



Resources and Governance Scrutiny Committee

Date: Thursday, 11 October 2018

Time: 2.00 pm

Venue: Council Chamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 1.30pm in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension

Access to the Council Chamber

Public access to the Council Chamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

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Membership of the Resources and Governance Scrutiny Committee

Councillors - Russell (Chair), Ahmed Ali, Andrews, Barrett, Clay, Davies, Lanchbury, Kilpatrick, R Moore, B Priest, Rowles, A Simcock, Watson and S Wheeler

Agenda

1. Urgent Business

To consider any items which the Chair has agreed to have submitted as urgent.

2. Appeals

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

3. Interests

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

4.1 Minutes

5 - 14

To approve as a correct record the minutes of the meeting held on 6 September 2018.

4.2 Ethical Procurement Sub Group minutes

15 - 18

To receive the minutes of the Ethical Procurement and Contract Management Sub Group meeting held on 13 September 2018.

5. [14.05-14.10] Our Integrated Annual report 2017/18

19 - 76

Report of the Chief Executive

This report provides Members with an overview of the Council's funding, key activities and performance to illustrate what the Council has achieved and how this has been achieved as we work together towards our goal of happier, healthier and wealthier lives for Manchester residents.

6. [14.10-14.45] Review of Children's Services Budget

77 - 92

Report of the Strategic Director Children and Education Services

This report considers the impact of Council resources to support children's services to improve outcomes for Manchester's children who require additional support. It also provides an outline of the issues driving the current overspend in the Children's Services budget in 2018/19, including analysis of overall spend and placement numbers. The report also summarises the success in delivering the planned workforce changes and reducing reliance

on use of agency staff

7. **[14.45-15.30] Budget and Global Monitoring and the Council's proposed recovery plan**

Report to follow

8. **[15.30-15.55] Delivering Equalities through the Council's spending decisions, decision making and monitoring processes**

Report to follow

9. **[15.55-16.05] Overview Report**

93 - 112

Report of the Governance and Scrutiny Support Unit.

This report provides the Committee with details of key decisions that fall within the Committee's remit and an update on actions resulting from the Committee's recommendations. The report also includes the Committee's work programme, which the Committee is asked to amend as appropriate and agree.

Information about the Committee

Scrutiny Committees represent the interests of local people about important issues that affect them. They look at how the decisions, policies and services of the Council and other key public agencies impact on the city and its residents. Scrutiny Committees do not take decisions but can make recommendations to decision-makers about how they are delivering the Manchester Strategy, an agreed vision for a better Manchester that is shared by public agencies across the city.

The Resources and Governance Scrutiny Committee areas of interest include finances, Council buildings, staffing, corporate and partnership governance as well as Council tax and benefits administration. .

The Council wants to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair. If you have a special interest in an item on the agenda and want to speak, tell the Committee Officer, who will pass on your request to the Chair. Groups of people will usually be asked to nominate a spokesperson. The Council wants its meetings to be as open as possible but occasionally there will be some confidential business. Brief reasons for confidentiality will be shown on the agenda sheet.

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Smoking is not allowed in Council buildings.

Joanne Roney OBE
Chief Executive
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Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Wednesday, 3 October 2018** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 6, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Thursday, 6 September 2018

Present:

Councillor Russell (Chair) – in the Chair
Councillors Ahmed Ali, Andrews, Barrett, Clay, Davies, Lanchbury, Kilpatrick, R Moore, B Priest, A Simcock, Watson and S Wheeler

Also present:

Councillor N Murphy - Deputy Leader
Councillor Ollerhead - Executive Member for Finance and Human Resources

Apologies: Councillor Rowles

RGSC/18/44 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 19 July 2018.

RGSC/18/45 Revenue and Benefits Unit - Annual Report 2018/18

The Committee considered a report of the City Treasurer, which provided Members with an overview of the performance of the Council's Council Tax, Benefits and Business Rates service areas for the 2017/18 financial year. The report also provided an update on key areas of work and the welfare reform changes.

The Director of Customer Services and Transactions referred to the main points and themes within the report which included:-

- Performance in the collection of Council Tax, which included details on Council Tax support, collection of arrears, recover activity and action, enforcement agent activity, attachment of earnings orders, attachments to benefits and Increasing revenue from the New Homes Bonus;
- Performance in Benefit administration, which included details on Housing Benefit and Local Housing Allowance;
- Performance in the collection of Business Rates, which included details on increasing revenue from business rates and Business Rates relief awarded;
- Details of Discretionary Housing Payment spend against planned budget, including a breakdown of awards by tenure type;
- Details of Discretionary Council Tax Payment Scheme;
- Performance of the Council's Welfare Provision Scheme;
- Details on the welfare reform agenda and Housing Benefit administration; and
- Other achievements and activity during 2017/18, including extension of support to care leavers, changes to the Council Tax Long Term Empty Premium, fraud and error initiatives and the transition to Universal Credit

Some of the key points that arose from the Committees discussions were:-

- The collection rate for Council Tax was impressive and would it be possible to improve on this in future years;
- How effective was the Council in learning from the success of other local authorities;
- How much was spent on chasing council tax payment from university students who had not submitted exemption forms and was there anything further that could be done to streamline this process;
- Clarification was sought as to when the Council would use bailiffs in pursuing outstanding debt owed with reference to a particular instance given;
- Did the Council have any contingency in place should all Discretionary Housing Payment funding be utilised and was there any correlation with the number of people moving into Manchester and an increase in benefit claims being made;
- What was the Council doing to identify empty homes that could be brought back into use and therefore become subject to Council Tax payment
- When did new build properties become subject to Council Tax payments;
- Did the Council have any influence in the banding of properties within the city
- Was it possible to have a breakdown of the different bandings for new build properties that had recently been built;
- How many cases of bankruptcy had there been during 2017/18;
- Was there any update on the proposed changes to Housing Benefit in relation to supported housing; and
- How was the funding framework for temporary accommodation working in practice

The Director of Customer Services and Transactions advised that improvement targets were set each year and the Council aimed to collect more council tax year on year. To achieve this the Council put in place a variety of methods, including affordable payment plans for those residents who were struggling to make payments. The approach adopted by the Council was one of proportionality based on what people could afford for those who were in financial difficulties. In terms of the Council's effectiveness compared to other local authorities, it was reported that this was not possible to compare, as local authorities had adopted different schemes.

The Committee was advised that the Council had a good relationship with the Universities and the Council used a database of registration to identify students as required to confirm eligibility to the Council Tax discount and exemption. A cost had never been attributed to chasing council tax payments from students who had failed to submit exemption forms and the Council worked closely with the Universities in issuing communications to students to try and ensure that this did not frequently occur.

In terms of the use of enforcement agents (formally referred to as Bailiffs) the Director of Customer Services and Transactions advised that the Council had taken a more informed approach to the use of enforcement agents and would not send accounts that are not deemed suitable for collection to enforcement agents. For example, where possible, recovery from earnings or benefits were set up as the preferred recovery route, even if this took some time to clear the debt. In relation to

the case referred to by the Committee, the Director of Customer Services and Transactions explained the background to the particular instance and the subsequent steps taken.

The Committee was advised that Government provided a grant amount for Discretionary Housing Payments up to an agreed threshold and any money not spent had to be returned. The Council was able to fund above this amount up to a further threshold but this was funded from the Council's budget and although demand was tailing off, as part of the budget setting process for 2017/18 an additional £1 million had been invested by the Council.

In relation to identifying empty properties that could be brought back into use and new properties being made subject to council tax, it was explained that the Council undertook a variety of activities to try and identify empty properties, which included officers going out into communities across the city. As for new properties, there was a process that involved the Valuation Office setting the council tax band upon receipt of completion notices submitted by the Council. When these properties were ready to be occupied they were placed on a temporary band until the valuation Office had made a determination and then the council tax charge was subsequently backdated. Officers confirmed that the Council had no influence in the banding of properties in and across the city.

Officer advised that they would look at what information could be obtained and provided to Members around the banding of new properties across the city. It was also reported that the Council had only dealt with a small number of bankruptcy cases in the last year and it was only a measure used on very rare occasions.

The Committee was advised that following the consultation by the DWP and DCLG in January 2018 on the proposed changes to Housing Benefit in relation to supported housing it was reported that notification had been received that government would not be proceeding with the previously proposed changes.

In terms of the funding framework for temporary accommodation it was reported that when the funding was provided from government, it was based on a snapshot in time with some forecasted growth. Unfortunately following the snapshot the demand in Manchester had risen by a higher amount than assumed by government and Manchester had a funding shortfall as a result even though this was not government's documented policy intention. The amount received from government had not been enough. The Council had notified the government of this, who had responded to advise that they could not review the awards to date but that this would be looked at in the future. To date there had been no funding received. To address the shortfall, the Council had been using its Discretionary Housing Payment funding and additional money set aside by the Council.

Decision

The Committee

- (1) Welcomes the update on the performance of the Council's Council Tax, Benefits and Business Rates service areas for the 2017/18 financial year;

- (2) Requests that Officer provide the Committee with more appropriate information on the banding of new properties being built in and across the city;
- (3) Agrees that the Chair of the Committee and the Executive Member for Finance And Human Resource write to the government expressing the Council's concern in the lack of necessary funding to address the increasing demand in temporary accommodation

RGSC/18/46 Proposed changes to the Council Tax Support Scheme 2019/2020

The Committee considered a report of the City Treasurer which set out proposed changes to the Council's Council Tax Support Scheme to enable the scheme to remain fit for purpose as working age residents in receipt of welfare benefits were moved onto Universal Credit. The report also sought approval to formally consult on the proposals.

The Director of Customer Services and Transactions referred to the main points and themes within the report which included:-

- The background to the current scheme, following the localisation of Council Tax Support;
- Details of Manchester's current scheme, which was based on the default provisions offered by the government in 2012 and where possible used the DWP assessment of income and needs, minimising the need for further means-testing by the local authority;
- The impact of Universal Credit in Manchester and its impact on Council Tax Support;
- Issues with aligning the scheme with Universal Credit and proposals to mitigate and respond to these issues;
- Proposed changes to the scheme which would come into effect from 1 April 2019 in respect of people entitled to Universal Credit;
- The cost of making the proposed changes to the scheme;
- Details of financial modelling and impacts of a banded scheme; and
- A proposal to go out to consultation on the proposed changes between 13 September and 31 October 2018, with the responses along with the final proposals brought back to Scrutiny Committee before approval by the Executive in December 2018.

Some of the key points that arose from the Committees discussions were:-

- There was support in relation to the proposed changes to the scheme to enable it to remain fit for purpose as working age residents in receipt of welfare benefits were moved onto Universal Credit;
- Strong Concern was raised by Members that the scheme still supported historic changes that had been made to the scheme in 2017 to take into account the Government's welfare reform changes that affected all other means tested benefits. Specifically this was in relation to where the Council had agreed to exclude additional applicable amounts in council tax support to families where a third or subsequent child was born or joined a household on or after 1 April 2017, which aligned to the Housing Benefit rules.

- Clarification was sought as to when the above rule in relation to council tax support applied from;
- Was it possible to estimate the cost to the Council if the rule to exclude additional applicable amounts in council tax support to families with a third or subsequent child was not in place; and
- Would it be possible for the Council to reconsider its stance on this part of the scheme as part of the proposed consultation.

The Director of Customer Services and Transactions advised that the decision to enforce the provisions set out in regulations to exclude additional applicable amounts in the Council Tax Support Scheme to families with a third or subsequent child was agreed by the Executive in 2017 and there were currently no proposals to look to change this provision. The only changes proposed to the scheme that the Executive were being asked to consider were in relation to working age residents in receipt of welfare benefits who were being moved onto Universal Credit.

It was confirmed that the provision to exclude additional applicable amounts in the scheme to families with a third or subsequent child only applied to families with two or more children who had applied for support from 1 April 2017.

In terms of cost to the Council, the Director of Customer Services and Transactions advised that the provision had impacted in the region of 633 families in Manchester and had resulted in savings to the Council of approximately £2000

The Executive Member for Finance and Human Resources acknowledged the concerns that had been raised by the Committee around the capping of the payment of council tax support to families with two or more children. He clarified that the proposed changes to the scheme that were before the Committee today were in relation to working age residents in receipt of welfare benefits who were being moved onto Universal Credit, however, he advised that the provision of council tax support payments to households with two or more children could be looked at again by the Executive if the Committee felt strongly enough about this to put forward an appropriate recommendation to the Executive.

Decision

The Committee:-

- (1) supports the proposed changes to the Council Tax Support Scheme in relation to working age residents in receipt of welfare benefits who were being moved onto Universal Credit.
- (2) requests, as a matter of urgency, that the Executive re-consider the current part of the scheme to exclude additional applicable amounts in the Council Tax Support Scheme to families with a third or subsequent child; and
- (3) requests that Officers submit a further report to the Committee, following the consultation period, with final proposals to the scheme prior to the Executive making its final decision.

RGSC/18/47 Blacklisting

The Committee considered a report of the City Treasurer on the Council's position and actions in relation to organisations/contractors that had previously or were currently blacklisting trade union members and officers.

The City Treasurer referred to the main points and themes within the report which included:-

- The Council's position as set out in its Ethical Procurement Policy in relation to undertaking business with suppliers, service providers and contractors that unlawfully compiled, used, supplied or sold information that contained details of persons who were or has been members of trade unions or persons who were taking part or had taken part in the activities of trade unions;
- The actions that the Council could take in relation to organisations/contractors that had previously or were currently blacklisting trade union members or officers, which could include exclusion of an economic operator from a procurement process in accordance with the public procurement rules;
- Any exclusion must be considered on a case-by-case basis as a blanket ban would not be lawful;
- Exclusion needed to be justified on appropriate evidence and was not to be seen as a means of punishing operators for past wrongdoing, but rather a means of putting right past wrongdoing and ensuring that it did not re-occur;
- The concept of self-cleaning, which provided that an operator convicted of an offence would not be precluded from participating in a procurement process if it could demonstrate that it had put in place effective measures to remedy the consequences of any criminal offences or misconduct and ensure that the conduct would not recur; and
- There was no automatic right to terminate a contract where an economic operator has been or was engaged in blacklisting

Some of the key points that arose from the Committees discussions were:-

- It was suggested that the Ethical Procurement Sub Group may want to add a report to its work plan to look at whether the Council's Ethical Procurement policy had appropriate Trade Union/whistleblowing recognition within in it or whether this was an area that requires strengthening;
- How could the Committee be satisfied that the companies who had submitted bids for the Town Hall Management Contract had undertaken appropriate self-cleaning measures;
- Who would be responsible for making the final decision on whether the self-cleaning evidence submitted by the companies who had submitted bids for the Town Hall Management Contract was sufficient;
- There appeared to be a contradiction within the self cleaning regime in so much as an operator could be excluded from a procurement process on evidence of an admission of wrong doing, but the concept of self-cleaning required potential suppliers to explain how it had breached the grounds for exclusion and what action they had taken to remedy; and
- The report was lacking in terms of what action the Council had taken in relation to any organisation it had previously contracted or were currently contracting

that had or were blacklisting trade union members and officers and examples of action taken were requested.

The Executive Members for Finance and Human Resources advised that the Council's Ethical Procurement Policy already contained appropriate Trade Union/whistleblowing recognition but if Members felt that this was something that the Sub Group should look at in more detail then this would be welcomed.

The Committee was advised that in terms of the Town Hall procurement process, statements of self-cleaning had been submitted from the two organisations who were bidding for the contract. The Council could also request further evidence of self-cleaning if it was not satisfied with what had already been provided. A view from the City Solicitor would need to be sought as to whether it would be appropriate to share all or part of this information with the Committee at the current stage in the procurement process.

The City Treasurer advised that the final decision on whether the self-cleaning evidence submitted was sufficient would be taken by the appropriate senior officer, based on guidance formed from a variety of other officers from within procurement, finance and legal services.

Officers advised that the highlighted contradiction in the self-clean regime would be looked at and clarification would be provided to members of the Committee.

In terms of examples of actions that the Council had taken, Officers suggested that this could be reported to the Ethical Procurement Sub Group as part of the report on appropriate Trade Union/whistleblowing recognition it had suggested.

The City Solicitor commented that in relation to blacklisting, the Council need to act in a proportionate manner and assess the particular circumstances on a case by case basis as there were a number of procurement rules that were required to follow.

The Chair highlighted that there was a strong feeling by the Committee that the Ethical Procurement Sub Group should look at the issue of Trade Union relationships and Council contracts in greater detail and proposed that a report on this was added to the work programme for the sub group which could possibly include discussions with Trade Unionists.

The Executive Members for Finance and Human Resources reassured the Committee that the Council undertook regular dialogue with Trade Unions on many issues and that the concerns raised by Members would be taken into consideration.

Decision

The Committee:-

- (1) Notes the report;
- (2) Agrees that a further report is referred to the Ethical Procurement Sub Group to look at whether the Council's Ethical Procurement policy has appropriate Trade

- Union/whistleblowing recognition within in it or whether this was an area that requires strengthening; and
- (3) Requests that the City Solicitor provides a view on whether there is a contradiction within the Council's self-cleaning regime as identified by the Committee.

RGSC/18/48 Our Town Hall Project - Management Contractor Procurement

The Committee considered a report of the City Treasurer, which provided Members with an update on the procurement of a Management Contractor for the refurbishment and partial restoration of the Town Hall and Albert Square under the Our Town Hall (OTH) project.

The City Treasurer referred to the main points and themes in the report which included:-

- The procurement process was formally launched on 13 February 2018 with the issue of the Contract Notice via the Chest, accompanied by the full suite of procurement documents in line with the OJEU regulations;
- A total of six potential Management Contractors registered and downloaded the documents from the Chest, however only two organisations returned a Selection Questionnaire on 19 March 2018;
- Following evaluation of the Selection Questionnaires, Laing O'Rourke and Lend Lease were invited to submit Outline Solutions by 10 July 2008. These were evaluated prior to the issue of the Invitation to Continue Dialogue, on 6 August 2018
- This stage presented the Council with the opportunity to meet the bidders and provide feedback to bidders on their outline solution, and to enable the bidders to test their understanding of the Council's requirements;
- At all stages of the dialogue process, the objective was to enable the bidders to develop their best possible solution for the Council;
- A second week of dialogue meetings was planned for week commencing 10 September 2018 and would comprise of a series of detailed meetings and workshops, at which each bidder would present further details on their proposed solutions;
- It was intended to formally close the dialogue period on 21 September 2018, subject to having reached the point at which the Council was confident that the bidders had developed solutions that met the project requirements; and
- Final bids would be submitted in October followed by evaluation prior to the selection of the Preferred Bidder. The appointment of the management contractor was is scheduled for late November/early December 2018.

Some of the key points that arose from the Committees discussions were:-

- It was hoped that the successful appointed contractor would adopt and follow the Councils blacklisting policy;
- Clarification was sought as to whether the final decision in relation to accepting the evidence of self-cleansing as sufficient (submitted from the two bidders) had been made and if not, could this be considered by the Scrutiny Committee before the decision was taken and by who

- Could the Committee or the Ethical Procurement Sub Group be provided with the evidence of self-cleansing that had already been submitted by both bidders;
- Clarification was sought on the difference between refurbishment and partial restoration of the Town Hall;
- Could officers take account of the Committees previously expressed views in relation to blacklisting and self-cleaning, and ensure with greater vigour that appropriate evidence has been submitted before the appointment of a management contractor is made;
- A Member proposed that it would be appropriate for the Officer tasked with making the final decision on whether the self-cleansing evidence submitted by the two bidders was considered sufficient addressed a democratically accountable body of the Council to justify the decision before it was made; and
- Would the successfully appointed contractor be responsible for overseeing the construction works packages and if so would they be expected to adopt the appropriate Council policies and procedures.

The Deputy Leader commented that he acknowledged the concerns raised by Members in relation to self-cleansing and blacklisting and suggested if any Members had evidence that appropriate self-cleansing had not taken place that this should be reported.

It was explained that the parts of the Town Hall that held historic value would be restored back to their original state and in the main this related to the ground floor and level 1 of the Town hall. The higher floors did not hold as much historical value so it was intended that these would be refurbished to bring them into fit and proper use.

Officers confirmed that there were still opportunities to challenge the evidence of self-cleansing submitted to date from both bidders as no decision had been taken as to which of the bidders would be appointed. An assurance was given to the Committee that appropriate vigour had been and would continue to be applied throughout the remainder of the procurement process.

The City Treasurer commented that the Town Hall project was the most significant construction project the Council had embarked on and there were a number of serious considerations that needed to be taken into account to ensure the appropriate contractor was appointed. There was heavy importance on social value and ethical considerations but also financial viability and ability to deliver the final outcomes of the project. There were some pertinent points around the responsibility for the procurement of the packages of work that sat under the management contractor and the policy that was to be followed in procuring these. In addition, the City Treasurer advised that final decision to appoint the management contractor would be a key decision taken by the Executive.

The City Solicitor advised that a legal view would need to be formed as to what information could be shared with Members at the current stage of the procurement process. The City Treasurer also advised that under procurement legislation there was a number of issues that needed to be taken into account that were evaluated by an officer evaluation panel and it would be this panel that would submit a recommendation that would form the key decision for the letting of the contract.

Officers advised that the successful bidder would be required to oversee the construction works packages and in doing so would be expected to adopt the appropriate Council policies and procurement procedures.

Decision

The Committee:-

- (1) Notes the report; and
- (2) Agrees that as part of the report to be referred to the Ethical Procurement Sub Group on blacklisting, the Chair of the Scrutiny Committee is given discretion as to the level of detail that is contained within the report in relation to the appointment of the management contractor for the Town Hall, taking into account appropriate commercial considerations.

RGSC/18/49 Overview Report

The Committee considered a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

A request was made for the possible inclusion of a report on the Committees Work programme on the Value form the Public Realm and the Council's expenditure on this.

The Chair also advised that she would be requesting a report for the next meeting on the overspend in the Children's Services budget.

Decision

The Committee:-

- (1) Notes the report.
- (2) Notes that the Chair will discuss the above item with the Member who suggested it in more detail; and
- (3) Notes the report requested on the overspend in the Children's Services budget for Octobers meeting.

Overview and Scrutiny Ethical Procurement and Contract Management Sub Group

Minutes of the meeting held on Thursday, 13 September 2018

Present:

Councillor Russell (Chair) – in the Chair
Councillors Ahmed Ali, Clay, Shilton-Godwin and S Wheeler

Also present:

Councillor Ollerhead - Executive Member for Finance and Human Resources
Councillor Craig - Executive Member for Adults Health and Wellbeing

Apologies: Councillor Farrell, Hacking, Igbon, Lanchbury, Stone and Watson

RGSC/EP/18/1 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 7 June 2018.

RGSC/EP/18/2 Update on delivery of social value in the new health and social care arrangements

The Subgroup considered a report of the Executive Director of Planning and Operations, Manchester Health and Care Commissioning (MHCC) that provided an update on the development of the approach to the delivery of social value within the new health and social care arrangements. In recognition of the importance of embedding social value within the transformation of the health and social care system in the city, MHCC had funded a post to develop a draft inclusion and social value strategy which would set out social value priorities across both MHCC and the Manchester Local Care Organisation (MLCO).

Key to the development of this strategy had been the opportunity to share resources across MHCC and the constituent parts of the MLCO with a focus on using social value as an enabler to reduce both health and workforce inequalities.

Officers referred to the main points and themes within the report which included:-

- A description of the MHCC and MLCO draft Inclusion and Social Value Strategy;
- Progress on deriving social value through commissioning and procurement; and
- The MHCC approach to 'in-house' social value delivery.

Some of the key points that arose from the Groups discussions were:-

- Was the draft five year MHCC and MLCO inclusion and social value strategy available for comment;
- Clarification was sought on NHS arrangements for commissioning budgets that were spent on contracts which were negotiated on a year by year basis;
- When would the Manchester Local Care Organisation (MLCO) adopt a procurement and commissioning function;
- How appropriate was it to use zero hour contracts and how would these be monitored;
- In regard to Homecare workers what was being done to support and encourage Trade Union representation;
- Clarification was sought on what 'local' meant for employment opportunities;
- What was being done to promote and develop BAME staff within the work force and address institutional barriers;
- Commissioners should also include Modern Day Slavery as a criteria when evaluating and awarding contracts;
- Whilst welcoming the report and the activities described, future reports to the Subgroup needed to include an analysis of outcomes and what had been achieved through this approach;
- Noting that that the Resources and Governance Scrutiny Committee had recommended that the Executive Member for Finance and Human Resources ensures that Manchester City Council achieved accreditation as a Living Wage Employer; and
- Noting that the commissioning of services locally and employing local employees would also deliver health and environmental benefits.

The Executive Member for Adults, Health and Wellbeing informed the Subgroup that the establishment of MHCC represented a partnership approach across the city to improve the health outcomes for residents. She said that the Council had an established social value policy to its procurement and commissioning function. She said that health partners in MHCC had demonstrated that they had begun and continued to incorporate and align this approach and ethos into their systems. She said that when the draft five year MHCC and MLCO inclusion and social value strategy and delivery plan was available to be shared this would be provided to the Subgroup.

The Executive Member for Adults, Health and Wellbeing described the approach that had been developed to commission Homecare for citizens stating that social value was used through the procurement process. She said that providers had been asked to demonstrate how they were already delivering social value and any additional measures they would implement as part of this contract, including environmental; economic and social factors.

The Executive Member for Adults, Health and Wellbeing stated that the introduction of the Manchester Living Wage and providing professional career development opportunities would attract people into this area of work, especially in areas of the city that had traditionally proven to be a challenge. She said that the concept of local employment linked into the discussion around the concept of what constituted good employment and how this reflected and attracted a diverse workforce drawn from the

local community. She said that the Health Scrutiny Committee had recently considered a report on this and recommended that the report be circulated to Members of the Subgroup as further information.

The Executive Member for Adults, Health and Wellbeing acknowledged the concerns expressed regarding the use of zero hour contracts stating that these would be used only in exceptional circumstances and the use of these would be monitored to ensure these were only ever used appropriately. She further commented that the same would be the case for Trade Union recognition within the workforce.

The Executive Member for Adults, Health and Wellbeing informed the Subgroup that the MLCO had gone live in April 2018, describing it as an ambitious development to deliver truly integrated services, in localities to improve the health outcomes of all Manchester citizens. She said this was the first year of the new model and the MLCO did not have a commissioning function at present, however the agreement was that for procurement and commissioning purposes, the MCC/MHCC approach would be adopted by the MLCO in the future.

The Executive Member for Adults, Health and Wellbeing responded to the comments regarding the content of the report by stating that future update reports would contain detail on where money had been spent and what social value had been achieved through commissioning. She stated that by establishing and demonstrating good practice 'in house', this would provide organisational leverage and help influence partners and providers.

The Strategic Lead: Inclusion and Social Value, MHCC said that the all partners of the Health and Wellbeing Board had been charged to review their own employment practices to ensure they demonstrate and deliver the values required by providers. In addition she described the initiatives that had been developed to support young people into work and support people back into work.

The Director of Workforce and Organisational Development, MHCC described the work that was currently underway to review work force progression for BAME and disabled staff, in particular at a leadership level as it was recognised that institutional barriers existed. She stated that a steering group had been developed to review this at a Greater Manchester level, and following a request from a Member she said that information on this activity would be shared with the Subgroup. In response to a question regarding positive action in recruitment she confirmed that this practice was lawful and that MHCC was seeking to encourage its usage. She further explained that it would be investigated as to how the Commissioning for Quality and Innovation (CQUIN) framework could be used as a mechanism to derive Social Value and stated that an update on this would be provided in future reports. She further responded to the question asked regarding one year NHS arrangements for commissioning budgets by saying that this was a result of the annual NHS yearly budget settlement awarded by Central Government.

The Executive Member for Finance and Human Resources informed the Subgroup that the options for achieving accreditation as a Living Wage Employer were being investigated.

Decision

The Subgroup:-

1. Notes and welcomes the reported progress and requests an update report at an appropriate time; and
2. Requests that a briefing note be provided to Members of the Resources and Governance Scrutiny Committee on how the Council's procurement policies and practice was responding to the issue of Modern Day Slavery.

RGSC/EP/18/3 Social and Environmental Requirements in Procurement exercises (formerly listed on the main agenda as M Futures)

The Chair expressed her considerable disappointment at the content of the report that had been submitted for consideration, and that nobody had attended the meeting to introduce the report or answer any questions from the Group.

The Chair recommended that the Group defer consideration and to recommend that the Chair write to the Chief Executive, the Head of Legal Service and the Leader to express the disappointment of the Group.

Decision:

The Subgroup:-

1. Agrees to defer consideration of this item; and
2. Recommends that the Chair write to the Chief Executive, the Head of Legal Services and the Leader to express the disappointment of the Group.

RGSC/EP/18/4 Work Programme and an overview of MCC contracts

The Subgroup were invited to consider and agree the work programme. The Chair recommended that she would review the Work Programme following discussions with officers. The Members agreed this recommendation.

Decision

The Subgroup agree the Work Programme, subject to any amendments agreed by the Chair following discussions with officers.

Manchester City Council Report for Information

Report to: Resources and Governance Scrutiny Committee – 11 October 2018

Subject: Our Integrated Annual Report 2017/18

Report of: The Chief Executive

Summary

The Integrated Annual Report 2017/18 provides Members with an overview of the Council's funding, key activities and performance to illustrate what the Council has achieved and how this has been achieved as we work together towards our goal of happier, healthier and wealthier lives for Manchester residents.

Recommendations

The Committee is invited to comment on the Annual Report

Wards Affected: All

Alignment to the Our Manchester Strategy Outcomes (if applicable)

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The report demonstrates the clearest link between our strategy, our management and our performance to clearly show the impact we are having on the community in a transparent and accessible way
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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Background documents (available for public inspection):

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



MANCHESTER
CITY COUNCIL

Our Integrated Annual Report 2017-2018

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Foreword

Last year was a testing year for Manchester and Mancunians, but one where our true character shone through. For those who lost loved ones, suffered injuries or experienced the horrific terrorist attack in the Manchester Arena, it has been a devastating time. The response of so many people including the emergency services and people who opened up their homes and hotels to those in need illustrates the humanity, togetherness and the values of our citizens. These values were shown again in the remembrance, reflection and celebration of life in May 2018.

2017/18 was the first year of our three year budget strategy and we had to make savings of nearly £17 million in this year. Since 2010 the Council's spend on services has reduced from £574m to £408m. However, our focus remains on our vision of Manchester in 2025 as a top-flight world-class city full of opportunity with improved quality of life for all. To make this happen we and many of our partners have worked on a radical change in approach: the Our Manchester approach.

This approach is about putting people at the centre of everything we do. It is about listening, learning and responding. It is about generating interest and enthusiasm in trying new ways of working and trusting and empowering communities to do things for themselves. It's been great to see people from the Council, our partners, voluntary organisations, residents and Councillors working together and listening to each other about how to really make a difference to our neighbourhoods and communities.

Our Annual Report describes where our money has come from, what it was spent on, our key activities and the services which were delivered throughout 2017-18. It also sets out what all this has achieved such as:

- The improvement of our Children's Service's OFSTED rating following a lot of hard work and dedication from so many staff and partners. There is much more to be done to support all Manchester's young people to get the best start in life, but this achievement provides a great platform to do so.
- The preparations for and launch of the Manchester Local Care Organisation (MLCO) in April 2018. MLCO brings together community health, social care, GP and mental health services to ensure that vulnerable or ill people get the right kind of help at the right time.
- Beginning the development of the new Factory Arts centre, a world class cultural venue which will host the Manchester International Festival and cement the city's reputation at the forefront of art and culture.

Looking ahead we know that there are great challenges for us to address as a city, including ensuring everyone can benefit from the economic opportunities Manchester attracts, reducing the number of people homeless or sleeping rough and providing the right support for people to lead healthy lifestyles. We are committed to listening to and working with our communities to respond to these challenges in the right way, towards our goal of happier, healthier lives.

Sir Richard Leese
Leader of the Council

Joanne Roney OBE
Chief Executive

Our Integrated Annual Report

The Integrated Annual Report takes you through our funding, key activities and performance to show you what we have achieved and how as we work together towards our goal of happier, healthier and wealthier lives for Manchester residents. We have used the International [Integrated Reporting](#) (<IR>) Framework to guide the production of this report. The report therefore focuses on our ability to create value in the short, medium and long term, and supports the efficient and productive spending of public money. This approach aims to demonstrate the clearest link between our strategy, our management and our performance to clearly show the impact we are having on the community in a transparent and accessible way.

Our Council, City and City Region

We make decisions affecting Manchester and its residents and on a daily basis. We are made up of 96 councillors elected by residents across the city's 32 wards. These elected representatives have the authority to make decisions affecting the city. At the end of March 2018, 7,101 Council officers were employed to deliver services for the public.

Our mission is to support the delivery of the vision set out in the Our Manchester Strategy that in 2025 Manchester will be in the top flight of world-class cities. The priority objectives of the Our Manchester Strategy are detailed in the '[Our Strategy and Objectives](#)' section.

Our work is undertaken by the five directorates we are made up of. These are Growth and Neighbourhoods, Strategic Development, Children's Services and Education, Adult Social Care and the Corporate Core. During 17/18 we undertook a strategic management restructure resulting in changes to directorate remits including the transfer of services co-ordinating economic growth to the Strategic Development Directorate with Highways Services being brought into a new Neighbourhoods Directorate. More detail on the work of each directorate can be found in the directorate's [operational model](#).

Between 2011/12 and 2016/17 we have had to deliver £339m of savings with a further £14m required in 2017/18, following the cumulative effect of reductions in funding from central government.

The government's welfare reforms such as the roll out of Universal Credit 'full service' will continue to have an impact on the people of Manchester. We have put significant resource into ensuring that the roll out of Universal Credit is as smooth as possible and into mitigating any negative impacts such as increased levels of housing arrears. We are working with the Department of Work and Pensions and other partners in the city, particularly housing providers and commissioned advice services to track the impact of roll out of U.C and adapt services locally wherever possible to meet the needs of UC claimants. We will continue this work and lobby for any necessary changes based of local intelligence.

The ongoing Brexit negotiations will continue to have a major bearing on the city's population and demographic profile and will impact on the city's economy. However, the diversity and current strength of the city's economy provides a strong foundation for the economic impact of Brexit, which is likely to become more of a challenge in the coming year. We will continue to monitor the implications of government policies so we are well placed to mitigate negative impacts and grasp opportunities.

The city's success and ability to cope with reduced funding is inextricably linked to the success of our city-region. Greater Manchester (GM) is one of the country's most successful city-regions and is home to approximately 2.8 million people¹. The Greater Manchester Combined Authority (GMCA) is made up of the ten GM Councils who work together with local services, businesses, communities and other partners to improve the city-region. The Mayor, elected by the people of Greater Manchester chairs the GMCA.

Manchester, together with partners in the GMCA has driven devolution and negotiated the transfer of powers, budgets, and responsibilities from government to the city region. As a result, decision-making on crucial public services in GM like transport, planning, health and skills has moved closer to GM people. With more decisions being made locally, the needs and aspirations of local people can be better met. Devolution has also brought about more certainty over long term funding so that the GMCA and the city can make plans over the long term. With a raft of new devolved powers, GMCA has developed plans for the future. In October 2017 GMCA published the new Greater Manchester Strategy, [Our People, Our Place](#) which is the long term blueprint for the future of Greater Manchester's people. The plan looks at 10 priority areas and details how life will be improved for all who live in the city-region, from being ready for school, to starting work and growing old, and everything else in between.

¹ Mid 2016 ONS population estimate (2,780,659).



Our work will be aligned to supporting the delivery of this bold new vision to make Greater Manchester one of the best places in the world to grow up, get on and grow old.

Following the decline of industry in the twentieth century, Manchester has successfully reinvented itself as a city with a large and diverse population and economy. The city's growing population was estimated to be just over 572,500 in 2018, and by 2025 Manchester is forecast to be home to over 644,000 people (MCCFM figures²). Manchester continues to support the economic growth of Greater Manchester and is at the heart of work to create a thriving Northern Powerhouse. The city continues to develop at a fast pace and create economic growth and new opportunities for Manchester citizens. Some of the city's key developments over 2017/18 include:

- The five year, £80 million pound investment programme to improve the condition of the city's roads and footways began in 2017/18 with an estimated £15 million pounds being spent on preventing roads from falling into poor condition, resurfacing roads on the city's key route network, footway treatments, pothole repairs and drainage repairs. We've also been planning how best the Piccadilly Train Station area can be developed to accommodate High Speed 2 (HS2), Northern Powerhouse Rail and Northern Hub. A well maintained and connected infrastructure will drive business growth and create jobs and opportunities.
- As the lead partner of the CityVerve project, we have been working with 20 public and private sector partners including our universities, Cisco, BT and Ordnance Survey to deliver the UK's Internet of Things (IOT) city

² Figures informed by a forecast (MCCFM W2016) by Public Intelligence, PRI, 2018. Manchester City Council's forecasting model (MCCFM) enhances ONS data by combining it with recent local administrative data. These are considered more accurate for the locality, but may not accord with officially published estimates

demonstrator for Innovate UK and the Department for Culture Media and Sport (DCMS). Together, we're creating a blueprint for smarter cities and will be at the forefront of the Internet of Things where everyday objects are connected to a network in order to share their data. CityVerve supports development of innovative solutions to address city challenges around mobility, air quality, cycling and roads infrastructure, the move towards a low carbon economy and reduced emissions, and the health and well-being of our residents.

- On 1st June 2017 we began leading an £8million European Commission-funded project, GrowGreen. The project aims to create climate and water resilient, healthy and liveable cities by investing in nature-based solutions (NBS) and involves Manchester working with many other European cities. This has involved the allocation of £1million for the design and development of a community park and other green spaces in West Gorton.
- In April 2017 a joint venture partnership was launched with the Far East Consortium to support the development of the Northern Gateway into the Irk Valley.
- Commencement on the Council led development of The Factory, a world-class cultural space in the heart of Manchester. The c£110 million project will provide 13,500 square feet of ultra-flexible space which will make and showcase dance, theatre, music, opera, visual arts, popular culture and innovative contemporary work incorporating the latest digital technologies. It will be ran by and be home to Manchester International Festival and audiences of up to 850,000 a year will have access to the world's best artists. The Factory is set to transform the way we see the world, and the way the world sees Manchester.

Whilst the city and its residents have seen many changes for the better in recent years, Manchester is still facing some of the same challenges it was a decade ago. There are still areas of intense deprivation and too many Mancunians are experiencing poor health.

Nearly 12% of Manchester's residents (aged 16 and over) were claiming out of work benefits towards the end of 2017 which was 3% higher than that of Great Britain, and the claimant rate for those aged over 50 was considerably higher than the national average. Poverty is a major challenge affecting many of the city's families and the Institute for Fiscal Studies projects an overall increase in child poverty by 2020. Provisional estimates suggest that approximately 27% of the employees living in Manchester earnt below the Real Living Wage in 2017 compared to 22% of employees living in England. The city has a higher proportion of residents with no or low skills than the U.K as a whole and low skills are directly linked with a low wage economy. Manchester has one of the highest rates of people sleeping rough per 1,000 households when compared to other English Core Cities and with a rate of 0.42 per 1,000 households it is more than twice the national average.

At approximately 55, the number of years Manchester residents can expect to live in good health is approximately 9 years below that of England as a whole, and this has reduced by over a year for both males and females from 2013-15 to 2014-16. At

approximately 40% the percentage of Manchester's 10-11 year olds who were overweight or obese in 2016/17 is just over 6 percentage points higher than national levels. We have started to address some of the city's long standing health issues and are making significant progress with the integration of health and social care services through the biggest public service programme that the city has ever seen.

The challenge for Manchester is to ensure all Mancunians and communities are connected to the opportunities presented by the city's economic success. In order to rise to this challenge and many others facing the city we worked with unprecedented numbers of residents, businesses and partners to understand their needs and develop the city's plan for the future. Manchester is now truly within a new and exciting phase of its evolution and is driving forward its ambitious plan, Our Manchester.

Our Strategy and Objectives

Our Manchester is the strategy for the city adopted in 2016 and it sets out the city's priorities up to 2025. Manchester residents and partners helped to develop the strategy with over 2,300 people and organisations contributing their views. The shared vision is that in 2025 Manchester will be in the top flight of world-class cities. It will be a well-connected city with a competitive sustainable economy. It will have highly skilled, enterprising and industrious people from all backgrounds who feel safe, succeed and live well in neighbourhoods that are green, clean, attractive, and culturally rich. The [Our Manchester Strategy](#) which can be read in more detail on our website has five main themes:

- A thriving and sustainable city.
- A highly skilled city.
- A progressive and equitable city.
- A liveable and low-carbon city.
- A connected city.

This long term strategy is the framework for our Capital Strategy ([Item 16](#)) and our Revenue Strategy ([Medium Term Financial Plan – Item 6](#)), which is discussed in the [Our Outlook](#) section of this report. Our resource allocation plans set out in our [Budget and Business Plans](#) have all been developed in line with our Capital and Revenue Strategies in order to implement the city's long term strategy. The city will invest in growth and support our more vulnerable residents into independence through public services working together and supporting families to address problems early before they develop into crises. On the way to 2025, we have set some shorter term objectives based on what Manchester people have said they value most.



Our performance against all the goals of the Our Manchester Strategy will be reported each year in the [State of the City Report](#) which will be published on the Council's website in October. Whilst the Our Manchester Approach and the Our People Strategy are discussed in the next sections, delivery against the shorter term priorities is summarised across the next page and explained in more detail in the ['Our Performance'](#) section. Green arrows on the next page indicate positive changes from last year's results and red arrows indicate negative changes.

A thriving and sustainable city

↑ **381,500**

Jobs in the City

(Source: Total employment, BRES, 2016)



Gross Value Added in Manchester has grown by

↑ **6.4%**

from 2015 to 2016, compared to 3.7% for the UK
(Source: ONS)



↑ **1.19m**

International visitors to Manchester

in 2016 (Source: International Passenger Survey, 2016)



A liveable and low carbon city

↑ **39%** of household waste recycled

(Source: Manchester City Council, 17/18 provisional)

CO2 emissions

↓ **29.6%**

from 2005 levels
(Source: DECC estimates 2015)

↑ **271**



Homes defined as affordable by the government out of 2,869 new builds which became available for buying or renting in Manchester within 2017/18
(Source: Manchester City Council)



↓ **9,261**

Street cleansing requests

received by the Council in 2017/18.
(Source: Manchester City Council)

A highly skilled city

↓ **72.7%** of the working age population are qualified to NVQ level 2 or above (16-64, Source: APS 2016, ONS)

Manchester's Key Stage 4 'Attainment 8' score

43.4



(Source: DfE, 16/17 academic year)

↑ **60%** of primary school pupils achieved the expected standard in reading, writing & maths (Source: DfE, 16/17 academic year)

↓ **11.9%** of residents claiming out of work benefits (16-64, source: ONS, Nomis, Nov 2017)



↓ **15.2%** of workforce & ↓ **27.2%** of residents paid less than the Real Living Wage (Source: ASHE survey, 2017 provisional)

A progressive and equitable city

Manchester's Looked After Children rate per 10,000 children rose to

↑ **104**

at the end of March 2018
(Source: Manchester City Council, provisional)

↑ **15.3** residents per 100,000 of the population experienced delayed transfers from one care setting to another (Source: Manchester City Council 2017/18, provisional)



↓ **54.3** males



↓ **54.6** females

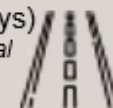
healthy life expectancy at birth (Source: Public Health England 2014-16)

↑ **40.27%** of 10-11 year olds classified as overweight or obese

(Source: Public Health England, 2016/17)

A connected city

↑ **25.3%** of road network beyond mid-life grading (A, B, C, and U roads, excluding footways)
(Source: MCC Annual Condition Survey, Oct - 17)



↓ **87%** of tracked journeys along key routes in the city which fell within the acceptable time limit

(Source: TfGM, 2016/17)

↑ **4.5** mins (am)

↑ **5.4** mins (pm)

average journey time rates for A and B roads (average minutes per mile, Source: TfGM, 2015-16)



Our Manchester Approach

The Our Manchester Strategy provides the overarching framework and priorities for action by the Council and partners. It includes 64 commitments, known as the '[We Wills](#)', made by a range of agencies to achieve the vision for the city. To deliver the commitments a radical change is required in our approach and the way we work with partners. This radical change is the Our Manchester approach.

The Our Manchester approach is a redefined role for the Council and public services as a whole. It puts people at the centre of everything we do, recognising that people are more important than processes, procedures or organisational boundaries, and changing the way that the Council works to reflect this. It is about listening, then learning, then responding. It is about creating capacity, interest and enthusiasm within individuals and communities so they are empowered to do things for themselves. Finally it is about working together more, by building long term relationships and having honest conversations which give a say and role to both those who need services and those who provide them.



The Our Manchester Delivery Plan, designed and developed throughout 2016/17, aims to embed the Our Manchester Approach throughout the Council and its partners and has three main themes;

- **Placed based approaches within neighbourhoods** - By supporting our workforce and those of our partners to embed Our Manchester ways of working, services in neighbourhoods will shift from offering reactive services to offering more collaborative, strengths based, and proactive ways of

engaging and working with communities. Throughout 2017/18, place based approaches have continued to develop different ways of engaging communities, based on what matters to people, growing of community assets and co-designing solutions.

This intensive approach to engagement is focused in three areas of the city - Gorton, Higher Blackely and West Wythenshawe. Each of these areas has a different focus and as a result some differing approaches to engagement. The activity recognises that this is not about a one size fits all approach but rather understanding what matters to people in the context of where they live and how the council and its partners can support residents to take ownership and help design solutions. This has been seen in West Wythenshawe, for example where 4 distinct neighbourhoods with different challenges have been selected to carry out this work. To date activities such as door knocking and events with businesses have taken place; a small number of residents have come forward to work with services to help design solutions. This work will be ongoing over the next year.

- **Applying the Our Manchester Approach to the integration of Health and Social Care** – 2017/18 saw the high level refresh of Manchester's Locality Plan (Our Healthier Manchester), with strong involvement from the community and voluntary sector. To continue to ensure that the delivery of the Locality Plan aligns to Our Manchester, the Council and its health partners established their commitment to ensuring four priority themes are truly embedded in the delivery of the Locality Plan. The priority themes are connecting services for people in places, commissioning priorities, single trusted assessments and workforce behaviours. Part of this work will ensure that all care assessments are strengths based and focus on what matters to the person and what they can do. It also involves offering services within communities such as youth clubs or community centres, and making sure people can access these services to support people's health and wellbeing.
- **Broader Our Manchester activity** - This will support the adoption of the Our Manchester approach across the city as a whole. We will continue to talk to people, businesses and partners about what matters most to them and work to design new ways of delivering better services together. Activity throughout 2017/18 included a number of consultations which have used a strengths based, conversational style which sought to understand what really matters to people. For example, the Family Poverty Strategy was informed by 120 strengths based conversations which revealed how those with lived experience viewed 'poverty'.

Throughout 2017/18 we have been focusing on enabling and testing the Our Manchester approach. To help enable our staff to use the Our Manchester approach we have worked with them to develop and launch the Our Manchester behaviours framework and a strengths based approach to appraisals, 'About You'. Many of our staff and the staff of our partners have attended an 'Our Manchester Experience' to help them understand what the approach means for the city, its people and what they must do to deliver the culture change required to make it a reality. From September 2017 to March 2018 799 MCC officers and 111 staff from our partners

have been through the experience. Throughout 2017/18 the 'Our Manchester Days' programme supported resident engagement by dedicating our social media channels to the showcasing of council services which residents had told us they cared about most in the Budget Conversation. A framework for the asset based approach to resident engagement was also developed to help everybody understand what Our Manchester means to them and support meaningful continuous conversations. Towards the end of 2017/18 we began developing a rigorous, consistent monitoring and evaluation framework to provide the evidence to understand how well the Our Manchester approach is working. This testing will allow us to refine the approach over time so we can maximise its impact on achieving the Our Manchester vision.

The focus for 2018-19 is on 'hardwiring' Our Manchester across the council and working with partner organisations.

Our People

At Manchester City Council we pride ourselves on having a workforce of dedicated staff who are passionate about the city and its people. They are our most valuable asset and the driving force behind making Our Manchester a reality. In 2017 we launched [Our People](#) (the Council's people strategy) and with it set out 4 behaviours that we need to embed to make Our Manchester truly the way it feels to work across our organisation.



The 2017/18 delivery plan for the People Strategy has focused on getting the basics right, ensuring strengthened core people management and development processes underpinned by high quality and consistent line management which supports a more engaged and motivated workforce. Some of the successes over the year include:

- a significant increase in employee engagement measured through this year's 'BHeard' Survey which saw a 7% increase in responses and an overall engagement score of 611, an increase of 16 points, with the Council now recognised as a 'One to Watch' organisation.

- supporting the development of Manchester residents and existing staff with 200 apprenticeship starts, exceeding our target of 169 and including a number of former Manchester Looked After Children.
- the roll out of ICT access to circa. 1,000 Council staff as part of the Universal Access programme.
- a continued focus on equality and diversity in support of the corporate equality objectives and commitment to the Equality Framework for Local Government with the aim for re-accreditation at the 'Excellent' level in June 2018: highlights include accreditation at level 2 of the Government's 'Disability Confident' scheme and supporting a 5% increase in-year in BAME representation.
- a focus on employee wellbeing and, in particular mental health with the launch of a new Employee Assistance Programme (EAP) providing 24/7, confidential and free support on a range of things including family issues, legal, debt, addiction, bereavement, stress and anxiety and seeing over 1,200 calls and 4,000 website hits.
- a strong emphasis on supporting a reduction in sickness absence with a dual strategy focused on promoting wellbeing (see above) and supporting managers to supportively and proactively manage sickness absence cases: with a continued downward trend in sickness levels year-on-year.
- launch of the Our Manchester Behaviour Framework and Experience: over 900 participants with 92% positive feedback
- a circa. 20% reduction in expenditure on agency staffing
- launch of the new 'About You' strengths based approach to appraisals and one-to-ones with overwhelmingly positive feedback
- continued roll-out of our core leadership and management training programmes (with 40% of all managers having now participated).
- a range of 'Our People' engagement sessions across the City directly engaging staff on what matters to them.
- 700+ hours of employer supported volunteering connecting staff to contribute to the life of the City.
- launch of Our Ways of Working: the council's new commitment to flexible working in the organisation, and with it a dramatic rise in the number of staff able to work from home and request flexible working arrangements.

In order to continue to improve the workplace and help to deliver our Manchester, the strategic delivery priorities for Our People in 2018/2019 have been aligned to the Our Manchester principles:

- Better lives: Continual improvement of the workplace for our staff; connecting employees to the life of the City.
- Listen, Learn & Respond: Staff engagement; "you said - we did"; HROD service improvement and practice improvement of our policy framework.

- Starting from Strengths: Strengths-based approach to skills, workforce development and the way we manage our people.
- Relationships & Conversations: workforce equalities; partnership working; management and Trade Union relationships underpinned by strong collective leadership.

This is underpinned by a continued focus on embedding the Our Manchester behaviours and providing the tools and support to improve the capacity of our workforce.

Our Governance

We are responsible for conducting our business in accordance with the law and ensuring that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. We are committed to the highest standards of conduct, progressing towards the city's vision with robust controls over the use of resources, intelligent and open decision making, and accountability and transparency. We have set out this commitment in our [Code of Corporate Governance](#) (The Code) which forms part of our [Constitution](#). The Code outlines how we operate, how decisions are made and the procedures followed to ensure efficiency, transparency and accountability.

Our Internal Audit function provides assurance over the effectiveness of our risk management, internal control and governance arrangements. They support, advise and challenge management to assist the development of strategies, systems, policies and procedures which improve ways of working and ensure the best use of resources. Our external auditors assess our Internal Audit function to ensure it forms an effective part of our control environment. Our [Annual Governance Statement \(AGS\)](#) reviews the extent to which we have met The Code's standards and describes the progress made throughout the year in addressing our key governance challenges. Throughout 2017/18 we have...

- Continued to improve Children's Services as recognised in Ofsted's inspection report published in December 2017. Our leadership, management and governance arrangements were found to be 'Good' which is a strong foundation for us to deliver even better performance and outcomes for children and young people.
- Progressed the integration of health and social care by supporting the production of various partnership agreements regarding governance, commissioning and joint commitments which have enabled the Manchester Local Care Organisation to become operational in April 2018.
- Made significant progress in delivering Our Manchester. This included preparations for the launch of the Our Manchester Voluntary and Community Sector Fund (VCS Fund) in April 2018, including due diligence work on the 63 organisations who will receive funding, and the formation of the new programme team who will manage both the VCS and the Our Manchester Investment Fund. It has also included the implementation of the 'Our People Strategy' which has focused on improving employee engagement and the quality and consistency of people management (e.g. through the launch of 'About You' staff appraisals based on a formalised behaviour framework and the delivery of leadership and management training programmes).

In this time of such rapid transition our financial, policy and legislative environment is constantly evolving. The skills and diversity of our [leaders](#), continuous review of our Budget and Business Plans and our attitude to risk and [robust risk management arrangements](#) all mean we are well placed to tackle challenges and grasp the opportunities of our ever changing environment to create value.

Whilst we will not risk challenging our ethical, legal and statutory responsibilities, overall we are a risk tolerant organisation and know that our measured and

proportionate risk taking is essential if we are to deliver change, reform, growth and ultimately value. Our corporate and service level leadership works proactively to maintain this attitude across the organisation so that innovation is encouraged, promoted and enabled. For example, Our annual Awards for Excellence include an award for an employee who has shown innovation to change our ways of working and 2018/19 will see more focused work undertaken to embed the Our Manchester behaviours including 'Owning it and not being afraid to try new things', and the development of tools to support employees in taking this approach. Such initiatives and work contributes towards embedding a culture of innovation, trust and service improvement.

The use of our capitals (e.g. money, partnerships, staff and buildings) is aligned to our culture, ethics and values as described by the Our Manchester Approach. By maintaining solid long term relationships with suppliers and partners who share our values, looking after our staff and maximising social value, we are better able to sustain our ability to create value over the long term.

Our approach to financial management including our medium term financial strategy and the role of our Chief Financial Officer ensures that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively. This approach supports both long term achievement of objectives and shorter term financial and operational performance.

Social value is a process through which the needs for goods, services and utilities are met in a way which achieves value for money on a whole life basis. This means maximising the social, economic and environmental impacts that can be derived from our procurement spend. We recognise the positive impact that our suppliers can bring to our city and give social value a minimum procurement weighting of 20% to ensure it is a critical part of our procurement process. We have also developed a social value toolkit for commissioners and stakeholders to help them to build social value into commissioning and a toolkit for suppliers to help our supply chain understand the role they need to play. We have also incorporated the GMCA social value policy into our own policies and procedures.

We have a [Partnership Governance Framework](#) setting out the high standards of conduct we expect from partner organisations and follow an ethical procurement policy. Our [Ethical Procurement Policy](#) and focus on social value helps us to work with suppliers who are committed to our values and gain maximum benefits to improve social, economic and environmental well-being. For example, the winners of our multimillion-pound contract for road improvements agreed to use local companies for 75 per cent of their supplies which will boost the local economy and the Our Town Hall refurbishment project has a challenging 30% local labour target and aims to ensure that 100% of the project's apprentices are either Manchester residents or are attending a Manchester based educational institution (or the University of Salford).

We recognise that our staff are a hugely important asset and [Our People](#) is our commitment to our workforce. This People Strategy has been designed to empower and equip staff to deliver the goals of the Our Manchester Strategy and will do this

by listening to them, involving them, respecting them and inspiring them. We are committed to promoting the physical and mental health and wellbeing of our workforce and make available a wide range of support and guidance on a wide range of health and wellbeing topics including a 24/7 telephone based Employee Assistance Programme. We pay all our employees the Manchester Living Wage and influence others in the city do the same.

Our Decision Making

We take decisions every day that affect the city and its residents. Our decision making process is designed to enable us to take decisions efficiently and effectively. The most significant of decisions, such as setting the Council's budget, are taken at the Full Council meeting, where all 96 of Manchester's Councillors come together. The Council Leader appoints Council members to form an Executive which takes decisions on a wide range of important matters to implement the Council's budget and policies.

Some decisions, such as those to grant planning permission are Non-Executive and these are outside of the Executive's decision making powers. Specific Committees are set up by the Council to take these decisions such as the Planning and Highways and Licensing and Appeals Committees.

The Council also sets up six Scrutiny Committees. These committees meet to inform and shape service delivery within their areas, making sure services are delivered how Manchester people would want. The Scrutiny Committees can also 'call in' and review major decisions taken by the Executive or by officers and either confirm the original decisions or recommend a different one.

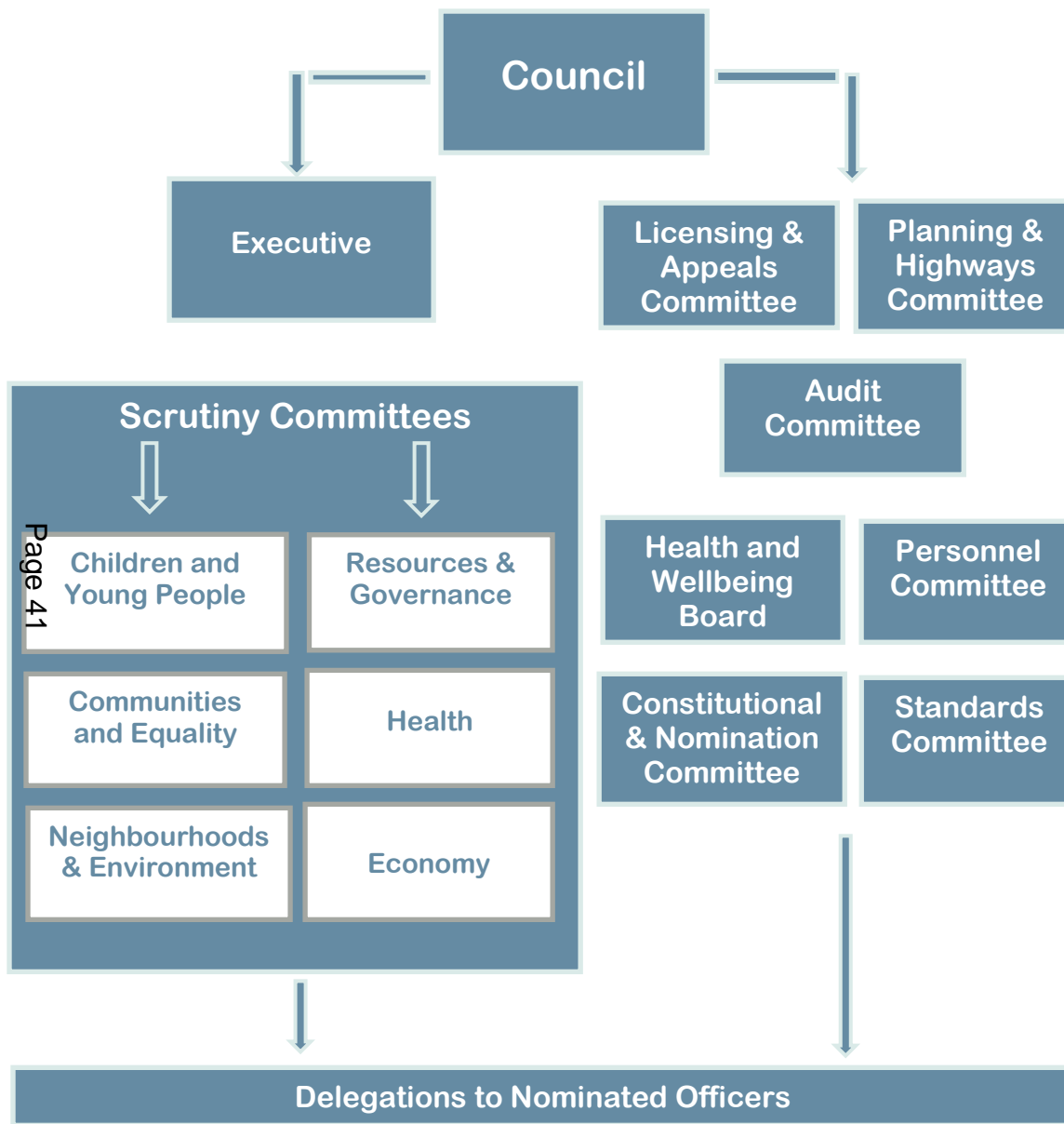
More regular, everyday decisions, such as issuing a fixed penalty notice are delegated to nominated officers according to the Scheme of Delegation in our [Constitution](#). This better enables us to deliver efficiency and value for money.

There are additional rules associated with decisions which are defined as Key Decisions according to our [Constitution](#). These include decisions which are likely to involve the spending or saving of a large amount of money in a way that will affect a service, or have a significant effect on communities living or working in two or more of the city's wards. Details of such decisions must be published in the [Register of Key Decisions](#) on the Council's website at least 28 days before the decision is made. The register must include a description of the decision, states the decision maker and list any related documents. This approach allows these decisions to receive appropriate scrutiny and helps ensure the right decision is made and value for money is achieved.

We are committed to making our democratic processes as open and transparent as possible, making it easier for our residents to see how the decisions that affect them, their neighbourhoods and their communities are made. Council and Committee meetings are, with very limited exceptions, held in public and the public are welcome to attend or even watch those meetings which are broadcast live on the Council's [website](#).

Public attendance and participation occurs regularly at Planning and Highways Committees and is also common at Scrutiny Committees. Residents might speak at committees to give their opinions on planning applications or proposed changes to service provision for example.

The chart which follows shows the structure of the Council's decision making process as explained above and describes the role of each group.



- [Council](#) – Made up of the city’s 96 elected Councillors and responsible for deciding our budget and policy framework.
- [Executive](#) - Our main decision making body, responsible for implementing our budgetary and policy framework.
- [Licensing and Appeals Committee](#) - Undertakes licensing and registration functions (e.g. taxis), functions relating to health & safety at work and appeals
- [Planning and Highways Committee](#) - Determines planning applications where objections have been raised to proposed developments in the city
- [Children and Young People Scrutiny Committee](#) - Challenges the Council and other public services to make sure that they give young people in Manchester every chance to live happy, fulfilling and successful lives.
- [Resources and Governance Scrutiny Committee](#) - Keeps a close eye on the Council's finances and makes recommendations to public services on how to meet the needs of Manchester people.
- [Communities and Equality Scrutiny Committee](#) – Challenges public services to make Manchester a safe city and ensures services are equally accessible to all.
- [Health Scrutiny Committee](#) – Looks at how health and social care is delivered by public services and recommends how this can develop to improve the health and wellbeing of Manchester residents.
- [Neighbourhoods and Environment Scrutiny Committee](#) – Monitors the services most visible to the city’s residents such as housing, highways, waste and recycling as well as the council's planning and environmental policies, and recommends how to improve these.
- [Economy Scrutiny Committee](#) - Ensures that public services do everything they can to maximise the benefits of an improved economy for residents and protect residents in less prosperous times. Ensures the city’s agencies support sustainable economic growth and offer rewarding and fair employment.
- [Audit Committee](#) - Oversees the effectiveness of governance and risk management arrangements, internal systems of control, and anti-fraud and anti-corruption arrangements. Approves the Council’s Accounts and responds to External Audit’ Annual Management Letter.
- [Standards Committee](#) - Promotes and maintains high standards of conduct by Council members.
- [Personnel Committee](#) - Determines employee terms and conditions, grading of senior posts and pension policies.
- [Constitutional and Nomination Committee](#) - Makes recommendations to Council regarding byelaws, amendments to the Constitution and membership of committees.
- [Health and Wellbeing Board](#) - Works with the NHS, HealthWatch and senior Council Officers to plan, provide and commission health & social care services.

The following table summarises some key activities undertaken by each of the Scrutiny Committees. For more comprehensive details on the role and activities of each Scrutiny Committee and attendance of meetings throughout 2017/18 please see our [web pages](#).

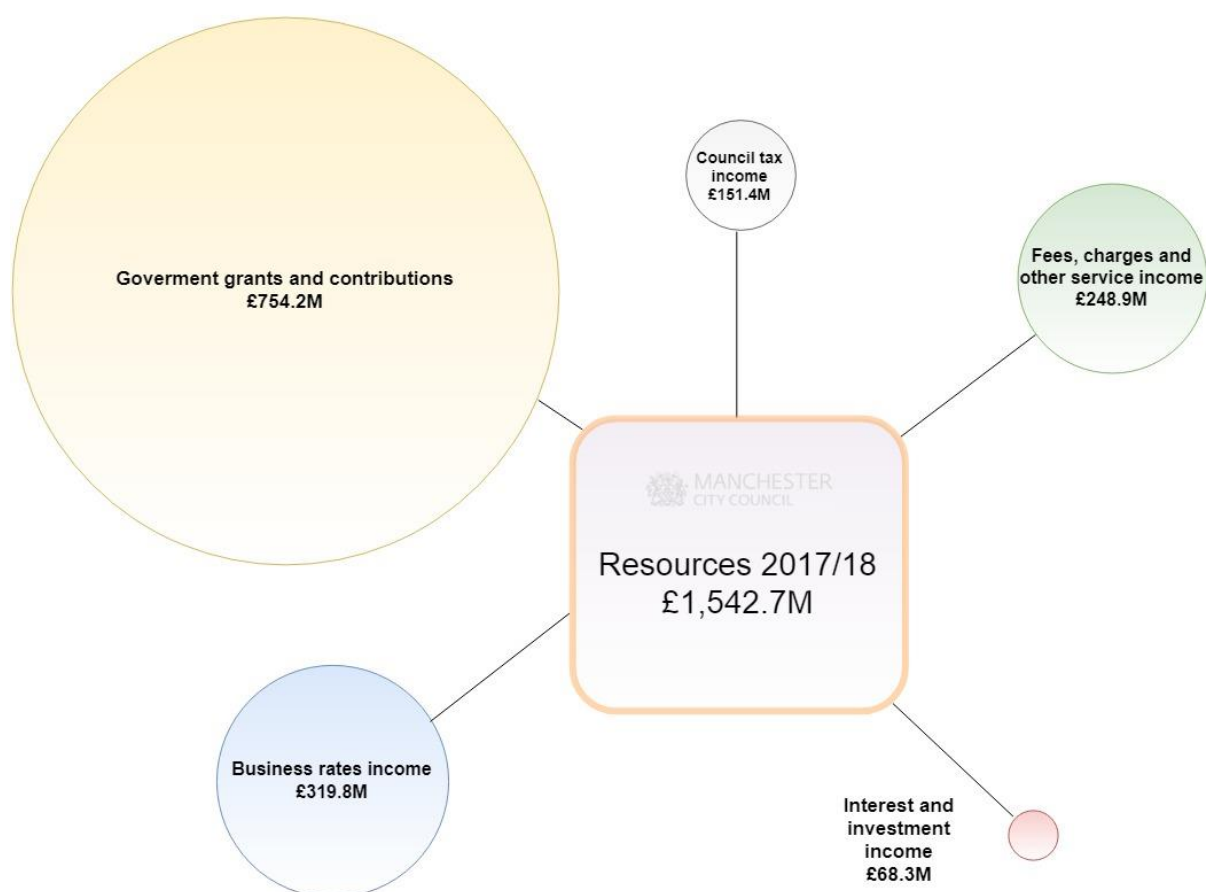
Scrutiny Committee	Chair	Activities within 2017/18
Children and Young People	Cllr Julie Reid	<ul style="list-style-type: none"> -Monitored the delivery of the Children's Improvement Plan and the impact of the agreed further investment. -Actions to align school term dates across schools in Manchester and neighbouring authorities after a recommendation from a member of the public.
Resources and Governance	Cllr Carl Ollerhead	<ul style="list-style-type: none"> -Scrutiny to ensure that Social Value was being delivered the Town Hall Transformation Project which included challenging the Council to be more ambitious and ensure that all apprenticeship positions arising from the project were filled by Manchester residents of all ages. -Scrutinised the Council's draft budget proposals and Budget and Business Plans and recommended that the Executive approved the proposals.
Communities and Equality	Cllr Tracey Rawlins	<ul style="list-style-type: none"> -Continued scrutiny of the development of the All Age Disability Strategy, including the recommendation that it includes an 'Accessibility Charter' to help ensure the accessibility of venues. -Work to further improve the Council's equality monitoring activity in priority areas.
Health	Cllr John Farrell	<ul style="list-style-type: none"> -Closely monitored the development and delivery of the three strands of the Manchester Locality Plan. -Scrutiny over what is being done to improve delayed transfers of care whereby patients are unable to leave hospital due to the lack of other care arrangements, and the response to the emerging issue of psychoactive drug use in the city.
Neighbourhoods and Environment	Cllr Chris Paul	<ul style="list-style-type: none"> -Monitored the delivery of the Climate Change Action Plan and the steps taken to reduce carbon emissions and improve air quality. This included the endorsement of the recommendations of an Air Quality Task and Finish Group set up to consider evidence on how to improve air quality. -Discussed Manchester's response to the Grenfell Tower Fire and began considering what changes should be suggested to the Government.
Economy	Cllr Suzanne Richards	<ul style="list-style-type: none"> -Oversaw the development of the Family Poverty Strategy 2017-22 and feeding back comments which were incorporated into the final draft of the strategy. -Held a workshop to investigate the opportunities and issues facing young people's progression into work and recommended an employer's toolkit be developed to improve work experience placements as a result.

Our Funding and Spending

Where the money came from in 2017/18

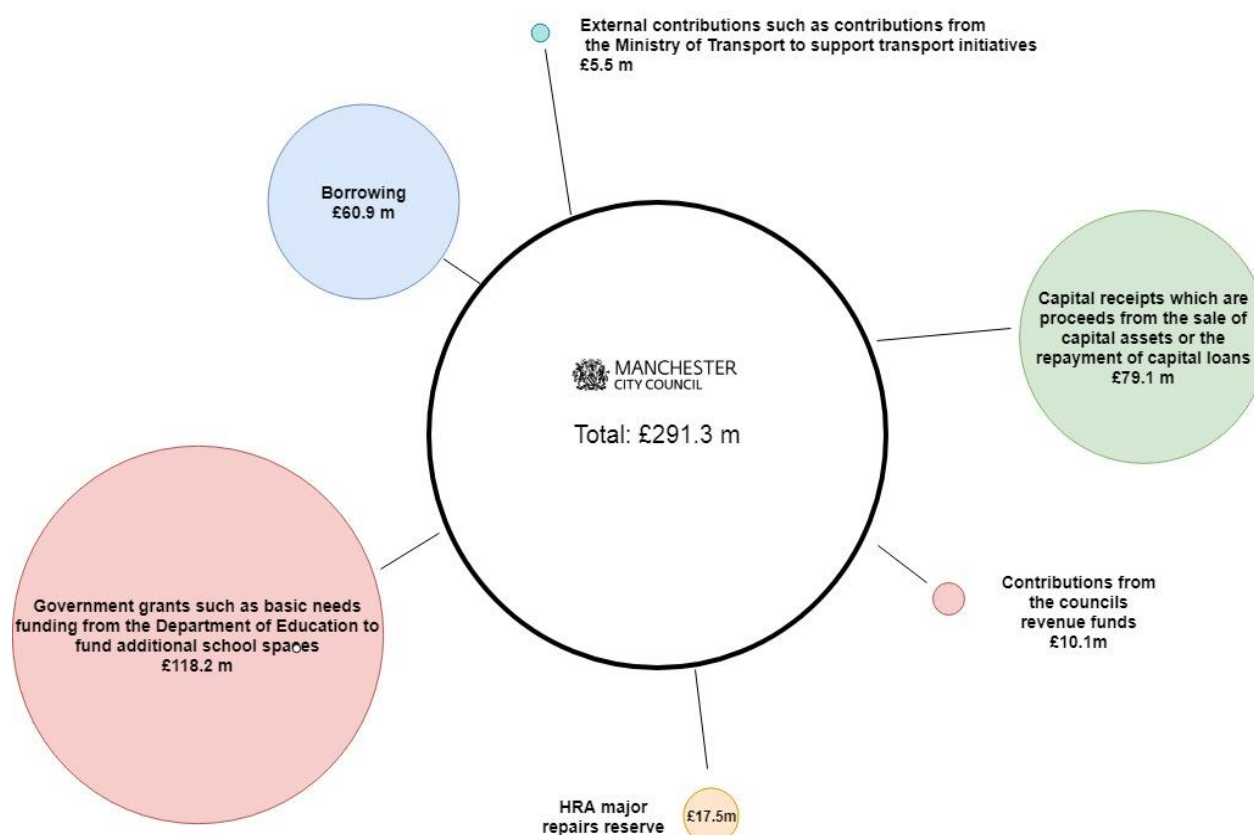
In 2017/18, 49% of our income came from central government funding with the remainder coming from business rates, council tax, fees and charges and other income such as dividends and interest. The majority of the Government grant funding consists of the Dedicated Schools Grant (£316.8 million) which, in the main, is passed on to schools and funding to support claimants in receipt of Housing and Council tax support (£238.9 million).

The following chart shows how we funded our **gross revenue spending of £1,542.7 million** in 2017/18 from the different types of income received during the year.



Funding Source	
Other Service Income	The total of the fees and charges generated by the Council. For example residential and nursing home care, licenses and planning application fees, property rental income, income for services provided to other councils, school meals
Business Rates Income	The Council's business rates income due to the Council.
Income from Council Tax	The total amount of Council tax due to the Council.
Government Grants and Contributions	The total of all the revenue grants and contributions received by the Council including Housing Benefit Subsidy, Dedicated Schools Grant, Pupil Premium, Arts Council, New Homes Bonus, Education Services Grant and Learning and Skills Council.
Interest and Investment Income	Items of income such as interest, investment income and dividends received.

The following chart shows how we funded our **capital spending of £291.3 million** in 2017/18 from the different types of income received during the year.



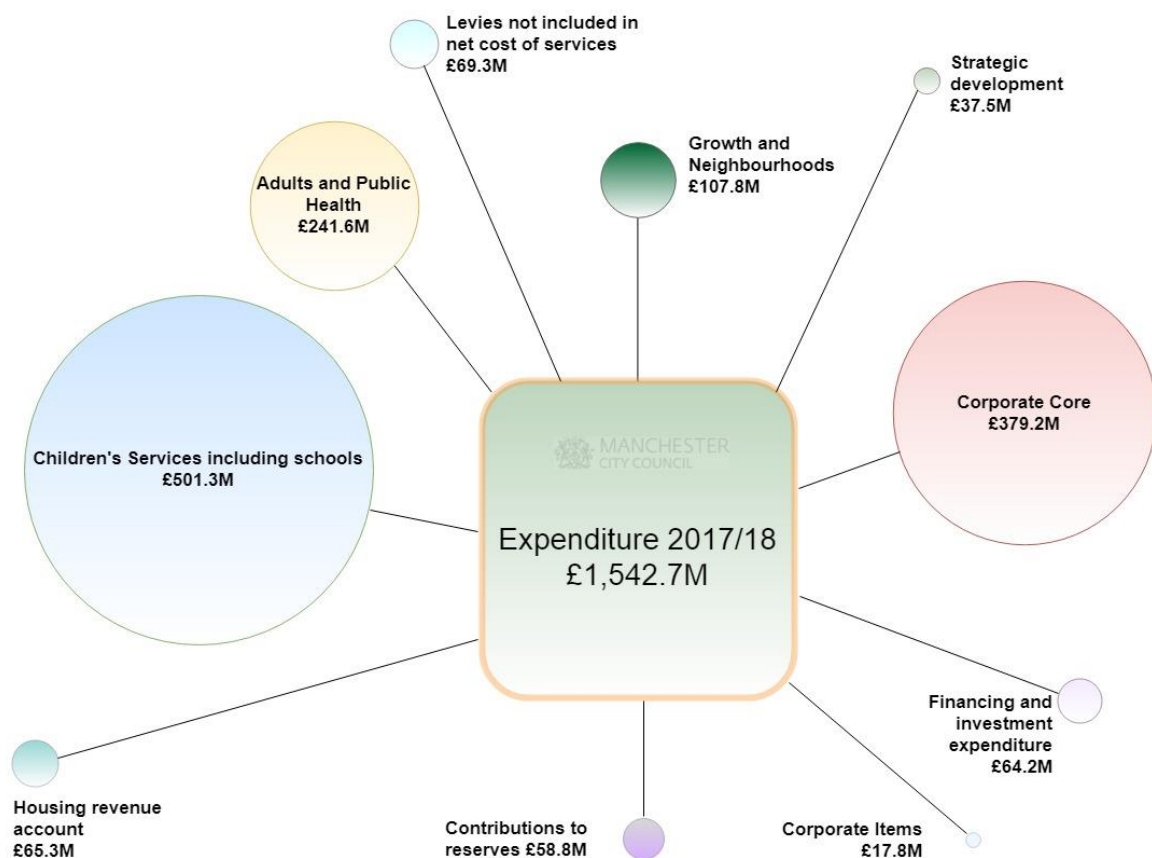
How the money was spent in 2017/18

Revenue Spend

The Council spends money on a whole range of services to help support the people of Manchester to achieve and enjoy a better quality of life. This spending can be both revenue and capital. Revenue spending relates to the day to day running costs of the Council such as staffing, purchasing services from third parties, some costs associated with repairing and maintaining capital assets, utilities and minor equipment.

The Council's budget runs for the financial year from 1 April to the following 31 March. We consult on our budget each year before deciding on the priorities and setting the budget in March.

Overall revenue spend was £1,542.7 million (gross). The following chart shows where our revenue money was spent in 2017/18 analysed across our services.

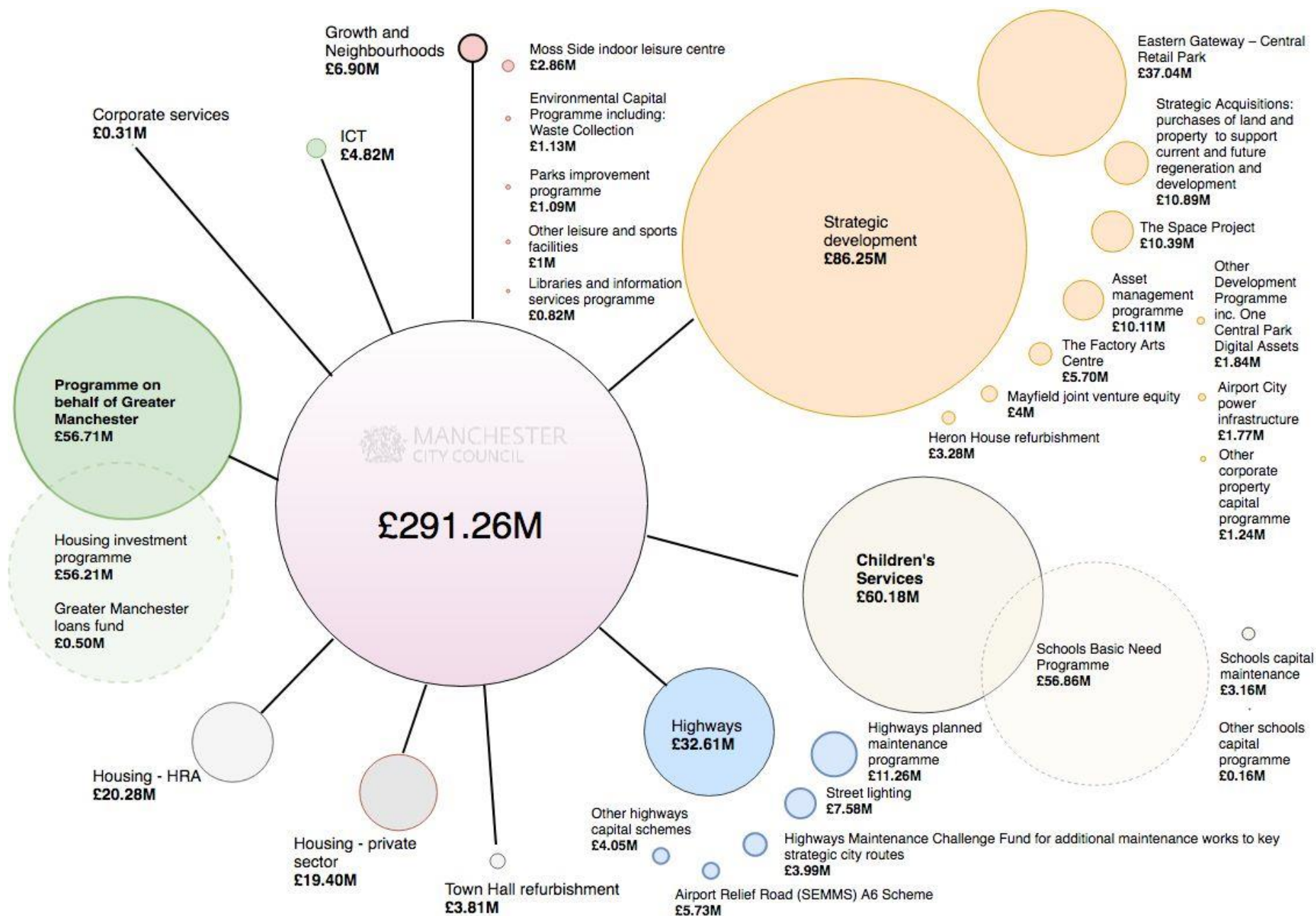


Spend Area	Description
Corporate Items	This includes the costs of insurances and historic pension costs.
Financing and investment expenditure	This relates to items of expenditure such as revenue funding of capital, loan repayments and interest payments made by the Council.
Housing Revenue Account	The Housing Revenue Account (HRA) contains the costs of owning and maintaining properties which are let to tenants and income from renting Council houses to tenants.
Levies not included in net cost of services	Transport and Waste Disposal Levy payments for services provided at a Greater Manchester level and charged to districts
Contribution to reserves	The net cost of transfers to and from usable reserves which are held for spend and obligations in future years.

Capital Spend

Capital expenditure relates to spend on the purchase or improvement of assets that have a long-term value to the Council, like land and buildings. The Council and its residents receive a benefit from the capital expenditure invested in the assets for a long period of time (more than one year).

The Council spent £291.3m on capital related projects in 2017/18, which is summarised in the following chart.



Our Operational Models

We deliver and commission a wide range of services across our five directorates through various operational models which transform inputs through business activities, into outputs and outcomes.

The directorate's operational model and their various service delivery models are fully articulated in their [Budget and Business Plans](#). Each directorate refreshes their Budget and Business Plan and their associated Delivery Plans every year to set out their spending in the context of their objectives and priorities.

The various Delivery Plans provide the framework used to monitor performance towards objectives, workforce development, risk and financial return. This monitoring allows operational models to be annually refreshed to reflect progress and ensure that the directorate and Council can adapt to changing resources and emerging challenges and opportunities to ensure our long term viability.

Whilst each directorate has a distinct operational model, our Budget and Business Plans are all developed simultaneously and in the same way so that their objectives are aligned to those of the Our Manchester Strategy and that the Our Manchester Approach defines the directorate's operation. This connects our operational models so that when considered together they show how the directorates will work together and with partners to progress towards the vision set out in the Our Manchester Strategy and to deliver our immediate priorities.

Whilst each directorate may take a lead on certain priorities they are collectively owned by our Chief Executive and the wider Strategic Management Team, ensuring that the connectivity between priorities is recognised and that activity is increasingly designed collaboratively to maximise collective outcomes. For example:

- The connection between work and skills and outcomes for children and families
- The connection between housing supply and strategic development and homelessness
- The contribution wider universal services (e.g. libraries and leisure) have on health and wellbeing

Connectivity and integration of our priorities will be strengthened as we develop our Corporate Plan in 2018/2019 articulating further the integrated contribution the Council makes to the delivery of the city's Our Manchester Strategy.

The work of each directorate and their business model is summarised over the next few pages. This includes some of the key inputs, activities, outputs and outcomes relating to the directorate and specifically to the 2017/18 year. However, for a more comprehensive picture, the Directorate [Budget and Business Plans](#) published on our website should be referred to. These plans go into more detail regarding the directorate's vision, objectives, strategy, resource allocation, risks, opportunities, governance, performance and outlook. Many of the outcomes from our activity throughout 2017/18 relate to achieving the Our Manchester strategic objectives and may only be seen in subsequent years. These outcomes and progress against delivery of these objectives are discussed in greater detail in the Our Performance section of this report.

Our Adult Social Care Directorate

The directorate directly employs over 1,500³ staff and is responsible for social care services for adults, public health and for safeguarding adults. It focuses on helping people who have to rely more than most on targeted and specialist services in order to make the changes in their lives which will see them become more independent. The directorate also contains the Homelessness Service which provides outreach services to rough sleepers and undertakes preventative work with the vision of ending homelessness.

Throughout 2017/18 the strategic focus of the directorate has been on organisational change and integrating health and social care to improve people's lives. We have been working with our health partners, the voluntary sector and other stakeholders to implement the city's 'Locality Plan' – A Healthier Manchester (link to be inserted). This is the city's approach to improving health outcomes in Manchester, while moving towards long term financial and clinical sustainability. This will be delivered through the integration of commissioning and services through the three pillars of the Locality Plan. These are a Single Commissioning Function; a Single Local Care Organisation; and a Single Manchester Hospital service. The key ambition is for better coordinated proactive care to keep more people well enough so they do not require acute or long term care and to allow more people to be treated as close to home as possible rather than in hospitals. The intention is that this will free up resources across the health and social care system to re-invest in the community and to improve the care provided.

Manchester Health and Care Commissioning (MHCC) was established in April 2017 and has been overseeing the commissioning responsibilities for health, adult social care and public health. Another milestone was reached in October 2017 when Manchester University NHS Foundation Trust (MFT) was formed from the merging of two of Manchester's hospitals with the third and final hospital (North Manchester General Hospital) to follow in 2019. This was a step closer to a fully aligned hospital model for the city delivering efficiency and consistency across services. The Homelessness Service operates with its partners in the Homelessness Partnership to formulate policies, procedures and services to tackle homelessness. Throughout 2017/18 it has worked with partners and people who have experienced homelessness to develop new approaches based on the Our Manchester Approach. The service has a key focus on early intervention and prevention to stop families and individuals from becoming homeless, preventing disruption to the lives of adults and children. Whilst we have made significant transformational progress we have also continued to deliver our core responsibilities.

³ 1536 at March 2018

Inputs

£241.6m revenue
spending

1,441

Manchester FTE
University NHS
Foundation Trust
(MFT) **Local Care**
Organisation (LCO)

Manchester Health Care
Commissioning (MHCC)

Manchester
Homelessness
Partnership (MHP)

Manchester people

Carers

Voluntary, Community
and Social Enterprise
(VCE) **Organisations**

Adaptations and
Assistive Technology for
peoples homes

7 Extra Care Housing
Schemes, multiple
supported living units
and **over 70** residential
care and nursing homes

Business activities

Supporting LCO with
organisational set up,
strategy and transactions

Reforming social care workforce
into **integrated teams** and
embedding Our Manchester
behaviours in preparation for **LCO**

Launched a **control room** and
worked more as a **system** to
better **manage transfers of care**

Commenced **recruitment of**
66 staff to expand the
reablement service and
maximise social value by
targeting the city's jobless.

Co-development of the **city's**
Homelessness Strategy with
partners in MHP

Invested nearly £3m
through allocation to **over**
100 VCE organisations

Worked with partners and the
voluntary and community sector to
refresh the Locality Plan
(Our Healthier Manchester)

Reviewed citywide carers services
to inform a new strategy which
better recognises and supports
carers and strengthens the role of
voluntary & community
organisations

Ran an **Assistive Technology Pilot** to
test innovative equipment such as
medication dispensers to reduce
dependency on carers

Upgrading our **shared care record system**
to support integration and quality care.

Set up **20 apartments** as alternatives
to residential and nursing homes

Development of an **Integrated Career**
Pathway driven by **apprenticeships**

Opened a **38-bed homelessness prevention**
centre in Chorlton, 'The Longford Centre'

Outputs

Dealt with **21,449** contacts
requesting advice & support

10,341 Manchester adults
received **long term social care**
support such as home care,
residential care or a cash
personal budget

Over 1.24m hrs of home care
and **144,000 hrs** of extra care
provided.

1,722 instances of short term
support were provided by the
reablement service

3,224 homelessness
assessments undertaken

1,738 households provided with
temporary accommodation (TA)
at end of 17-18

Co-produced a **refreshed**
Locality Plan, and the
Manchester Agreement
formalising the commitment of
organisations

MHCC Operational Plan
produced.

Outcomes

Increased % of assessments delivered
in 28 days of contact from 70% in 16-17
to **88%**

Reduced annual admission rate to
residential & nursing care for younger
(18-64) and older (65+) adults

87.2% of people were extremely,
very or quite **satisfied with the care**
and support they received, **up from**
85% in 16-17 (Adult Social Care
Survey)

Reduced the no. of **delayed transfers of**
care from one setting to another (per
100,000 population) from 18.4 in 16-17
to **15.3**

73.8% of older people discharged
from hospital to reablement or
rehabilitation were living at home
91 days later, **over 3 %points more**
than in 16-17

Over ¾ of people required **no further**
care or **reduced service** after
reablement

Our Children's Services and Education Directorate

The Directorate employs just under 1,400⁴ staff and is responsible Manchester's Children's Social Care and Education Services. This means:

- early help prevention and intervention,
- statutory services for children in need of care and protection,
- looked after children and care leavers,
- youth offending services.
- school admissions and place planning,
- school quality assurance
- statutory school related duties such as attendance, exclusions and governance,
- Virtual School for looked after children,
- specialist services for children with special educational needs and disabilities;
- youth offer and engagement, and
- early years education, support and intervention and children's centres.

Previously two separate Directorates, the Joint Directorate was brought together in December 2017 and now provides integrated delivery of universal support for the education system and targeted and specialist support, help and intervention those in need. The directorate is brought together under a single vision described through the Children & Young People's plan – 'Our Manchester, Our Children' that translates the Our Manchester priorities and the 64 'we wills' into a vision for 'building a safe, happy, healthy and successful future for children and young people;'

The Joint Directorate works to deliver a holistic vision for children and families, through an integrated business plan and operational model and plan. This includes the Children's & Education Services integrated Quality Assurance Framework which is integral to monitoring the quality of intervention, impact and outcomes for Manchester's Children & Young People

The Integrated Directorate operating model and approach for 2017/18 and beyond is focussed on delivering 9 critical service priorities, which are supported by individual service and delivery plans. These priorities are:

1. Integrate services on a footprint of 1, 3 and 12; delivering and leading services in localities
2. Increase the voice and influence of Manchester's children and young people.
3. Embrace new and collaborative ways of working
4. Support and develop children's readiness for school and for adulthood
5. Build a stable and capable workforce confident and effective in the management of risk, performance and planning for children
6. Improve outcomes for all children, including CLA/SEND and 'reduce the gap' at all key stages
7. Safely reduce the number of children looked after and/or in need of a statutory service
8. Sufficient range and choice of high quality Early Years, School, College, Youth and care provision
9. Lead the development of future arrangements for safeguarding partnership in response to legislative change

⁴ Children's Services = 795 and Education = 594 at March 2018

Inputs

£501.3m revenue spending. **£60.2m** capital investment

752 FTE (Children's Services)

349 FTE (Education)

Regional Adoption Agency (RAA)

Children & Young Peoples Board, and **Manchester Safeguarding Children's Board**

Multi Agency Safeguarding Hub

Manchester people

Voluntary, Community and Social Enterprise (VCE) Organisations

38 Sure Start centres, **3** Early Help Hubs & Social Work locality teams and **183** Schools (including 66 academies provided by **26** Multi Academy Trusts)

Business activities

Delivering social work via the **Signs of Safety model** focussing on strengths & collaboration with family

Development of **new Early Help Assessments** and **Education, Health & Care plans** to improve services

Launched **Read Manchester**

Training of social care and partner organisation's **staff in the strengths based approach**

Development of a **post OFSTED inspection improvement plan** aiming to 'deliver excellence and be rated as good'

Development of **youth and engagement offer**

Expanded schools and **opened 3 new secondary schools**

Planning activity to shift from costly **external to internal foster carer placements** and set up **RAA** to reduce spend on inter-agency fees

Recruited **27** Internal Foster Carers

Negotiating with providers to secure **better value** external residential placements **improve procurement**

Trained **Parent Champions** for **Special Educational Needs and Disability** to make others aware of the support on offer

Supported launch of the **Young Manchester** charity who will fund organisations to deliver **high quality youth and play opportunities**

Increased the scrutiny in commissioning, funding and **care planning arrangements and capacity** to ensure children move on from care in a timely effective way

Working with children, schools and other partners to plan the delivery of **Curriculum for Life** which will support young people to develop practical life skills

Outputs

Dealt with over **32,500** contacts requesting advice or support

Dealt with over **13,228** Safeguarding Referrals

Completed over **13,500** Child & Family Assessments

4,798 children linked to Early Help Assessments

At March 18, over **5,600** children supported as children in need (CIN), of which around **980** had Child Protection Plans and **1,250** were looked after children (LAC)

Around **3,800** Education, Health & Care Plans (EHCC) made for young people with SEND

225 Young People supported by Youth Justice Services

2,595 LAC Reviews & **1,600** Child Protection Conferences held by Safeguarding Improvement Unit

Produced the **Ofsted Improvement Plan**, refreshed **Early Help Strategy**, revised **Local Offer** (SEND), **Modern Slavery Strategy** & **Neglect Strategy**

Outcomes

Delivery of safer children's services and rated **Good** for Leadership, Management and Governance (Successful Ofsted Re-Inspection)

86.3% of schools and **87.8%** of Early Years (EY) Settings rated 'good' or 'outstanding' in March 18

Increased the % of pupils who were '**school ready**' from 63.7% in 2016 to **66.2%** closing the gap with national figures **60%** of city's

primary school pupils achieved expected standard in reading, writing & maths, **up 8 %points** from 2016

City's secondary school pupils achieved KS2 'Attainment 8 score' of **43.4**, and closed gap with the national score

Increased Internal foster placements by 64 to **293** & reduced external placements by 50 to **439**

Supported **49** children to become adopted, the placement of **50** in Special Guardianship Orders and the return of **157** to their home

5.6% of care leavers in Higher Education

Increased % of primary (**93%**) & secondary (**77%**) pupils placed in **1st choice school**

Our Strategic Development Directorate

The directorate directly employs over 350⁵ staff and is structured into four areas: Development, Property & Estates, Housing & Residential Growth and City Centre Growth & Regeneration. The Planning and Work and Skills functions also became part of the directorate in July 2018. The Directorate has a pivotal role in securing new commercial development, attracting inward investment and securing employment growth. It provides leadership to the Housing function and delivers the Residential Growth Strategy which seeks to underpin the city's economic growth trajectory. It aligns the management of land and property assets which aims to promote growth with that of operational and investment estates. The Directorate aims to drive effective place making, creating the necessary conditions needed to promote strong growth in commercial, residential, retail and leisure related development in the city, stimulating new employment, new homes and broadening the Council's tax base. It aims to drive the transformation of the city, define Manchester as an attractive place to live and further improve the quality of life for all residents and increase their social and economic prospects, and enable them to participate fully in the life of the city. It will deliver its responsibilities and aims by:

- Supporting, promoting and driving continuing city centre growth as a major regional, national and international economic driver; as the main focus for employment growth by strengthening and diversifying its economic base; and through efficient land use;
- Supporting investment in transport infrastructure which will lay the foundations to underpin and drive new commercial and residential growth opportunities;
- Providing an expanded, diverse, high quality housing offer that is attractive to and helps retain economically active residents in the city, ensuring that growth is in sustainable locations supported by local services and public transport infrastructure;
- Supporting the delivery of a Schools Capital Programme which will provide new and expanded high quality primary and secondary school facilities for a growing population through the identification of suitable sites which can support our wider transformation proposals for neighbourhoods in the city;
- Underpinning the transformation of the city's district centres with appropriate retail, amenities and public service offer;
- Promoting investment to secure an internationally competitive cultural and sporting offer and sustaining core lifestyle assets such as parks, leisure facilities and libraries
- Working with partners and others to make best use of community and public assets to support estates transformation and deliver modern efficient services.
- Prioritising and maximising opportunities to collaborate with partners across Greater Manchester to identify new ways of working to increase income generation and investment, develop new funding models and optimise use of resources.
- Maximising employment opportunities for residents, leveraging where we have a strategic development, planning, procurement or commissioning role.
- Investing in 'skills for growth' and innovation to support the development of this work

⁵ 354 at March 2018

Inputs

£37.5m revenue spend
 £86.2m capital investment
 GM control of £300m Housing Fund
 Manchester Life Development Company (MLDC)
 Far East Consortium (FEC)
 Manchester Move
 TfGM
 TfN
 Manchester Place
 Housing Providers
 Operational and Investment estate including significant shares in leases at Manchester Airport
 Strategically held land
 The Sharp Project, Space Studios and One Central Park
 Manchester Institute of Health & Performance (MIHP)
 Manchester people

Business activities

Development of Mayfield Strategic Regeneration Framework (SRF) as part of the wider Piccadilly SRF to integrate HS2, Northern Powerhouse Rail and regenerate the east of the city centre
 Launched joint venture partnership with FEC to develop the Northern Gateway, transforming Collyhurst & Lower Irk Valley with 15,000 new homes
 Development of Ramada & Great Jackson Street SRFs
 Supported MLDC prepare for building new homes across the Eastern Gateway
 Negotiations to bring inward investment to Airport City
 Began sourcing an Energy Services Partner to reduce emissions from key buildings
 Got to work on Our Town Hall Project which will boost public access to the cherished landmark and ensure it is safe and continues to play a role at the heart of city life.

Began leading The GrowGreen Project investing in nature-based solutions such as a Community Park in Gorton to create climate and water resilient, healthy and liveable cities
 Re-located staff to enable Town Hall Refurbishment, and began Heron House refurbishment
 Worked on schemes enabling the co-location of our staff with partners such as DWP & Health to improve efficiency and customer outcomes
 Engaged residents in West Gorton to co-produce a plan resulting in a new medical centre, pharmacy, shop and new homes
 Began developing contract management tools and guidance to improve cost management, efficiency and delivery of Social Value
 Introduced a cloud based system enabling mobile, real time and multi-organisational case management of rough sleepers & beggars to improve outcomes for city centre users

Outputs

Began building The Factory, a £110m project providing 13,500 sq ft of world-class cultural space & connecting 850,000 people a year to the world's best artists
 ~1m sq ft of commercial development
 Permission for the £200m city centre St. Michaels development & hundreds of new homes in Northern & Eastern Gateways
 Opened the £20m Village 135 Extra Care Housing scheme providing 135 homes enabling people to live independently
 Managed and maintained over 16,000+ council homes to the 'decent homes standard'
 Maintenance, Housekeeping & Security of +400 buildings
 Led the co-production of the Greater Manchester bid to become the home for Channel 4's national HQ
 Opening of a Tech Incubator at Oxford Road's Manchester Technology Centre providing science and technology business growth services

Outcomes

2,869 new build homes completed in 17-18, over 1,000 more than in 16-17 and above the Residential Growth Strategy Target
 271 were defined as affordable homes by government, more than the 254 in 16-17
 Investment Income of ~£20m
 £26m in Capital Receipts
 Institutional Grade Investment coming into city
 Enhanced Quality of Place
 City's growing population estimated to be 572,500 at the end of 2018, up 13,000 from 2017, with city centre population growing by 4,500
 City hosted over 380,000 jobs in 2016, 25,000 more than 2015
 3rd most visited city in the U.K with 1.32million visits from overseas in 2017, up by nearly 10% from 1.19million in 2016
 Increased number of city centre hotel rooms to around 9,500
 751,512 sq ft of office space leased in Manchester in first half of 2018, nearly double that of any city outside London

Our Growth and Neighbourhoods Directorate

The Growth and Neighbourhoods directorate directly employs over 2,000⁶ staff and plays an important role in securing the social, physical and economic future of Manchester. It provides the leadership and focus for the sustainable growth and transformation of the city's neighbourhoods. It works with partners and residents to create and maintain places where people want to live which are clean, safe, green, healthy and inclusive and which have an excellent sporting, economic and cultural offer.

Working collaboratively with partners to embed an integrated public service offer within neighbourhoods is now a core priority for the directorate. Effectively joining up services and putting people at the heart of these will make best use of combined resources and deliver the best outcomes which meet local needs. The Integrated Neighbourhood Management model is now well established and strong partnership working is in place across key services. The Our Manchester approach to working with residents and partners is underway in three pilot areas and there is a focus on ensuring that staff are supported and equipped with the right skills across organisations to deliver the outcomes outlined in the Our Manchester Strategy.

Following a Strategic Management Review a new Neighbourhoods Directorate has been established. Services co-ordinating economic growth have been relocated to Strategic Development and Highways Services, previously situated in the Core, have been brought in.

⁶ 2,046 as at March 2018



Our Corporate Core Directorate

The directorate directly employs over 1,700⁷ staff and provides the strategic leadership required to drive the delivery of the city's priorities as outlined in the Our Manchester Strategy. It develops new ideas and connections and drives changes in ways of working, relationships, behaviours, processes and systems. The directorate provides support and guidance to the organisation through functions such as Human Resources and Organisational Development (HROD), ICT, Finance, Performance, Policy, Legal and Communications functions. It is also responsible for supporting the democratic arrangements required, including administering the electoral process for the City.

The directorate is home to the Customer Services Organisation, which provides the first point of contact for residents, businesses and partners; the Revenues and Benefits service, which collects money due to the Council and pays various benefits to eligible residents; and the Registration Service which records events such as births, deaths and marriages. The Coroner's Service also sits within the Corporate Core. The directorate had responsibility for the ongoing maintenance and improvement of the city's highways infrastructure until the Highways Service was transferred to the Growth and Neighbourhoods Directorate towards the end of 2017/18.

The Corporate Core has four main objectives:

- To Drive Leadership and Reform,
- To Ensure Good Governance and Accountability,
- To Enable the Council to Function Effectively, and
- To Deliver High Quality, Value for Money, Customer Focused Services.

⁷ Chief Executives = 853 and Corporate Services = 923 as at March 2018.



Our Performance

This section reports the latest available figures for some of the key performance indicators we are using to monitor the delivery of our strategic objectives, and some of these figures are provisional. However, our [State of the City report](#), published each October, is the key annual report which monitors delivery of the Our Manchester strategy and contains the most up to date statistics for each financial year. It is a more detailed and thorough analysis and includes relevant comparator data.

Throughout 2017/18 we developed an Integrated Monitoring Report which brings together the most significant workforce, performance and budget monitoring information into a single report which gives a single view of success and challenges in terms of achievement of our priorities and our financial position. This concise monthly report has supported our leaders to respond rapidly to dips in performance or budget pressures and was shortlisted for the Good Governance Award as part of the CIPFA Public Finance Innovation Awards 2018.

Throughout 2017/18 our directorates have worked together to focus on the delivery of various commitments aligned to the Manchester Strategy's five main themes and our shorter term objectives which were based on what Manchester people say they value most. The following pages describe some of the progress which we have achieved via the investment and activity described in the 'Our Funding and Spending' and the 'Our Operational Models' section of this report.

A thriving and sustainable city

Manchester's economy has continued to grow, with its performance exceeding that of both Greater Manchester and the UK economy as a whole. Gross Value Added (GVA) is a measure of the value of goods and services produced by an area, which is used as an indicator of economic performance. Provisional figures for 2016 show that Manchester's GVA income per head of population was £33,063, compared to £22,587 for Greater Manchester and £26,584 for the UK as a whole. This is an increase on the 2015 figures, where the GVA per head of population was £31,731 for Manchester. Manchester's overall GVA grew by 6.4% from levels in 2015 to levels in 2016, and this compared to 3.7% for the UK over the same period.

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The city's employment offer has also continued to increase and diversify. This growth has been driven by continued success in a number of the city's key growth sectors: science and research and development; cultural, creative and digital; and business, financial and professional services. Total employment in Manchester has continued to rise and by 2025 the city is forecasted to host 426,800 jobs. The latest Business Register and Employment Survey (BRES) informed by ONS data shows that employment rose from 357,000 in 2015 to 381,500 in 2016.

Manchester's visitor economy continues to thrive, attracting visitors from all over the globe. The city is the third-most visited destination in the UK by international visitors, after London and Edinburgh with 1.19m visitors in 2016. Visits to Manchester increased by 3.4% from 2015 to 2016 and this compared to 4.1% for the UK as a whole.

A liveable and low-carbon city

The Council is committed to reducing waste and increasing the amount of waste recycled to have a positive impact on the environment and reduce the costs of waste collection and disposal. By reducing our waste, reusing where we can, and recycling more, we can all play our part in the environment and help keep costs lower. The introduction of smaller waste bins across the city in mid-2016 aimed to promote increased recycling and less waste. The proportion of household waste recycled in 2016/17 was 36% and a provisional 2017/18 figure of 39% indicates an increase of 3 percentage points.

We all want to make our neighbourhoods cleaner and tidier and people in Manchester have shown that they are also passionate about this and have been helping us by reporting issues so that we can take action. The number of street cleansing requests (relating mainly to litter) received by the Council in 2017/18 was 9,261, which was a decrease of nearly 1000 from the number received in 2016/17 (10,259). We will continue to work with our local communities to keep our neighbourhoods clean and tidy places we are all rightly proud of.

'Manchester, A Certain Future', the city's climate change action plan, aims to reduce Manchester's emissions by 41% by 2020, from the levels in 2005. The latest government figures for carbon dioxide emissions in Manchester (in 2015) indicate that there has been a percentage decrease of 29.60% from the emissions in 2005. Whilst this is a larger reduction than that seen across England as a whole (28.32%), there is some way to go in order to reach the 2020 target. We will work with our schools and businesses to ensure everyone plays their part in a low carbon society as well as ensuring our regulatory environment supports sustainable construction and transport.

In order to meet the demands of a growing population, the city will need to increase the amount of good-quality, energy efficient and affordable new homes for sale and rent in our neighbourhoods. Our Residential Growth Strategy (2016-2025) commits to delivering a minimum of 2,500 new homes a year, providing the right mix of housing for a growing and diverse population and increasing home ownership at all price points. In 2017/18 housing delivery exceeded the Residential Growth Strategy target with 2,869 newly built homes becoming available to rent or buy in Manchester, which was an increase of over 1,000 on the 1,721 built in 2016/17.

Of the 2,869 newly built homes delivered throughout 2017/18, 2,598 were market housing (including homes for low cost home ownership and sold using Help to Buy) and a further 271 were affordable homes (according to the Government's national definition). This represented an increase from the 254 affordable homes delivered throughout 2016/17. Of the 271 affordable homes delivered throughout 2017/18, 185 became available to rent and 86 became available to buy, and 148 were apartments

whilst 123 were houses. In addition Manchester's Affordable Homes Programme is expected to deliver more than 2,200 new affordable homes by March 2021 (according to the Government's national definition).

In contrast to the national Government definition Manchester believes affordable housing should include low cost home ownership. That's why we have developed our own local definition of affordability; one that reflects the needs of the people who live in the city. This takes the average household income across the city (£27k), and then uses a standard marker of 30% of that annual income in rent or mortgage repayments to understand what most residents can afford. Our research has indicated that in the 2016/17 financial year 41% of all sales to owner occupiers were affordable to residents at or below the average household income in the city. The Council is committed to reducing waste and increasing the amount of waste recycled to have a positive impact on the environment and reduce the costs of waste collection and disposal. By reducing our waste, reusing where we can, and recycling more, we can all play our part in the environment and help keep costs lower. The introduction of smaller waste bins across the city in mid-2016 aimed to promote increased recycling and less waste. The proportion of household waste recycled in 2016/17 was 36% and a provisional 2017/18 figure of 39% indicates an increase of 3 percentage points.

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A highly skilled city

Inclusive Growth is a key priority for us; we want to better connect Manchester people to the benefits and opportunities presented by Manchester's strong economy. Ensuring that our economic growth is truly inclusive remains a challenge for Manchester.

Good school results are an essential part of ensuring that our children have the right skills to access the opportunities offered by the city's economy in the future. Many years ago Manchester's attainment results at Key Stage 2 and 4 lagged some way behind the national average, however sustained progress has seen that gap reduce. In the academic year of 2016/17, 60% of Manchester's primary school pupils achieved the expected standard in reading, writing and maths. This compared to 61% of England's pupils and represented an increase of 8 percentage points compared to the city's results in the previous year. Manchester's Key Stage 4 'Attainment 8' score was 43.4 for the 2016/17 academic year and this compared to 44.6 for England and meant the gap with national levels had reduced by 0.2 points compared to that of the previous year.

According to the 2017 Annual Population Survey, the percentage of the working age (16-64) population in Manchester who were qualified to the equivalent of National Vocational Qualification level 2 (roughly equivalent to 5 A*-C at GCSE level) or above was 72.7%. This represented a decrease of 1 percentage point from levels in 2016 (73.7%) and widened the gap to England's result from 0.5% in 2016 to 1.9% in 2017. Looking across all the Core Cities, the average percentage of residents qualified to level 2 or above was 72.9% in 2017, compared to 71.9% in 2016.

There is a direct link between low skills and a low wage economy. The Annual Survey of Hours and Earnings estimates the proportion of employees earning below the Real Living Wage. The Real Living Wage is calculated according to the cost of living and was £8.45 per hour in 2017. Of all the UK Local Authorities in 2017, Manchester showed the biggest difference between the percentage of its resident employees and its workforce who earned less than the Real Living Wage. Whilst an

estimated 15.2% (+/-1.4%) of employees working in Manchester were paid less than the Real Living Wage, 27.2% (+/-2.5%) of the employees living in Manchester were paid less than £8.45 per hour. Reducing this gap is a priority and we are responding to this by ensuring that Manchester residents are equipped with the skills and qualifications to benefit from the higher paid opportunities being created in the city. For example we have incorporated the Real Living Wage into our Ethical Procurement Policy which sets out the standards we expect from suppliers to ensure that fair and rewarding employment opportunities are available to Manchester people.

In November 2017, an estimated 11.9% of Manchester residents (aged 16 and over) were claiming out of work benefits, a reduction of 0.7 percentage points since November 2016⁸. Nationally the out of work benefit claimant rate was estimated to be 8.9% in November 2017, reducing from 9.2% in November 2016. The reduction in the out of work benefits claimant rate is a positive reflection of the Manchester economy and the skills and employment support offer in the city.

A progressive and equitable city

Manchester has had comparatively high numbers of children looked after by the Local Authority (LAC) for many years. Progress has been made to safely reduce the numbers with Manchester's LAC rate per 10,000 children falling from 151 in 2008 to a provisional rate of 104 at the end of March 2018.

The LAC Strategy aims to achieve a rebalance in placements, with less residential placements and providing and commissioning more high-quality, local foster carers to reduce costs and improve outcomes for our looked after children. The Strategy includes a target to reduce the number of children looked after to 1,000 by 2019/20. The number of Looked after Children at the end of March 2018 was 1,250. Care in Manchester needs to be better joined up. As part of the devolution agreement with the Government for Greater Manchester to take charge of health and social care spending and decisions, the Council and its partners are currently in the first year of implementing Manchester's Locality Plan – "A Healthier Manchester". Under this plan the city will commission and deliver health and social care services jointly across the city, and have a single hospital service spanning the entire local authority area. One of the symptoms of a fragmented Health and Social System is delays in the transfer of care. Delays occur when a patient is assessed as ready to depart their current care setting, such as a hospital bed, but remains occupying a bed in this care setting. These delays can be from an NHS hospital setting, or a social care setting. The number of delayed transfers of Manchester residents from one care setting to another, per 100,000 of the population, was 18.4 in 2016/17 and this compared to a result of 14.9 for England. Provisional figures for 2017/18 show that the rate of delayed transfers of care for Manchester has fallen to 15.3.

Healthy Life Expectancy (HLE) is a measure of the average number of years a

⁸ Due to changes in reporting, the Council has used derived figures to estimate the proportion of residents claiming out of work benefits, which involves a small element of double counting due to multiple benefits being claimed by some individuals.

person would expect to live in good health based on current mortality rates and the prevalence of self-reported good health. HLE for males in Manchester fell by 1.3 years from 55.6 in the period 2013-15 to 54.3 in the period 2014-16. HLE for females in Manchester fell by 1 year from 55.6 in the period 2013-15 to 54.6 in the period 2014-16. Over the same time frame smaller reductions in HLE were seen for England as a whole so the gap between Manchester's HLE and national HLE increased. For the period 2014-16 Manchester's HLE is 9 years and 9.2 years lower than national levels for males and female respectively.

The percentage of 10 to 11 year olds in Manchester who were classified as overweight or obese in 2016/17 was 40.27% which was a minor increase from 40.17% in 2015/16. The percentage of such children in England also increased from 34.17% to 34.25% over the same period. The percentage of Manchester's 10-11 year olds who are overweight or obese is just over 6 percentage points higher than national levels.

A connected city

The people of Manchester have told us that we need to improve the quality of our roads, bus and cycle lanes. This has also been evidenced by the 2017 condition survey which highlighted the overall deterioration of our road network. As a result of this £80 million is being invested over 5 years in maintenance. The percentage of Manchester's roads (including A, B, C, U roads) which were in need of repair as at October 2017 was 25.3% which is 6 percentage points more than in December 2016 (19.3%). A road is classed as in need of repair if its condition is recorded as grade 4 or 5 on a 5-grade condition scale. Investment began in 2017/18 with an estimated £15 million pounds being spent on preventing roads from falling into poor condition, resurfacing roads on the city's key route network, footway treatments and drainage repairs. As a result of the five-year programme of investment in maintenance it is forecast that the percentage of Manchester's roads (including A, B, C, U roads) which are in need of repair will be reduced to 15% by 2022. A well maintained and connected infrastructure will drive business growth and create jobs and opportunities.

It is essential that Manchester's highway network is well maintained and efficiently managed to allow our residents to reliably move around by bike, walking, bus and car, as well as to support our economy and our growth by enabling goods and construction vehicles to efficiently access the city. 87% of tracked journeys along key routes in the city in 2016/17 fell within the acceptable time limit, dropping slightly from the journey time reliability levels of 2016/17 (88%).

Average journey times on our network of A and B roads have increased year on year since 2012-13. Average journey times for the morning peak hours (7-10am) have increased by 3.6% from 4.37 minutes per mile in 2014/15 to 4.53 minutes per mile in 2015-16, and average journey times for the afternoon peak hours (4-7pm) have increased by 6.5% from 5.04 minutes per mile in 2014/15 to 5.37 minutes per mile in 2015-16. While car traffic into the city centre has reduced in the past 10 years, elevated journey times may be due to increases in construction and infrastructure works in the city centre, alongside the rise of online deliveries, which will have added to congestion.

Our Financial Performance

This section provides a high level analysis of our financial performance within 2017/18 and complements the more detailed financial statements published within our [Annual Statement of Accounts](#). Whilst the 'Our Funding and Spending' section of this report outlines where our funding came from and where we spent our money, this section focuses on how our position at the end of the financial year relates to our budget and explains the key variances.

Revenue Expenditure

Between 2011/12 and 2016/17 the Council had to deliver £339m of savings with a further £14m required in 2017/18, following the cumulative effect of reductions in funding from central government.

Our gross revenue budget represents the entirety of our revenue spending as detailed in the Our Funding and Spending section of this report and totalled £1,543m in 2017/18. This includes the money spent on housing benefit payments and the funding of schools which is mainly funded by government grants. Most of our gross revenue budget is spent on the services delivered through the various directorates. A much smaller proportion is used to fund capital projects, loan repayments, corporate items such as insurance, levies for functions such as waste disposal and costs associated with owning and maintaining council houses. A small sum is also set aside to meet unforeseen costs.

Our net revenue budget is the total amount of corporate resources available to us. It is mainly funded from Retained Business Rates and Council Tax Receipts and includes government grant funding, dividends and use of reserves. In 2017/18 the net revenue budget totalled £546m in 2017/18 and the table below shows our year end position (spend) compared to this budget.

Manchester City Council Programme	Revenue Expenditure in 2017/18 (£000)	Net Revenue Budget for 2017/18 (£000)	Overspend or Underspend (£000)
Total Available Resources	(551,278)	(546,403)	(4,875)
Total Corporate Budgets	91,988	94,680	(2,692)
Directorate Budgets			
Children's Services	113,838	103,819	10,019
Adult Social Care	177,923	175,144	2,779
Adults - Health and Care System Related	(1,251)	(2,151)	900
Corporate Core	75,600	78,144	(2,544)
Growth and Neighbourhoods	91,042	91,992	(950)
Strategic Development	6,057	5,998	59
Total Directorate Budgets	463,209	452,946	10,263
Total Use of Resources	555,197	547,626	7,571
Net	3,919	1,223	2,696

At the end of the year we had overspent against our net revenue budget by £2.696m and this was funded from our General Fund Reserve. The main variations to the budget are set out below.

The available resources are £4.9m higher than budgeted for as additional income was received during the year including a rebate from the waste levy and additional dividends.

Corporate budgets include capital financing cost, insurance costs, contingency funds, and budgets such as for managing the costs of inflation and rising demand for services, which are then allocated to Directorates when they are required, levies, historic pension costs and any planned transfers to reserves. The underspend on the Corporate budgets totals £2.7m. This partly relates to the release of unallocated contingency held until year end in case of any unforeseen pressures.

The net position on budgets for services is an overspend of £10.3m. The main reasons are as follows:-

- The overall position for Children's Services is an overspend of £10m. This mainly relates to placement costs for our looked after children where both the numbers requiring care and the cost of that care have increased and the costs of supporting those leaving care.
- Adults and Public Health have an overspend of £3.7m due to the increased need to provide services for people with mental health needs and with

learning disabilities. The budget for homelessness services also overspent, largely due to a change in central government funding arrangements which saw a reduction in funding for temporary accommodation.

- The Corporate Core has an underspend of £2.5m. This predominately relates to staffing savings and increased housing benefit subsidy income.
- The overall position for Growth and Neighbourhoods is an underspend of £0.95m. This mainly relates to additional income on planning, building control and licencing and from business units such as bereavement services.
- Strategic Development has a small overspend of £59k. This relates to underspends on facilities management and the investment estate offset by reduced income on the operational estate.

The Housing Revenue Account (HRA) contains the costs of owning and maintaining properties which are let to tenants and income from renting Council houses to tenants. This is shown separately from the net revenue budget position in the table. The final outturn position for the HRA is an underspend of £24.1m which largely relates to funding for the capital programme which will now be required in the next financial year.

Capital Expenditure

Our Capital Budget for the 2017/18 year was £366.2m and the table below shows our year end position (spend) compared to this budget.

Manchester City Council Programme	Capital Expenditure in 2017/18 (£m)	Capital Budget for 2017/18 (£m)	Over or (Under) Spend for 2017/18 (£m)
Highways	32.6	37.8	(5.2)
Growth and Neighbourhoods	6.9	11.7	(4.8)
Strategic Development	86.2	119.0	(32.8)
Town Hall Refurbishment	3.8	5.2	(1.4)
Housing – Private Sector	19.4	16.5	2.9
Housing – HRA	20.3	19.5	0.8
Children's Services	60.2	69.1	(8.9)
ICT	4.8	5.1	(0.3)
Corporate Services	0.3	1.8	(1.5)
MCC Total	234.5	285.7	(51.2)
Programme on behalf of Greater Manchester	56.8	80.5	(23.7)
TOTAL	291.3	366.2	(74.9)

At the end of the year we had underspent against our Capital Budget by £74.9m.

The underspend for the Council is largely due to the timing of spend for Strategic Development particularly on strategic acquisitions which had been planned for March 2018 but will now be incurred in 2018/19. The majority of the remaining underspend relates to the reassessment of the timing of spend, whereby the spending will take place in 2018/19 rather than 2017/18.

Our Risks and Opportunities

Our corporate approach to risk management ensures that we have robust processes in place to support the delivery of our strategic goals, including those contained within the Our Manchester Strategy. We use dynamic risk management to identify the risks to the delivery of our priorities and objectives, determine appropriate ways of mitigating the risk and for ongoing scrutiny and assurance of factors that could inhibit our ability to deliver. At a corporate level, significant risks are captured within our Corporate Risk Register (CRR), which articulates the risk, quantifies its likelihood and potential impact, names the strategic director who owns the risk, and articulates how the risk is managed and any mitigating actions.

The constantly evolving CRR is refreshed quarterly and at any one time captures roughly twenty risks deemed to have a significant potential to impact on the delivery of the our strategic objectives. Currently our CRR includes risks relating, for example, to finance, cyber security, legal and statutory compliance, delivery of transformation, safeguarding and health and safety. The table below gives examples of the types of risk actively managed and assured at a corporate level. It captures the three risks on the CRR currently recorded as high and, therefore under direct scrutiny at a corporate and directorate level. The risks are scored in the context of their potential impacts if uncontrolled; the purpose of the risk management approach is to ensure early intervention and regular scrutiny in order to ensure that risks are controlled, allowing the Council to manage impacts and deliver opportunities and deliver effective services and service change.

Theme	Risk	Key Sources of Assurance and Actions
Council in Partnership	Strategies for reducing demand for Council services, including new ways of working with residents, communities and other stakeholders, do not contain and reduce demand to target levels with consequent negative impact on finance and outcomes.	<p>Cross cutting risk with range of assurances to Executive, Scrutiny committees, partnership and officer boards. Key actions include:</p> <ul style="list-style-type: none"> • Our Manchester as asset based approach sits alongside other measures such as focus on prevention in health and social care • Our Manchester communications and engagement strategy for residents, partners and staff. • Delivery of Public Service Reform programmes, focusing on integration between different programmes with partners. • Delivery of Children's Services investment outcomes • Delivery of new models of care • Integration of Health and Social Care (MHCC and arrangements through LCO) • Joint governance arrangements with MHCC • Our Manchester toolkits and resources for managers and staff • Monitoring impact of changes to Council Tax , UC and use of Discretionary Housing Payments • New arrangements for tackling homelessness and rough sleeping including work with partners
Council in Partnership Page 70	Effective and integrated Health and Social Care integration is not delivered within expected timescales, costs, scale or governance standards. This leads to continued pressure on the developing Single Hospital Service, Mental Health Services and LCO and failure to deliver positive outcomes, statutory duties and safeguarding responsibilities within projected cost model.	<p>Commissioning Board Health and Wellbeing Executive Health Scrutiny Health and Wellbeing Board Manchester Transformation Accountability Board (MTFAB) Joint Commissioning Executive Risk management frameworks in place for Commissioning and LCO transition. Manchester Health and Care Commissioning Governance arrangements including Member and Chief Officer roles</p>
Council statutory and legal duties	Inability to ensure a coordinated response to data and information governance, including compliance with the General Data Protection Regulations (GDPR). This means the Council is unable to demonstrate consistent application of information standards, controls and statutory compliance.	<ul style="list-style-type: none"> • Regular reporting to the Council's Senior Information Risk Owner and Corporate Information Assurance and Risk Group. • Reports to SMT and Resources and Governance Scrutiny Committee • Reports to SMT and a report on progress to the Council's Resources and Governance and Overview and Scrutiny Committee • Awareness of GDPR raised by briefings to Departmental Management teams. • Information Audit undertaken and communications and training strategies are being developed. • Interdepartmental groups have been set up to progress the project. • Project officer in post to help drive the project • Governance Structure in place for GDPR project including work stream meetings • Engagement across GM to share good practice, tools and tips. • Increased support on data protection issues is being sought by the appointment of Deputy Directorate SIROs from January

Our risk management activity can broadly be described at three levels;

- Our Senior Management Team (SMT) is responsible for ensuring the effective management of the risks in the CRR.
- Directorates maintain their own risk register and record risks to their Budget and Business Plan objectives and future service development plans in their associated Delivery Plans.
- Services within directorates maintain their own risk register to complete a consistent golden thread from corporate level priority risks to more detailed risks specific to service delivery teams.

Consistent and effective risk management continues to be embedded throughout the organisation with over 3,000 officers across the Council receiving formal training in risk management and business continuity management. Collectively, risk management at all levels of our organisation allows us to manage operational and strategic risks which affect our ability to create value over the short, medium and long term.

Our risk profile is constantly evolving. Over recent years there has been a climate of increased and sustained pressure in terms of austerity, demographic changes and increased expectations on public services resulting in an imperative to deliver more with less.

Consequently, our strategic focus has been on driving growth and transformation and reforming public services. We have had to innovate in order to seize opportunities to develop new ways of working, new delivery models and efficiencies; all of these have been essential in transforming the Council and enabling us to respond positively in a climate of austerity. Systematic risk assessment and risk management is core to both the identification and delivery of opportunities.

The Greater Manchester Combined Authority and our integration with health partners are examples of creative partnership working in order to gain maximum value from the collective resources available. Effective partnership working is partly dependent on a shared and consistent approach to the management of partnership risk.

Our risk management approach has adapted as the organisation has grown in risk maturity and as the context in which we provide services has changed; for example, over the last five years we have focused on developing a robust risk governance framework, supporting directorates in developing a “risk literate” workforce through training and coaching and on ensuring that the partnership model of risk management can be used effectively at all levels within the Council and across the city. We have also sought to identify and apply best practice from external organisations and from within our services, rolling out effective approaches as widely as possible across our services.

We will be focusing on enhancing risk assurance mechanisms, formalising risk programmes within our major strategic partnerships and frameworks and significantly enhancing our strategies for responding to major significant incidents that may disrupt the delivery of critical services (this work programme is called business

continuity management and is managed from within the corporate risk management team).

Our Risk Strategy 2018-2020 ([Item 12](#)) explains how our risk management resources are focused on our highest strategic priorities whilst providing a level of support to directorate priorities. It describes how the Council is developing an adaptive and integrated approach to risk management that aligns our risk resources to our strategic priorities and recognises that all directorates contribute to these priorities.

Our Business Continuity Strategy 2017-2020 ([Item 12](#)) describes our approach to ensuring that we can readily respond to any incident that could impact on the provision of critical and statutory services. We aim to quickly respond and return to 'business as usual' whatever the cause of the incident (for example, loss of a building, a power failure, extreme weather). It explains the vital contribution of all services in developing their own local business continuity plans and describes how these plans are drawn together to develop a Corporate Business Continuity Plan that supports responses to any major incidents that may occur.

The Council's Risk Management and Business Continuity Strategies are updated annually, considered by Audit Committee and endorsed and owned by SMT.

Our Outlook

Our monthly Integrated Monitoring Report provides our leaders with the regular and up to date financial information on the current financial year so that they can monitor projected spend and respond rapidly to risks and budget pressures in the short term. Financial performance is reported regularly during the year to the Strategic Management Team, Resources and Governance Scrutiny Committee and the Executive Committee.

The financial position for future years is reported in our Medium Term Financial Plan (MTFP). This was approved by the Full Council meeting in March 2017 for the three year period 2017/18 to 2019/20. Forecasting future year's anticipated spending and resources through robust medium term financial planning allows us to anticipate the level of savings required so we can secure the ongoing viability of service budgets. Our MTFP is refreshed each year to provide a stable financial base for the planning of savings in directorate's Budget and Business Plans.

Our MTFP was refreshed and approved in March 2018 is available on our website. Our MTFP considers the local and national financial climate, describes some of the key challenges we are facing and the key changes in our resources before setting out the anticipated savings requirement for the period 2018/19 to 2019/20.

We are experiencing a number of challenges both internal and external to the Council. These challenges include continued reductions in government funding, inflation and pay award costs, demographic pressures and increased demand for services. For example, national pressures on Children's Social Care and are very much reflected within Manchester with the rising numbers who require care and support.

Other challenges include trying to deliver transformational changes such as public sector reform (supporting the community budget process in Greater Manchester and working with Troubled Families), welfare reform including the roll out of Universal credit, devolution and the wider range of activities, responsibilities and partnership working this brings, and readily bedding in the new arrangements for Health and Social Care under the Local Care Organisation / Care Together to deliver savings. Maintaining the city's infrastructure and the uncertainty surrounding our business rates income represent further challenges.

In our MTFP we updated our resources to include the increased projected business rates income of £8.6m (which included our share of benefits from the 100% growth retention pilot), increased projected council tax income of £3m, and an £8.9m increase in the dividend received from Manchester Airport Group.

There has been a comprehensive review of how our available resources are utilised to invest in the priority areas agreed with our residents. The MTFP highlighted that there is a need to invest more into the Council's front line services such as social care, services for the homeless and helping to mitigate some of the impacts of welfare reform. The increased investment which was required for each directorate is detailed in the table below.

Directorate	2018 / 19 (£'000)	2019 / 20 (£'000)
Adults (excluding Homelessness)	5,759	15,115
Adults (Homelessness)	3,495	3,495
Children's Services	6,882	7,126
Corporate Core (including Highways)	2,255	1,490
Growth and Neighbourhoods	2,105	2,105
Strategic Development	0	0

The impact of funding reductions combined with the pressures of increased demand has resulted in savings requirements of £25.5m in 2018/19 and an additional estimated £9m in 2019/20.

In order to support our investment priorities and deliver a balanced budget directorates have produced 'Budget Delivery Plans' within [Budget and Business Plans](#) to reduce resource commitments.

Our MTFP as referenced in our Annual Statement of Accounts is summarised in the table below. It shows the resources we expect to have and the resources we expect to need.

	2018 / 19 (£000)	2019 / 20 (£000)
Resources Available		
Revenue Support Grant	0	0
Business Rates Baseline	316,597	241,901
Business Rates Top Up / (Tariff)	(19,015)	41,536
Public Health Funding	0	0
Baseline Funding Level	297,582	283,437
(Reduced) / Additional Business Rates Income	7,393	21,223
Business Rates Grants	19,778	15,535
Council Tax	154,070	161,723
Other non-ring fenced Grants	35,809	39,662
Dividends and Use of Reserves	53,342	53,342
Use of other Reserves	8,188	4,490
Resources to be identified	0	8,967
Total Resources Available	576,162	588,379
Resources Required		
<i>Corporate Costs:</i>		
Levies/Charges	68,045	68,862
Contingency	3,103	2,100
Capital Financing	44,582	44,582
Transfer to Reserves	7,181	3,409
Sub Total Corporate Costs	122,911	118,953
<i>Directorate Costs:</i>		
Additional Allowances and other pension costs	10,183	10,183
Insurance Costs	2,004	2,004
Directorate Budgets	422,086	423,111
Inflationary Pressures and budgets to be allocated	18,978	34,128
Sub Total Directorate Costs	453,251	469,426
Total Resources Required	576,162	588,379
Balance / Gap	0	0

This is a period of continued reductions in resources and growing demand. Members and senior officers must closely monitor our financial position in the short and medium term and readily respond to the challenges and risks identified through this monitoring. This focus will support us to deliver a balanced budget at the end of the planning period and maintain service provision.

Our Basis of Preparation

This section explains how we have determined the content to include in Our Integrated Annual Report. The content and style of Our Integrated Annual Report has been heavily based upon the [International Integrated Reporting \(<IR>\) Framework's](#) principles based guidance. The recommended report content guidance within the <IR> Framework has been aligned with that for financial statements within the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2017/18 ([‘the Code’](#)) in order to ensure that quality financial information is shown in line with accepted accounting principles. This content guidance has also been aligned with the guidance on the judging areas for the National Audit Office (NAO) sponsored ‘Building Public Trust Awards’ found within the NAO publication [‘Examples of Good Practice in Annual Reports’](#). The sections of Our Integrated Annual Report and content within these sections have then been tailored so that they are relevant to our organisation.

Integrated Reporting has a combined emphasis on conciseness, the connectivity of information, the various resources and their interdependencies and strategic focus and future orientation. To ensure conciseness, relevant officers have worked together to evaluate matters in terms of their potential impacts on value creation and prioritised the inclusion of those matters deemed most important. For example, the metrics discussed in the Our Performance section are some of the key metrics which are accepted by the organisation as needing to be monitored to ensure we create value by delivering the goals of the Our Manchester Strategy and the priority objectives that the people of Manchester said they value the most. These metrics are monitored regularly by our leaders through agreed tools and are aligned to what is reported in our annual State of The City Report. Featuring these metrics in the Our Performance section means that a balanced and unbiased picture of performance can be presented which highlights both desirable performance and areas of challenge. To further support conciseness we have linked inter-connected sections of the report to limit repetition and included external links to more detailed information. This has allowed us to present information in a clear, concise and accessible way for the public whilst ensuring reliability and completeness.

Content specific to directorates, such as that in Our Operational Models section has been approved by the directorate’s Strategic Directors and Our Integrated Annual Report in its entirety has been approved by the Leader of the Council, Sir Richard Leese, and our Chief Executive, Joanne Roney OBE.

Further information

If you have any comments or questions about our Annual Report you can write to us at:

Performance, Research and Intelligence,
Level 3,
Town Hall Extension,
M60 2LA

Or email us at: s.hibbert@manchester.gov.uk

Manchester City Council Report for Resolution

Report to: Resource and Governance Scrutiny Committee –
11 October 2018

Subject: Review of Children's Services Budget

Report of: Strategic Director Children and Education Services

Summary

The purpose of this report is to consider the impact of Council resources to support children's services to improve outcomes for Manchester's children who require additional support. Specific areas of focus for attention of reinvestment in 2015 and subsequent years were aimed at improving the outcomes for those children who were "looked after" and improving the approach to providing earlier intervention and prevention through investment in our Early Help offer.

In addition the report also provides an outline of the issues driving the current overspend in the Children's Services budget in 2018/19 ; including analysis of overall spend and placement numbers. The report details, as requested, the direct spend in relation to responding to domestic violence.

Finally the report summarises the success in delivering the planned workforce changes and reducing reliance on use of agency staff. It describes the improvements that have been made to the service since the 2014 and 2016 inspections and identifies the challenges that remain in order to continue to improve our services to Manchester's vulnerable children and young people

Recommendations

The Resources and Governance Scrutiny Committee is invited to comment on the report.

Wards Affected: All

Alignment to the Our Manchester Strategy Outcomes (if applicable)

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Effective Children's Social Care Services are critical to ensuring our most vulnerable citizens are afforded opportunities and supported to connect and contribute to the city's sustainability and growth.
A highly skilled city: world class	Ensuring the most vulnerable in our society are

and home grown talent sustaining the city's economic success	supported and afforded the opportunity to access and achieve in the City; empowered and supported by the delivery of a strong and cohesive social care/corporate parenting system
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Improving social care services helps build the resilience children and families need to achieve their potential and be integrated into their communities
A liveable and low carbon city: a destination of choice to live, visit, work	Improving outcomes for the children and families across the City, helps build and develop whole communities and increases the livability of the City
A connected city: world class infrastructure and connectivity to drive growth	Successful services support successful families who are able to deliver continuing growth in the City

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Background documents (available for public inspection):

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

- Demand and Capacity – Investing to Succeed in Children's Social Care - Executive – 29 June 2016
- Investment in reducing Looked After Children and Complex Dependency - Finance Scrutiny Committee – 12 March 2015
- Children's Service and Education Budget and Business Plan 2018-2020 - Executive 7th February 2018

1. Introduction and background

1.1 Following the publication of the Ofsted Inspection report in September 2014 of Manchester City Council's Children's services, the Secretary of State issued a "Statutory Notice to Improve". The notice was issued in March 2015 and stipulated a requirement to show significant and sustainable improvement by the time of the next Ofsted inspection. The purpose of this report is to consider the impact of additional Council resources invested into children's services, specifically related to improvements in the Statutory Safeguarding and Looked After Children's Services; and Early Help Services to drive improvements on an 'invest to save' basis.

1.2 The investment programme has been spread over a number of tranches, based on the broadly aligned principle of investment in services to save on spend and to better respond to the needs of children and complexity of need(s). Each tranche of investment has focussed on specific areas of the service. The first tranche of investment in 2015/16 was focussed on service areas out with the statutory social work service to provide effective leadership and management, divert unnecessary demand away children and their families from statutory services and create the capacity to better respond to those children who were in need to being 'looked after' by the council; which had been factors in Ofsted's inspection findings and judgements in 2014. This included investment in:

- Early Help / MASH
- Troubled Families (including Children in Need)
- Troubled Families - Families First
- Evidence based interventions
- Adoption
- Fostering
- Safeguarding management and capacity

1.3 The four key characteristics of the second tranche investment were more directly aligned to the need to build capacity in order to improve the practice within the statutory social work service in order to:

- Reduce and manage demand within the service more effectively.
- Implement manageable workloads through increased productivity and extra frontline social work posts.
- Implement a comprehensive performance and practice management system.
- Achieve and maintain a stable, confident and competent workforce.

1.4 Understanding the impact of investment since the Inspection of 2014 is complex as there are a variety of inter-connecting factors, some of which are out of the control of the service and have a direct influence on the spend of the children's services budget. These include considerable financial pressures on services across the private and public sector at a local, regional and national level. These pressures are manifested in terms of workforce factors; costs, quality and availability associated with care placements; changing

demographics affecting demand and an increase in the complexity of needs of some of Manchester's children. Despite these challenges and issues, the Service has made considerable progress in its development and impact on outcomes for children, young people and families. This culminated in the positive outcome of the October 2017 re-inspection of the service by Ofsted which judged Manchester's Children Services to 'requires improvement to be good'; of the 5 judgement areas leadership, management and governance and adoption, both previously judged as 'inadequate' were graded 'good'; leading to the statutory improvement notice being removed on 21st December 2017.

- 1.5 The analysis of these key characteristics is supported by additional HR statistics, children's services performance data, our self evaluation activity and an analysis of what the data tells us in relation to how successful the service has been in delivering on the key areas the investment focussed on.
- 1.6 The report also provides an outline of the reasons for overspend in the Children's Services budget in 2018/19 including analysis of overall spend and placement numbers, the success in delivering the workforce development strategy including a planned reduction in reliance on the use of agency staff and details on direct spend in relation to domestic violence.
- 1.7 Finally, the report summarises the improvements that have been made to the service since the 2014 inspection; outlines the challenges that remain; and the actions being taken to ensure the service continually improves.

2. Children's Services Budget Position

- 2.1 Over recent years the Children's Services budget has reduced in line with Council funding reductions. The Children's and Education Services net budget reduced from £175m in 2011/12 to £108.5m in 2018/19 a reduction of £66.5m (38%). At the same time the child population of Manchester has risen by just over 15,000 (14.2%) since 2010 to stand at an estimated 121,182 0-17 year olds in 2017. The rise is not uniform across the City and most of the increases are within the more deprived areas of Manchester. Over the same period the number of looked after children per 10,000 population has continued to reduce from 137 per 10,000 population in 2010/11 to 113 in 2014/15 and 104 (provisional) in 2017/18.
- 2.2 The majority of budget reductions were made over the period 2011/12 to 2014/15 by a shift of resource from universal services for young people and early years and concentrated financial resources to support targeted and specialist services. There were also savings achieved through a shift in the balance of foster care places compared to residential places and renegotiation and decommissioning of contracts across the service with savings of £6.6m (12%) made from LAC placement budgets between 2011/12 and 2014/15.
- 2.3 Since 2015/16 there has been an overall investment into Children's Services of £24m from non-recurrent resources phased £6.7m in 2015/16, £11m in 2016/17, £4.9m in 2017/18, £1.1m in 2018/19 and £311k in 2019/20. The investment made has been to support new working arrangements, early

help/intervention, evidence based practice, increased social work capacity to reduce the size of social workers caseloads and fostering and adoption services. The financial strategy at that time was to deliver savings to the revenue budget which could be released back into the service to sustain the investment as the number of looked after children reduced to 1,000 which was comparable to the statistical neighbour average in 2016.

2.6 The actual amount invested into these priority areas significantly exceeded the non-recurrent investment. Additional funding came from Troubled Families grant of c£3m per year and further Safeguarding savings, largely from external foster care and residential budgets of £2.5m in 2016/17, £9.4m in 2017/18 and £14.2m in 2018/19. The savings increased each year to sustain the investment as the non-recurrent funding reduced. Due to the investment made since 2015/16 no specific allocation has been made in the budget for demography to reflect the impact of population growth or increased demand from rising need.

2.7 The charts below show for the five year period 2014/15 - 2018/19:

1. The budget and actual spend on placements (note the actual spend for 2018/19 is current outturn projection).
2. The number of children and young people in placements on average for each financial year.

2.8 This highlights:

- Internal foster care - There has been an increase in internal foster care placements over the period, particularly since 2015/16 following investment, where the numbers have increased by over 50%.
- External foster care - There has been a significant reduction in actual placements and spend on external foster care over the period from an average of 646 in 2014/15 to 458 in 2018/19. Whilst there have been reductions across the period, the actual position has exceeded the budget available each year. The current budget pressure is as a result of placement numbers of 458 being higher than the budget target to be 330 by 31st March 2019.
- External Residential - Following a significant reduction in external residential placements from 108 in 2011/12 to 78 in 2014/15, the placements numbers have stabilised over the last few years and are currently 77. However over the period the average cost of care has increased by circa 50%. This is due to a combination of increased complexity in children's needs, the rising cost of the external market, which is being experienced across the region and country and cost of living price rises over the period. The current budget pressure is as a result of both costs and numbers being above budget target of 50 by 31st March 2019..
- Internal Residential - Following a significant reduction in internal residential placements from 88 in 2011/12 to 40 in 2014/15, this shows that there has been reduced spend and number of placements, particularly in 2017/18 and 2018/19, with there now being 13 placements.

- 2.9 Special Guardianship Orders are for children who cannot live with their birth parents and who would benefit from a legally secure placement with parental responsibility. As such the children are not looked after and are significantly less likely to require ongoing social work support, however costs to the budget are driven by securing the legal order including rising court fees and financial allowances paid to their carers. Over the period 2011-18 there has been a significant increase in the numbers of children made subject to a Special Guardianship Order, rising from 109 in 2010/11 to 457 in 2018/19.

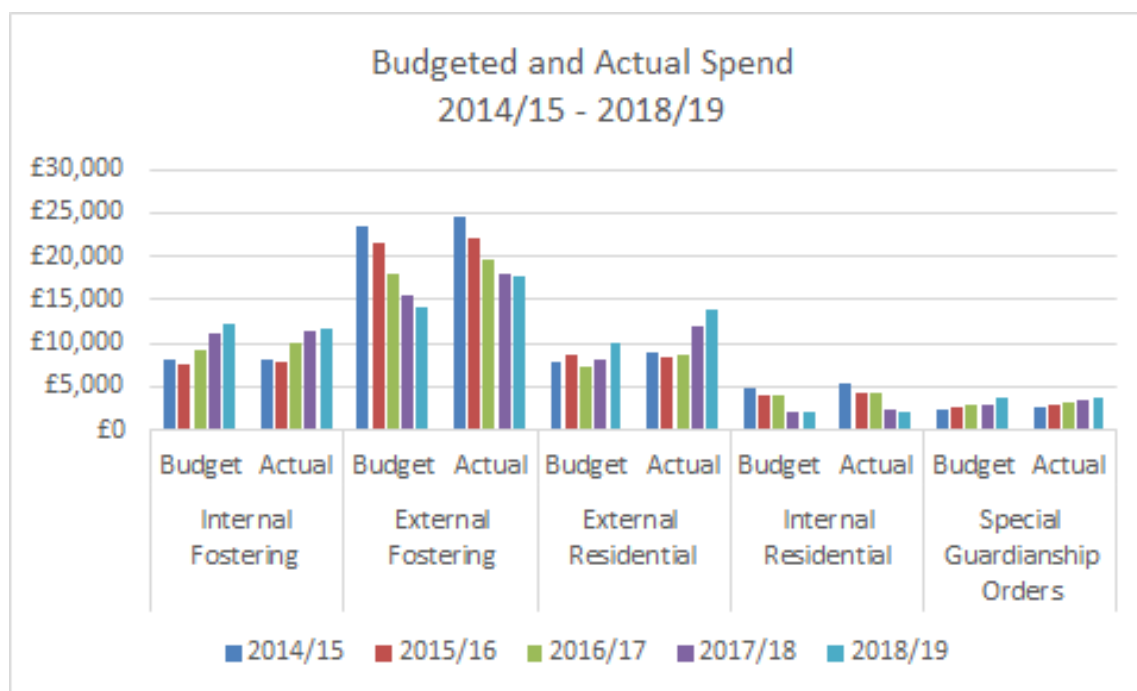


Table 1

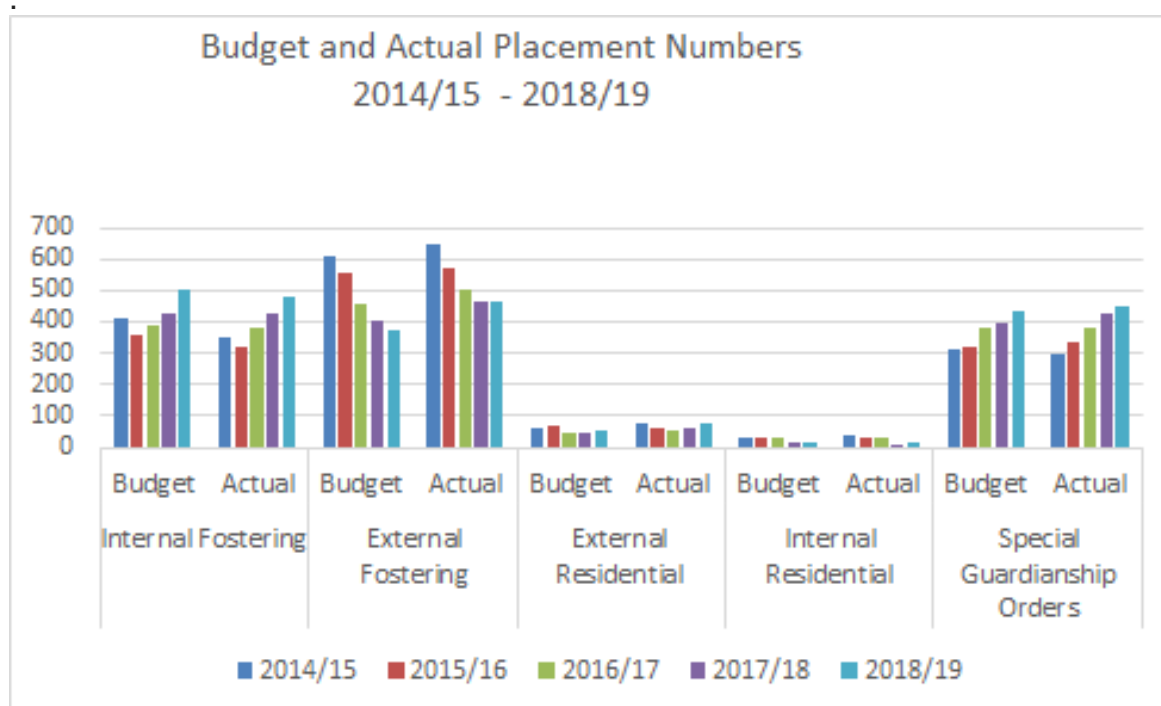


Table 2

- 2.10 For the 2018-20 budget it was recognised that tangible progress was being made in respect of the quality and services being delivered to children and young people; which will lead to a shift in resources from high cost reactive spend to permanence, early intervention and prevention. The service continued to face a number of financial challenges in responding to the needs of children who require help, protection and care against the savings that had been agreed for placement budgets in order to sustain the continued investment.
- 2.11 It was estimated that the projected level of need for children and young people would cost an additional £17.3m in 2018/19 and a further £2.3m in 2019/20. A budget delivery plan based on an estimate of the placement need as part of the analysis of the LAC population analysis and further developments as a continuation of the existing strategy described aimed to reduce this by £10.5m in 2018/19 and a further £2.1m reduction in 2019/20. This would leave a remaining funding requirement of £7m in 2018/19 and 2019/20, with a non-recurrent contingency of £1.5m to mitigate the risk if external residential placement costs and numbers did not reduce in latter part of 2017/18. The progress with savings targets for 2018-20 is provided in Appendix 1.
- 2.12 The projected cost for children's placements in August 2018 is £45.4m compared to a budget of £38.4m and this is the substantial factor creating the financial pressures within Children's Services in 2018/19. It is the savings targets for external foster care and external residential where the Directorate's budget challenge for 2018/19 arises. This is resulting in the overspend at Period 5 and the requirement for a budget delivery plan to be developed for 2019/20, the detail is set out in the Global Monitoring and Budget Report which is a separate item on this agenda.
- 2.13 Comparisons with core cities has identified that Manchester is now a lower than average user of residential care but a higher user of external foster care compared to internal foster care. Despite this research into costs associated with providing children's social care in a national and regional context has identified a significant pressure within Children's Services with the number and complexity in the needs of Looked After Children increasing; according to regional and national data supplied by local authorities to the Government in each of the past three years the sector has recorded overspends on children's social care services significantly increasing year on year.
- 2.14 As the 2018/19 year progresses the planned further reductions in the number of external foster care and residential placements remains a challenge to achieve. It should be noted that whilst action is being taken to reduce this financial pressure, the forecast is a significant reduction in actual spend on care placements over the past six years, particularly and within the context set out in paragraph 1.4 and child population growth of 14% over the same period.

Domestic Violence

2.15 The Council's direct spend on services to support people at risk from domestic violence is part of the Adult Social Care budget and is approximately £1.38m, there is significant additional indirect spend on dealing and managing the consequences of domestic violence in relation to the following services:

- Independent Domestic Violence Advice service which is part of the Adults Safeguarding service (£330k)
- Six Women's refuges commissioned through the MHCC pooled budget (£850k)
- Supported housing specifically for women at risk of domestic violence (£200k)

3. Demographic Trends - Local, Regional & National

3.1 The Office for National Statistics (ONS) 2016 mid-year estimate (MYE) of the 0-16 years old population, released July 2017, was 114,075. Manchester City Council's in-house estimate was 116,461 and forecasts a mid-2017 population of 119,822. These figures are the latest in a long period of growth in the child population as shown in the graph below. The estimated child population of Manchester was fairly static from the beginning of the previous decade until 2005, accelerating rapidly from that point. The current decade's mid-year estimates for Manchester continue with even higher rates of growth, rising 2.2% between 2015 and 2016 (2,500 more children).

Figure 1: Change in the number of Manchester children, 2002-2016

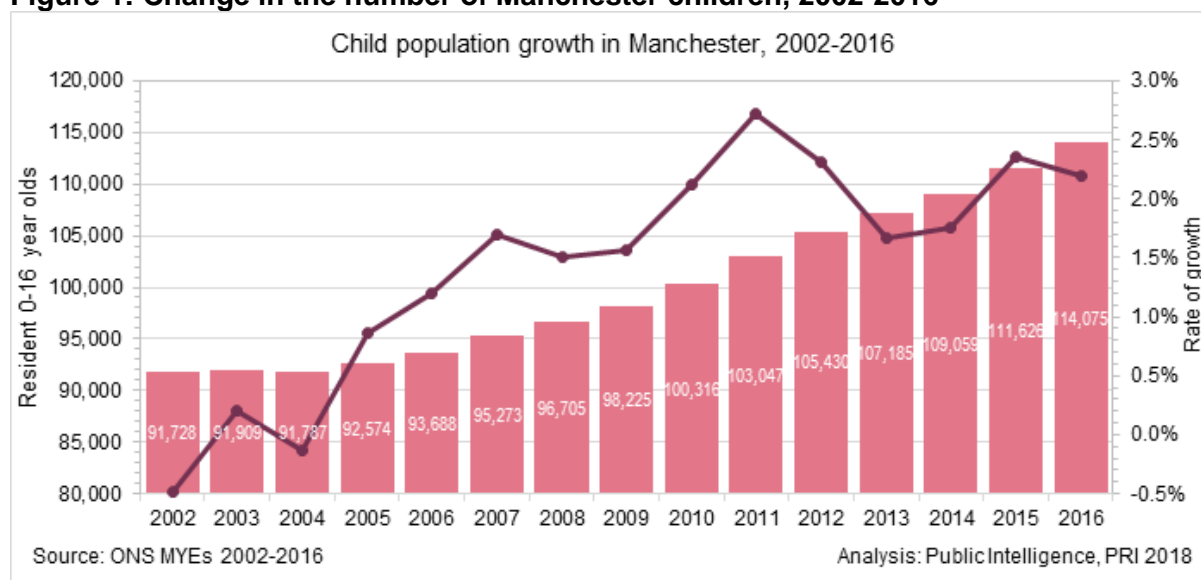
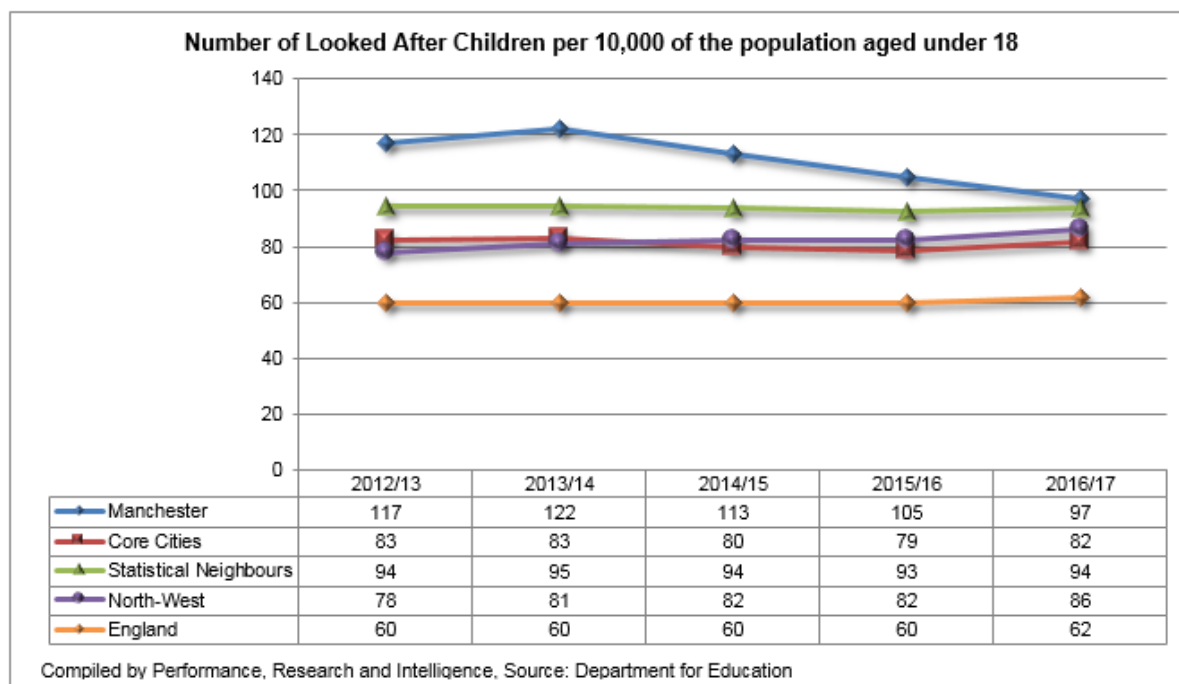


Table 3

3.2 The initial growth in Manchester's child population was due to the substantial rise in the number of children under the age of four between 2005 and 2008. Although the level of growth is estimated to have reduced slightly since 2013. The year 2017 marked an increase in the 11-15 population; the highest age range of children before the court are aged between 10 – 15 years old with significant complex needs.

- 3.3 Published statistics from Department for Education for the period 2012/13 to 2016/17 show that the Looked After Children per 10,000 of the population under 18 has increased by 10% at regional level and remained static nationally, in statistical neighbouring authorities and other core cities. Whilst Manchester is above the statistical neighbour and core city average, this gap has narrowed as Manchester has reduced its statistic by 17% over the period.



- 3.4 Similarly the increased child population has also seen a disproportionate rise in complexity of the young person's population. For example, the number of young people aged 4-16 who were diagnosed with a special educational need or disability, and were subject to an Education, Health and Care Plan increased by 43.6% between 2010 and January 2018, against a total child population increase of just 14.2% in the same period.

4. Performance, Improvement & Impact

- 4.1 As detailed above the main focus of the first tranche of investment was into delivering or maintaining investment in new service to better respond to the needs of children and management oversight.

Troubled Families

- 4.2 Manchester has been a national leader in the delivery of the Troubled Families programme since its inception, and has been subject to a considerable level of scrutiny into progress and the impact of the programme on outcomes for children and families. The troubled families evaluation in 2017 reviewed in detail the activity and outcomes of the programme; which have been built into the delivery of the council's 'early help' offer. Key relevant highlights from the evaluation showed that:

- 55% of referred families had children missing school before support, this is reduced to 9% after support
- 74% of referred families were regularly involved in police incidents before support, this is reduced to 58% after support
- 81% of families who had a Child in Need at the time of referral (c.405) see all CIN statuses removed within 12-months of the intervention ending, with only 14% (c57) seeing that status return within 6 months of the end of intervention.

- 4.3 The services of the Troubled Families programme are integrated within the Children's Early Help Service and continues to deliver similar outcomes, whilst also undertaking its additional function of engaging with children/families subject to child protection plans and promoting the universal early help offer across the partnership which has contributed to a 9% reduction in the number of requests for a social work service between 2014/15 and 2017/18.

Families First

- 4.4 Another main intent of investment was to support new and innovative evidence based innovations to support reductions in the rate of children becoming looked after. Once such intervention was the Families First programme. The intervention is a highly accredited edge of care programme which provides intensive support to families at risk of having their children to come into care. Whilst no clear outcome for families can be 100% predetermined, data shows that of those families who are engaged by the programme only 14% of those children go on to become looked after. This is similar to the impact of a integrated short break offer with a Family Group Conference; which over the last 8 months has diverted 94.6% of children and their families receiving a service has diverted children away from becoming looked after; children who previously would have most likely been received into a 'care' arrangement.

Workforce

- 4.5 The four key principles of the second investment round in 2016 were as mentioned above, to reinforce and support the capacity within the social work service to improve practice by securing the appropriate levels of individual workload that would creating the space for staff to develop, build on their experience and promote retention.
- 4.6 There have been considerable achievements with regards to the children's services workforce. At the time of the 2014 Ofsted inspection the average caseload of staff was in excess of 30. Activity to reduce this was a critical issue for the inspection. To date the service has used the investment to significantly increase the complement of front line social workers with a commensurate level of management oversight to ensure effective grip, support and guidance.

Table 5. Key HR and performance data associated with the investment

	July 16	October 17	September 18
Number of social workers	336.9	415	404
Agency social workers	146	70	53
Average sick days	16.12	12.34	11.32
Average caseload	23.5	18.9	19.56
Av caseload ASYE	23	17.4	17.5
Av s/worker caseload	23.8	19.7	19.9
Number of ASYEs	60	91	63.9

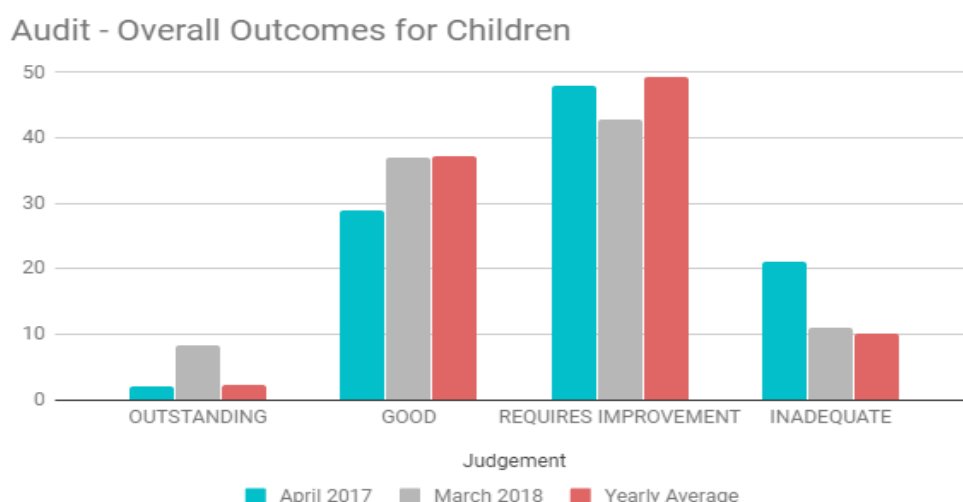
- 4.7 The table above as composed of three checkpoints in time, the mid-point of the investment, the re-inspection of children's services in 2017 and the most recent data set in respects of our workforce. The table demonstrates a significant reduction in the use of agency staff with a 46% reliance in 2016 reducing to the current 13% reliance on agency staff, resulting in significant savings and increasing a sense of team cohesion and organisational identity. The service anticipates further reductions in the use of agency staff. In addition, over the same period the rate of sickness has reduced.
- 4.8 In addition, following a significant reduction in average caseloads post investment in 2016 despite significant demand and complexity of children's needs, these are being sustained at an average of 18. Alongside this, whereas in previous years the service has been disproportionately balanced towards staff in either their first social work position after qualification, or the first year of their careers, this figure now stands at only 28 out of 404 FTE. As at September 2018 this represents a 54% drop in workers with less than 1 years practice experience since the time of the 2017 re-inspection; evidence of the considerable progress that has been made collectively to recruit, support and develop the experience of social work staff. The reduction in caseloads and the increase in experience of the staff group coupled with reported high levels of morale have now resulted in Manchester now seen as an 'employer of choice' and a positive place to work both for new and experience staff; contributing to improving levels of retention. These factor will be one of the key factors in delivering consistently good social work practice and outcomes for Manchester's children.

Practice Improvement and Impact on Outcomes

- 4.9 In tandem with the specific investments in services, such as Early Help, the investment in the social work workforce is predicated on the principle of that truly sustainable positive change in outcomes for children and young people necessitates a stable and experienced workforce with the conditions in place for good practice to develop. The quality of professional supervision and staff

development leading to practice enhancement are key features of ensuring we deliver the correct outcomes for children. Our progress in this activity is monitored both through our workforce development strategy (which now maximises grants and funding associated with the provision of student placements) and auditing activity.

- 4.10 Auditors audit randomly selected cases against the services professional practice standards. The graph demonstrates our progress in improving outcomes for children but at the same time reflect the fact that there is more to do to achieve our aspirations of consistently delivering good and or outstanding practice.



- 4.11 Whilst these kinds of improvement require a long term commitment to practice development, there are already a number of measurable impacts that can be attributed to this investment principle:
- 4.12 A common indicator of improving practice is that families are less likely to repeat cycles of intervention through the social care system. When families do enter the system, they are more likely to receive the right help at the right time, and at the right level of intervention. Examples of this include:
- 75% reduction in referrals to social care resulting in no further social work action compared with 13/14
 - 15.9% of children (17/18) whose CPP ceased were subject to that plan for 3 months or less compared with 25% in 13/14
 - 17.5% reduction in repeat referrals since 2013/14 (26.1% in 17/18 from a high of 31.6% in 13/14).
 - Timely completion of assessments (presently 93.1% completed within 45 days - above 16/17 national average)
 - Currently 98.9% ICPC held within 15 days of S47 enquiry compared with 42% in 13/14
- 4.13 Where children's needs are more complex and require a statutory social work intervention, performance and assurance information indicates children and families are receiving a more timely service and are increasingly likely to have

a better outcome. Though there remains more to do for practice to be 'consistently' good the gap is closing for example:

- 4.1% children (17/18) ending a Child Protection Plan after more than 2 years compared with 5.7% in 13/14
- Reducing the rate of first time entrants into the youth justice system by 12% from 2014 to 2017 against a stat neighbour average reduction of 7%.
- Continually good adoption performance - 74% children made subject to Placement Orders are placed with their adoptive parents within 12 months of becoming looked after
- 93% of children on the 'edge of care' remaining within their family/community following a Family Group Conference/Alonzi House or edge of care intervention
- Since April our pre proceedings has resulted in 108 children de-escalating safely remaining in their families.
- Since April 12.9% of all looked after children discharges have been through SGO. This compares to 10.6% in 2017/18.
- Of 533 children for whom their plan is long term fostering, 360 68%) have been successfully matched with their carers.

4.14 There are a number of positive improvements in our compliance with practice expectations, which are well reflected through independent scrutiny of the service (peer challenge and Ofsted) which reflect the increasingly experienced, knowledgeable and capable workforce and will ultimately realise better outcomes and reduce overall spend in the longer term. This remains a difficult challenge in the light of the demographic and complexity issues highlighted throughout the report. Securing a stable workforce with capacity for practitioners and managers to continually develop; of which 34% and 25% respectively are new to their current role.

5. Current budget management strategy

5.1 The service remains committed to narrowing the current budget gap through the following budget strategy;

- **Cost Avoidance** - Focused on strengthening and reforming strategic and management oversight of key areas of spend to prevent drift and slippage which could exacerbate existing pressures, and developing the preventative offer of our services to reduce admissions to the care system
- **Care Planning & Practice Improvement** - Focussed on increasing the effectiveness of services ability to manage complexity at lower cost, to prevent existing vulnerabilities from escalating and ultimately to provide strategic focus and drive around planning to safely de-escalate need for those already in the high end of our system.
- **Commissioning** - To support improvements in other key areas the service requires an effective strategy for joint commissioning with key partners, widen use of social value, effective contract management and monitoring of providers, and to stimulate critical child care markets

proactively we require to maximise value for money which is in line with the changing needs and complexities of our population.

- **Service Improvement & Efficiencies** - Transform services and systems to maximise efficiencies in existing service areas and to progress the medium to long term vision for reform to reduce complexity across the whole system.

6. Summary and conclusion

- 6.1 This report has highlighted a number of factors that have an impact on the children's social care budget and include the increasing child population, complexity of children's needs and the substantial increase in the costs of commissioned services. Notwithstanding this, since 2014 the service has increased partnership collaboration to continually reduce the actual spend on meeting the care costs for children's needs whilst improving the services and outcomes for Manchester's children and young people.
- 6.2 Finally the service remains committed to balancing the statutory duties and responsibilities of the council to help, protect and care for its children whilst achieving the identified savings/reduced costs which remain a financial risk and challenge.

Savings approval (as approved at 2nd March Exec)					Risk Status of savings								Risk	Mitigation
Description of Delivery Plan	Amount of Delivery Plan			FTE Impact (Indic)	2018/19				2019/20					
	2018/19	2019/20	Total		Amount	RAG	Slipped to following year	Unachievable	Amount	RAG	Slipped to following year	Unachievable		
	£000	£000	£000		£000		£000	£000	£000		£000	£000		
Reduction of External Residential from current number of 68 to 60 (including 1 UASC) and further step down during 2018/19 to 50 by March 2019.	2,797	230	3,027	0	2,797	RED	2,797		230	RED			Current placements of 77 against target by 31st March of 50.	Continuation of the improvement activity and capacity in relation to care planning, management oversight, focused work to improve the skills and capacity of the Centralised Placement Finding Team and joint management with CCG
Joint Commissioning of complex cases with the CCG	1,500	0	1,500		1,500	GREEN			0	GREEN			£2.2m contribution agreed for 2018/19 only	Ongoing work with the CCG to progress joint review, commissioning and tri-partite funding arrangements for children and young people with complex needs
Reduction of External Foster care placements from current number of 459 to 417 by March 2018, 344 by March 2019 and 282 by March 2020 as per LAC cohort (inc MTEC and UASC)	2,934	2,694	5,628	0	2,934	RED	2,934		2,694	RED			Since the budget was set the external foster care numbers have remained static rather than reduce to 344 by March 2019 as planned.	Continued development and promotion of the in-house foster care service to provide an attractive service to retain and attract carers and for current external carers to consider a transfer to the Council's service.
Residential - preferred supplier agreement	1,000	0	1,000	0	1,000	RED	882		0	RED			Risk that the planned new North West External Residential framework will not give access to an additional external residential homes and/or reduce unit cost of the placements.	The pressure on cost of placements a regional issue and it has been agreed that a greater regional response is required to manage the market. To mitigate in short term there will be a further review of Children's placement costs to assess any additional inflationary pressures, particularly for residential placements, which may be considered for funding.
External Foster care - new Northwest framework	650	0	650	0	650	RED	610		0	RED			Whilst Strategic Commissioning has met with the larger External Fostering providers to seek discounts which has resulted in specific discounts, the ongoing savings depend on ongoing price reductions	Continued work on a Northwest framework to include cost and volume rebates on standard prices, further reduction in price for permanency of placement, more emphasis on outcomes i.e. making placements with explicit goal of and timing for a child's transition to independence or to living with a family, or with KPIs for
Leaving Care - Alternative Delivery Model	200	0	200	0	200	AMBER			0	AMBER			The associated budget for the new in-house Leaving Care service has been established. It is not likely to deliver the projected £200k savings against the original base budget based on the cost of the service. However the cost of the service does now include the provision of Personal Assistants as part of new duties	It is expected the new service arrangements will lead to better management oversight and grip of associated spend such as accommodation and support arrangements which will enable the shortfall to be met from the placement budget
Review of Fostering Service	300	0	300	(5)	300	GREEN			0					
Demand Management and Practice Efficiencies	150	850	1,000	TBC	150	GREEN			850	AMBER			Confirmed funding from GM for 2018/19, however implementation plan for 19/20 saving is still in development	
Conversion of Fostering from external and internal to Special Guardianship Orders	173	43	216	0	173	AMBER			43	AMBER			Continued focus on Special Guardianship conversions with 28 fostering placements having been recently assessed and a further 11 in the final stage of approval.	
Recommissioning of contracts	0	100	100	0	0				100	AMBER				
Additional Council funding to the Dedicated Schools Grant of £2.5m rather than £4m, with the £1.5m supporting the Children's Budget	1,500	0	1,500		1,500	GREEN			0	GREEN				
Impact of school crossing patrol	220	0	220		220	GREEN	90		0	GREEN			Delay on traffic calming measures	Projects be be completed in early 2019.
Reconfiguring the Early Years New Delivery Model including Surestart Children's Centres	0	180	180		0				180	AMBER				
Investment to be funded from savings														
Increase in use of Internal Foster care placements from current number of 442 to 461 by March 2018, 491 by March 2019 and 546 by March 2019 and 618 by March 2020 (inc connected persons)	(741)	(1,828)	(2,569)		(741)		(741)		(1,828)				This is investment to increase internal foster care numbers and conversions from external foster care. This investment may not be used if external foster care savings are not achieved, or it may be needed to meet rising demand overall for foster care provision	Continued development and promotion of the in-house foster care service to provide an attractive service to retain and attract carers and for current external carers to consider a transfer to the Council's service.
Children's Social Care	10,683	2,269	12,952	5	10,683		6,572		2,269					

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**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee –
12 October 2018

Subject: Overview Report

Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Work programme
- Items for information

Recommendation

The Committee is invited to discuss the information provided and agree any changes to the work programme that are necessary.

Contact Officer:

Name: Mike Williamson
Position: Team Leader- Scrutiny Support
Telephone: 0161 234 3071
E-mail: m.williamson@manchester.gov.uk

Wards Affected: All

Background documents (available for public inspection):

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

None

1. Monitoring Previous Recommendations

This section of the report contains recommendations made by the Committee and responses to them indicating whether the recommendation will be implemented, and if it will be, how this will be done.

Items highlighted in grey have been actioned and will be removed from future reports.

Date	Item	Recommendation	Action	Contact Officer
4 Jan 2018	RGSC/18/03 The Council's Operational Property Strategy	<p>To request that Ward Members are provided with a briefing of the services to be delivered from the 12 multi-disciplinary Place Based Hubs which their residents will access</p> <p>To request an item of information on the cost comparisons of modular hubs at Hammerstone Road as opposed to a change of use of the existing building</p>	<p>A response to this recommendation has been requested and will be reported back once received.</p> <p>Information to be provided to Members as soon as possible</p>	<p>Carolyn Kus/David Regan/Nikki Parker</p> <p>Eddie Smith/ Richard Munns</p>
21 June 2018	RGSC/18/28 Health and Social Care Governance and Budget arrangements	To request that the Executive Member for Adults, Health and Wellbeing provide all members of the Council with an information fact sheet as to how Councillors can engage with the scrutiny of the integrated health and social care arrangements by various bodies both locally and at a GM level	Information to be provided to Members as soon as possible	Cllr Craig

		To request Officers provide information to all members of the Council on VCS funding available from MHCC and how this can be accessed	Information to be provided to Members as soon as possible	Ed Dyson
19 July 2018	RGSC/18/35 Delivering the Our Manchester Strategy	Requests that the Executive Member for Finance and Human Resources explore the possibility of the Council becoming an accredited Living Wage employer.	The Executive Member for Finance and Human Resources to report back on this in his next update	Cllr Ollerhead
6 September 2018	RGSC/18/45 Revenue and Benefits Unit - Annual Report 2018/18	To request that Officers provide the Committee with more appropriate information on the banding of new properties being built in and across the city	A response to this recommendation has been requested and will be reported back once received	Julie Price
6 September 2018	RGSC/18/47 Blacklisting	To request that the City Solicitor provides a view on whether there is a contradiction within the Council's self-cleaning regime as identified by the Committee.	A response to this recommendation has been requested and will be reported back once received	Fiona Ledden

2. Key Decisions

The Council is required to publish details of key decisions that will be taken at least 28 days before the decision is due to be taken. Details of key decisions that are due to be taken are published on a monthly basis in the Register of Key Decisions.

A key decision, as defined in the Council's Constitution is an executive decision, which is likely:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500k, providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

An extract of the most recent Register of Key Decisions, published on **28 September 2018**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

Directorate - Corporate Core

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Strategic Land Acquisition Ref: 15/003	The approval of capital expenditure for the purpose of the strategic acquisition of land.	City Treasurer	March 2018 or later	Gateway 5 (procurement document)	Sean McGonigle 0161 234 4821 s.mcgonigle@manchester.gov.uk
Collyhurst Regeneration Ref: 15/005	The approval of capital expenditure for land and buildings in Collyhurst.	City Treasurer	March 2018 or later	Gateway 5 (procurement document)	Sean McGonigle 0161 234 4821 s.mcgonigle@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Depots Programme Ref: 15/007	The approval of capital expenditure on the council's depots.	City Treasurer	March 2018 or later	Gateway 5 (procurement document)	Julie McMurray Tel: 0161 234 6702 j.mcmurray@manchester.gov.uk
Factory Project Ref: 15/012	The approval of capital expenditure in relation to the creation of the Factory.	City Treasurer	March 2018 or later	Gateway 5 (procurement document)	Dave Carty 0161 219 6501 d.carty@manchester.gov.uk
Allocation of Central Contingencies/ Reserves Ref: 15/023	To fund currently unplanned expenditure or expenditure the exact amount of which has yet to be determined.	The Executive	March 2018 or later	Report to the Executive as part of the Global Monitoring Report	Carol Culley 0161 234 3590 carol.culley@manchester.gov.uk
Allocations for General/Earmarked Reserves Ref: 15/024		The Executive	March 2018 or later	Report and recommendation	Carol Culley 0161 234 3590 carol.culley@manchester.gov.uk
Clean and Green Fund Ref: 15/025	Long-term improvements to cleanliness and environment of the city.	City Treasurer	March 2018 or later	Requests from Growth and Neighbourhoods Directorate	Carol Culley 0161 234 3590 carol.culley@manchester.gov.uk
Leisure Services – External Ref: 2016/02/01C	The approval of capital expenditure.	City Treasurer	March 2018 or later	Gateway 5 procurement document	Lee Preston 07852957286 l.preston2@manchester.gov.uk
Capital Investment in schools	The approval of capital expenditure in relation to the creation of school places through	City Treasurer	January 2018 or later	Gateway 5 (procurement document)	Amanda Corcoran 0161 234 4314 a.corcoran@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Ref: 2016/02/01D	new builds or expansions.				
Our Manchester Strategy 2016-19 Ref: 2016/01/14	To adopt the "Our Manchester ICT Strategy 2016-19".	The Executive	March 2018 or later	Our Manchester ICT Strategy 2016-19	Bob Brown 0161 234 5998 bob.brown@manchester.gov.uk
Construction and Property Professional Services Framework (CAPPS) for the Capital Programmes and Property Dept. Contract TC859 Ref: 2016/07/21	To seek approval to award Framework Agreements a range of professional services in connection with construction and property related matters. This will consist of 21 individual Framework Lots, each relating to a specific professional discipline, for the use of the Capital Programmes and Property Dept. Each will operate for 2 years with an option to extend for up to a further 2 years. The anticipated commencement dates for various Lots are phased between August and October 2016.	Chief Executive in consultation with the City Treasurer	Phased in batches of Lots according to priority, between September 2016 and September 2018 or later	Confidential contract report with recommendations and supporting documents.	John Finlay 0161 219 6530 j.finlay@manchester.gov.uk Neil Davies 0161 234 3005 n.davies@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Provision of licenses for improved SAP provision Ref: 2017/02/02A	To seek approval to award a contract to a single supplier for license provision allowing the Council access to an improved SAP interface.	City Treasurer in consultation with the Chief Executive	March 2018 or later	Confidential contract report with recommendations	Bob Brown 0161 234 5998 bob.brown@manchester.gov.uk Michael Shields 0161 234 1009 m.shields@manchester.gov.uk
Carbon Reduction Programme Ref:2017/06/30C	The Approval of Capital Spend in order to achieve a reduction in carbon emissions.	City Treasurer	March 2018 or later	Gateway 5	Julie McMurray Strategic Development 0161 219 6791 Mobile : 07950 790533 j.mcmurray@manchester.gov.uk
Estates Transformation Ref:2017/06/30D	The approval of capital spend to ensure that the operational estate is fit for purpose.	City Treasurer	March 2018 or later	Gateway 5	Julie McMurray Strategic Development 0161 219 6791 / 07950 790533 j.mcmurray@manchester.gov.uk
Security Services (Contract TC888) Ref:2017/09/04B	To seek approval to appoint a company/s for the provision of Security Services, covering all city requirements within Manchester. The contract will be for a 3 year period with the option to extend for a further 2 years.	City Treasurer in consultation with the Chief Executive	March 2018 or later	Confidential contract report with recommendations	Steve Southern Head of Facilities Management Corporate Estates Team 0161 234 3683 s.southern@manchester.gov.uk Colin Butterworth Senior Procurement Officer 0161 234 3434 c.butterworth@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Lincoln Square/Brazennose St Ref: 2017/12/04A	To approve the signing of a collaboration agreement among landowners, as a precursor to the Council investing £1.2m of a total of £4.08m in a new public square and public realm.	City Treasurer	March 2018	Draft collaboration agreement Draft public realm development plans High level cost schedule	Pat Bartoli Head of City Centre Growth and Regeneration 0161 234 3329 p.bartoli@manchester.gov.uk
Greater Manchester Waste Disposal Authority (GMWDA) - GM Waste Disposal Levy Allocation Methodology and Approval of a Revised Levy Allocation Model 2017/12/13	Approve the revised GMWDA Levy Apportionment Methodology Agreement which is to be applied in full from 2019/20 and with transitional arrangements for 2018/19.	City Solicitor	March 2018	GMWDA Waste Management Levy Allocation Methodology (LAMA) Agreement	Fiona Worrall 0161 234 3926 f.worrall@manchester.gov.uk
Planned Preventative Maintenance (PPM) and reactive repairs Ref:2018/01/31A	To seek approval to award a contract to a single supplier to carry out repairs to Public Buildings within Manchester	City Treasurer	August 2018	Confidential Contract Report with recommendation	Jared Allen Interim Director of Capital Programmes Tel: 0161 234 5683 j.allen4@manchester.gov.uk Stephen Polese Procurement Officer 0161 234 3265 s.polese@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Extra Care Ref: 2018/02/1A	The approval of capital expenditure that will provide 72 new units as part of the City's Extra Care Programme	City Treasurer	March 2018 or later	Business Case	Steve Sheen 234 4115 s.sheen@manchester5.gov.uk
City Cycle Ambition Grant (CCAG1) Withington Village Ref: 2018/02/28B	The approval of capital expenditure to resurface the carriageway through Withington District Centre	City Treasurer	February 2018 or later	Business Case & Gateway 5	Kim Dorrington k.dorrington@manchester.gov.uk
Empty Homes Clusters Phase 2 Ref: 2018/02/28D	The approval of capital expenditure for the purchase and refurbishment of long term empty properties in North and East Manchester	City Treasurer	March 2018 or later	Business Case and Gateway 5 (procurement document)	Ian Runacres 0161 234 4953 i.runacres@manchester.gov.uk
Factory/St. John's Ref: 2017/12/12	Approval of the approach to delivery of Factory/St John's including all commercial and property transactions, contractual, delivery and operational arrangements together with capital funding arrangements and all ancillary agreements	Chief Executive	March 2018	Will include legal agreements relating to the delivery of both Factory and St. John's developments including property transactions, delivery and operational arrangements, the Management and Works contracts	Dave Carty

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
				and all associated ancillary agreements	
Manchester Health and Care Commissioning Pooled Budget Arrangements Ref: 2018/03/15/A	To finalise and agree the Section 75 agreement between the Council and the Manchester Clinical Commissioning Group to enter into a pooled budget arrangement.	City Treasurer, Interim City Solicitor in consultation with Executive Member for Finance and Human Resources	30/04/18	Report to Executive 21/03/18 The Section 75 Agreement	Carol Culley City Treasurer 0161 234 3406 c.culley@manchester.gov.uk Jacqui Dennis Interim City Solicitor 0161 234 3087 j.dennis@manchester.gov.uk
Valuation and Property Services Ref: 2018/03/15/B	Appointment of providers to deliver valuation and property services under framework agreement.	City Treasurer	June 2018	Contract Report and Recommendations	Louise Causley, Procurement Officer, Tel 0161 234 4290 louise.causley@manchester.gov.uk Mike Robertson, Senior Development Surveyor (South) Tel 0161 234 1260 m.robertson@manchester.gov.uk
Manchester Airport – MCC Freehold Leases rent Review 2016 Ref: 2018/03/21A	To approve the new rent to be received following the conclusion of the 2016 rent review	Eddie Smith	April 2018	Briefing Note	Name: Mike Robertson Position: Senior Development Surveyor Tel no: 31260 Email address: m.robertson@manchester.gov.uk
Medieval Quarter Masterplan Ref: 2018/04/03/A	The approval of capital spend to deliver quality public realm within the medieval quarter.	City Treasurer	April 2018 or later	Gateway 5 & Business Case	Pat Bartoli 0161 234 3329 p.bartoli@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
National Productivity Investment Fund – Mancunian Way Junctions with Princess Parkway Improvements Ref: 2018/04/03/B	The approval of capital spend to improve and increase capacity throughout by signalling two key junctions of the Mancunian Way; Princess Road/Medlock Street and Cambridge Street/Higher Cambridge Street	City Treasurer	April 2018 or later	Gateway 5 & Business Case	Kim Dorrington 0161 234 4828 k.dorrington@manchester.gov.uk
Provision of Telephony / Unified Communications Ref: 2018/04/03/F	To seek approval to award a contract to a single supplier for the provision of Telephony / Unified Communications across the Council	City Treasurer / SMT	October 2018	Confidential Contract Report with Recommendations	Bob Brown Chief Information Officer Tel: 0161 234 5998 Bob.brown@manchester.gov.uk Michael Shields Procurement Manager Tel: 0161 234 1009 m.shields@manchester.gov.uk
TC970 - Supply of Electricity (Street Lighting, brokered sites, over 100KW sites & sub 100KW site contracts). 2018/05/25A	Multi-supplier framework for the supply of Electricity (Street Lighting, Brokered sites, Over 100KW sites & sub 100KW site contracts).	City Treasurer	August 18 onwards	Report and Recommendation	Walter Dooley. Group Manager (Energy) Corporate Procurement w.dooley@manchester.gov.uk 0161 234 3633

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
North West Construction Hub High Value Framework (2018-2022) Reprocurement Ref: 2018/05/1A	Approval to appoint contractors to the North West Construction Hub High Value Framework 2018, for the delivery of construction projects of a value between £8m – over £35m for public sector organisations within the North West of England.	City Treasurer	November 2018	Confidential High Value Report 2018 (will be attached at Key Decision stage once outcome of process is known)	Name: Jared Allen Position: Director of Capital Programmes and Property Tel no: 0161 219 6213 Email address:j.allen@manchester.gov.uk Name: John Finlay Position: Capital Programme Procurement Manager Email: j.finlay@manchester.gov.uk 0161 219 6213
ICT Capital Investment Ref: 2018/05/1C	The approval of capital spend for the purpose of ICT Capital Investment	City Treasurer	May 2018 or later	Gateway 5 & Business Case	Bob Brown 234 5998 Bob.brown@manchester.gov.uk
Civic Quarter Heat Network Contract 2018/06/22A	To award and enter into the necessary arrangements to deliver the Civic Quarter Heat Network (CQHN) including all corporate, commercial, contractual, delivery and operational arrangements together with all necessary property arrangements and all ancillary agreements.	City Treasurer and Strategic Director (Development) and the City Solicitor	July 2018	Legal documentation and arrangements to effect the delivery of the CQHN together with Executive reports – Item 8, 21 st March 2018 and Item 4 - 10 th January 2048, business case, business plan, and Contract Report setting out the	Name: Paul Hindle Position: Head of Finance Tel no: 0161 234 3025 Email address:p.hindle@manchester.gov.uk

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
	Approval of the business plan, business case and any funding arrangements			terms of the arrangements.	
Data Centre Network Provision and Implementation 2018/08/01C	To seek approval to award a contract for the data centre network provision including implementation	City Treasurer/Chief Information Officer	October 2018	Confidential Contract Report with recommendation.	Bob Brown Chief Information Officer Tel: 0161 234 5998 bob.brown@manchester.gov.uk Chris Johnson Senior Procurement Officer Tel: 0161 234 3085 c.johnson1@manchester.gov.uk
The provision of a collaboration Platform (Google G-Suite) TC885 2018/08/08A	To seek approval to award a contract to a single supplier for the provision of a collaboration Platform (Google G-Suite) across the Council	City Treasurer / SMT	October 2018	Confidential Contract Report with Recommendations	Bob Brown Chief Information Officer Tel: 0161 234 5998 Bob.brown@manchester.gov.uk Chris Johnson Senior Procurement Officer Tel: 0161 234 3085 c.johnson1@manchester.gov.uk

Decisions that were taken before the publication of this report are marked * (none)

3. Resources and Governance Scrutiny Committee - Work Programme – October 2018

Thursday 11 October 2018, 2.00pm (Report deadline Tuesday 2 October 2018)				
Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Review of Children's Services Budget	To receive a report outlining the reasons for overspend in the Children's Services budget. To include an analysis of overall spend and placement numbers over that period, the success in delivering the workforce planned and reliance on use of agency staff and to include details on direct spend in relation to domestic violence	Cllr Bridges (Exec Member Children and Young People)	Paul Marshall Carol Culley	Invite Exec Member Children and Young People; Chair of CYP Scrutiny Strategic Director of Children's Services
Budget and Global Monitoring and the Council's proposed recovery plan	To consider the Executive report (which will include the full Manchester Health Care Commissioning position), the agreed format of the Recovery Plan, the savings tracker for approved savings (which will address any high risk areas). The report will also provide an evaluation of how successful Invest to Save initiatives including those in Children's Services and the leisure estate have been to date.	Councillor Ollerhead (Executive Member for Finance and HR)	Carol Culley Janice Gotts	
Delivering Equalities through the Council's spending decisions,	To receive a report on how the Council is delivering equalities for all residents through its spending decisions, decision	Councillor Ollerhead (Executive	Kate Waterhouse Carol Culley	

decision making and monitoring processes	making and monitoring processes. To include details of how the Council impact assesses budget changes and savings/cuts proposals and how it assesses the impact of their delivery	Member for Finance and HR)		
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	.

**Thursday 8 November 2018, 2.00pm
(Report deadline Tuesday 30 October 2018)**

Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Property theme meeting	To include:- <ul style="list-style-type: none"> • Annual Property Report • Governance of S106 (and CIL viability assessments) • Delivery of the Capital Programme • Central Retail Park update • The impact on the revenue budget in relation to empty Council owned rental properties and the delays to renovations of Council owned buildings 	Councillor Ollerhead (Executive Member for Finance and HR)	Eddie Smith Julie McMurray Julie Roscoe	
Civic Quarter Heat Network	To receive a progress report on the implementation of a Civic Quarter Heat Network for the City	Councillor Ollerhead (Executive	Eddie Smith Carol Culley	

		Member for Finance and HR)		
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	.

**Thursday 6 December 2018, 2.00pm
(Report deadline Tuesday 27 November 2018)**

Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Budget Setting themed meeting	To include:- <ul style="list-style-type: none"> Autumn Statement Directorate budget reports/business plans 	Councillor Ollerhead (Executive Member for Finance and HR)	Carol Culley Janice Gotts	
Our Manchester – financial Impact on decision making and Business Plan	To receive a report on the evaluation of Our Manchester and how this is helping to deliver the required Council savings targets and the effect that it will have on the Council's future budget process	Councillor Ollerhead (Executive Member for Finance and HR)	Sara Todd Carol Culley	
Overview report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for info.		Mike Williamson	.

Thursday 10 January 2019, 2.00pm (Report deadline Monday 31 December 2018)				
Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Financial Settlement	To receive a report on the financial settlement for the Council for the 2019/20 financial year	Councillor Ollerhead (Executive Member for Finance and HR)	Carol Culley Janice Gotts	
Management of staff performance and misconduct	To receive a report on how the Council manages staff performance and underperformance, and the steps that are taken to address misconduct by staff.	Councillor Ollerhead (Executive Member for Finance and HR)	Lynne Ridsdale	
Modern Slavery and Living Wage	To receive a report on the Council's position in regards to Modern Slavery and an update on progress that has been made towards consideration of becoming an accredited Living Wage employer	Councillor Ollerhead (Executive Member for Finance and HR)	Ian Brown Carol Culley	
Overview report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	.

Thursday 7 February 2019, 2.00pm (Report deadline Tuesday 29 January 2019)				
Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Refreshed budget and business plans	<p>The Committee will consider the refreshed budget and business plans that were requested by the Committee at their December 2018 meeting.</p> <p>To include business plans for all other Directorates as an appendix</p>	Councillor Ollerhead (Executive Member for Finance and HR)	Carol Culley	
Overview report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	.

Monday 25 February 2019, 10.00am – BUDGET MEETING (Report deadline Thursday 14 February 2019)				
Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Budget Reports	<p>To receive an update on the Councils Budget options prior to submission to the Executive and Full Council</p> <p>.</p>	Councillor Ollerhead (Executive Member for Finance and HR)	Carol Culley	
Overview Report	The monthly report includes the recommendations monitor, relevant		Mike Williamson	.

	key decisions, the Committee's work programme and any items for information.			
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Items To be Scheduled (Items highlighted in grey indicate that these have been included in the work plan of one of the above meetings)				
Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Global Revenue Budget Monitoring	To receive an update on the forecasted financial position for 2017/18 through to 2018/19	Executive Member for Finance and Human Resources	Carol Culley Janice Gotts	

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