
Private Finance Initiative	Education and Skills	3,664
Youth Justice	Children's Safeguarding	1,254
Talk English	Education and Skills	837
Unaccompanied Asylum	Adult Social Care	790

Grant Programme	Business Area	Grant Funding £'000
Remand	Education and Skills	349
Asylum Seekers Adult	Adult Social Care	2,724
Adult Education Learn & Skills	Education and Skills	9,453
Troubled Families	Children's Safeguarding	2,845
		21,916

The details on each of these grants are as follows:-

- (i) **Private Finance Initiative** – Education and Funding Agency grant related to two Manchester schools which have a 25 year contract with a provider for facilities management.
- (ii) **Youth Justice** - Supports services to challenge offending behaviour and address the risk factors associated with it.
- (iii) **Talk English** – A specific programme to support and develop English language skills and integration within communities.
- (iv) **Unaccompanied Asylum** – A Home Office grant contribution towards costs of supporting UASC and UASC Care-Leavers.
- (v) **Remand** – a grant in respect of children detained on remand in youth detention accommodation.
- (vi) **Asylum Seekers Adult** – This supports the resettlement of refugees who have been assessed as exceptionally vulnerable, their human rights are still at risk in the countries from which they sought refuge, they are unable to sustain long term security and have no prospect of local integration in the country they sought refuge. Final acceptance of cases are with the UKBA (Border Association) and the UKBA meets the full costs incurred.
- (vii) **Adult Education and Skills** – A grant from the Skill Funding Agency to support adult learning to Manchester residents.
- (viii) **Troubled Families** – A results based funding scheme that provides financial incentive, attachment fee and sustained success payments to get to improve outcomes for troubled families.

4.0. BUDGET PROPOSALS 2016/17

4.1 Overview

- 4.1.1 The Directorate has developed a draft financial plan to ensure the Council can meet its statutory duties, respond to the Ofsted findings for children's social care and have the maximum impact possible on the reform priorities of health and social care devolution, the fundamental review of all services to children in GM, and piloting a new leadership role for schools in early years and early help. In some cases, this is by increasing the pace of implementing

reform priorities to reduce demand for expensive reactive services and in others, recommending proposals which have the least damaging impact on the Council's priorities, whilst recognising the need to put in place a substantial saving programme.

4.1.2 The plan is summarised in the table below. Further detail on the proposed budget is provided in Appendices 1-4:

- Appendix 1 - Detail on the budget changes across 2015-17.
- Appendix 2 – Provides the detail of savings previously agreed for 2016/17 as part of last years budget process (Appendix 2a) and the proposed new savings for 2016/17 (Appendix 2b)
- Appendix 3 – Provides a summary of growth bids and budget pressures
- Appendix 4 – Provides the detail of investment into Adult Social Care from 2015/16 as set out in section 5 below

	2016/17 £'000
Base budget	261,805
Approved savings agreed March 2015	(9,383)
Expected grant changes:	
Public Health 0-5 yrs	5,411
Special Education Needs	(336)
Other changes:	
Reduction in cash limit support for Care Act implementation following delays on phase 2	(651)
Total	256,846
New Savings Programme:	(8,862)
Proposed budget	247,984

4.1.3. New Savings Programme

The programme of proposed savings totals £8.862m and is summarised in the table below and the detailed proposals are then outlined in Sections 4.2 to 4.5.

Proposed Saving Plan	2016/17 £'000
Children's Safeguarding	4,634
Adult Social Care	2,795
Public Health	871
Education and Skills	562
Total	8,862

4.1.4. Investment and Budget Pressures

In addition to the specific investment programme for Adult Social Care implemented in 2015/16, the budget proposals include additional funding

requirements for growth and budget pressures of £11.940m of which £6.200m relates to the implementation of the national living wage. Further detail on both is provided in section 5 below.

4.1.5 Use of Reserves

The Directorate budget proposals include the planned draw down of £10.597m of funding from reserves in 2016/17. This comprises the completion of the Looked After Children (LAC) investment programme with the balance of £5.752m from the £14m fund; £4.273m of funding held by the Council, which is linked to integration of health and social care (which includes £3.500m from the CCGs); and deployment of a number of remaining grant balances (£0.572m) in line with specific grant programmes, including special education needs implementation grant and troubled families grant.

4.2 Children's Services Savings Proposals

Looked After Children Placement, Early Help and Supporting Establishment Infrastructure (£4.634m) Appendix 2b Proposals Ref: CS 1-4

Ref	Description of Saving	2016/17 £'000
CS1	LAC Placements, Permanence and Leaving Care:	
	LAC reduction strategy	2,591
	Review eligibility for special guardianship payments	300
Total CS1		2,891
CS2	Establishment structures:	
	Review of approach to case management for Children in Need and Child Protection	196
	Early help case loads	440
Total CS2		636
CS3	Early years new delivery model:	
	The efficient delivery of the Healthy Child Programme	250
Total CS3		250
CS4	Other:	
	Cease contribution to Manchester CCG's for CAHMS	400
	CCG contribution to funding continuing care costs	457
Total CS5		857
		4,634

LAC Placements, Permanence and Leaving Care

- 4.2.1 Manchester's strategy for reducing the number of looked after children focuses on two fundamental priorities: early intervention, prevention and the delivery of evidence-based interventions to prevent children from becoming looked after, and; a more sophisticated understanding of the LAC cohorts to enable a more focused approach to step children down from LAC where appropriate or to move, more swiftly to more permanent, alternative arrangements.

- 4.2.2 The implementation of the early help strategy, as part of the wider Confident and Achieving Manchester programme of reform to reduce complex dependency, is enabling more residents to be enabled to address issues that get in the way of them being more independent and self-reliant such as worklessness, substance misuse and domestic abuse. This approach is underpinned by a strengths-based approach to assessment and key workers who act as the main point of contact for families, drawing in the right interventions at the right time and in the right sequence to enable families to make changes to their lives.
- 4.2.3 Over the last year, the Council has been working with partners such as schools, voluntary and community sector, Housing Providers and Probation to test the rolling out of the key worker model, drawing on the learning and principles of the troubled families approach. The Council continues to be a provider of Early Help Services delivering evidence-based interventions to families with high levels of complexity in their lives to support them to make positive changes. This approach has started to succeed in preventing children becoming LAC and now will be further developed.
- 4.2.4 At the same time, improvements in the consistency and quality of social work practice are reducing the number of LAC and changing the placement profile. This approach is underpinned by the Complex Dependency/LAC investment strategy.
- 4.2.5 The investment priorities and cost has continued to be refined over the last six months through the work of the LAC Investment Board to progress investment plans and develop the overall financial model to reflect the impact of the latest position for LAC numbers and costs. This has resulted in confidence to release £2.591m of savings on the LAC Placement budgets earlier. The update to the financial model reflects:
- the impact on the budget for 2016/17 of progress delivering targets in 2015/16 as at November 2015;
 - the incidence of children reaching 18 years of age;
 - the projected shift from external to internal foster care is modelled on a straight line basis of 15 per month, a 180 target for the year;
 - the increase in adoptions is assumed to be redirected from the foster care cohort, two thirds from external and one third from internal; and
 - updated costs resulting from a greater than expected reduction in external residential placements in 2015/16.
- 4.2.6 A full review of eligibility for special guardianship orders is also expected to realise savings of £0.300m on the base budget of £2.6m, reflecting primarily changes in circumstances.

Efficiency Savings (Proposal CS2 £0.636m)

4.2.7 Success delivering the reduction in the LAC cohort and foster care shift leads to the opportunity to safely reduce/realign the establishment infrastructure that supports the service without causing significant destabilising impact. Two areas have been reviewed in which additional savings can be assumed.

- (i) There are some Child in Need and Child Protection cases that currently involve duplication of staff, with both an Early Help Intervention Practitioner and a Social Worker holding the case. This has been reviewed and both workforce efficiencies and improvements in outcomes can be generated by reducing this duplication. Social worker capacity can be freed up by focusing on child protection cases with less involvement in early help cases whilst Early Help Intervention Practitioner capacity can be freed up by withdrawing from child protection cases where social workers hold the case.

Those early help cases that require a qualified Social Worker oversight or input will continue to receive this. All cases will be appropriately assessed for levels of complexity and risk. The inclusion of qualified social workers in the Early Help Hubs will be integral to this process.

A key enabler to this will be investment in 'Signs of Safety' as an evidence based workforce training and assessment tool with ongoing clinical supervision which can be used to strengthen social work practice as part of the Ofsted improvement journey. Signs of Safety is part of the Council's wider ambitions for an asset based approach.

- (ii) The caseloads of workers in the Early Help Service will be reassessed and interventions redesigned bringing them into line with models in operation in other local authorities

Early Years Delivery Model

4.2.8 In support of the vision outlined above and the early help strategy, early years services exist to ensure children have the best start in life and are school ready at the age of 5. A key aspect of this work is the Early Years Delivery Model (EYDM), which draws together the work of Sure Start Children's Centres, Health Visitors and the childcare and early learning sectors. The EYDM has been fully implemented with all new born children in the City since 1st April 2015, with most of its features in place for all children under the age of 5.

4.2.9 To ensure the sustainability and development of the EYDM, joint work will be progressed with schools to co-design and test a new model of schools leadership of the EYDM, such a model could see a nominated school taking responsibility for a patch covering 7 or 8 primary schools (approximately 14 patches in the City). This would give a lead school oversight of developmental assessment, the ability to deploy virtual teams of Health

Visitors, outreach workers and aligned professionals, incentives to invest in interventions in the early years and responsibility for direct links to Early Help Hubs for a patch. Further developments would see a lead school responsibility for the quality of childcare and early learning in their patch. The Directorate will explore the possibility of linking children to schools at an early age (replacing formal school admissions) thereby enabling schools to have greater ability to intervene early and ensure school readiness, and devolving the EY Pupil Premium to schools for children in their patch as part of this new model are to be explored.

- 4.2.10 It is proposed that the model be tested with a single patch during 2016/17 with a view to a wider roll out across a broader number of schools.
- 4.2.11 Alongside the developments outlined above, the savings proposals include improvements to the efficient delivery of the Healthy Child Programme (£0.250m). On 1 October 2015 the commissioning responsibility for children's public health services for 0-5s (Health Visiting and Family Nurse Partnership) transferred from NHS England to Manchester City Council. The full year value of these services is £10.73m and negotiations will commence shortly with the current provider, to realise efficiencies of £0.250m in 2016/17 and ensure integration of provision with the Early Years Delivery Model (EYDM). The Health Visitor workforce will be reviewed by looking at the skill mix within the teams, recognising that currently health visiting teams also include nursery nurses (equivalent to health care assistant roles) and staff nurses. It is recognised that the appropriate number of qualified Health Visitors to meet the mandated requirement of delivering the Healthy Child Programme will be an important aspect of the negotiations.
- 4.2.12 Further savings in relation to Children's Safeguarding are:
- Cease contribution to health for CAHMS (£0.400m) - The Council is working closely with the lead CCG for Children's Services and providers to support a review of CAMHS services to ensure provision is aligned with the Future in Mind report and responsive to local needs. The removal of the Council funding will be mitigated through the redesign of the service which will ensure our most vulnerable young people who need these valuable services continue to receive them.
 - Negotiate a joint funding protocol with health, which many other local authorities already have in place, to share the cost of continuing care for children with a disability which will provide income to the Council (£0.457m).

4.3 Adult Social Care Savings Proposals

Adult Social Care Appendix 2b Proposals (£2.795m) Ref: AC 1-5

Ref	Description of Saving	2016/17 £'000
AC1	Services provided by the Council for health: Cease Council contribution to intermediate care at Gorton Parks and the Peele which are health services	640
	Secure additional CCG contributions to the overheads of running the equipment store and for non standard items	233
	Recharge to CCG medicines management health related element of reablement	388
Total AC1		1,261
AC2	Learning Disability Services: Supported accommodation: voids management	450
Total AC2		450
AC3	Extra Care	180
AC4	Review of Home Care Services	466
AC5	Other: Mental Health shift to early intervention	270
	Review Citywide services	125
	Remove asylum and immigration post	43
Total AC5		438
Total Adult Social Care		2,795

- 4.3.1 The ambition for integration over the next five years by implementing the Locality Plan is set out earlier in the report. This section sets out the immediate savings proposals for the Council to be delivered without negative impact on integration.

Services Provided by the Council for Health (£1.261m) Appendix 2b Proposals AC1.

- 4.3.2 In the short term there are a number of budget areas where the Council is currently funding clear health responsibilities or where it is the Council's view that joint arrangements are now inadequately funded by health. The proposal is to negotiate the following changes from 1st April 2016:
- (i) the Council to stop funding intermediate care services that are health based at Gorton Parks and the Peele care settings (£0.640m);
 - (ii) NHS partners to fund all medications management currently provided by the Council. NHS has provision for this from Department of Health and provision was left out of the Care Act responsibilities of local authorities for this purpose (£0.388m); and
 - (iii) the service level agreement between the Council and the CCGs for the provision of equipment to support hospital discharge and other health needs will be negotiated to reflect the additional budget spend by health (£0.233m).

Learning Disability Services (£0.450m) Appendix 2b Proposal AC2

NHS England 'fast track'

4.3.3 Work is being progressed within Greater Manchester to identify opportunities for savings. Greater Manchester is a NHS England 'fast track' site and will receive extra support to transform services for people with learning disability and/or autism and challenging behaviour or a mental health condition. This will be a critical enabler to realising savings. A £10 million transformation fund to kick-start implementation from autumn 2015 is available and the GM bid was successful in securing £3m. Key elements of the bid include:

- GM Extended Collaborative Commissioning
- GM Extended Care Management and discharge co-ordination
- GM Crisis beds and in-reach and outreach specialist support team
- Positive Behaviour Support Intensive Residential Flat Schemes
- Specialist Autism Teams and extended support for complex needs

Whilst the above programme is progressed, it is proposed to limit further savings on the Learning Disability service budget for 2016/17 to the one proposal outlined below.

Supported Accommodation: Voids Management (£0.450m)

4.3.4. Historical service level agreements in place between the Council and Housing providers has resulted in the Council funding any empty or voided rooms in shared accommodation schemes. In future, where a void occurs in a shared property with a dedicated staffing assignment, it will be reallocated to someone from a more costly external respite placement. There are currently 15 voids within Supported Accommodation properties. If these could be filled as part of a shared arrangement with other local authorities or used by a different cohort of people who require supported accommodation, this would deliver £0.450m savings.

Extra Care (£0.180m) Appendix 2b Proposal AC3

4.3.5 The Council has a capital investment plan for extra-care and the intentions are set out in the Locality Plan with an additional 295 beds in Manchester in detailed planning and a further 500 proposed by 2019.

4.3.6 Work in Manchester and Wigan on a cost benefit analysis (CBA) for extra-care indicates a good return on investment of between £1.09 and £1.52 for every £1 spent. The anticipated cost of the new beds is £1.3m revenue plus the associated investment of capital. Using the CBA methodology, £1.7m savings could be assumed. A further 500 beds (£2.2m revenue costs) would deliver an additional £2.8m savings. In addition a new wellbeing charge for extra-care residents is proposed of £10pp per week which would generate a further £0.765m over five years. The total return on investment could be over £4.5m over 5 years. The savings proposals factor in £0.180m in 2016/17 reflecting some of the new facilities becoming available towards the end of 2016/17.

- 4.3.7 Critical to releasing savings will be strengthening Panel arrangements to make sure that appropriate referrals are directed to extra care instead of referral into residential care.

Review of Homecare - (£0.466m) Appendix 2b AC4

- 4.3.8. A new model of homecare involves a change in how the Council undertakes assessments/reassessments and subsequent support planning through a strengths based assessment process. Strengths-based practice is a collaborative process between the person supported by services and those supporting them, allowing them to work together to determine an outcome that draws on the person's strengths and assets.
- 4.3.9. Modelling work indicates that a 5% saving should be achievable. Work has been done to identify the spend in respect to low, medium and intensive home care packages which are those packages with four or more visits per day.
- 4.3.10. These people in receipt of intensive home care packages will be individually re-assessed to develop support plans which are a combination of domiciliary care, Assistive Technology and community assets. 25% of people will be reassessed which is 14.19% who have seven or less visits per week, to develop support plans and offer cash budgets as a way of achieving the savings and improving outcomes for people.

Other Proposals (£0.438m) Appendix 2b Proposal AC5

- 4.3.11 Further savings in relation to Adult Care Services are:
- Mental health shift to early intervention (£0.270m) - a phased approach to moving away from high cost packages of care and traditional types of accommodation services for adults with mental ill health, shifting expenditure towards early intervention and prevention and community based care. This saving was agreed last year with the MMHSCT as part of a savings strategy and development of a new service which was fully consulted on and has now moved to implementation;
 - Review Citywide services including the Adults Emergency Duty team, Transitions team, Brokerage team and Drug and Alcohol team (£0.125m) – review to identify savings through restructuring and alignment, including consideration of alternative delivery model; and
 - Remove asylum and immigration post (£0.043m) – this post has been vacant since the start of the financial year, with no effect on the council, public or communities. The Council's work to support refugees and asylum seekers can be maintained at current levels from other posts and through work with other GM Councils.

4.4 Public Health Savings Proposals

Description of Saving	2016/17 £'000
PH1 Drug and alcohol services	721
PH2 Sexual health services	150
Total Public Health	871

4.4.1 The reform of public health includes a core programme to redesign sexual health services in the City which will be completed in 2017. This will ensure a fully integrated sexual health service, comprising Contraceptive and Sexual Health (CASH) clinics and Genito-Urinary Medicine (GUM) provision which will be delivered from a number of sites across the City. The service will work to the specification agreed by all commissioners across Greater Manchester to ensure that there is consistency in the service offer with regard to this mandated responsibility. Furthermore GM Local Authorities will pay for their residents who use CASH services outside their borough as is currently the case with GUM provision.

4.4.2 As part of the procurement exercise for the integrated sexual health service further additional savings of £0.150m have been identified for 2016/17. Similarly following the tender for integrated alcohol and drug services, savings of £0.431m will be delivered when the new services comes into operation on 1 April 2016. Further negotiations in relation to other drugs/alcohol and related public health services are on-going and expected to increase the savings to £0.721m. The new service model will rebalance investment towards people with alcohol related problems and bring Manchester in line with statistical neighbours and other core cities.

4.5 Education and Skills Saving Proposals

Description of Saving	2016/17 £'000
ES1 Funding of discretionary childcare places	240
Total ES1	240
ES2 Other:	
Phase out sessional grant	71
Fully implement travel pass policy	100
Psychology – recharge DSG re 0-5 yrs	36
Implement charges to schools where appropriate	35
Reduce commission for Psychology	40
Reduce management support	20
Time for me carers fund realignment	20
Total ES2	322
Total Education and Skills	562

Funding of discretionary childcare places (£0.240m) Appendix 2b Proposal ES1

4.5.1. The Council makes funding available to support parents/carers of pre school age children to attend activities as part of a package of support. The

proposal is to finance the provision from the Dedicated Schools Grant (DSG).

Other Proposals (£0.322m) Appendix 2b Proposal ES2

4.5.2 Further savings in relation to Education and Skills are:

- Phase out sessional grant (£0.071m) - grants have supported providers of sessional childcare settings to improve quality and capacity; inspections show that this sector is now operating at much improved quality and capacity, reducing the need for grant support
- Free travel to school: the change in policy agreed for the start of the 2015/16 school year included a number of new measures to achieve savings - including the removal of all but the statutory minimum for travel to school on the grounds of faith or single sex provision. The previous agreement was to phase this implementation over three years. This proposal is to remove this phasing, by introducing the change in policy now for all year groups currently in the school system, bringing forward future savings and achieving a 2016/17 saving of £0.100m
- Psychology – reduce commission and recharge DSG re 0-5 yrs (£0.076m)
- Implement charges to schools for a range of activities where appropriate (£0.035m)
- Reduce management support (£0.020m)
- Time for me carers fund realignment (£0.020m) – savings in administration costs by aligning with Carers Individual Budgets

5.0. Investment, Growth and Budget Pressures

5.1. Adult Social Care Investment

- 5.1.1. The Directorate 2015/16 budget included £7.924m of additional funding, including a £3.5m cash limit allocation to adult social care to address the priorities identified in the improvement programme and to prepare services for integration. The investment went into a package also comprising funding to implement the Care Act (£4.424m) which includes grant (£1.973m), additional cash limit (£1.000m) and a mandatory funding allocation within the BCF (£1.451m).
- 5.1.2. Detailed work in the improvement programme has included consideration of the investment priorities as a whole package against the total funding available.
- 5.1.3. A significant proportion of the funding has been deployed in 2015/16 and includes some one-off commitments. Looking ahead to 2016/17, a £0.651m reduction in cash limit support for Care Act implementation has been included reflecting the delay in phase 2 of the reforms. **Appendix 4** details the proposed spending plan for the remaining £7.273m investment. The investment can be categorised into six spending blocks, which are reflected in the Appendix.

(i) Health and Social Care Integration – Living Longer Living Better

Investment into the Living Longer Living Better Programme, the City's programme of Health and Social Care Integration to develop Integrated Neighbourhood Teams

(ii) Community Asset Development

Developing low level services at a local level to support a new conversation with citizens in order to focus on assets linked to the new neighbourhood teams

(iii) Safeguarding and Statutory Requirements

Investment into areas which ensure that the Council's statutory duties are met in respect of vulnerable adults

(iv) Care Act Compliance

Investment to ensure that the Council is compliant as a result of the introduction of the Care Act

(v) Reform of Homelessness and Domestic Violence services

- Investment is specifically linked to the Delivering Differently programme on Domestic Violence. This is a crosscutting theme and is linked to the Community Safety Partnership, the reform of Early Help Hubs and well as the development of evidence based interventions and specific pathways.
- Investment linked to the development of the City's Rough Sleepers Strategy.

(v) Learning Disability Services

Investment to deliver the planned service reforms

5.2. Growth

- 5.2.1. Appendix 3 summarises £5.740m of Directorate growth bids and demographic and other pressures. In addition £6.200m of funding for the implementation of the national living wage has also been identified, of which a significant proportion will relate to Children and Families. Further details are set out below. Funding for these areas has been provided for within the Corporate budget but their release to service budgets is dependent on business cases and in relation to demographics, evidencing the spending increase associated with demographic projections.

5.2.2. The Directorate's budget proposals recommend the corporate budget includes provision for the following:

(i) Development of I-Base intelligence tool (£0.083m)

There is a need to extend the range and frequency of data loaded into this data analysis tool to make it more extensive source of intelligence in dealing with Troubled Families and Complex Dependency. The tool also provides potential for use in the Multi Agency Safeguarding Hub to support efforts to improve safeguarding arrangements. The tool supports improved intervention selection and the evaluation of success. The investment will provide two permanent posts to improve data quality and governance together with licence costs. There is also a capital funding requirement of £63k which will be funded from Directorate reserves.

(ii) Emergency Duty Service (£0.380m)

The Emergency Duty Service (EDS) has been overseen by Adult Services and has been a joint children's and adults team. The Ofsted inspection of Children's services found the arrangements for safeguarding children and young people by the EDS needed strengthening. A full review of the EDS was undertaken and a number of recommendations were made. This included the need to separate the service in the first instance into an adults and children's team. The children's team will co locate and work much more closely with Greater Manchester Police. The level of staff required to deliver an improved service needs to increase and this proposal is to fund that team.

(iii) Education and Skills capacity (£0.430m)

The significant increase in the number of children in the City has created significant additional demands on the capacity within the Education and Skills service. This, alongside strategic priorities developed to secure improvements in outcomes and progression, have led to the need for the following additional capacity:

a) Time limited capacity (£0.200m) is needed to provide leadership for a strategic focus on reading during 2016/17. Reading lies at the heart of successful education; it facilitates access to the whole curriculum and is a central core skill for work and life. A great deal of progress has been made in developing reading skills in the City's children and young people, with some outstanding practice in place in Manchester primary schools. The Government's reforms to curriculum and assessment have significantly increased the level and sophistication of reading skills required for children to to access learning and succeed across the curriculum. Good reading ability is also critical to future adult life of today's children and young people, including their independence and employability. To support this, additional capacity is required to provide

strategic leadership capacity, reading specialists and project development capacity.

b) Increased capacity (£0.230m) is needed to support the Council's relationship with schools and provide additional capacity to secure improvements. Working with schools to agree and embed school expansions (including working with the new schools in the area to secure their engagement in local arrangements for improvement and inclusion), to challenge and support pupil achievement and to provide a particular focus on priority areas for improvement requires further capacity in the form of additional members of the Schools Quality Assurance team. It also needs an increase in funding available to secure brokered school-to-school support, which has been shown to be the most effective model for school improvement. Such additional capacity will also enable a particular focus on core improvement priorities: GCSE outcomes; Careers Education and Guidance to secure better pathways into apprenticeships; and the role that schools play in providing leadership within their local areas for Early Help and Early Years.

5.3. Demographic and Other Pressures

5.3.1. Demographic growth has historically been allowed for in the budget where there is a demonstrable increase in demand led budgets within current Council policies. Any demographic pressures on the looked after children budget are anticipated to be met within the investment strategy and in relation to older people, mitigated from improved arrangements for homecare, extra care and investment in assistive technology. The following are areas of demographic related budget pressure:

- (i) Learning Disability (£0.757m) – Department for Education data (referenced in Local Government Association 2015 Spending Review Submission) suggests that the number of pupils with learning disabilities is expected to increase by 26 percent from 2014 to 2023 and despite policy and legislative changes, spend on children with learning disabilities who will then require ongoing intensive care and support from adult social care is likely to continue to increase. Within Manchester, there is now a more robust understanding of cases coming through the system. The forecast provides for the transition of 27 individuals in 2016/17 from Children's Services at an average cost of £28,000 p.a.
- (ii) Transport (£0.543m) - as part of the Children's Act 2014 young people with special educational needs from 0-25 are now entitled to remain in education up to the age of 25 subject to there being an educational value to them. This in turn places a duty on the Council to provide a travel solution for those who remain in education beyond the statutory school age. There are currently 399 statutory assessments in progress and it is projected that there will be a further 240 applications before the end of the financial year. In addition, there are a further 140

applications outstanding for post 16 provision. The best estimate of the impact of all of these applications based on previous trends indicate that 20% will require a travel solution (155 children and young people) at an average unit cost of £3,500 p.a.

- (iii) Mental Health budget has an underlying pressure resulting from the number of older people with mental health needs who require support or care. Previous allocations have underestimated growth in demand in this group resulting in the 2015/16 budget being under pressure (£0.600m).
- (iv) Children's Services Remand (£0.300m) - Whilst the number of offenders has reduced this year (52 offenders in 2014/15 compared to 35 offenders up to December 2015), the length of time they are on remand and the need for more secure institutions has meant a significant increase in cost to the Council. Between April and December 2015, there were 2,086 remand days compared to 1,960 in 2014/15. In addition there is also a 61% increase in remands in the most expensive institutions from 233 days in 14/15 to 375 days up to December 2015 due to the nature of the alleged offences. The service is currently working with the judiciary and seeking to reduce the length of time offenders remain on remand. It is considered prudent to provide for additional cost in 2016/17.

5.3.2. The 2015/16 budget includes a number of pressures relating to partial delivery of previous savings. This should be considered in the context of a savings programme of approximately £166m over the period 2011-2016 which has been substantially delivered and is a very notable achievement. Looking ahead to 2016/17, it is prudent to clear these residual budget issues.

- (i) Adult Social Care social work establishment (£0.800m) - previous savings to reduce the social work establishment were deferred in the context of the implementation of the care act and the expectation of a significant increase in assessment activity. The integration of adult social care and health and the creation of locality teams further supports the requirement to retain the existing social worker structure
- (ii) Leaving care contract 2014/15 saving was not realised, together with some additional investment to increase capacity £0.577m
- (iii) Early help hubs 2015/16 saving was partially delivered, current budget pressure £0.400m
- (iv) Directorate and back office – a number of budget pressures relating to unachieved income, and prior savings schemes, current budget pressure approximately £0.570m
- (v) No recourse to Public Funds (£0.100m) – this reflects the net overspend on Directorate budgets reported in 2015/16. No recourse

to public funds (NRPF) applies to any person who is subject to immigration control in the UK and has no entitlement to welfare benefits or public housing. There is a risk of increased pressure in this area arising from The Immigration Bill 2015-16. This bill is currently passing through Parliament and contains a number of measures likely to impact on local authority NRPF service provision, including the removal of Section 95 asylum support from refused families. These measures may drive more referrals into social services across the country.

- 5.3.3. There is a further emerging pressure in respect of Legal Services (£0.200m) – the Children’s Safeguarding budget for legal services includes provision for the in-house team (£0.722m) and external legal fees (£0.833m). There is some headroom in the latter and the overall budget has under spent the last three years by approximately £0.250m. There are emerging pressures in two respects, increased volume of care proceedings and the implementation of the family justice system brought in in April 2015 alongside the Children and Families Act 2014, Serious Crime Act 2015 and Criminal Justice & Court Act 2015. The changes in legislation and reforms has changed the landscape for local authorities in a child’s journey to permanence and increased the workload within Legal Services. This increase in workload will affect the capacity and quality of service and potential delays in the legal process may delay a child’s journey to permanence impacting on other considerations for the Council such as the Ofsted inspection.

National Living Wage

- 5.3.4. As part of the Summer Budget 2015, the Government announced that from April 2016 they will introduce a new mandatory National Living Wage (NLW) for workers aged 25 and above, initially set at £7.20. This will be an increase of 70p relative to the current National Minimum Wage (NMW) rate, and 50p above the increase coming into force in October. The proposal includes a commitment to increase the NLW to a rate of £9.00 per hour by 2020.
- 5.3.5. A North West Finance and Resources Group has been working to model the financial impact of the NLW on social care budgets. The key assumptions used include:
- £0.70 increase in 2016/17 then a £0.45 increase each year to 20/20
 - Allowance made that some contracts may already be paying above NLW where additional skills are needed to manage more complex clients
 - The NLW applies to over 25 year olds only. The age profile of the external work force is unknown. Three options have been modelled: 100% of workforce over 25, 90% of workforce over 25 and 75% of workforce over 25, and the latter used
 - Average wage element of contract by service type used to model the uplifts in contract price (different contracts will have different ratios between pay/non-pay costs)
 - Any additional client contributions have not been included in forecasts

- 5.3.6. The forecast impact of the NWL in 2016/17 is £6.2m and this has been incorporated into the corporate budget. This is considered to be a prudent estimate and there should be headroom to address other emerging issues including the impact of the court ruling on sleep-ins, which would require staff on site available to provide care over night to be paid the minimum hourly wage instead of a fixed payment for the night.
- 5.3.7. The development of a new specification and procurement process for home care and residential care is underway with a view to starting market engagement on implementing a new model of delivery from April 2017. The services fall within scope for pooling with health and these arrangements are to be developed fully. To bridge the gap it is proposed to consult on a one year settlement which provides funding to offset the impact on the National Living Wage and an additional 1% uplift. On home care, the potential to use more out comes based commissioning is also a key consideration.
- 5.3.8. The vision is for a model that empowers staff, opening up a wider set of opportunities for development, career advancement and greater responsibility. In particular, an enhanced service offer creates the potential for a more integrated career path, enabling carers to advance to more specialised nursing positions. This is particularly important to address the anticipated future shortages of qualified nurses due to an ageing workforce.

6.0. TECHNOLOGICAL SUPPORT TO IMPLEMENT CHANGES

- 6.1 As part of the wider corporate response to identifying ICT strategic needs across the Council, the Directorate is engaged in an ICT Portfolio planning programme that sets out how ICT can enable the delivery of the new service models described earlier in this report. This includes major pieces of work to
- upgrade the social care electronic record (micare),
 - roll out mobile working so that staff can work remotely, integrated with health at a neighbourhood level,
 - expand the assistive technology offer to drive forward new models of care in people's homes
 - develop a joint telemedicine/telecare offer with health to monitor people's conditions remotely
 - develop electronic rostering systems for staff working out in the community, increasing productivity and improving customer response
 - working with colleagues across GM to develop a solution for the sharing of electronic health and care records
 - upgrade the current ICT estate to latest versions as part of work to develop resilience and disaster recovery
 - develop electronic solutions to the multitude of Assessment Panels across the Directorate
 - ensure critical prevention and early intervention hubs can integrate their ICT solutions with partners. Eg MASH and Early Help Hubs
- 6.2 Successful pilots of assistive technology (AT) in people's homes with two small cohorts of people have taken place this year using £100k investment

from the BCF. A full cost benefit analysis using the New Economy methodology has demonstrated a return on investment of 1:4.87 for learning disabled people in supported accommodation schemes and people being discharged home from central Manchester Hospitals. Residents report hugely improved outcomes from having their conditions monitored through technology and readmission rates to hospitals have drastically reduced. Further investment in AT would further reduce costs over the next 3 years, should be at the heart of the integration approach with health and include a significant bid to the GM Transformation Fund.

- 6.3 The implementation of an updated care management system that will enable mobile working and interoperability with health systems will also be important as the authority seeks to share data across providers to provide joined up, integrated care and support planning.
- 6.4 The introduction of electronic rostering systems and mobile technology in Adults Services using smart phones has improved the productivity of staff by 18% and there is potential to introduce this to a wider group of staff across the Directorate with investment.

7.0. PARTNERSHIPS AND ENABLERS

- 7.1 The budget proposals for the Directorate are fundamentally dependent upon effective and strong partnership working.
- 7.2 The health and social care proposals will result in the full integration of health and social care over the next five years through new delivery models which will bring existing organisational arrangements for both commissioning and delivery together. Organisations will need to shift the way they operate to integrate planning and financial systems in order to plan and resolve challenges together.
- 7.3 Learning Disability proposals are dependent upon effective partnerships with the voluntary sector, other providers of universal services and other local authorities. Enabling adults to access local universal and community services requires a co-designed, co-delivered approach with Growth and Neighbourhoods and the voluntary and community sector. The proposals are also dependent on working with independent providers to shape the type of provision available within the market.
- 7.4 The LAC and early help proposals are dependent upon close work with partners to continue to design and develop new approaches to supporting children and families which ensures earlier intervention to support families to make positive changes in their lives. Delivering significant and sustained improvements to fostering and adoption rates requires partnership working with other local authorities as well and independent providers.
- 7.5 School leadership proposals are dependent upon effective co-design and co-delivery of new models with schools leaders.

- 7.6 A community asset based approach underpins many of the Directorate proposals and this is dependent on a different and strengthened relationship with community and voluntary sector organisations in the city.

8.0. IMPACT ON RESIDENTS, COMMUNITIES AND CUSTOMERS

- 8.1. Manchester has a diverse and rapidly changing population and it is important that the Council is able to manage its business priorities with due regard for the wide-ranging and complex priorities and needs of the City's residents. The business planning process helps the Council to consider and communicate how it will fulfil the requirements of the Public Sector Equality Duty in the development of its business priorities. The Council will continue to use its Equality Impact Assessment framework as an integral tool to ensure that all relevant services have due regard of the effect that their business proposals will have on protected groups within the City.
- 8.2. The Council is proud of its accreditation as an excellent authority against the Equality Framework for Local Government and is committed to maintaining this standard. Ensuring that Directorates' equality considerations and priorities are clearly articulated through the business planning process is a crucial part of achieving this commitment.

9.0. WORKFORCE IMPACT

- 9.1 As services are reformed, the staff will be empowered to change the way they interact with residents and partners, working in new ways to agree joint solutions and to help residents to make changes and access support within their neighbourhoods. For some staff the proposals may mean working in different operating models, for most staff the proposals will require new ways of working underpinned by different behaviours and skills.
- 9.2 Building on changes that have started to be implemented in some parts of the Directorate, the workforce will be supported so that they can assess people within the context of their family and the place they live. More staff will work in multi-agency, multi-disciplinary settings. This will require different behaviours: the ability to engage assertively and positively; strengths based assessment which starts from the positive and empowers with support; influencing without power through effective co-ordination sequencing and constructive challenge; creative thinking and the ability to navigate whole systems, and; taking responsibility through increased self-awareness and proactivity.
- 9.3 Strong and effective leadership will be essential which balances more traditional leadership approaches (push) with less formal leadership skills of orchestration, influence, capacity building and story telling (pull).
- 9.4 It will be critical to ensure that implementation plans incorporate the most appropriate evidence-based approaches to affect the workforce changes needed, that leadership time and capacity is targeted on driving the changes

- needed and that the workforce is positively and proactively supported to develop new skills and behaviours.
- 9.5 New models and organisational arrangements will present new opportunities. For example investment in a programme of behaviour change / workforce reform that alters the mindset of individual practitioners and changes 'micro-commissioning' behaviour. If wrapped around reformed primary care with community health partners, it will make a significant contribution to improved outcomes and reduced prescribing and acute spend.
- 9.6 In addition, it is envisaged that there will be opportunities to increase the number and range of apprentices and graduate trainees and that new enhanced career pathways will emerge that give staff the opportunity to work across Greater Manchester and across public services and progress through new routes that cross organisational, and where appropriate professional, boundaries.
- 9.7 Of equal importance will be the focus on getting the basics right. Expectations on managers to effectively manage performance and absence will continue to be high. Effective governance mechanisms will ensure that managers are held to account. This will be underpinned by a robust focus on equipping staff with the skills needed to drive up the quality of services and appropriately supporting staff to stay resilient through change.
- 9.8 Workforce reductions are projected to be 20.8 FTE, 7.8 FTE of which are social worker posts likely to be absorbed in to other roles as a result of turnover or potential future investment.

Appendix 1: Budget Summary

1a Summary 2015-17 (Net Budget)

Business Area	2015/16	2016/17			
	Net Budget 2015/16 £,000	Growth and other Budget Changes £,000	Savings Approved as part of 2015/17 budget strategy £000's	New Proposed Savings £,000	Net Budget 2016/17 £,000
Children's Safeguarding	67,754	0	(300)	(4,634)	62,820
Adult Social Care	122,121	(651)	(1,309)	(2,795)	117,366
Directorate Core and Back Office	10,560	0	0	0	10,560
Public Health	34,835	0	(6,230)	(871)	27,734
Education and Skills	26,535	5,075	(1,544)	(562)	29,504
Total	261,805	4,424	(9,383)	(8,862)	247,984

1b Budget (Gross,Net) and FTE by service 2015-17

1b Budget (Gross, Net) and FTE by service 2015-17

Business Area	2015/16			2016/17		
	Gross Budget £,000	Net Budget £,000	Budgeted Posts FTE	Gross Budget £,000	Net Budget £,000	Budgeted Posts FTE
Children's Safeguarding	82,306	67,754	699	70,134	62,820	679
Adult Social Care	166,783	122,121	1,278	164,180	117,366	1,263
Directorate Core and Back Office	11,113	10,560	220	11,113	10,560	220
Public Health	38,230	34,835	31	27,734	27,734	31
Education and Skills	492,890	26,535	612	521,696	29,504	612
Total	791,323	261,805	2,840	794,858	247,984	2,805

1c Budget Analysis - Subjective Headings

Subjective Summary

Subjective Heading	2015-2016 Budget £,000	2016-2017 Indicative Budget £,000
Expenditure:		
Employees	91,912	89,928
Running Expenses	698,537	704,890
Central Recharges received		
Depreciation and Impairment Losses		
Contribution to reserves	874	40
Gross Operating Expenditure	791,323	794,858
Less:		
Central Charges Issued		
Other Internal sales		
Net Operating Expenditure	791,323	794,858
Income:		
Government Grants	(466,991)	(492,828)
Contributions from Reserves	(19,078)	(10,597)
Other Grants Reimbursements and Contributions	(16,897)	(16,897)
Capital Financing Related Income		
Customer Client Receipts	(26,433)	(26,433)
Other Income	(119)	(119)
Total Net Budget	261,805	247,984

Appendix 2 Savings

Appendix 2a 2016/17 Savings Approved as part of 2015-17 Budget Strategy

Ref	Savings Proposal	Description of Saving	2016/17 £'000
	Children's Safeguarding		
	LAC Placements, Permanence and Leaving Care	Multi-Treatment Foster care intervention to reduce number of children in residential care	300
			300
	Adult Social Care		
	Living Longer Living Better:	Care Closer to Home - Saving from reduction in residential and nursing admissions. This proposal will use £1.6m of the Better Care Fund to provide investment into homecare and assistive technology to enable people to remain in their own homes	791
		Reablement - Integrate with Intermediate Care and Services in the hospitals to create a new integrated Rehabilitation Service. Target reablement at residents who would otherwise have high costs residential and home care packages.	415
	Learning Disability Services:	Expand the shared lives programme	584
		Expand Specialist Assisted Daily Living to make savings on high cost residential provision	275
		Introduce Transition Housing to reduce the number of young people needing to be placement in expensive residential care homes that are not appropriate	53
		Reduce cost of high need provision for older people with learning disabilities by 25% for 17 placements	177
	Voluntary and Community Sector and Housing Related Support:	Advice Services - Following consultation the current providers have agreed in principle that they can deliver a workable service which includes both targeted and universal and achieve £165k saving in 2015/16 rising to £375k in 2016/17	210
		Advice Services - Use of reserve to support implementation of revised service	(450)
	Other	MCC provided Supported Accommodation - Development of a new delivery model for Supported Accommodation	254
		Dedicated Schools Grant	(1,000)
			1,309
	Public Health		

Ref	Savings Proposal	Description of Saving	2016/17 £'000
		Children's Services for School Nursing, Child Accident and other prevention services and Homeless Families provision - review to deliver efficiencies	1,011
		Drugs and Alcohol - Review & redesign Drug & Alcohol Services with a greater emphasis on service integration. This will involve a collaborative approach with providers in the independent and community sector, NHS Trusts and Primary Care	1,606
		Sexual Health - Review & redesign Sexual Health Services bringing together Genito Urinary Medicine (GUM) and Contraception & Sexual Health Services to deliver an Integrated Sexual Health Service across the city whilst maintaining open access. This will i	835
		Community Nutrition Service - Remodel and commission a city wide service involving the NHS Trusts and other providers	492
		Physical Activity Services - Review & commission an integrated service incorporating NHS Trust and City Council Services	283
		Wellbeing Services - Review & commission an integrated Wellbeing Service incorporating NHS Trust and City Council Services	1,932
		Oral Health, Food and Health, and Ageing Well - Review existing programmes to deliver efficiencies	10
		GM Public Health Programme - Review investments in GM programme, deliver efficiencies and in some cases decommission	200
		Well North - Remove non-recurrent provision	(317)
		Review other budgets to get best value for money	178
			6,230
	Education and Skills		
		Home to school transport for Special Needs	536
		Attendance	360
		Youth and Play Services	433
		Short Breaks - Identify alternative contracting and delivery models and some reductions in short breaks for families with disabled children	132
		Free Travel Passes - reduce provision of free travel to school to statutory minimum for new applicants.	83
			1,544
			9,383

Appendix 2b Schedule of proposed savings 2016/17

Ref	Savings Proposal	Description of Saving	RAG Deliverability	RAG Impact	2016/17 £'000	FTE Impact (Indicative)
	Children's Safeguarding					
CS1	LAC Placements, Permanence and Leaving Care:	Release of savings from reduction in LAC, foster care shift, new panel and discharge team arrangements	Red	Green	2,591	
		Review eligibility for special guardianship payments	Green	Green	300	
CS2	Establishment structures:	Review of approach to case management for Children in Need and Child Protection Cases	Red	Green	196	7.8
		Early help case loads	Amber	Amber	440	12.0
CS3	Early years new delivery model	Health Visiting: 0-5 years – The efficient delivery the Healthy Child Programme	Green	Green	250	
CS4	Other:	Cease contribution to Manchester CCG's	Red	Green	400	
		Secure CCG contribution to funding cohort costs via introducing a joint funding protocol	Red	Green	457	
	Total				4,634	19.8
	Adult Social Care					
AC1	Services provided by the Council for health are adequately funded by health	Cease Council contribution to intermediate care at Gorton Parks and the Peele which are health services	Green	Green	640	
		Secure additional CCG contributions to the overheads of running the equipment store and for non standard items	Amber	Green	233	
		Recharge to CCG medicines management health related element of reablement	Amber	Green	388	
AC2	Learning Disability Services:	Supported accommodation: voids management	Amber	Green	450	
AC3	Extra care		Amber	Amber	180	
AC4	Home Care	Review of Home Care Services	Amber	Amber	466	
AC5	Other:	Mental Health shift to early intervention	Green	Amber	270	

Ref	Savings Proposal	Description of Saving	RAG Deliverability	RAG Impact	2016/17 £'000	FTE Impact (Indicative)
		Review Citywide services	Green	Green	125	
		Remove asylum and immigration post	Green	Green	43	1.0
	Total				2,795	1.0
	Public Health					
PH1	Additional proposals	Drug and alcohol services	Green	Green	721	
PH2		Sexual health services	Green	Green	150	
	Total				871	
	Education and Skills					
ES1	Other:	Funding discretionary childcare places	Green	Green	240	
		Phase out sessional grant	Green	Red	71	
		Fully implement travel pass policy	Green	Red	100	
		Psychology – recharge DSG re 0-5 yrs	Green	Green	36	
		Implement charges to schools where appropriate	Green	Green	35	
		Reduce commission for Psychology	Green	Green	40	
		Reduce management support	Green	Green	20	
		Time for me carers fund realignment	Green	Green	20	
	Total				562	
	TOTAL SAVINGS PROPOSALS				8,862	20.8

Appendix 3: Schedule of Growth bids and Budget Pressures

	Purpose	2016/17 £'000	FTE Impact
Growth			
I-Base	Investment in systems	83	2.0
Emergency Duty Service	Additional capacity to strengthen the service	380	8.0
Education and Skills Capacity	Time limited capacity (£0.200m) is needed to provide leadership for a strategic focus on reading, Increased capacity (£0.230m) is needed to support the Council's relationship with schools and provide additional capacity to secure improvements	430	1.0
		893	11.0
Demographic and Other Pressures			
Learning Disability	The forecast provides for the transition of 27 individuals in 2016/17 from Children's Services at an average cost of £28,000 p.a	757	
SEN Transport	The best estimate, based on previous trends indicates that 20% of applications will require a travel solution (155 children and young people) at an average unit cost of £3,500 p.a.	543	
Mental Health	Previous allocations have underestimated growth in demand in this group resulting in the 2015/16 budget being under pressure	600	
Children's Services Remand	Remand average length of time has increased and together with a requirement for more placements at secure institutions additional cost is being incurred	300	
Social Work establishment	Retain the existing social work establishment structure	800	
Leaving Care	Shortfall on prior year saving and some additional capacity in the contract	577	
Early Help Hubs	Shortfall on prior year saving	400	
Directorate and Back Office	Shortfall on prior year saving	570	
No Recourse to Public Funds	Reflects the net overspend on Directorate budgets reported in 2015/16	100	
Legal Services	Additional capacity arising from increased volume of care proceedings and the implementation of the family justice system brought in in April 2015 alongside the Children and Families Act 2014, Serious Crime Act 2015 and Criminal Justice & Court Act 2015	200	8.0
		4,847	8.0
Total		5,740	19.0

Appendix 4: ASC Investment and Care Act

Area	Description of Investment	2016/17 £'000
LLLB	Homecare reform	500
	New retirement village	251
	Decommission CWCHT and establish Review T	160
	New Management structure	336
	MCC Backfill arrangements for LLLB	160
		1,407
Community Asset Development	Mental Health Trust	500
	Re-housing function MEAP	250
	Asset based neighbourhood projects	453
	Support for carers	316
		1,519
Safeguarding and Statutory Requirements	CQC Inspection - mandatory training	200
	Adults Safeguarding Board	100
	Streamline safeguarding QA Unit	200
	Business Support	181
	Investment in reformed AMPHS/OOH	100
		781
Care Act Compliance	Financial assessments & debt recovery	354
	Deferred payments	250
	Care Assessments	1,150
	Increase in assessors (Ots Meap, trusted A)	200
	Advocacy and advice	159
		2,113
Reform of Homelessness and Domestic Violence services	Street homelessness & additional capacity	180
	Homelessness - Accommodation and brokerage	150
	Delivering differently for Domestic Violence	300
	Other minor schemes	306
		936
Learning Disability Service	Establishment to deliver change programme	517
		517
Total		7,273