

MANCHESTER CITY COUNCIL REPORT FOR RESOLUTION

Report to: Personnel Committee – 22 December 2010

Subject: Children's Services Target Operating Model – Phase 1
Implementation

Report of: Director of Children's Services

PURPOSE OF REPORT

To outline the future approach to delivering Children's Services within the City as set out in the Target Operating Model and to seek approval to implement changes scheduled for this financial year incorporating:

- the further realignment of a number of areas within the Core division of the new Education Services for the purpose of strengthening the principles endorsed by Members at the Executive Committee of October 2010. Subsequent to this, to set out recommendations for the realignment of management capacity.
- The replacement of the existing administrative service with a new business support function located and managed within districts and service areas to support the customer journey changes
- The disestablishment of the existing Family Intervention Support Service (FISS) and the establishment of Families First service providing intensive short term support to families at the edge of care, delivering proven interventions to make families sufficient, decrease dependency and ultimately keep families together safely.

RECOMMENDATIONS

That the Committee:

1. To note progress to date in terms of work to transform our services.
2. To agree the principles for the transformation of Children's Services and approve changes in the way the directorate delivers services in terms of moving to the SRF model, streamlining services and providing services at a local level to meet the targets as set out in the Target Operating Model and in terms of severe budget restrictions and government policy.
3. In order to achieve efficiencies of £4.8m, to address budget pressures resulting from the loss of standards fund and ABG, to improve the delivery of

evidence-based interventions to vulnerable families and to improve the efficiency of business support services across the Directorate, that Members approve the disestablishment of the 18 School Effectiveness Officers, 36 Learning Strategy Officers (£3m), the extended schools manager and advisors, 19.5 family support worker posts and 62 administrative posts (£1.8m). In order to fulfil key functions in the newly realigned Education Services, to approve the establishment of two posts:

- a Quality Assurance Manager on a salary of £65,000
- a Senior Strategy Manager on a salary of £65,000

4. Grant delegated authority to the Director of Children's Services consultation with the Assistant Chief Executive - People, to progress the detailed realigned services, implementation of detailed structures for:

- Education Services
- Business Support Service
- Families First Service

including numbers and grades of posts below senior management level (Grade 12 and below) to be determined by Job evaluation and to agree to new role profiles for these roles and appointment arrangements to be progressed in line with M People principles set out in this report

FINANCIAL CONSEQUENCES FOR THE REVENUE AND CAPITAL BUDGETS

The medium term financial plan for Children's Services identifies £25m of savings over the period 2010/11 to 2012/13 against a cash limit budget of £141m. Children's Services also have significant levels of grant funding subject to reduction over the next spending review period. In order to achieve savings targets efficiency savings have been identified as part of the transformation programme for the Directorate.

The changes set out in this report are the first phase of implementing the transformations that will achieve the efficiencies. The proposals will achieve £4.8m towards the £25m savings target and will address budget pressures resulting from the loss of standards funds and ABG. Whilst activity to disestablish the posts will be progressed this financial year, the scale and pace of achieving the associated efficiencies, will be impacted by pay protection and the cost of any voluntary early retirement/severance. Subsequent reports to Personnel Committee will set out further phases of the transformation programme to achieve the remaining savings within the target.

Contained within this report are proposals to establish two new posts with a salary of more than £50,000 and to disestablish 19 posts with a salary of more than £50,000 and 36 posts with a salary of more than £45,000 before the end of March 2011. The further planned incremental disestablishment or movement of Education Services senior posts up to the end of March 2012 will mean there will be a substantial reduction in the management team establishment.

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BACKGROUND DOCUMENTS

Children's Services Target Operating Model
Education White Paper November 2010

WARDS AFFECTED

All

IMPLICATIONS FOR KEY COUNCIL POLICIES

Anti-Poverty
Yes

Equal Opportunities
Yes

Environment
Yes

Employment
Yes

1. INTRODUCTION

- 1.1 Children's Services is getting ready to implement significant changes to the way it operates as part of the City Council's transformation programme. This report provides Members with an overview of the principles underpinning Children's Services transformation and what the high level changes will be. In addition, it provides more detail on the first phase of changes that are planned to be implemented this financial year in order to deliver an improved service offer to children and families in the City as well as significant cost savings.

2. BACKGROUND AND KEY CHALLENGES

Manchester's Children and Young People's Plan sets out our vision, ambitions and key actions for improving outcomes for children and young people in the City. The Plan sets out the underpinning principles for our work with children and their families as:

- Prevention and early intervention
- Think family
- A neighbourhood focus providing easily accessible services
- Closing the gap to national outcomes and reducing inequalities
- Safeguarding children
- Improving engagement and participation of young people

With the financial challenges ahead, we are clear of the need to redesign our services in order to both improve service delivery and in so doing, improve outcomes for children and young people, whilst at the same time achieving significant financial efficiencies. Our target operating model sets out how we will achieve this.

3. DESIGN PRINCIPLES

In designing our target operating model we have adopted a number of design principles:

- Improvement of customer experience and journey for children, young people and their families from entry into and throughout our service.
- A shift in control from providers to their customers
- Neighbourhood delivery of specialist services through 5 SRF areas
- Commission/ prescribe services to assure safety, drive down dependency, including social care cases for children at level 3 or above on continuum of need and a range of evidence-based family recovery interventions
- Strategic planning, commissioning and quality assurance of universal, targeted and specialist services
- A smaller core strategic commissioning improvement team
- Draw on specialist resources through corporate centres of excellence
- More focussed and joined up quality assurance
- Market stimulation
- Less dependency on administration services through new ways of working and job design. Business Support provided through directorate admin teams.

4. PROPOSED MODEL

The functions within our proposed model of delivery are as follows:

4.1 A corporately integrated front-office and back office which will provide or enable:

- *Easy access locally* – We will make access to services available through a variety of channels in a variety of multi-agency locations and through people that our customers already know and trust (e.g. GPs, schools, SureStart, and other partners).
- *Universal access* – integration of staff who manage access into the Corporate Contact Centre for appropriate services.
- *Back-office functions* will be commissioned from corporate centres of excellence

4.2 Children's Services Directorate to focus on its core business:

- *Strategic Commissioning and Quality Assurance* – Commissioning the right service offer and support functions across the continuum of need. To assure the quality of those services i.e. that they deliver the commissioned outcomes and represent value.
- *Direct service delivery* where commissioning decisions dictate, including services for vulnerable children and young people.
- *Business Units* - All services we directly deliver will operate as business units to ensure that they are fully costed and provide value for money.

A report will come forward to Personnel Committee in the New Year outlining proposed changes to the commissioning and delivery of specialist social care services to vulnerable children and young people, including children looked after. This will include a more efficient and effective management structure to address the key areas of improvement identified in the announced inspection and make savings. The report will also include proposals to strengthen the development of a strategy to Value Young People in partnership with Neighbourhood Services and make savings.

4.3 Delivering our services in the most appropriate locations:

- We will deliver our services from a wide range of settings to provide a clear *neighbourhood focus* and to support convenient service access.
- Our key staff to be out with customers more and spending less time in offices. More specialist services to be delivered in people's homes. *Increase contact time* with children and families.
- *Enabling ways of working* to support increased contact time including flexible and agile working, changed cultural norms, reorganised administrative support to better support our front-line staff, secure and quality district working spaces.

4.4 Working in Partnership:

Our target operation model will be developed and delivered within the context of the emerging Children's Trust Blueprint which recognises the aligned contribution of Council and wider Children's Trust partners within a framework which:

- Supports improvement of outcomes and greater efficiency at the level of the child and young person, family and neighbourhood;
- Recognises local neighbourhoods as focal points for integrated commissioning and for integrated delivery across the continuum of need
- Will further challenge our joint leadership and workforce development journey.

The diagram attached as appendix a, illustrates the high level organisational design of our proposed model of delivery.

The rest of this report focuses in on the first phase of services that will be redesigned as part of the implementation of our target operating model. These services include: the further realignment of Education Services with a focus on the strategic planning and quality assurance of schools-based services; the redesign of family support services to enable the delivery of evidence-based interventions to vulnerable families, and; the replacing of the existing administrative service with a new streamlined centrally co-ordinated, locally managed business support service to support new ways of working. The report provides more detail on the proposed changes for each of these service areas and seeks Members support and approval to progress with implementation.

5. Proposed realignment of Education Services:

- 5.1 Our schools are at the forefront of our vision to improve outcomes for children and families over the next two years. The Government and Manchester have made unprecedented investment in schools through our Building Schools for the Future and Academies programme accelerating educational outcomes for our children. It is our vision that our schools will not only perform at a higher than those nationally, but that they will play an increasing role in delivery of locally integrated and specialist services for our children and families.
- 5.2 It is recognised within the Children's Services blueprint that schools are well placed to play a significant role in their localities. Schools will provide a hub for commissioning and provision of Universal and Targeted services for children. Manchester is committed to encouraging – but not mandating - its schools to develop formalised school partnerships (Trusts and Federations) and anticipates delegating school improvement and other universal and targeted service resources and decision-making to these partnerships so that they are able to commission to need as part of Children's Services Arrangements. This will be implemented over the next 5 years. The Local Authority (through the Children's Board) will contract with school partnerships for delivery of outcomes for children and young people only when those partnerships are able to demonstrate that they are commission-ready.
- 5.3 Within the new economy, public services will need to deliver more within restricted budgets, while protecting what is really valued in their services. While the current national and local focus tends towards reduced levels of spending, an underpinning principle of this report is the shift of control from providers to their customers and from Local Authority to localities and

neighbourhoods, as reflected in the Children's Services blueprint. There are significant savings attached to the redesign with costs of the service reducing by £3million by March 2011. There will be further efficiencies with the phasing of the disestablishment of further senior posts. It is important to phase these changes so that schools are supported to make the changes needed.

- 5.4 If Education Services is to meet the challenging targets set out in the Target Operating Model, a redesign of the service to ensure efficiency is required which will impact staffing levels. However the re-design is as much about subsidiarity - reducing the intermediary control of the local authority over decision-making which could and should be made at a very local level.
- 5.5 As a result of changes set out in the Education Bill, the local authority will be limited to a single school improvement function or "School Improvement Officer". This is a change and will result for Manchester in the disestablishment of the School Effectiveness Officer roles before the end of March 2011.
- 5.6 The role of Senior School Effectiveness Officer will continue, however as there are now only three designated area; North, central and South, one vacant Senior School Effectiveness Officer has been disestablished. The role of the existing Senior School Effectiveness Officers will be refocused to the performance management of the school improvement officers.
- 5.7 The post of School Improvement and Interventions Manager will be disestablished from March 2012, and only disestablished prior to this date if the post becomes vacant. The Act Up arrangement for the current postholder will need to be approved from April 2011.
- 5.8 The post of Learning Strategy Officer which has been transferred to the Operations Team with their work being commissioned from schools, will be disestablished before the end of March 2011.
- 5.9 Funding for the Extended Schools function will end in March 2011. The secondment of the existing Extended Schools Manager will continue until March 2011. Other posts in the team will be disestablished in February 2011. This is part of the final phase of the strategy for extended schools and sustainability planning is currently being progressed with schools by the team.
- 5.10 A core Strategy Team will be retained and all existing Strategic Leads will transfer into this team. The Strategic Leads perform the function of translating national government's education policy and strategy for schools. They commission delivery of services to schools to meet core and statutory strategic requirements established by national and local government, for example, special educational needs, attendance policy and strategy, children missing from school, parenting policy. It is anticipated that through natural reduction, the number of posts in this team will reduce from 12 to 6 over the next 2 years. Opportunities will also be exploited for integrated working between strategic

officers in Education Services and other teams both within Children's Services and other Council directorates.

- 5.11 The financial impact of the changes outlined above will be a saving of £3m.
- 5.12 With the disestablishment of this range and volume of posts, we need to ensure we have the right capacity in place going forward as we implement our redesign, to give a robust focus on quality assurance and strategic planning, continuing to develop strategies that deliver "quality first" service through school partnerships at a local level and commissioning appropriate support through these partnerships, bringing about improved efficiencies, effectiveness of delivery and improved outcomes.
- 5.13 In order to ensure we have the right capacity to deliver these key functions we propose to create two new posts which will be central to our quality assurance and strategic planning functions. The posts are:
- a Quality Assurance Manager (who will also act as the designated statutory role of Head of School Improvement) to drive consistency in quality and reduce the significant system unreliability and variability in our schools. We require a radically different approach to improvement to make an adequate system excellent.
 - a Senior Strategy manager to lead the educational strategy team which interprets national and local policy and statute into educational strategy for schools and school partnerships.

Both posts will carry a salary of £65,000 to reflect the breadth and level of responsibility and the staff to be managed. These two posts will replace all other Education Services senior management team posts below Deputy Director, Children's Services by March 2012.

6. Redesign of Family Support Services

- 6.1 As part of the Think Family Strategy a decision was taken to set up a short-term intensive Families First team to work with families on the edge of care. The team provides time-limited, evidence-based and intensive family support to vulnerable families to safely prevent children becoming looked after. The Families First team is currently being tested in Central District. Staff from part of the FISS service have been working on the test team since May as a pilot and based on the success of this team we want to roll this out as a city wide model.
- 6.2 Families First is a recognised international model designed to provide intensive, in-home, crisis intervention and family education programme. The basic goals are specific and limited: to prevent the need for out-of-home placement and to teach families the basic skills necessary to remain together.
- 6.3 The success of the Families First model is critical to our overarching aim to safely reduce numbers of Looked after Children in the City, reduce dependency and to keep families together long term. To date the model has successfully diverted 31 children from care.

- 6.4 In order to roll out the Families First model, we propose the disestablishment of the existing FISS service and the establishment of a city-wide Families First service. The Service will have a greater evidence-based impact on family support and will support the safe reduction of looked after children over time.
- 6.5 The service will be commissioned by the Social Work Service on the basis of need. This will enable both prioritisation according to need and efficiencies through more efficient and streamlined management arrangements. A city-wide manager post will be assigned for the first six months to drive and embed new ways of working, to ensure that the team delivers quality interventions; within budget and that opportunities for improvement are identified and applied. This post will be reviewed after six months with a view to transferring management responsibility to a lead manager within the District Social Work management structure.
- 6.6 Under these proposals, the 38 FTE posts within FISS will be disestablished and 18.5 new Families First posts will be established. The staff numbers in the team have been informed by the application of the model in the test team and the number of cases the team are handling. This test team is having a significantly higher impact on the outcomes for families at the edge of care.
- 6.7 The 18.5 Families First structure is funded within mainstream budget and the overall reduction in staff addresses current budget pressures and the loss of ABG funding.

7. Redesign of Business Support

- 7.1 Building on from the last administrative review within the directorate, work has been underway for some time to look at a new Business Support model to replace the current administrative service. This has involved feedback from our staff on how they could be better supported, freeing up time for front line delivery, and also looking at career path for administrative staff, creating value adding roles which are critical to the business, as well as looking at new ways of working for staff that reduces the need for business support.
- 7.2 This approach will bring a number of benefits to Children's Services including a clear career pathway for staff, more consistent quality of business support, greater flexibility in the deployment of staff resources and greater accountability to the services within which the business support will be located.
- 7.3 The last review reduced the number of admin posts within the directorate and introduced a more streamlined model. Over the past 6 months further opportunities for rationalisation have been identified. The intention is to reduce the current job family which includes 17 roles and replace this with a Business Support job family, with 7 roles. There are 174 posts in the current administrative service. It is proposed that these posts are disestablished and 112 new posts established in the Business Support Service. The new model will deliver savings to the sum of £1.8m. The high level design of the new business support service is attached as appendix b.

- 7.4 The new Business Support Job Family will be located and managed within five Strategic Regeneration Framework areas and in groups of service areas. The revised model will see business support staff in a reduced number of grades with the service realigned on a more equitable basis.
- 7.5 The citywide deployment of business support staff, training, service standards and the development of new approaches to be universally implemented across the service will be coordinated by the Business Support Manager who will be responsible for ensuring consistent standards and common approaches to workflow are adopted across the service working with service managers. This post will also coordinate cross service business support sharing as requested by Children's Services Senior Management Team.

8. PROPOSED IMPLEMENTATION ARRANGEMENTS

- 8.1 All reviews will be implemented through M People with staff having access to the full m people offer. Six of the SEOs have already secured alternative employment and the administrative service has reduced its numbers to close to the "to be" establishment through natural turnover. Opportunities are available within Children's Services for the FISS workers affected by the disestablishment of the service through the new Families First service and opportunities within the Contact service for looked after children.
- 8.2 Recruitment to the Families First service will take place during the first week of February and to the Business Support Service throughout February and March. The changes set out within Education Services will be implemented by the end March 2011.

9. CONCLUSION

The proposals set out within this report will allow us to progress the first phase of our target operating model. The realignment of Education Services will bring us in line with changes introduced through the White Paper and will enable us to further improve the quality of the City's education offer and in so doing, improve educational attainment levels for Manchester children. The redesign of family support services will enable us to deliver evidence-based targeted interventions to some of our most vulnerable families that teach them the basic skills necessary to remain together. The implementation of the business support service will provide more focused, value-added support to staff which frees up front line staff to spend more time with clients.

10. COMMENTS FROM THE TRADE UNIONS

Unison notes the report and has raised concerns on the ability to recruit internally to the new positions in the Education Service and we have received assurances on this matter.

We look forward to working with Pauline Newman (Director), Kath Smythe (Strategic Business Partner) and Sheila Newman (Executive Member) on the implementation of Children's Services Targeting Operating Model – Phase 1 implementation.

No comments to date have been received from GMB or Unite.