

## **Manchester City Council Report for Information**

**Report to:** Children and Young People Scrutiny Committee – 7 February 2024  
Executive - 14 February 2024

**Subject:** Children and Education Services Budget 2024/25

**Report of:** Strategic Director (Children's and Education Services)

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### **Summary**

Local Government is under profound financial pressure, largely due to externally driven cost and demand pressures at a national level particularly affecting Adults Services, Children's Services and Homelessness. It is in this context that the Council must set a balanced budget.

Following the provisional finance settlement announced 18 December the Council is forecasting an estimated budget shortfall of £38m in 2024/25, £79m in 2025/26, and £90m by 2026/27. After the application of approved and planned savings, and the use of c.£17m smoothing reserves in each of the three years, the budget is balanced for 2024/25 and the remaining gap reduces to £29m in 2025/26 and £41m by 2026/27. This position assumes that savings of £21.4m will be delivered next year.

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2023. Each scrutiny committee is invited to consider the proposed budget changes that are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals on 14 February 2024.

### **Recommendations**

The Committee is recommended to: -

- (1) To consider and comment on the forecast medium term revenue budget.
- (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee.

The Executive is recommended to approve these budget proposals.

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> -the impact of the issues addressed in this report on achieving the zero-carbon target for the city	The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.
<b>Equality, Diversity and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments	Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti-Poverty Assessment.

<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	Ensuring children and young people are supported and afforded the opportunity to access and achieve in the city; empowered and supported by the delivery of a strong and cohesive system that works for all children.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Improving education and social care services that are connected to the wider partnership build the resilience of children and families needed to achieve their potential and be integrated into their 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	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

## Financial Consequences – Revenue

The changes included within this report will, subject to Member comments and consultation, be included in the 2024/25 revenue budget set by Council on 1 March 2024.

### **Financial Consequences – Capital**

None directly arising from this report.

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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.

[Medium Term Financial Strategy and 2023/24 Revenue Budget – Executive 15 February 2023](#)

[Children and Education Services Budget 2022/23 - Executive 16 February 2022](#)

[Children and Young People Budget Report 2023-26 - Scrutiny Committee 9th November 2022](#)

## 1. Introduction and Purpose

1.1. This report sets out an overview of the services that are within the scope of this scrutiny committee, their key priorities and provides a set of proposals for further savings and investments for 2024-27. These proposals have been developed within the context of the financial challenge facing the Council.

1.2. This report which for ease of reference is structured as follows.

- Section 1 Introduction
- Section 2 Service overview and priorities
- Section 3 Service budget and proposed changes
- Section 4 Workforce
- Section 5 Use of grants and reserves

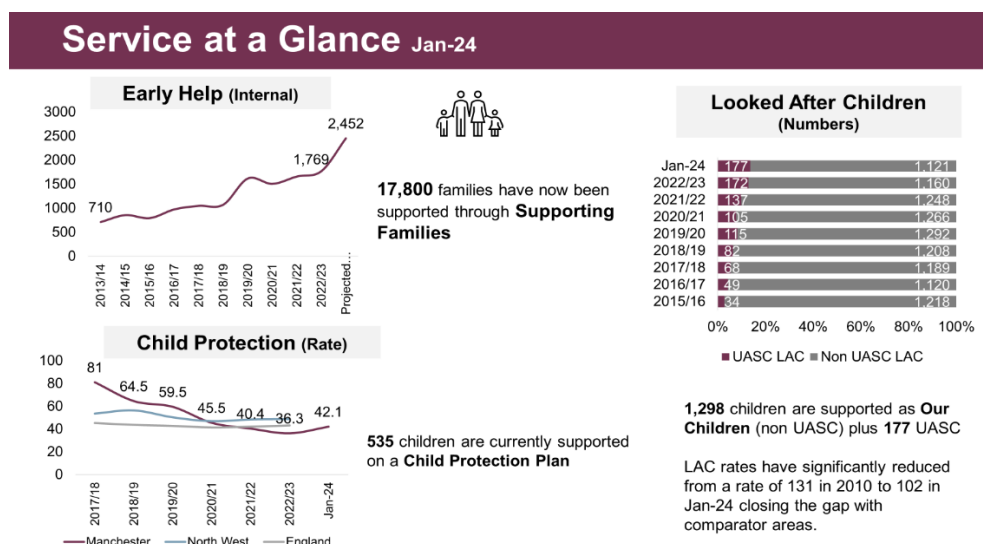
## 2. Service overview and priorities

2.1. The Children and Education Services Directorate supports over 18,000 early years placements, 1,298 Looked After Children of which 828 are fostering placements (internal and external) and 5,183 Children in Need. The 2023 Census showed that there are over 140,000 children (0–18 year olds) resident in the city.

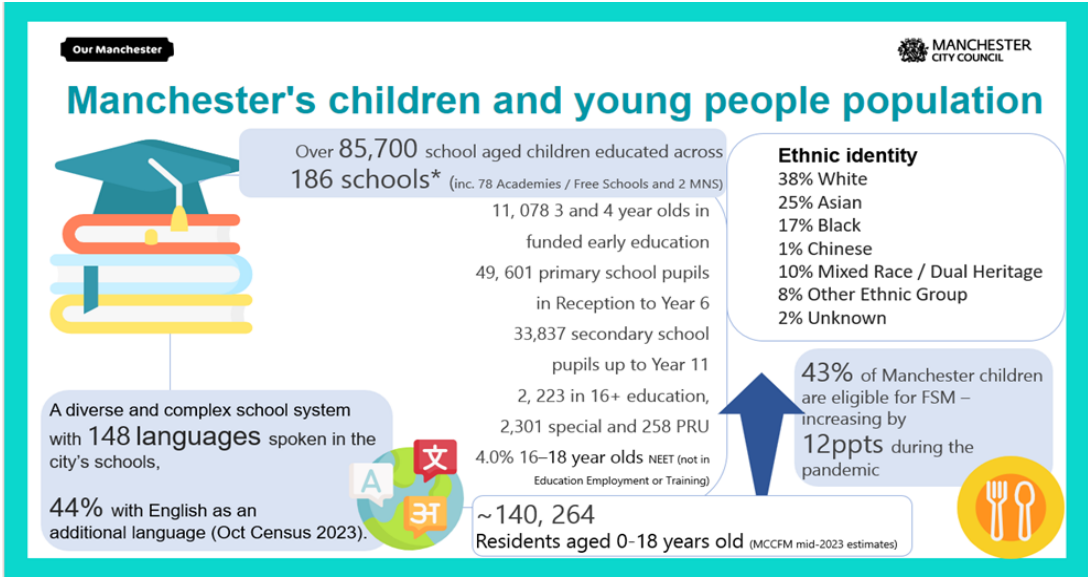
2.2. There were 85,700 children (Reception – Year 11) educated in mainstream Manchester schools, please see further details in illustration two. As of October 2023, 7,543 of children and young people have support provided via their Education, Health and Care plan. Illustration one and two below provide an overview of children supported by the Directorate.

2.3. The Children and Education Services Directorate is responsible for the delivery of the council's statutory duties and responsibilities in respect of children who need help, support, and protection. Whilst at the same time ensuring they have access to a high-quality education and learning experience.

### Illustration one: Service Overview



**Illustration two: Children and Young People Population Overview**



**Children’s Social Care services budget**

- 2.4. The vision for Manchester is for children to live a safe, happy, healthy and successful lives within their family and community. Manchester City Council’s Children Services play an important role in achieving this vision by working in partnership with other agencies and professionals; together these services are expected to identify children’s needs and there is a range of services and interventions available which are responsive, adaptive, and importantly work together in an effective and efficient way.
- 2.5. The Directorate also contributes to other corporate priorities, including supporting Manchester’s Children and Young People to be healthy, well, and safe (Healthy, cared for people), enabling clean, safe and vibrant neighbourhoods through promoting the welfare of young people (Neighbourhoods) and reducing demand through reform and enabling our workforce to be the best they can be (Well-managed Council). It also plays a leading role in ensuring our young people are equipped with the skills they need to benefit from the growth of the city (Growth that benefits everyone) and ensures there are sufficient and high-quality places in local schools and early years settings.
- 2.6. It is noteworthy approximately 65% of the overall Children’s Social Care budget is committed to meeting the cost of caring for our Looked after Children and care leavers. These costs are predominantly linked to the provision of placements and support. The remaining balance of the budget is related to services such as: Leaving Care, Early Years, Early Help and Youth Justice.
- 2.7. The budget recognises the financial implications of increased placement costs, increased numbers of children requiring help, support and protection and the range and complexity of their needs. The Directorate’s budget approach is built upon four themes:

1. **Cost avoidance** – providing timely and effective interventions that prevent the escalation of children’s needs.
  2. **Care planning** – interventions are purposeful, focused and through working in collaboration make a positive difference.
  3. **Commissioning** - a sufficient range and choice of services to meet the needs of children.
  4. **Service improvement/efficiencies** - a relentless focus on practice improvement and evaluation of impact.
- 2.8. Manchester’s approach of the right intervention at the right time to prevent the unnecessary escalation of children’s needs and for those children who do need to be cared for by the council ensuring there is sufficient range and choice of provision remains a key priority.
- 2.9. The independent review of children’s social care which was published on 23rd May 2022 set out a ‘case for change’ within the children’s social care system. The government published its response on 2nd February 2023; children and families received a presentation in October 2023 which summarised Manchester’s readiness to respond to the respective recommendations and that children services had as part of its approach to ‘continuous improvement’ already implemented several interventions, such as Family Hubs. There is a strong evidence base that these interventions have made a real impact. [Fundamental shift in children’s social care set out - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/fundamental-shift-in-childrens-social-care).
- 2.10. The impact of the approach that has been taken in children services is best illustrated by the reduction in overall number of children subject to a Child Protection Plan, looked after (LAC), which is further exemplified if the number of unaccompanied asylum-seeking children (UASC) are removed from the data. As reflected in illustration one on page 5 of this report there were 131 per 10,000 child population in 2010. This has fallen to 102 LAC per 10,000 in January 2024 and 90 if we remove the UASC data; which apart from England is better than all comparator data.
- 2.11. There has been a significant increase in Unaccompanied Asylum Children during this period, as at January 2023 Manchester had the third highest UASC cohort in the country.

## **Education Services**

- 2.12. This service budget represents the Council's responsibilities for education and learning funded by the Dedicated Schools Grant (most of this budget is passported directly to schools) and Council budget. Included on this agenda is a report outlining the position on the Dedicated School Grant (DSG) which sets out the £735m grant settlement for next year.
- 2.13. The Council’s Education Services budget is £23m, which funds the council’s duties in respect of school admissions, place planning, short breaks, school attendance and school crossing patrols. In addition, educational psychology and NEET (not in education, employment or training) and home to school transport services are met from this budget and involves commissioning arrangements to achieve the best possible value.

- 2.14. Transport services make up 65% of Education Services budget, alongside a further 15% to support children with SEND such as short breaks including overnight stays.
- 2.15. Education Services also supports and promotes the inclusion of key groups such as the education of children looked after. This is overseen and delivered via a 'virtual school' for which the duties and responsibilities are reflected in statutory guidance.
- 2.16. The improvements in both Children's and Education Services have been associated with a clear ambition and vision to build a safe, healthy, happy and successful future, delivered through continued and strengthening partnerships that support even greater collaboration and robust leadership; underpinned by an effective performance/assurance framework.
- 2.17. In April 2022, Ofsted Inspected and judged Manchester's Children's Services overall effectiveness as Good. Inspectors found that services had improved since the last inspection in 2017. Of note was Ofsted's judgement of leadership and management was 'good' and identified several areas supporting this judgement, including ongoing financial commitment to the recruitment and retention of social workers, effective quality assurance and performance management arrangements and strong political and professional leadership.
- 2.18. In January 2022 Inspectors praised services for children with Special Educational Needs (SEND) following an Area SEND Inspection that was undertaken during November 2021. Manchester is now 1 of 9 regional lead authorities to test and evaluate the SEND reforms.
- 2.19. The Directorate priorities are reviewed annually to ensure they remain contemporaneous with feedback received, consider changes in national and local policies and priorities. This requires the Directorate to adapt, anticipate and respond to the challenges with purpose and focus.

### **3. Service budget and proposed changes**

- 3.1. The gross 2023/24 budget detailed in the table below is £607.293m, which includes DSG delegated to maintained schools. Full details of the proposed savings, investment, demographic and inflation pressures are detailed in Appendix 1 and 2 of this report. The net budget is £143.801m.

**Table one: Base budget 2023/24**

<b>Service Area</b>	<b>2023/24 Gross budget £'000</b>	<b>2023 / 24 Net Budget £'000</b>	<b>2023 / 24 Budgeted posts (FTE)</b>
LAC Placements	55,169	48,718	54
LAC Placement Services	9,486	8,546	139

Cared 4 Children & Leaving Care	31,492	16,828	15
Children Safeguarding Service Areas	53,422	40,230	817
Education Services (Includes DSG)	434,837	7,676	240
Home to School Transport	14,857	14,578	134
Targeted Youth Support Services	850	850	2
Children's Strategic Management and Business Support	7,016	6,375	138
<b>Total</b>	<b>607,129</b>	<b>143,801</b>	<b>1,539</b>

3.2. In November 2023 this scrutiny Committee was presented with a set of financial savings proposals agreed at last year's budget setting totalling £11.8m for 2023/24 to 2025/26, relating to services within the remit of this committee for consideration. Last year there was confidence that the managing demand savings were achievable. Most of the savings were seeking to avoid costs through early intervention and managing demand.

**Table two: Savings Profile in scope of this Committee**

	2023/24	2024/26	2025/26	Total
	£000	£000	£000	£000
Savings Profile	4,411	3,920	3,394	11,725

### Risks and Pressures

3.3. The Directorate's budget is currently forecast to be overspent by £7.757m. The underlying reason for this is as previously reported to this committee attributed to significantly increased costs of care placements for Looked After Children (LAC), a shortfall in the Unaccompanied Asylum-Seeking Children grant for the numbers now being accommodated and an overspend on Home to School Transport, which is attributed to an increase in requests and entitlement. The table below outlines the approved and proposed budgets changes outlined in the report.

**Table three: Approved and Proposed Budget Changes 2024/25 – 2026/27**

	2024/25	2025/26	2026/27	Total
<b>Approved Budget Movements</b>	<b>Net Budget</b>			
	143,801	156,378	156,763	
<b>Savings and Growth Previously Approved November 23 Scrutiny</b>				
Funding to Support Grow Population	2,419	2,479	2,479	7,377
Saving Approved - 2021/22 budget setting	-100			-100
Savings Approved last year's budget setting	-3,920	-3,394		-7,314
<b>Budget Changes proposed - 2024/25 budget setting November 23 Scrutiny</b>				
<b>Growth, Investment and Inflation</b>				
Looked After Placements Sufficiency	6,500			6,500
Unaccompanied Asylum-Seeking Children	2,200			2,200
International New Arrivals Team	300			300

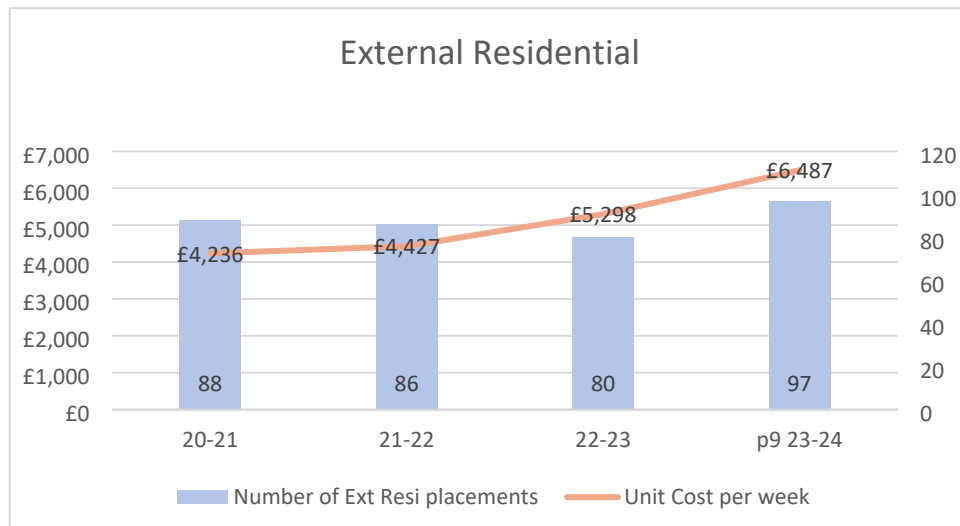


Home to School Transport - Support for Growing Population	1,300	1,300	1,300	3,900
School Condition Surveys	100			100
<b>Savings</b>				
Workforce	-222			-222
<b>Sub-total reported at November 23 Scrutiny</b>	<b>8,577</b>	<b>385</b>	<b>3,779</b>	<b>12,741</b>
<b>Changes proposed - 2024/25 budget setting February 24 Scrutiny</b>				
<b>Growth, Investment and Inflation</b>				
Additional Looked After Placements Sufficiency	4,000			4,000
Internal Placement Cost Pressures	1,440			1440
External Residential Step-downs Home to School Transport – full year effect of September 2023 uplifts Home to School Transport – full year effect of September 2023 uplifts	560			560
<b>Savings</b>				
External Residential Step-downs	-2,000			-2,000
<b>Sub-total reported at February 24 Scrutiny</b>	<b>4,000</b>	<b>0</b>	<b>0</b>	<b>4,000</b>
<b>Total</b>	<b>156,378</b>	<b>156,763</b>	<b>160,542</b>	

### Looked After Children

- 3.4. As mentioned previously Manchester’s approach of right intervention at the right time has led to timely intervention preventing the unnecessary escalation of children’s needs. As a result and set out in paragraph 2.11 unlike national trends Manchester’s overall looked after children (LAC), excluding Unaccompanied Asylum-Seeking Children, volumes have fallen. In addition, the Directorate has effectively managed the increased need for children to be cared for by the council and provides an efficient range and choice of provision, which maintain the vast majority close to ‘home’.
- 3.5. However, despite prioritising and making progress in this regard, the shortage of fostering households, coupled with the range of complexity of children’s needs has led to a shift towards specialist external residential placements. It is the cost of these residential placements which has increased by 47% in the last 12 months and is the most significant contributory factor to this financial pressure. This sharp significant cost increase is not unique to Manchester and could not have been predicted at last year’s budget setting process. The graph below shows residential placements and unit cost increases.

### Illustration three: Looked After Children Increase in Unit Cost and External Residential Placements



3.6. Most Councils are reporting rises in placement costs for children and young people who need residential support for complex needs - particularly those that may have behavioral difficulties, mental health issues, or exhibit violent or aggressive behaviors'. All Core Cities and Greater Manchester councils are therefore reporting financial pressures in Children's Services. Except for Birmingham, Manchester's variance as a percentage of council budget is lowest of all councils listed below.

**Table four: Core Cities and Greater Manchester Local Authorities Children Services overspend**

Core Cities	CYP Deficits £m	Variance	Greater Manchester	CYP Deficits £m	Variance
		% Council budget			% Council budget
Birmingham	6.700	0.70%	Bolton	11.05	3.97%
Bristol	11.521	2.40%	Bury	10.085	5.30%
Leeds	32.696	5.70%	Manchester	7.402	0.97%
Liverpool	7.737	1.40%	Oldham	12.593	4.28%
Manchester	7.757	1.00%	Rochdale	6.870	2.49%
Newcastle	3.178	1.20%	Salford	6.864	2.56%
Nottingham	13.507	5.20%	Stockport	4.75	2.04%
Sheffield	8.800	1.80%	Tameside	3.638	1.64%
<b>Total</b>	<b>91.541</b>	<b>2.10%</b>	Trafford	3.410	1.63%
			<b>Total</b>	<b>72.728</b>	<b>2.39%</b>

3.7. Overall, there has been a 7.8% increase in Children's Social Care spend and a 16.5% in residential provision across Core Cities. Whilst placement numbers have increased slightly most of the cost pressure has been driven by an increased average weekly cost of care. The national trend is showing that 45% of all LAC Placement budgets are now spent on external residential care (up from 36% in 2019/20), demonstrating that placement sufficiency is a national issue. The increased number of external residential placements is due to a combination of a lack of fostering arrangements, foster carers with the right support and capacity and the overall increase in the number of children with complex needs.

3.8. Since November 2023 there has been a further rise in external residential placements spend acknowledged by an additional budget uplift of **£4m** since last reported. In total, the full year effect of Looked After Placement pressures totals **£10.5m** due to increased weekly costs of the placements and an increase in placement numbers.

3.9 In order to manage down these costly residential pressures, the service has:

1. A sophisticated approach to reviewing the cost of external residential provision which operates on a monthly cycle and has recently undertaken a deep dive in respect of all high-cost placements. This activity is led by the senior leadership team. This work assists in fostering innovation and has encouraged the service to see the connection between decision making with resource allocations on a day-to-day basis with the wider vision for service innovation.
2. Embedded Multi-Agency assessment, planning and joint commissioning of placements between health, education and social care with 74 current placements commissioned and reviewed holistically. This involves a contribution from Manchester Integrated Care Board (MICB) totalling £6.2m.
3. Colleagues from Contracts & Commissioning with support from senior managers within Children's Services robustly negotiate to ensure value for money and that best price is achieved.
4. Constantly developing and cultivating a culture of innovation and service development. To effectively contract manage and search for placements the service is looking to invest some of the growth and investment funding into Placement finding and Commissioning Team, circa £300k which equates to 8 full time equivalent posts, detail is yet to be finalised. This investment would help to find the right type of placements at the right time and enable the service to drive down costs with external providers.
5. Continues to develop service improvements as a way of achieving financial savings and reducing demand for expensive high-cost placements. An area that is currently being reviewed is the 'offer and support' relating to fostering households and family-based care, which is commonly known as kinship care. To enable them to look after existing children in existing residential care kinship care is where extended family members, friends and other people who are connected to them for a variety of reason are empowered to support and bring up children in a range of different arrangements.
6. Step-down placements in the medium term - the service has been developing the internal residential estate. Namely, recommissioning of Olaniyan (5 places), development of two Take a Breath (four half yearly solo placements) and shared care/short breaks provision. This would reduce current reliance on procuring more expensive externally commissioned placements and help alleviate the disproportionate financial impact of increases in the numbers of external residential placements.

- 3.10 Review of all external residential placements and development of internal provision will enable the Directorate to achieve 2024/25 Managing Demand saving and reduce spend by a further **£2m**, this new savings target is included in next year's budget plans and is further outlined in Appendix one.

### **Unaccompanied Asylum-Seeking Children (UASC)**

- 3.11 The council has a statutory duty under the Children Act 1989 to care for UASC. Due to their immigration status the Home Office provides a grant to help Councils meet the cost of accommodating UASC. However, this funding ceases at the point the child turns 18 years of age regardless of their 'settled' status.
- 3.12 The presentation of unaccompanied asylum seeking children spontaneously arriving or who have arrived as part of the National Transfer Scheme (NTS) in Manchester has increased over the past 5 years. This has led to as at 2022/23 Manchester having the third highest UASC population in the country. There is currently a substantial shortfall between the Home Office grants the Council receives and the actual cost of caring for UASC, in addition to the costs associated with supporting UASC care leavers. It is estimated that there is an **£2.5m** unfunded responsibilities for UASC.

### **Home to School Transport**

- 3.13. Home to School Transport is a statutory service and provides transport to eligible children and young people at the start and end of the school day. The net total budget for this service is £13.6m. The budget is currently overspent by £1m.
- 3.14. The cost of providing transport to learners with Special Educational Needs has increased both in the number of children requiring transport and the overall cost of provision. This is being driven by a growing number of children and young people with Education, Health and Care Plans (EHCPs). In July 2023 there were 6,988 EHCPs, of which c.2,200 (32%) are eligible to receive SEND transport. In line with national trends the number of EHCPs is expected to rise by 8.5% over the year, this equates to an additional 200 children requiring transport. The estimated cost to support a growing population is estimated to cost **£1.3m per year for the next three years (an additional £3.9m in total by 2026/27)**.
- 3.15. The service is planning to manage the balance of the on-going pressure through fully implementing a new policy February 2023 for new applicants which includes a range of other options to transport including for example independent travel training where appropriate. The service has now completed a full restructure and will be implementing the use of new route planning software and the framework for providers which was recommissioned in the summer term.

## School Conditions Surveys

3.16. The Council is committed to ensuring that children access high quality education in buildings that are fit for purpose and sustainable. There is an ongoing commitment to ensure the suitability of local authority maintained schools which requires up to date condition surveys to inform prioritisation of works and capital investment. The estimated cost of this is £100k p.a. Condition surveys will be undertaken on a cyclical basis and will be used to:

1. identify what work is needed to maintain the estate
2. consider how much works might cost
3. better prioritising work within available funds
4. understand if the nature of the buildings has changed

3.17. This information will inform the maintained schools planned maintenance programme and be used to direct future capital investment.

## Workforce Savings

3.18. As part of the work to close the budget gap it is proposed that £1m of the shortfall is closed by workforce saving across all Directorates. Children's and Education services workforce saving is £222k. The service has assessed options, such as whether this can be met by reprofiling and utilisation of grants and, or through a review of long-term vacancies. It is not envisaged that this saving will have a big service impact and will be met by utilisation of grants.

## Inflation

3.19. Provision has been made for inflationary price increases and potential pay awards. Alongside the full year effect of Home to School Transport cost September 2023 price increases are estimated to be £0.540m. Other inflation requirements are not yet known and will hold corporately for allocation to service budgets when the details are available. Approved budget and proposed changes are provided in the budget table below.

## Approved and Proposed Budget Changes 2024/25 – 2026/27

3.20. Evidence continues to show there has been significant cost avoidance through the actions taken to support children and young people effectively at an earlier stage and avoid LAC status. However, those benefits have been outstripped by the rising costs of placements referenced earlier in the report. Additional funding is included in these budget proposals to cover those costs, but the focus will remain on continuing to manage demand effectively and intervening early. Therefore, the budget savings remains totalling £4.242m in 2024/25 (£100k agreed in 2021/22, £3.920m agreed last year and £222k proposed this year) and £3.394m 2025/26.

3.21. **Section 17** - Financial assistance in terms of goods or services, or in exceptional circumstances cash, can be provided to a child, parent or carer under [Section 17\(6\)](#) Children Act 1989 to address identified needs to safeguard and promote a child's welfare where there is no other legitimate source of

financial assistance. Given the cost of living crisis, levels of child poverty and social work being the first point of contact there has been an increase in the number of families presenting as being 'in need', which has required financial support under Section 17 Children Act 1989. As a result, the budget is overspent by £300k before mitigation. Additional measures to scrutinise all the expenses each month have been in place. Whilst it is envisaged that section 17 payments will continue to be a pressure going forward. The service are working closely with Housing colleagues to develop more permanent and cost effective solutions to mitigate these pressures including ensuring appropriate access to the welfare support fund.

## **Final Local Government Finance Settlement**

3.22. The Final Settlement is due to be announced in early February 2024. This does not usually vary significantly from the Provisional Settlement. However, on 24 January 2024 additional funding was announced in a written statement to Parliament in advance of the final settlement. The announcement included a further £500m for social care, £15m increase in the Rural Services Delivery Grant (RSDG), and that the funding guarantee would be increased from 3% to 4% (estimate £60m extra). If the funding is allocated in line with the existing Social Care Grant formula, Manchester would receive around £5.5m. The written statement adds "Where possible, councils should invest in areas that help place children's social care services on a sustainable financial footing, whilst being mindful of the level of adult social care provision." The proposed budget has seen a significant additional investment of £12.6m, an increase of £4m since the November 2023 proposals, into Children's Social Care, with budget plans set prior to the announcement. Recommendations on how to achieve maximum value from the new funding are being developed and will be finalised once the Final Finance Settlement has been published and final amounts are known. These will be presented to the Executive on 14 February and Budget Scrutiny on 26 February.

## **4. Workforce Implications**

- 4.1. The Children and Education Directorate currently has a gross budgeted workforce of 1,539 fte, of which 1,285 fte are funded by Council budget, and the remainder through grants and external income. There is no projected workforce impact of activity to deliver the savings. There are workforce implications underlying investment 38fte, (8fte) which relates to the Commissioning Team, (18fte) Social Work apprenticeships and (12fte) Thriving Families. Effective and robust workforce planning arrangements are in place to ensure that, as functions and roles change, the skills and focus of the workforce are effectively developed to ensure the Directorate can meet its strategic priorities.
- 4.2. The workforce implications for children's and education services represent a continuation and improvement of existing priorities as expressed in the workforce strategy; which is to achieve a stable, confident and talented workforce through a culture of success, strengths-based approach and strong and effective leadership and management which will be achieved through the Children and Education Directorate and Service Plans.

- 4.3. The Council's establishment is fully budgeted for at the top of the grade. However, on an establishment of this size, there will always be vacancies caused by staff turnover, recruitment difficulties and not all staff will be employed at the top of the grade. To avoid budgeting for costs that will not be required and making bigger cuts elsewhere, a vacancy factor is applied to prevent overbudgeting. The continued challenges in filling posts also means that the council is working hard on ensuring we are an employer of choice and can attract people and minimise the pressures on our existing workforce.

## **5. Use of Reserves and Grants**

- 5.1 Reserves are a corporate resource and planned use of the resource needs to be cross referenced to the Reserves Strategy as part of the medium-term financial plan, in line with the reserves policy.
- 5.2 **Kickstart Programme (£0.9m)** - This programme targets children in Early years and Key stage 1 and their families particularly those most impacted by the pandemic, cost-of-living crisis and those from communities that experience racial inequality. There are currently 10 schools in the City accessing intensive support programmes and 48 schools clustered into 5 groups which receive a targeted offer. The Kickstart task force comprises of professionals from multi – agency/voluntary community services who can provide interventions to accelerate progress of children by working with the school to address some of the developmental gaps and to provide different holistic family support. Whilst the programme is yet to be evaluated, anecdotal feedback from schools accessing intensive or targeted support is that it has already helped to improve school attendance and staff retention due to the training that has been made available. The work of the taskforce has also ensured that schools are aware of the offer available for families at local children's centres and also strengthened work with family hubs.
- 5.3 As agreed last year the reserve requirements spans two financial years as the scheme is over the school year, £0.4m reserve requirement covering the period April 2024 - August 2024. The service is now seeking approval to extend the Kickstart to September 23 - March 2024. Discussions are now under way to secure funding from Public Health (£0.5m) reserves to sustain the Kickstarter beyond the current programme end date. This will be finalised in the next month.
- 5.4 **Thriving Families (£1.1m)** – - whole family, strengths-based approach to child protection. Work is undertaken by children's social workers, adult mental health practitioners, substance misuse and probation officers, working together as one team. Joint knowledge and expertise are used to assess the needs of the whole family, supplying services to meet those needs and supporting parents to achieve sustained change for themselves and their children. Additional staffing requirement will be around 12 fte next year. As reported previously to continue to establish the team and embed this approach the service is looking to fund the service from the Supporting Families reserve over the next two years. If successful to sustain the service after this use of reserves 22 care placements per annum could potentially be avoided because of this intervention. As savings cumulate, they would both cover the cost of the service and provide a saving by

2024/25. Based on current progress established it is proposed that Thriving Families is supported by the Supporting Families reserve by £1.1m next year and £1.1m in 2025/26. Beyond this period support would reduce in 2026/27 as savings are generated from the work being undertaken.

- 5.5 **Social Work Apprenticeship** - Manchester has shown an ongoing financial commitment to the recruitment and retention of social workers. Whilst this is an ongoing challenge nationally, the support and approach taken to date has led to an increasingly stable and confident workforce. To further develop Manchester's future approach, it proposed 18 fte additional apprenticeships are created over the next 2-3 years. The Social Work Apprenticeship Scheme is a 2.5-year program, whereby students attend University one day a week, in recognition that it will take a period of time to scale up the plans. The Council has recently secured Department for Education grant to support this scheme, The grant funding does not cover all the costs of the 2.5-year programme. The Council will supplement the grant funding by drawing from reserve. The use of reserve is planned to be phased over two years, £0.6m 2025/26 and a further £0.6m 2026/27. £0.8m of the support will come from a Children's reserve, the balance is yet to be worked through.
- 5.6 A summary of Children Social Care and Education services grants are provided in Appendix 5 of this report. Detail on the Dedicated Schools Grant is provided on another item on the agenda.