Our Annual Report

The Annual Report takes you through our funding, key activities and achievements 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.

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Our City

Manchester has entered a new and exciting phase of its evolution. 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, and now it is driving forward its ambitious new plan, Our Manchester.

Manchester continues to support the economic growth of Greater Manchester; is at the heart of work to create a thriving Northern Powerhouse; and is strengthening its global connections. The city’s growing population was estimated to be just under 550,000 as at June 2016, and by 2025 Manchester is forecast to be home to over 644,000 people (MCCFM figures1).

The city continues to develop at a fast pace and create economic growth and new opportunities for Manchester citizens. St. Peter’s square has been transformed throughout the last year and forms a central part of Manchester’s civic and new business quarter. The new tram stop, trees, benches and cycle racks have helped to create an integrated, pedestrianised space for everyone which represents dynamism, confidence and creativity. The year also saw the completion of Two St. Peter’s square which now proudly sits alongside the impressive offices of One St. Peter’s square, to provide 12 floors of grade A office space in the heart of the city.

World class infrastructure and connectivity is vital to drive growth and Manchester has continued to become more accessible and connected over the past year. The Metrolink’s Second City Crossing (2CC) now provides a direct link between Victoria Station and St. Peter’s Square, the popular Oxford Road corridor has been transformed into a pedestrian friendly bus and cycle boulevard to ensure quicker and safer journeys, and the direct flight route between Manchester and Beijing now allows up to 100,000 passengers to travel between the cities each year.

The city also has a host of exciting developments in the pipeline including a Higher Education Campus around Etihad Stadium, which will deliver a wide range of sports related courses, and a range of major mixed use commercial and residential developments including Factory, St Michaels, First Street, Mayfield, Noma and Oxford Rd Station.

The challenge for Manchester is to ensure all Mancunians and communities are connected to the opportunities presented by the city’s success.

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1 Figures informed by a forecast (MCCFM W2016) by Public Intelligence, PRI, 2017. 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.
Our Strategy and Objectives

Our Manchester is the new strategy for the city 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.

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 our objectives for the next three years ensuring that we invest in what Manchester people have said they value most. We aim to...

- Fix and Improve roads, bus and cycle lanes
- Have fewer children in care
- Increase recycling and reduce waste
- Have cleaner and greener places
- Integrate Health and Social Care
- Improve School Results
- Have better and affordable homes
- Get more people into work and support people to develop their skills and get better pay.

Our performance against all the goals of our new strategy will be reported each year in the State of the City Report which will be published on the Council’s website in October.
Our City-Region

Now more than ever, Manchester’s success is linked to that of its city-region. Greater Manchester (GM) is one of the country’s most successful city-regions and is home to more than 2.7 million people. 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. Elections held on 4 May 2017 enabled the people of Greater Manchester, for the first time, to elect a Mayor of Greater Manchester. The Mayor will chair the GMCA.

The vision of GMCA is to make GM one of the best city-regions in the world. The Greater Manchester Strategy ‘Stronger Together’, sets out GMCA’s vision that by 2020 the city region will have pioneered a new model for sustainable economic growth based around a more connected, talented and greener city region, where all our residents are able to contribute to and benefit from sustained prosperity and a good quality of life. The strategy fuses together strong plans for reforming public services with a continued drive for growth and prosperity. Whilst GMCA has met many of its strategy’s priorities, ultimately, success will mean eliminating the gap between resources spent on public services and taxes raised, so that GM is self-reliant and contributing to national wealth.

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. With a raft of new devolved powers, GMCA has begun to develop plans for the future. Throughout 2016-17, GMCA consulted with local people, businesses and others to develop ‘Greater Manchester 2040: Strong People, Strong Place’. This new strategy sets out the vision of how Greater Manchester should grow, change and develop over the years up to 2040.
Our Governance

The Council is committed to the highest standards of conduct; and to progressing towards the vision for the city with robust controls over the use of its resources, intelligent and open decision making, and adhering to the highest standards of accountability and transparency.

The Council takes decisions every day that affect the city and its residents. The most significant of decisions are taken at the Full Council meeting, such as setting the Council’s budget. Decisions are also taken at the Executive or at other Council’s Committees as appropriate, such as the Planning and Highways Committee which makes decisions regarding planning permissions. More frequently taken decisions in relation to the general running of the Council’s activities are delegated to Council officers to ensure decision making is carried out efficiently.

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 dedicated webpage.

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.
The Council’s decision making process is designed to enable the organisation to take decisions efficiently and effectively with the most significant decisions reserved for Council to take with more regular, everyday decisions delegated to nominated officers.

For example only the Council meeting, where all 96 of Manchester’s Councillors meet together can decide the organisation’s overall budget, whereas it would be incredibly inefficient if decisions about issuing Fixed Penalty Notices were taken this way, and so these decisions are delegated to officers.

Council appoints one of its members to be the Council Leader, and the Leader then appoints other members to form an Executive. The Executive take decisions on a wide range of important matters to implement the Council’s budget and policies.

Some decisions are Non-Executive and these are outside of the Executive’s decision making powers. These include decisions to grant planning permission or a taxi license. 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. The Council also has:

- An Audit Committee to oversee the effectiveness of governance and risk management arrangements, internal systems of control, and anti-fraud and anti-corruption arrangements
- A Standards Committee to promote and maintain high standards of conduct by Council members
- A Personnel Committee to determine employee terms and conditions, grading of senior posts and pension policies
- A Constitutional and Nomination Committee to make recommendations to Council regarding byelaws, amendments to the Constitution and membership of committees and
- A Health and Wellbeing Board including the NHS and HealthWatch and senior Council Officers to work together planning, providing and commissioning health and social care services.

The diagram shows the structure of the decision-making process with the Council at the top, delegating responsibilities to the Executive, Licensing & Appeals Committee, Planning & Highways Committee, Audit Committee, Personnel Committee, Health and Wellbeing Board, and Constitutional & Nomination Committee. Scrutiny Committees are also shown, including Children and Young People, Resources & Governance, Communities and Equality, Health, Constitutional & Nomination Committee, Standards Committee, and Economy. Delegations to Nominated Officers are indicated at the bottom.
The Council sets out its commitment to the highest standards of governance in its Code of Corporate Governance which forms part of the Council’s Constitution. The Code was updated to reflect the current practices of the Council and the most recent guidance which came into effect last year. The Code has been highlighted by CIPFA as a good example of relating the principles of governance to the city’s own values and objectives.

The Council is committed to reviewing its governance processes and systems of internal control on, at least, an annual basis, and considering the extent to which the standards in the Code have been met. The review is recorded in the Council’s Annual Governance Statement. The last statement described some of the governance challenges we have been addressing in 2016/17 such as:

- working with our partners to implement Manchester’s Locality Plan - “A Healthier Manchester”, which will transform the delivery of health and care services, and

- overseeing the Highways Improvement Plan setting out the vision for Manchester’s roads to reach and remain at a good standard, and also the challenges we will be focusing on next year such as,

- ensuring the refurbishment of the Town Hall, to bring it up to modern standards and ensure it is preserved for the people of the city and future generations, has strong governance to ensure it is designed and delivered to time, cost and quality standards.

Internal Audit

The Council’s Internal Audit function provides assurance over the effectiveness of the Council’s risk management, internal control and governance arrangements. Internal Audit support, advise and challenge management to assist the development of strategies, systems, policies and procedures which improve the way the Council works and ensure the best use of resources. Our external auditors, Grant Thornton, assess the Internal Audit function to make sure it forms an effective part of our control environment.

Risk Management

The Council has a robust process of identifying risks to the delivery of the goals in the Our Manchester Strategy, so that they can then be managed and potential negative impacts can be avoided or kept to a minimum. The Corporate Risk Register articulates the key risks impacting the Council, details the actions being taken to manage risks, informs risk management planning and names risk managers for key strategic risks. Over 2,000 officers across the Council have received formal training since 2014 to ensure a consistent risk management approach is adopted across the Council’s business.

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2 The 2016 update to the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives and Senior Managers (CIPFA/SOLACE) joint framework for delivering good governance in local government.
Business Continuity

The Council recognises the importance of responding to any form of incident that affects our ability to provide services and to return to “business as usual” as quickly as possible. We aim to do this whatever the cause of the incident (for example, loss of a building, a power failure, extreme weather). We also recognise that, whilst all services are important, some are absolutely vital; this means that we need to know what these services are, where they are situated and how quickly we need to restore them.

Every Council Service has a Business Continuity Plan to follow where there is an interruption; and the Council has a Corporate Business Plan it can enact where multiple services are affected by a major incident.

Integrated Reporting

The Council has adopted elements of the Integrated Reporting model to improve our communication of how we use our full range of resources to improve the economic sustainability of the city and the quality of life of its citizens. The report illustrates where the Council’s funding has come from, which areas it has been spent on and crucially what this spending has achieved.

Integrated reporting can provide greater assurance through bringing together our budget monitoring, workforce analysis, risk reporting and performance reporting enabling us to have a clearer picture of how we are progressing against our priorities for the City.
Our Funding

In 2016/17 the majority of our income (59%) came from government. The remainder of our funding came from business rates, council tax, fees and charges and other income such as dividends and interest. The chart below shows how we funded our gross spending of £1,518 million in 2016/17 analysed across the different types of income received during the year.

<table>
<thead>
<tr>
<th>Income from Council Tax</th>
<th>The total amount of council tax due to the Council.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees, Charges and Other Service Income</td>
<td>The total of the fees and charges generated by the Council. For example residential and nursing home care, licences and planning application fees, property rental income, income for services provided to other councils, school meal income and contributions from other service users.</td>
</tr>
<tr>
<td>Public Health Grant</td>
<td>Grant for the provision of public health services which were transferred to local government on 1 April 2013.</td>
</tr>
<tr>
<td>Revenue Support Grant</td>
<td>Government grant received by the Council which the Council uses to support its revenue expenditure.</td>
</tr>
<tr>
<td>Capital Charges related Income</td>
<td>Grants received and other adjustments related to Capital expenditure.</td>
</tr>
<tr>
<td>Business Rates Income</td>
<td>The Council's share of business rates income due to the Council.</td>
</tr>
<tr>
<td>Dedicated Schools Grant</td>
<td>A ring fenced government grant which the Council uses to fund schools, primary and nursery education.</td>
</tr>
<tr>
<td>Housing Support Subsidy</td>
<td>Government grant to fund the Council's payment of housing benefits.</td>
</tr>
<tr>
<td>Other Government Grants and Contributions</td>
<td>The total of all the other revenue grants and contributions received by the Council including Pupil Premium, Arts Council, New Homes Bonus, Education Services Grant and Learning and Schools Council.</td>
</tr>
<tr>
<td>Interest and Investment Income</td>
<td>Items of income such as interest and investment income and dividends received.</td>
</tr>
</tbody>
</table>
Our Spending

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, utilities and minor equipment. Capital funds are spent to buy assets which are of benefit to Manchester and its residents over a longer period, such as land and buildings.

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 £1,518 million (gross). The chart below shows where our revenue money was spent in 2016/17 analysed across our services.
<table>
<thead>
<tr>
<th>Spend Area</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children’s Services</td>
<td>The Directorate is responsible for social care services for children with statutory responsibilities for safeguarding children and for statutory education functions, skills and youth services.</td>
</tr>
<tr>
<td>Schools</td>
<td>The provision of nursery, primary, secondary and specialist education services provided to children in Manchester.</td>
</tr>
<tr>
<td>Adults and Public Health</td>
<td>The Directorate is responsible for social care services, public health with statutory responsibilities for safeguarding adults.</td>
</tr>
<tr>
<td>Corporate Core</td>
<td>As well as driving change, the Corporate Core supports the rest of the organisation through Human Resources and Organisational Development (HR/OD), ICT, Finance, Legal, Communications and other services. The Core also delivers a range of services directly to residents including the collection of Council Tax and Business Rates, Highways, Customer Contact Centre and Registrars.</td>
</tr>
<tr>
<td>Growth and Neighbourhoods</td>
<td>The Growth and Neighbourhoods Directorate provides the leadership and focus for the sustainable growth and transformation of the City’s neighbourhoods so that the City is clean, safe and green and communities take pride in and ownership of their area and lives. Specific services include waste collection, recycling and street cleaning, libraries and galleries, parks and leisure, planning and licencing and work and skills.</td>
</tr>
<tr>
<td>Strategic Development</td>
<td>The Directorate has a pivotal role in securing new commercial development, attracting inward investment and securing employment growth, along with providing leadership to the Council’s Housing function and delivering the Council’s Residential Growth Strategy. The management of the Council’s land and property assets to promote growth is closely aligned with the management of the Council’s operational and investment estates.</td>
</tr>
<tr>
<td>Housing Benefits</td>
<td>This includes the cost of benefits awarded, this is recouped from central government.</td>
</tr>
<tr>
<td>Corporate Items</td>
<td>This includes the costs of insurances and historic pension costs.</td>
</tr>
<tr>
<td>Financing and investment income and expenditure</td>
<td>This relates to items of expenditure such as revenue funding of capital, loan repayments and interest payments made by the Council.</td>
</tr>
<tr>
<td>Housing Revenue Account</td>
<td>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.</td>
</tr>
<tr>
<td>Levies</td>
<td>Transport and Waste Disposal Levy payments for services provided at a Greater Manchester level and charged to districts</td>
</tr>
<tr>
<td>Net Contribution to reserves</td>
<td>The net cost of transfers to and from usable reserves which are held for spend and obligations in future years. The detail is provided in note 43 to the accounts.</td>
</tr>
</tbody>
</table>
Capital Spend

The capital programme is developed in line with the strategic priorities for the City and the City Council. This will require investment now and in the future for transformation to define Manchester as an attractive place to live and further improve the quality of life for residents. Important to achieving this will be:

- to support, promote and drive the role and continuing growth of the City Centre as a major regional, national and international economic driver;
- to support businesses and residents to create thriving district centres with appropriate retail, amenities and public service offer;
- to support employment growth through a strengthening and diversification of its economic base and through the efficient use of land;
- to support investment in transport infrastructure;
- to provide an expanded, diverse, high quality housing offer, ensuring that the growth is in sustainable locations supported by local services and the public transport infrastructure;
- to support the delivery of a Schools Capital Programme to support new and expanded high quality primary and secondary school facilities for a growing population; and
- continuing to promote investment to secure an internationally competitive cultural and sporting offer and sustaining core lifestyle assets such as parks, leisure facilities and libraries within the City.

In 2016/17 the Council’s capital programme spend totalled just over **£212 million** and this is highlighted in the chart below. Projects totalling in excess of £5m itemised separately on the chart. Those below £5m are broken down in the table which follows:

![Capital Spend by Capital Programme in 2016/17 (>£5M)](image)

(The Housing Investment Programme of £52.79m is administered through the City Council on behalf of the GMCA).
Below is a breakdown of the capital projects for which expenditure was below £5m:

<table>
<thead>
<tr>
<th>Capital Programmes for which expenditure was below £5M</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Capital Programme including: Street Lighting, Waste Collection and Waste Reduction</td>
<td>£4.44m</td>
</tr>
<tr>
<td>The Factory Arts Centre</td>
<td>£4.24m</td>
</tr>
<tr>
<td>Leisure and Libraries Programmes</td>
<td>£4.02m</td>
</tr>
<tr>
<td>The Space Project</td>
<td>£3.93m</td>
</tr>
<tr>
<td>ICT Capital Programme</td>
<td>£3.52m</td>
</tr>
<tr>
<td>Strategic Acquisitions - purchases of land and property to support current and future regeneration and development within the City</td>
<td>£3.29m</td>
</tr>
<tr>
<td>Highways Maintenance Challenge Fund for additional maintenance works to key strategic city routes</td>
<td>£2.30m</td>
</tr>
<tr>
<td>Schools Capital Maintenance</td>
<td>£2.25m</td>
</tr>
<tr>
<td>St Peters Square</td>
<td>£2.03m</td>
</tr>
<tr>
<td>Airport City Power Infrastructure (Enterprise Zones)</td>
<td>£1.66m</td>
</tr>
<tr>
<td>Highways Capital Programme</td>
<td>£1.37m</td>
</tr>
<tr>
<td>Greater Manchester Loans Fund (administered on behalf of GM)</td>
<td>£1.00m</td>
</tr>
<tr>
<td>Strategic Development Capital Programme</td>
<td>£0.93m</td>
</tr>
<tr>
<td>Corporate Services Capital Programme</td>
<td>£0.90m</td>
</tr>
<tr>
<td>Schools Capital Programme</td>
<td>£0.66m</td>
</tr>
<tr>
<td>Adult Services Capital Programme</td>
<td>£0.35m</td>
</tr>
<tr>
<td>Building Schools for the Future</td>
<td>£0.12m</td>
</tr>
<tr>
<td>Other Cultural Capital Programmes</td>
<td>£0.02m</td>
</tr>
</tbody>
</table>
Our Performance

This section of the report sets out what has been achieved through the investment in public services set out under ‘Our Spending’. For the main areas of our spending we have described the breadth of service activity delivered and highlighted examples of what each area of the Council has achieved with its funding throughout the 2016/17 year.

Adults and Public Health

We spent approximately £233 million on Adults and Public Health. The Directorate is responsible for social care services, safeguarding vulnerable adults and public health.

People in Manchester experience significantly worse health and have a shorter healthy life expectancy than people living in most other parts of the country. New devolution powers, however, have presented an opportunity to make real progress. The Council, its health partners, the voluntary sector and other stakeholders have come together to produce the ‘Locality Plan’ - A Healthier Manchester. The plan describes the vision for the future, using new powers to integrate health and social care to improve people’s lives. It details the city’s approach to improving health outcomes in Manchester, while also moving towards long-term financial and clinical sustainability.

The three pillars of the plan, which will drive the transformation needed to keep our city healthy are a Single Commissioning Function; a Single Local Care Organisation; and a Single Manchester Hospital service. Both the Single Hospital Service and the Local Care Organisation will deliver models of care which span both community and hospital settings to treat people as close to home as possible. Throughout 2016/17 work was undertaken to develop the new Single Commissioning Function and Manchester Health and Care Commissioning (MHCC) was established on 1st April 2017.

As well as paving the way for Integrated Health and Social Care, spend in this area this year has enabled long term social care support to be delivered for 10,545 adults in Manchester. Approximately half of these adults (5,300) were aged 18 to 64 and half (5,245) were aged 65 or above. This care could be home care, day care, residential and nursing care, supported accommodation, a cash personal budget or mental health professional support. On 31st March 2017, 6,833 adults were receiving long term support, an increase of 244 compared to the same point in 2016.

419 residents aged 65 and over were supported through admission to permanent residential or nursing care within 2016/17 which is 49 more than the number admitted within the previous year. The numbers of residents admitted to permanent residential or nursing care is reflective of the Council’s commitment to ensuring that citizens are placed in the most appropriate care setting based on a robust assessment of their needs.

The 2016/17 Adult Social Care Survey was responded to by 400 social care citizens. When asked about their satisfaction with care and support services, 87.5% of respondents were either extremely, very or quite satisfied with the care and support they received, which was an improvement from 84.3% in 2015/16.
Reablement is a short term service provided by the council which supports people back to independence following a period of illness or disability. It can help people returning to their own homes after hospital or residential care to regain the skills and confidence to live independently. Reablement continues to support maximised independence with 78.46% of customers leaving the service in 2016/17 requiring no further care or a reduced service, maintaining the high levels of performance seen in 2015/16 (78.63%). The percentage of residents who left the Council’s reablement service in 2016/17 and were classed as requiring no further care was 53.96% and this compared to 54.73% in 2015/16.

The next 12 months will see significant progress in implementing our plan "A Healthier Manchester" including the beginning of the merger of Central Manchester Foundation Trust and the University Hospital South Manchester, with North Manchester General to follow, moving towards a single hospital service.

**Children's Services**

We spent approximately £224 million on Children’s Services throughout 2016/17. The Directorate is responsible for social care services for children and for education, skills and youth services, with statutory responsibilities for safeguarding children. The directorate aims to ensure that every child has the best possible start in life and that everyone in the city has the same opportunities, life chances and potential to lead safe, healthy, happy and fulfilled lives.

Since Children’s Services received an ‘inadequate’ rating from Ofsted in 2014 significant improvements have been made which have been recognised in the three Ofsted monitoring reports throughout 2016/17. The Council is committed to delivering the required improvements as set out in the directorate’s improvement plan.

At the end of March 2017, the directorate was supporting 5,393 children who were classed as Children in Need, which was a rate of 460 per 10,000 of the population, or 4.6%. Of these 5,393 children who were receiving some form of safeguarding support, 946 were subject to a Child Protection Plan and 1,170 were Looked After Children (LAC).

The Council’s Looked After Children Strategy aims to reduce the number of LAC to 1,000 by 2019/20 so that there are less residential placements and more high-quality, local foster carers which will improve outcomes for our looked after children and reduce costs. Whilst the number of children in Manchester having to be taken into the Council’s care is too high, progress is being made to safely reduce the numbers. The provisional LAC rate at the end of March 2017 (number of Looked after Children per 10,000 of the population aged under 18) was 100, which represents 1% of the population.

Provisional figures indicate that during 2016/17 80 children were adopted; this equates to 14.8% of the total number of children who no longer needed to be in the care of the local authority throughout the year (540). This compares to 87 adopted children, representing 17.4% of the total number who no longer needed to be in care throughout 2015-16 (500). Whilst this years’ percentage adopted figure is slightly lower than that of the previous year, when we consider the increase in the overall number of children who were discharged from the care of the authority it is evident the performance continues to be positive.
The safeguarding referral rate (average number of referrals per 10,000 of the population aged under 18) was 981 in 2016/17. Whilst this was a slight increase from 970 in the previous year, levels of safeguarding referrals remain much lower than in 2014/15 (1,148).

The Council’s Early Help Strategy has been designed to reduce the number of safeguarding referrals. Early help involves identifying needs within families early and providing support before complex problems emerge. We have continued to embed a consistent new approach to Early Help Assessments across all partners who work with or come into contact with children such as school staff, health workers, social workers, the police, the fire service and other organisations. The ‘Signs of Strength’ assessment focuses on strengths and what is important to families and encourages and supports families to make the changes which will impact positively on their lives. The total number of children linked to registered Early Help assessments throughout 2016/17 was 5,749, which was an average of 479 children per month. This was more than double the 2,314 children linked to assessments throughout 2015/16.

The development of the Single Commissioning Function, Single Hospital Service and Local Care Organisation (LCO) will provide a number of opportunities to shape and integrate the aspects of children’s services with health provision whilst at the same time influence the wider service offer for children, young people and their families.

**Corporate Core**

Approximately £135 million was spent by services within the Corporate Core throughout 2016/17.

The role of the Core is to provide strategic leadership to drive the delivery of the Our Manchester Strategy ambitions, sustain growth across the city, better connect residents to that growth, create attractive places to live work and visit, and reduce the costly demands placed on public services by changing ways of working.

As well as driving changes the Core also supports the rest of the organisation through ‘back office functions’ such as Human Resources and Organisational Development, ICT, Finance, Communications, Policy and Reform and other services. The Core also delivers a range of services directly to residents including revenues and benefits, customer services and registrars.

The Core also hosts the Highways Service, which plays a major role in supporting the city’s growth, securing efficient use of the Highways network and developing a robust investment strategy supporting the city’s priorities.

The Corporate Core supports over 7,000 employees with Human Resource and ICT facilities as well as overseeing the totality of the Council’s income and expenditure. It also includes the Customer Contact Centre which took over 700,000 calls throughout 2016/17 from residents accessing Council services.

One of the key priorities from investment in Highways Services has been to keep traffic moving around the city. 88% of tracked journeys along key routes in the city in 2016/17 fell within the acceptable time limit, maintaining the journey time reliability levels of 2015/16 (88%).
Maintaining journey time reliability whilst the regional centre, the city’s population and its economy continues to grow will ensure that those residents and commuters who choose to drive can properly plan their journeys with a minimum of disruption.

Recognising the value of our systems and ICT, we’ve continued on our journey by investing in more efficient ICT platforms which will help all staff work more efficiently, securely, and introduces the ability to work and provide services in new ways for our partners and residents. The Council has ‘gone Google’ enabling Council staff to have an ICT system which is easier to use, has better storage and search facilities, and provides better collaborative and communication tools. All this will help staff work more efficiently and provide differentiated services in line with the principles of Our Manchester furthermore supporting our drive for value for money.

The Council is committed to effectively engaging with its workforce so that staff feel connected to each other and the aims of the organisation, feel proud and are motivated to create an even more successful organisation. Our last annual BHeard survey resulted in a Best Companies Index score of 595, which was an increase from 594 in the previous year. The score is a reflection of the level and standard of employee engagement and the Council is aiming to gain a ‘one to watch’ accreditation which requires a score of 600 and indicates good levels of engagement. Responding to the results of our last BHeard staff engagement survey, we developed and launched the Our People Strategy in January 2017 and this focusses on internal communications and engagement, employee health and wellbeing, leadership and management and skills.

The Corporate Core also led on the design and agreement of a five year Capital Investment Strategy worth £1.6 billion, which will investment in the road network, leisure centres and libraries, housing and broader regeneration initiatives, carbon reduction and cycle routes as well as a host of other initiatives.

Along with other Greater Manchester authorities we are also piloting a 100% Business Rates retention scheme giving us greater flexibility in the Council’s financial management.

**Strategic Development**

Strategic Development directorate oversaw just over £41 million of expenditure in 2016/17. The Directorate has a pivotal role in securing new commercial development, attracting investment into the city and securing employment growth as well as delivering the city’s Residential Growth Strategy. It provides the organisational leadership and accountability for large development projects that deliver wealth, jobs, and new homes and helps to strengthen the Council’s fiscal position. The Directorate also manages the Council’s land and property assets and its operational and investment estate.

A number of significant commercial transactions were secured during 2016/17 including the Manchester Airport’s Terminal 2. 5 million sq ft. of offices, hotels, logistics and retail space are being developed at Airport City, strengthening the regional economic role of the airport which provides 20,000 jobs on site and a further 25,000 indirectly.
Further development of the extended city centre is a priority for the Council, particularly through promoting the major initiatives at the Northern and Eastern Gateways. Commercial development priorities are focussed on continuing work around the Etihad Stadium, the development and organisation of the Council’s digital assets (including the SHARP Project, SPACE Project and One Central Park), and supporting key city centre initiatives, such as First Street, the Corridor, St. John’s and Piccadilly Station, and supporting the delivery of the City Centre Strategic Plan.

These and other developments have helped the city to sustain growth in the number of employment opportunities created. The city hosted over 355,000 jobs in 2015 and this figure is forecast to increase to 414,000 by 2025.

Not only do the major developments overseen by the Strategic Development Directorate support job creation, they also support the city to continue to attract and host world class events such as the Manchester International Festival, which bring in many visits from outside the city and outside the UK. This coupled with the growth of the Airport has supported an increase in the number of overseas visits to Manchester which has grown to 1.15 million in 2015, over 150,000 more than 2014. Manchester’s population continues to grow at a rapid rate and stood at approximately 540,000 in June 2016. The city’s population is forecast to continue to grow to over 644,000 by 2025. This growth is reflective of the popularity of the city, the improvement in its neighbourhoods and the economic opportunities available. This growth has been supported by the city’s Residential Growth Strategy which includes a target to construct 25,000 homes over the next ten years. The city aims to host good quality, affordable homes for sale and rent and 1,654 new homes were completed in 2016/17, a figure which is set to increase substantially this year.

Whilst initiatives to promote the City’s residential, commercial and cultural development is underpinning the city’s wider economic growth ambitions, the deployment of the City Council’s land and property assets to support these ambitions is of paramount importance to securing the necessary economic, place based and fiscal objectives of the Council. In addition, the management, rationalisation and development of the Council’s operational estate is supporting the Council’s Our People Strategy, a contribution to the wider public sector reform agenda, and the Council’s ambitions to support the growth and development of Manchester’s voluntary and community sector.
Growth and Neighbourhoods

The Growth and Neighbourhoods Directorate provides the leadership and focus for the sustainable growth and transformation of the city’s neighbourhoods so that the City is clean, safe and green and communities take pride in and ownership of their area. The Directorate supports the city’s economic growth priorities. In carrying out these functions in 2016/17 the Directorate spent £104 million. This does not include the Waste Levy, as costs incurred in waste disposal under the Waste Disposal Levy are counted under ‘Levies’.

Waste collection is an important area and provisional figures indicate that we collected 59,492 tonnes recycling material in 2016/17 and 105,000 tonnes of residual household waste. We reduced the size of the bins this year to encourage greater recycling and to address the level of expenditure on the levy, and we want to thank Manchester residents for adapting to this change in their bin size so well. There are signs that this is already having a big impact, with provisional figures for 2016/17 indicating that the proportion of household waste recycled has increased by approximately 4% to 36% from the levels in 2015/16 (32%).

Within Growth and Neighbourhoods we work with residents to ensure our neighbourhoods are looking their best. Since the national Great British Spring Clean campaign was launched at the start of March 2017 we have hosted a great number of Our Manchester Community led Clean Up events across the whole city; these events have not only helped ensure our neighbourhoods are clean and tidy but have brought communities closer together. We are also ready to take action against people who do drop litter, fly tip or cause other environmental issues. Throughout 2016/17 our Compliance and Enforcement Service, which now includes a dedicated Fly Tipping Enforcement Team, issued over 1,400 fixed penalty notices to individuals and businesses who dropped litter, fly tipped, or did not dispose of waste properly.

We have seen the city's appetite for culture grow ever larger with continued growth in the visitor numbers at MOSI, the Art Gallery, the Manchester Museum and the National Football Museum. Growing numbers of residents are also visiting the newly refurbished city library as well as the city’s excellent neighbourhood libraries and sports and leisure facilities. In 2016/17 we had over 615,000 visitors to the city’s art galleries, 2.9 million visitors to our libraries and over 3.4 million visitors to our sports and leisure facilities. These represent a significant growth over the 2015/16 figures in all three areas.

Schools

£297 million was used to fund schools throughout the 2016/17 year. This was spent on a combination of provision of nursery, primary, secondary and specialist education services provided to children in Manchester.

The city is committed to providing a sufficient amount of good quality school places for Manchester’s growing number of children. We are increasing the number of school places by expanding existing schools and building new schools. As we grow the schools system we are working to ensure everyone has fair access to school places.
The percentage of schools in Manchester which have an Ofsted rating of ‘good’ or ‘outstanding’ is increasing and the city hosts a higher proportion of such schools than England as a whole. As at the end of August 2016, the percentage of schools in Manchester which had an Ofsted rating of ‘good’ or ‘outstanding’ was 90%. This compares to 89% of schools across England as a whole, and represents a 2% increase from the percentage in Manchester as at the end of August 2015.

A key objective is improving outcomes for Manchester’s children. In the academic year of 2015/16, 52% of Manchester’s primary school pupils achieved the expected standard in reading, writing and maths and this compared to 53% of England’s pupils. Manchester’s Key Stage 4 ‘Attainment 8’ score was 47.1 for the 2015/16 academic year which was an improvement of 2.8 points from the result in the previous year and meant Manchester closed the gap with England (48.5) from 3.1 points to 1.4 points.

To support continued improvements in attainment at school and engagement and success in formal and informal learning the directorate is focusing on reading. Reading is the foundation for success in education and employment. It supports children to do well at school, develop broader skills and lead healthy, happy lives. As part of the directorate’s focus on reading, the Council worked with the National Literacy Trust to launch Read Manchester in 2016. The initiative is bringing together a range of communities and partners such as family members, teachers, schools, businesses, and libraries in order to promote the importance of reading and boost literacy throughout the city. The campaigns activities include author and storytelling events, community book swaps, and the ‘Bookbench Project’ which celebrates the city’s creativity and encourages children and adults to read for enjoyment. Schools and community groups have been busy decorating BookBenches with designs inspired by reading, and these will be displayed in cultural hubs, leisure and shopping centres across Manchester in 2017.
Our Manchester

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.

Throughout 2016/17 a programme of activity has been developed by the Council and its partners to ensure the Our Manchester Approach is embedded throughout the Council and organisations working for the city. This will require clearly communicating what Our Manchester means and supporting people to adopt the Our Manchester Behaviours and develop new skills.
The Our Manchester Delivery Plan 2017/18 has three main areas of focus;

- **Placed based approaches within neighbourhoods** - This will involve services in a neighbourhood shifting from offering reactive services to offering more collaborative, strengths based, and proactive ways of working with communities. For example, in Benchill an ‘Integrated Neighbourhood Management’ approach involving ‘doorstep conversations’ allowed residents to discuss the antisocial behaviour of off-road motorcyclists on their streets. The Our Manchester approach resulted in resident-led groups working with local partners, winning grants and developing their own solutions such as filming a documentary on the issue and developing a social media campaign regarding an off road bike track.

- **Applying the Our Manchester Approach to the integration of Health and Social Care** - This 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.

“Growing Together”
Our Case Studies

City Centre Case Study

The city centre has changed substantially in recent years. Its business base has grown and diversified, its resident population has doubled over the past ten years and the city continues to build on its reputation for culture and the arts through events such as the Manchester International Festival and the HOME centre for international contemporary art, theatre and film. The city centre has also attracted major recent national events such as the EU Referendum Count, the Olympic Parade and the Somme commemorations.

The changing nature of the city centre and the complex demands on public services has been recognised and the Council is committed to ensuring the city centre remains a great place to work, live and visit. To support this goal a review of public services in the city centre was undertaken using the Our Manchester approach. In addition to assessing the demand on public services using traditional data analysis we wanted to understand what the experience of the city centre was like for people who work there, live there, visit and crucially deliver some of the vital services that keep our city centre running. As well as surveying people, we used an ethnographic approach, which means understanding what the city centre experience is for different people, using interviews and seeing first-hand the experience of some of our neighbourhood and police officers.

It was clear how proud Mancunians are of the city centre, and how it has managed to grow and drive the economy of the North in recent years. We know also there are massive challenges and it was clear that people sleeping rough, begging, litter, alcohol and drug abuse were amongst those that are a priority to address. An increase in rough sleeping and begging in recent years has been observed, and the recent trend in Spice abuse has heightened the problem. The Council working with Greater Manchester Police has put a number of measures in place to deliver real improvements, these include:

- More staff working with people sleeping rough to understand their needs and find appropriate housing solutions
- An Emergency Hub providing greater short term accommodation for rough sleepers
- 24 additional Police Officers present in the city centre
- An enhanced Out of Hours compliance team allowing action to be taken against fly tipping, dumping trade waste, illegal peddling and anti-social behaviour outside of normal office hours

We will be delivering these improvements and monitoring the impact throughout 2017/18.
Read Manchester is a partnership between Manchester City Council and The National Literacy Trust. It brings together parents, teachers, family members, schools, local businesses, voluntary organisations and libraries to promote and celebrate reading.

Evidence shows that being able to read is the foundation for success in education and employment. We know that children who can read well do better at work, are confident speakers and are more able to lead healthy, positive lives. For adults, reading for pleasure has been shown to reduce tension and improve health and well-being. Reading is good for you!

The campaign has a vibrant programme of activities for children, young people and families and these include author and storytelling events, community book swaps, and the ‘Bookbench Project’. The Book Bench Project celebrates the city’s creativity and encourages children and adults to read for enjoyment. Schools and community groups have been busy decorating BookBenches with designs inspired by reading, and these will be displayed in cultural hubs, leisure and shopping centres across Manchester in 2017.

A key aim of Read Manchester has been to encourage more parents to read with their young children, and Sure Start Children’s Centres have been an important partner for this. For example, at Martenscroft Nursery School and Children’s Centre, Read Manchester has led to over 80 families joining the local library, and children, parents and staff members taking part in a ‘walking bus’ to Hulme Library. Families enjoyed activities including bookmark making, book making, storytelling and singing as well as creative activities based around the city’s chosen top five most popular early years books. Other groups involved in Read Manchester include Manchester College, the Manchester Adult Education Service, childminders and early years settings across the city.

‘Manchester Reading Ahead’ is part of the Read Manchester campaign, aimed at encouraging adults to read for pleasure. Young people and adults of all reading abilities are invited to pick six reads and rate, record and review them. So far, across the city, 6,000 people are taking part. Wythenshawe Community Housing Group has taken up the challenge of Manchester Reading Ahead by setting up book corners and book swaps as well as promoting reading for pleasure with tenants in sheltered accommodation, with their over-55 age groups and through their extensive volunteering programme.

By focusing on reading for pleasure, Read Manchester aims to celebrate the enjoyment of reading in all our communities; support young children before they start school because the early years of a child’s life can shape their life forever; increase library membership; and link with partners to promote the benefits of being part of a reading city.
Our Future

As well as our long term vision for the city for 2025, we’ve set some shorter-term goals for 2020, investing firstly in what Manchester people say they value most: children in need, roads and pavements and vulnerable adults. We’re also investing now in early help, preventing future problems. Our Top Eight Objectives for the next three years are:

- Fix Roads, Bus and Cycle Lanes
- Fewer Children in Care
- More Recycling and Less Waste
- Cleaner, Greener Places
- Join up Health and Social Care
- Better School Results
- Better and Affordable Homes
- Work and Skills for Better Pay

Set out below are our intentions in each of these areas.

Fix Roads, Bus and Cycle Lanes

The people of Manchester have told us that we need to improve the quality of our roads, bus and cycle lanes. Beginning in 2017/18, £80 million is being invested over 5 years in maintenance. The percentage of Manchester's A, B and other minor roads and footpaths which were in need of repair (beyond mid-life grading) as at December 2016 was 16.58% which is up from 12.45% as at December 2015. A new Highways improvement Plan has been developed and this investment in highways maintenance will improve the road conditions across the city, focusing on those most in need.

Fewer Children in Care

Manchester has had comparatively high numbers of children looked after by the Local Authority (LAC) for many years. Progress has been made this year to safely reduce the numbers. Manchester's LAC rate per 10,000 children fell significantly from 151 in 2008 to 100 at the end of March 2017, moving Manchester closer to its statistical neighbours.

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 2017 was 1,170.

More Recycling and Less Waste

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 proportion of household waste recycled in 2015/16 was 32% and a provisional 2016-17 figure of 36% indicates an increase of over 4%.

The provisional amount of waste collected per household in 2016/17 was 468kg which is 51kg less per household than that collected in 2015/16 (519kg). The introduction of smaller waste bins across the city in mid 2016 aimed to promote increased recycling and less waste. The full impact of this and other initiatives will become clear across a longer time scale but the 2016/17 results are encouraging.

**Cleaner, Greener Places**

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 2016/17 was 10,314, which was up from 7,626 in the previous year. Over the next three years we want 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 2014) indicate that there has been a percentage decrease of 26.73% from the emissions in 2005, indicating 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.

**Join up Health and Social Care**

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 13.6 in 2015/16 and this compared to a result of 12.3 for England. Nationally there has been a trend of an increasing rate of delayed transfers of care, with the result for England increasing to 14.9. The rate for Manchester has also increased but to a lesser degree. At 15.0, the gap between Manchester’s result and England’s result has reduced from 1.3 in 2015/16 to 0.1 in 2016/17.
Better School Results

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 year on year. In the academic year of 2015/16, 52% of Manchester's primary school pupils achieved the expected standard in reading, writing and maths and this compared to 53% of England's pupils. Manchester’s Key Stage 4 ‘Attainment 8’ score was 47.1 for the 2015/16 academic year which was an improvement of 2.8 points from the result in the previous year and meant Manchester closed the gap with England (48.5) from 3.1 points to 1.4 points. The city is now looking to build on this great achievement by Manchester’s schools and its young people.

Better and Affordable Homes

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. 471 affordable homes became available for buying or renting in Manchester within 2016/17, which was a similar amount to that of the previous year (496). These are homes which were delivered via a range of Affordable Homes Schemes such as Shared Equity, Shared Ownership, Help-to-Buy and a range of schemes supported by public and private partnerships. In January 2017, the Council and its partners secured funding to build 1,400 new affordable homes in Manchester. The Council's new Affordable Housing Framework sets out a vision to deliver decent and secure housing that meets the needs of residents whose incomes are below the city's average, and from 2017 has a broad target of making over a thousand new affordable homes available for sale or rent each year as well as maintaining the number of social and affordable housing units available and making best use of the existing housing stock to maintain the balance between residents income and housing costs.

Work and Skills for Better Pay

Inclusive Growth is a key priority for us; we want to better connect Manchester people to the economic opportunities across the city.

Providing residents with the skills and qualifications that are needed by our employers is an important part of this priority. According to the 2016 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) was 73.8%. This represented an increase of 3.1% from levels in 2015 (70.7%) and decreased the gap to England’s result from 2.7% in 2015 to 0.4% in 2016. Manchester’s result is higher than the average result for all the Core Cities combined, which increased by 1.3 percentage points from 70.6% in 2015 to 71.9% in 2016.
In November 2016 the number of claimants of out of work benefits stood at 47,350, a reduction of 2,165 people since November 2015. The reduction in the number of people claiming out of work benefits is a positive reflection of the Manchester economy and the skills and employment support offer in the city. However the number of claimants of Employment Support Allowance/ Incapacity Benefit, who have health barriers to moving into employment, has not reduced at the same rate as other benefits.

One of the key programmes to support people who have health conditions and other barriers to employment is ‘Working Well’, which involves organisations working together to provide intensive holistic support for benefit claimants looking to find work. Working Well provides up to two years of support for people to overcome their barriers and develop skills to move closer to work. As of the end of March 2017 the Working Well Pilot and Expansion programmes had supported a combined total of 207 Manchester residents to move into employment. We want to connect many more residents to employment opportunities to improve their lives and their families’ wellbeing.

**Communicating Our Approach**

It is important to us that we make it easy for the people of Manchester to understand where the Council’s money has come from, where it has been spent and what this has achieved.

To support this the Council will publicise the annual report and highlight some of its key messages on social media.

These messages will be aligned with the Our Manchester Days series which will shine a light on how Council services strive to provide excellent services for Manchester and achieve value for money in everything they do.
Further information

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

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