

AGENDA FOR

CABINET

Contact: Andrew Woods
Direct Line: 0161 253 5134
E-mail: a.p.woods@bury.gov.uk
Web Site: www.bury.gov.uk

To: All Members of Cabinet

Councillors: M C Connolly (Leader) (Chair), R Shori (Deputy Leader & Cabinet Member for Health and Well Being), J Lewis (Cabinet Member for Communities and Culture), S Walmsley (Cabinet Member for Resource and Regulation), T Isherwood (Cabinet Member for Environment) and G Campbell (Cabinet Member for Children and Young People)

Dear Member

Cabinet

You are invited to attend a meeting of the Cabinet which will be held as follows:-

Date:	Wednesday, 8 April 2015
Place:	Meeting Rooms A and B, Town Hall, Knowsley Street, Bury, BL9 0SW
Time:	6.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTEREST

Members of Cabinet are asked to consider whether they have an interest in any of the matters of the Agenda, and if so, to formally declare that interest.

3 PUBLIC QUESTION TIME

Questions are invited from members of the public present at the meeting about the work of the Council and the Council's services.

Approximately 30 minutes will be set aside for Public Question Time, if required.

4 MINUTES *(Pages 1 - 4)*

To approve as a correct record the minutes of the meeting held on 4 March 2015.

5 FUTURE SERVICE OPTIONS FOR SOCIAL CARE PROVIDER SERVICES *(Pages 5 - 116)*

6 BURY INVESTING IN GROWTH - LOCAL BUSINESS RATES DISCRETIONARY SCHEME FOR NEW BUILDS *(Pages 117 - 120)*

7 BURY SUPPORT FUND *(Pages 121 - 126)*

A report from the Leader of the Council and Cabinet Member for Finance is attached

8 GREATER MANCHESTER DEVOLUTION - MEMORANDUM OF UNDERSTANDING *(Pages 127 - 162)*

9 MINUTES OF ASSOCIATION OF GREATER MANCHESTER AUTHORITIES / GREATER MANCHESTER COMBINED AUTHORITY *(Pages 163 - 172)*

To consider the attached minutes of meetings of the AGMA Executive Board and Greater Manchester Combined Authority held on 27 February 2015.

10 URGENT BUSINESS

Any other business which by reason of special circumstances the Chair agrees may be considered as a matter of urgency.

11 EXCLUSION OF PRESS AND PUBLIC

To consider passing the appropriate resolution under Section 100 (A)(4), Schedule 12(A) of the Local Government Act 1972, that the press and public be excluded from the meeting for the reason that the following business involves the disclosure of exempt information as detailed against the item.

- 12 CAPITAL PROJECT STAGE TWO APPROVAL SECONDARY PUPIL REFERRAL UNIT - DEVELOPMENT OF ACCOMMODATION** (*Pages 173 - 178*)
- 13 GREATER MANCHESTER HOUSING INVESTMENT FUND** (*Pages 179 - 210*)

This page is intentionally left blank

Minutes of:	THE CABINET
Date of Meeting:	4 March 2015
Present:	Councillor M Connolly (in the Chair) Councillors G Campbell, A Isherwood, J Lewis, R Shori and S Walmsley
Apologies:	-
Public attendance:	No members of the public were in attendance.

CA.776 DECLARATIONS OF INTEREST

Councillor Connolly declared a personal interest in respect of any issues relating to Adult Care Services for the reason that his partner is employed by Adult Care Services.

CA.777 PUBLIC QUESTION TIME

A period of thirty minutes was allocated for any members of the public present at the meeting to ask questions about the work or performance of the Council or Council services.

No questions were asked.

CA.778 MINUTES**Delegated decision:**

That the minutes of the meetings held on 11 and 25 February 2015 be approved and signed by the Chair as correct records.

CA.779 GREATER MANCHESTER SPATIAL FRAMEWORK AND BURY'S CORE STRATEGY

The Cabinet Member (Resources and Regulation) submitted a report seeking approval for the delegation of the formulation and preparation of the Greater Manchester Spatial Framework (GMSF) to the AGMA Executive Board and to agree to authorise updates to the AGMA constitution to reflect this.

The report also sought approval to withdraw the Core Strategy as the move towards a joint Development Plan Document (DPD) for Greater Manchester progresses.

The AGMA Executive Board (29 August 2015) had agreed to the GMSF being produced as a statutory DPD that would principally seek to identify future housing and employment floor space requirements and associated infrastructure for each district within Greater Manchester. The Joint GM Combined Authority and AGMA Executive Board meeting (24 November) approved the necessary measures and actions to be undertaken by each GM district to formally approve the preparation of the GMSF as a statutory DPD and subsequently take the document forward to adoption.

Cabinet 4 March 2015

The Council meeting (28 January 2015) approved the making of the agreement for the joint preparation of the GMSF to cover housing and employment land requirements and associated infrastructure across Greater Manchester as a joint DPD.

Delegated decisions:

1. That the decision of Council (28 January 2015) to approve the making of an agreement with the other 9 Greater Manchester councils to prepare jointly the Greater Manchester Spatial Framework to cover housing and employment land requirements and associated infrastructure across Greater Manchester (as set out in Appendix 1 of the report submitted) as a joint development plan document be noted.

2. That delegated authority be given to the AGMA Executive Board for the formulating and preparing of the Greater Manchester Spatial Framework to cover housing and employment land requirements and associated infrastructure across Greater Manchester insofar as such matters are executive functions.

3. That it be noted that the following are the sole responsibility of the Council:

- § Responsibility for giving of instructions to the executive to reconsider the draft plan submitted by the executive for the authority's consideration;
- § The amendment of the draft GMSF plan document submitted by the executive for the Council's consideration;
- § The approval for the purpose of its submission to the Secretary of State or Minister of the Crown for their approval of the GMSF, if required;
- § The approval of the GMSF document for the purposes of submission to the Secretary of State for independent examination;
- § The adoption of the GMSF.

4. That approval be given to authorise the amendment of Paragraph 13.2 (Schedule 1) to the AGMA constitution by deleting the words 'initially in terms of Waste and Minerals Planning'.

5. That approval be given to the withdrawal of Bury's Core Strategy and for work to commence on a new Local Plan that can be developed alongside those of other GM districts and the GMSF in a coordinated way.

Reasons for the decision:

1. To ensure that Greater Manchester's aspirations for growth are formally supported by a statutory DPD and to address the policy void that has arisen from the revocation of the North West Regional Spatial Strategy in providing a framework within which the GM districts can prepare their own local plans.

2. To enable the Council to develop a single Local Plan alongside other GM districts and in accordance with the emerging GMSF.

Other option considered and rejected:

To reject or amend the recommendations.

CA.780 BURRS COUNTRY PARK STRATEGY

The Cabinet Member (Communities and Culture) submitted a report presenting a draft strategy for the future development of Burrs Country Park for the period 2015 to 2029. The strategy identifies key projects that will help Burrs Country Park to achieve its potential in establishing itself as a 'destination park' of regional significance.

The strategy also aims to capitalise on Bury's reputation as a sub-regional success story by increasing visitor numbers and longer stays in the area, whilst making a commitment to working with partners in encouraging investment and support funding applications. The strategy will further assist in unlocking the potential of Burrs Country Park and the East Lancashire Railway with the introduction of a direct Burrs Country railway halt.

Approval of the strategy would involve a 4 week public consultation period. The comments received would be considered with subsequent changes being made to the document where it is appropriate.

Delegated decision:

That approval be given to the Burrs Country Park Strategy for consultation purposes (for a period of four weeks). The comments received from the consultation to be considered and amendments made to the document, where it is appropriate.

Reason for the decision:

The decision will enable Burrs Country Park Strategy to go out for a period of public consultation, therefore allowing local business partners and other interested parties to have input prior to the final publication of the document.

Other options considered and rejected:

To reject the recommendation or amend the proposed strategy.

CA.781 EXCLUSION OF PRESS AND PUBLIC**Delegated decision:**

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item of business as it involves the likely disclosure of exempt information as detailed in the condition of category 3.

CA.782 APPROVAL OF FUNDING AND OTHER ASPECTS TO ENABLE SIX TOWN HOUSING TO DELIVER SCHEMES UNDER THE HOMES AND COMMUNITIES AGENCY AFFORDABLE HOUSING PROGRAMME

The Deputy Leader and Cabinet Member (Health and Wellbeing) submitted a report informing Cabinet that Six Town Housing had secured funding from the Homes and Communities Agency under the Affordable Housing Programme 2015-2018 to deliver 88 new housing units in Bury. In order to progress the

Cabinet 4 March 2015

schemes certain approvals including the authorisation of borrowing on behalf of Six Town Housing was requested.

Delegated decisions:

1. That approval be given to authorise Six Town Housing, as Registered Provider, to sign the grant agreement with the Homes and Communities Agency in order to obtain the grant funding from the Affordable Housing Programme 2015-2018.

2. That approval be given to the borrowing of funds on behalf of Six Town Housing with the powers delegated to the Executive Director of Resources and Regulation to agree terms. The amount involved is the balance of the scheme cost and is based on current estimated funding requirements.

3. That the Executive Director of Resources and Regulation, in consultation with the Deputy Leader and Cabinet Member (Health and Wellbeing), be authorised to vary the borrowing requirement, subject to due diligence in light of the tender prices received.

4. That the Director of Resources and Regulation be authorised to lease the sites which are in Council ownership to Six Town Housing at a peppercorn rent for a period of 125 years.

Reason for the decision:

This decision will increase the amount of affordable housing, including a new extra care scheme, in the Borough which is a key part of the Housing Strategy for the Borough.

Other option considered and rejected:

To reject the recommendation.

(The Chair indicated that he had agreed to the submission of this item as urgent business for the reason that a decision was required before the date of the next scheduled meeting of the Cabinet).

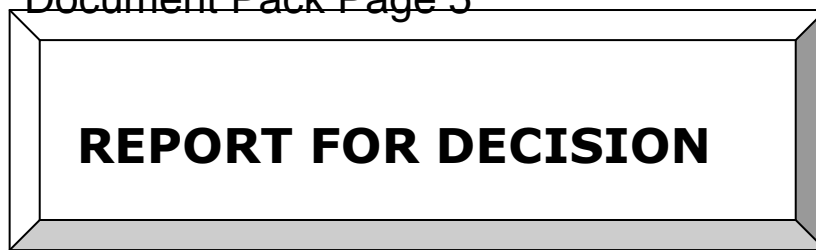
CA.783 RETIREMENT OF CHIEF EXECUTIVE – MIKE KELLY

The Leader reported that this would be the last Cabinet meeting attended by Mike Kelly as Chief Executive due to his retirement at the end of March.

Councillor Connolly, on behalf of all Cabinet members, expressed his deep appreciation in recognition of the work undertaken by Mike Kelly during his time as Deputy Chief Executive and Chief Executive of Bury Council and wished him a long and happy retirement.

COUNCILLOR M CONNOLLY Chair

(Note: The meeting started at 6.05 pm and ended at 6.15 pm.)



DECISION OF:	CABINET
DATE:	8 APRIL 2015
SUBJECT:	FUTURE SERVICE OPTIONS FOR SOCIAL CARE PROVIDER SERVICES
REPORT FROM:	DEPUTY LEADER OF THE COUNCIL AND CABINET MEMBER FOR HEALTH AND WELLBEING
CONTACT OFFICER:	Kat Sowden, Head of Workforce Modernisation 0161 253 5406 k.e.sowden@bury.gov.uk
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	Main report in the public domain Business Plan supplementary document is exempt pursuant to Paragraph 3 Schedule 12A Local Government Act 1972 (as amended), namely, information relating to the financial or business affairs of the Council
SUMMARY:	The report follows an earlier decision from Cabinet (21 January 2015) to develop a business plan for establishment of a local authority trading company as a vehicle to deliver a range of adult social care services currently provided in-house. The report is accompanied by a detailed business plan and recommends proceeding to establish a Local Authority Trading Company for these services. The Council will continue to fulfil its duties to safeguard those who are most vulnerable whilst targeting the resources the Council will have available from 2015/16 onwards.
OPTIONS & RECOMMENDED OPTION	1. Establish a Local Authority Trading Company The services would be developed into a new organisation wholly owned by the Council but

	<p>separate to it. Customers and staff would transfer into this new organisation.</p> <p>2. Do Nothing Savings would not be achieved and would have to be met elsewhere within the Council. Alternatively the options of closure or privatisation considered and dismissed 1 October 2014 would need to be re-considered.</p> <p><u>Recommended Option</u></p> <p>1. Option 1 Establish a Local Authority Trading Company</p>
<p>IMPLICATIONS:</p>	
<p>Corporate Aims/Policy Framework:</p>	<p>Do the proposals accord with the Policy Framework? Yes</p>
<p>Statement by the S151 Officer: Financial Implications and Risk Considerations:</p>	<p>The services in question have already experienced significant cuts, and more will be required in 2015/16 and beyond.</p> <p>Benchmarking has highlighted that the costs of the service are high compared to other providers.</p> <p>Maintaining the current service design is not financially sustainable going forward, and the service will be unlikely to adapt to meet the increasing demands of customers.</p> <p>A range of different delivery options have been considered, balancing financial return with staff and customer impact. Another important factor is the extent to which the Council can continue to influence and control provision / standard of services going forward.</p> <p>As a result of this option appraisal, the "Local Authority Trading Company" (LATCo) was identified as the preferred option.</p> <p>This report now presents a business case / delivery plan for the LATCo.</p> <p>The business case highlights that an initial injection of working capital is required to kick start the LATCo, and that the LATCo will reach a breakeven position after 3 years.</p> <p>It is intended that the Council will make the working capital available on an "invest to save" basis; fully funded after 6 years.</p>

	<p>Prudent assumptions have been made in respect of future costs and additional business for the LATCo and performance will be monitored closely through the governance arrangements outlined in the report.</p>
Health and Safety Implications	<p>The recommendation does not present any health and safety issues in respect of physical demands. Health and safety matters would continue to be managed in the same way as currently within the services concerned.</p>
Statement by Executive Director of Resources and Regulation (including Health and Safety Implications)	<p>The report outlines wider resource implications e.g. workforce and property issues.</p> <p>Operational plans are being developed in respect of data / IT systems, and transfer of other assets (e.g. equipment); this will be completed in line with the implementation plan, ready for an October launch.</p>
Equality/Diversity implications:	<p>Yes (see paragraph below)</p>
Considered by Monitoring Officer:	<p>Yes JH</p> <p>Under the legislative framework, trading is only exercisable through a company. The power to establish a Local Authority Trading Company derives from The Local Government (Best Value Authorities) Power to Trade Order 2009 (the 'Trading Order') which was made under sections 95 and 96 of the Local Government Act 2003. Under this Order the Council is able to carry out its ordinary functions but on a commercial basis. The Trading Order provides that a business case be prepared before the Council can exercise this trading power. This has been developed and the Business Plan is attached to this report. An appropriate draft governance structure for the LATCo has also been developed.</p> <p>The legal implications are set out in this report and the Business Plan.</p> <p>With the establishment of a Local Authority Trading Company, a new legal entity is created under the Council's ownership.</p>
Wards Affected:	<p>All</p>
Scrutiny Interest:	

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
	Deputy Leader of the Council and Cabinet Member for Health and Wellbeing		
Scrutiny Committee	Cabinet/Committee	Council	
	8 April 2015		

1.0 Background

The Services

- 1.1 This report is concerned with a group of adult social care provider services currently delivered in-house. The services concerned are Short Stay (Elmhurst and Spurr House), Shared Lives, Supported Accommodation (Community based), Day Services for Older People (Grundy, Pinfold), Day Services for Physical Disability (ReStart at Castle Leisure), and Day Services for Learning Disabilities (various community bases).
- 1.2 The budget for the services concerned was £12.4 million gross in 2014/15.
- 1.3 The majority of this budget funds the 286 FTE staff (approx 400 people) who work in these services.
- 1.4 108 customers are supported by Supported Accommodation 22 customers are supported by Shared Lives, and 192 customers are supported in Learning Disability and Physical Disability Day Services. There are 75 places per day at Grundy Day Centre, 40 customers per day at Pinfold Lane Day Centre, and 58 beds available per night in short stay. The older people's day service and short stay are accessed by a large number of customers on a flexible basis at around 80% occupancy or more dependent on the service area and seasonal variations.

Why things can't stay the same

- 1.5 Savings achieved by these services in the past 3 years equate to more than £1.4 million. A further £450k reduction is targeted to be achieved in 2014/15.
- 1.6 The Council is required to reduce cost by £16 million in 2015/16 with potential for similar levels of cuts thereafter.
- 1.7 The services concerned within this report are targeted to achieve a saving of £1.2m in 2015/16.
- 1.8 Despite the reductions achieved over recent years the in-house services are still provided at significantly greater cost than external providers. Work undertaken around establishing unit costs for the services in 2013/14 has indicated that external providers are on average 60% of the cost of equivalent in-house services.
- 1.9 The level of saving that would be required in 2015/16 could not be achieved without making a significant change to the service. As the majority of the budget is allocated to staffing this would mean a reduction in staff. However,

Document Pack Page 9

customers still need to receive a service and there is no capacity to deliver the service with reduced staffing. Therefore if the saving was to be achieved in this way it would mean that to achieve £1.2m of savings there would have to be an assumption of £720k costs of the care being provided by a different provider (60% assumption for external provision). Therefore the full saving required would be approximately £1.92m which on an average salary of £15k equates to 128 job losses (32% of the workforce in this area). The savings achieved would need to be further offset by one off costs of redundancy or alternatively if staff transferred under TUPE to a new care provider for example, this may impact the contract price increasing costs further.

- 1.10 Demand for social care is rising due to demographic and lifestyle pressures and this means that budget allocated for social care services not only needs to reduce to enable Council budget pressures to be met, it also needs to be able to accommodate increased demand.

Previous reports to Cabinet

- 1.11 A report was considered by Cabinet on 16 July 2014 which outlined three options for the future of these services; Closure of some services; Externalisation of services; Developing an Alternative Delivery Model. The report made a series of recommendations:
- i. Proceed to seek staff and employee representatives' views on all of the possible options
 - ii. Proceed to consult with customers, carers and families on all of the possible options
 - iii. Identify any potential external funding that could be relevant
 - iv. Undertake further work including identifying issues in relation to legal form, governance and procurement
 - v. Establish a project board to oversee the work undertaken
 - vi. Endorse the proposed approach and project milestones
- 1.12 A report was considered by Cabinet 1 October 2014 which reported back on staff and customer/family feedback on the three options and the work that had taken place to date in respect of the project. The report made the following recommendations:
- i. To confirm the Option 3 Development of an Alternative Delivery Model as the preferred option.
 - ii. To agree to the next phase of work to establish the business plan for the potential new organisation and the form to be taken to deliver this.
 - iii. To continue to involve, engage and consult with stakeholders in respect of development of the model.
 - iv. To continue to engage with the Cabinet Office Mutual Support Program in respect of support available to proceed with Option 3.
- 1.13 A report was considered by Cabinet 21 January 2015 which reported back on the work completed at that point. The report made the following recommendations:
- i. To confirm the vision and purpose of the proposed organisation.
 - ii. To confirm the preferred option as Local Authority Trading Company model.
 - iii. To approve the next phase of work including procurement of support to develop the business plan and implementation of the interim staffing arrangements.
 - iv. To approve the timescales for the next phases of work including the proposal for final sign off at Cabinet 8 April 2015.

2.0 Work completed in this phase

- 2.1 Independent consultants have been appointed to work on the detailed business plan. The consultants are a collaboration of Stepping Out, an organisation which supports transformation into alternative delivery models, Optalis, a local authority trading company who spun out of Wokingham Borough Council and who have been operating for 4 years now, and Anthony Collins solicitors. Their work has involved reviewing the work completed to date and then developing the detailed financial plan in consultation with relevant officers; testing out the underlying assumptions which the financial plan is built on; advising based on experience of the LATCo model in operation; supporting the development of the proposed governance arrangements; refining the proposed management structure; and development of a transition plan and project plan for the next phases of work which would be required if agreement is given to proceed to establish a Local Authority Trading Company.

3.0 The Local Authority Trading Company Model

- 3.1 The report of 21 January 2015 outlined the key characteristics of a Local Authority Trading Company and explained that such an organisation would be established under the 'Teckal exemption'. In summary 'Teckal' refers to a piece of European Union case law allowing Councils to transfer services into external entities over which the Council retains the power of decisive influence and then award council contracts to the "Teckal" entity, without having to follow competitive tendering rules and procedures. To qualify for "Teckal exemption", the Company has to carry out the essential part of the activities with Bury Council. The LATCo will only fall within the Teckal exemption where it meets both the "Control" and "Function Tests." This is achieved by the Council wholly owning the organisation, having this reflected in the governance structure, and at least 80% of the organisation's activity must be for the Council. Whilst the Council would have 100% ownership, the LATCo will have an Executive Board who would have a legal responsibility to act in the best interest of the organisation. Proposed arrangements are outlined in the section on Governance.

4.0 The Business Plan

4.1 Vision and Purpose

It is proposed that the vision for the organisation have a number of principles at its heart:

- Staying Well - taking a holistic approach to the person being supported to consider all areas of their life and where signposting or support outside of traditional social care areas may benefit health and wellbeing.
- Whole Family – seeing the person being supported in the context of their natural network i.e. family and carers, in order to identify solutions which meet needs most effectively.
- Enablement – maximising people's ability to be as independent as possible.

Document Pack Page 11

- Personalisation – being flexible and responsive to enable people to live the life they choose and to structure any support to allow this rather than people fitting in to what is on offer.
- Quality – maintaining a focus on quality services and our good reputation.
- Healthy Lifestyles – embedding healthy lifestyles into the ethos and culture of the services we provide and the staff we employ. Maximising the opportunity that we have to influence people to make healthy lifestyle choices such as physical activity, eating well and mental stimulation which are key to early intervention and prevention.

It is proposed that the new organisation would bring something unique to the market place as a provider with a public service ethos focused on quality and added value, whilst also being a good and ethical employer of choice.

4.2 **Added Value**

In addition to the services currently provided the vision for the organisation is to provide added value to the Council. The vision is proposed to achieve this by reducing dependency, working with people to have healthier lifestyles which keep them well for longer, providing additional services such as carer support and extra day care opportunities. In addition, the organisation would propose to provide support to a wider group than currently, enabling personal budget recipients and people who self fund to access support who are not eligible under Fair Access to Care Services (FACS) criteria. This enables work to be undertaken at the early intervention and prevention stage which should impact by reducing the number of people who become dependent on social care and health services over time.

4.3 **Growth/ New Business**

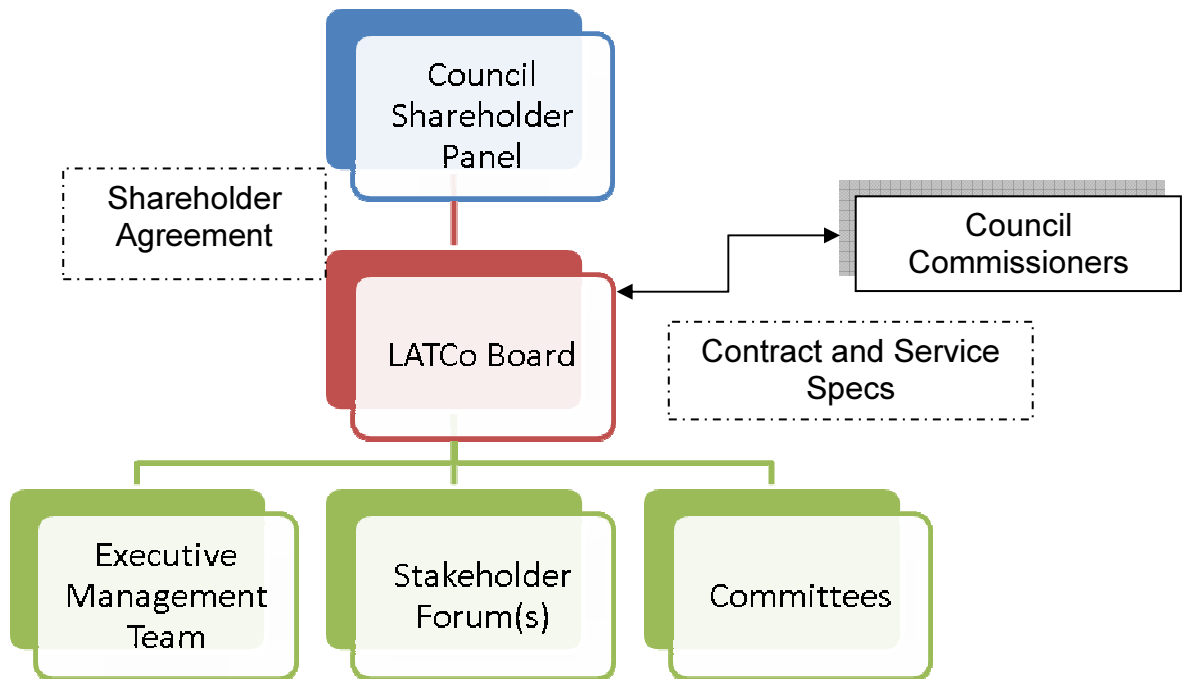
The LATCo will be able to trade in the open market and charge for certain services that currently in-house provider services cannot do. This ability will allow the LATCo to market and sell its services to customers including personal budget direct payment holders (which at present the law prevents local authorities to do so) and self funders. The LATCo will also be able to sell services to other commissioners, such as the NHS or other local authorities.

Beyond the substantive contract with the Council it is proposed that the organisation should seek to secure new income. Assumptions for new business within the financial plan are modest on the basis that personal budget holders and self funders will be the main source of new income and each of these are individually commissioned. Growth could be based on existing services or through the development of new services designed to tackle gaps within the market. There is no assumption of growth in income from the Council as the commissioner at this stage. There is also no assumption that in the initial years significant contracts could be competed for with other commissioners as the organisation would not have the commercial track record required to compete within the market in the early years of its existence.

4.4 **Governance**

Shareholder governance is essential in order to ensure that the Council, who is the 100% shareholder, is strategically in control of the LATCo and thereby meets the requirements of the TECKAL exemption (i.e. the need for the Council to exert control and influence over the company). However, this needs to be balanced with the need to enable the LATCo to develop as an organisation and a business. The following proposed governance model has been designed with

the intention of making a clear distinction between the role of the Shareholder and that of the LATCo who is entrusted to deliver services on their behalf.



The Shareholder will hold the LATCo accountable through the Council Shareholder Panel. This panel is proposed to be made up of the Cabinet Member for Health and Wellbeing, three Elected Members, the Director for Adult Social Services (DASS) (currently the Executive Director Communities and Wellbeing), and the S151 officer (currently the Assistant Director Resources and Regulation, Finance). The role of the panel will be to act on behalf of the shareholder to scrutinise the LATCo in respect of performance against the business plan and financial plan. The Shareholder Panel will have certain retained decisions, for example appointments to the LATCo Board.

The LATCo Board will be responsible for the strategic direction of the LATCo and will report back to the Shareholder Panel in respect of performance. This Board is proposed to comprise Executive Directors of the company; Managing Director, Finance Director and Operations Director. There will also be two Non-Executive Directors. The Non-Executive Directors will be appointed based on their commercial expertise and ability to complement the skills, experience and knowledge of other Board members and fill any expertise gaps. One of the Non-Executive Directors will be an Elected Member of the Council. The final Board position is that of staff representative. This position will ensure that the workforce have a key role in the operation of the organisation, recognising that this is a people business. The Board will be co-ordinated by an Independent Chairperson.

The LATCo Board will put in place whatever committees, management teams and stakeholder forums it deems necessary to effectively manage its business. It is expected that these include those necessary to establishing and maintaining effective relationships with trade unions.

A Shareholder Agreement is proposed to be in place between the Shareholder and the LATCo. This will contain details of retained and delegated decision making powers.

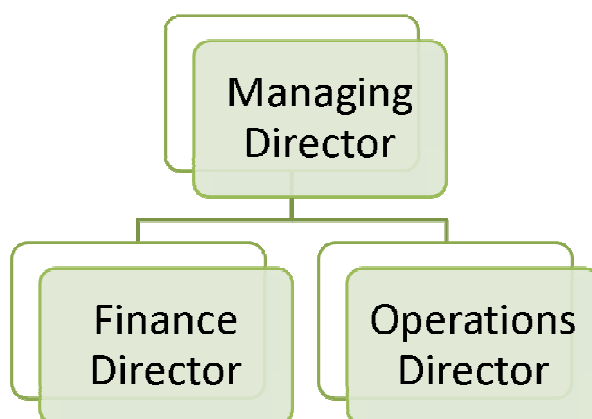
Document Pack Page 13

The LATCo will also have relationships with the Council beyond the Shareholder as detailed below:

- Commissioners – The LATCo will be commissioned by the Council for the services it provides to it. This relationship will be governed by contracts for services and under pinned by service specifications. The initial contract is proposed to be 5 years with a review at the 3 year point (3 years plus 2 years).
- Support Services – The LATCo will be buying back certain support services such as IT. This buy back relationship where the LATCo is the recipient of a service provided by the Council, will be governed by service level agreements.
- Traded Services – The LATCo will be buying back certain traded services such as transport, security, and grounds maintenance. This buy back relationship where the LATCo is the recipient of a service provided by the Council, will be governed by service level agreements.
- Tenant – The LATCo will be the tenant on 9 Council owned properties. This relationship will be governed by separate leases.

4.5 Structure

The Executive Management structure for the LATCo is proposed to be as follows:



Where appropriate the Executive Management structure is proposed to be populated with staff who transfer under TUPE. There are some posts where this will not be possible and these are accounted for within the financial plan as investment costs. These will be recruited to during the transition phase.

4.6 Support Services

It is proposed that the LATCo should have its own Human Resources and Finance sections. The reason for this is that these areas are so critical to the effective operation of the business that they need to align fully with the organisation's function and purpose and be part of its culture. They also need to evolve to be suitable for a commercial business. For example, accounting practice in a commercial organisation is different to that of local government. The Business Plan recognises this gap in the skill set by investing in the creation of the Finance Director post.

Operational HR and Finance arrangements need to be examined further and the next phase of work will determine what resource, financial and/or workforce, should transfer to the LATCo. Where this involves the transfer of staff the TUPE regulations and formal consultation will be applied. An overriding principle is that the arrangement should be neutral from a budget perspective to both the Council and the LATCo.

In respect of other support and traded services for which there is a recharge, the next phase of work will determine whether these are required in the future and the most appropriate means of facilitating this. Options include transfer of financial resource and/or workforce, or 'buy-back' from the Council under a specific service level agreement. Once again, the principle should be that the arrangement is neutral from a budget perspective to both the Council and the LATCo.

4.7 **Commissioning/Contracting**

It is proposed that the initial contract for services between the Council Commissioner and the LATCo be for 5 years with a review point at 3 years to consider extension to the full term (3 years plus 2 years). The contract would be managed and overseen by the Council's contracts teams within Communities and Wellbeing, including contract compliance and quality assurance. The contract will be underpinned by detailed service specifications for the services delivered.

It is proposed that the LATCo work towards a unique partnership with the Council where it can act as Provider of Choice but also Provider of Last Resort. This will enable the Council as commissioner to retain a greater level of resilience in managing the social care market.

4.8 **Workforce**

It is proposed that the workforce of the LATCo will be established in the first instance through the transfer of staff from the Council. The transfer arrangements will fall within the scope of the TUPE Regulations. The Council remains liable for any loss arising from acts or omissions prior the transfer with the LATCo taking responsibility for salary and pension arrangements for staff post-transfer.

The staff who are 'within scope' of the transfer are those that are involved in the management and delivery of services described at 1.1 above. In addition, there may be small numbers of staff in support services who would also be identified as 'in scope' during the transition planning stage.

The application of the TUPE regulations will mean that whilst the employer will change from Bury Council to the LATCo, all other terms and conditions of employment will be unchanged at the point of transfer. The TUPE regulations effectively protect the terms and conditions of transferring staff unless, and until, the new employer consults with staff appropriately to bring about changes. It should be noted that the financial plan is based on the assumption that terms and conditions for staff that transfer under TUPE **will not** be altered.

Prior to the transfer of staff taking place, a phase of formal consultation will take place to inform and consult Trade Unions, and transferring staff, about any 'measures' that the LATCo may propose to take in relation to the transferring workforce post-transfer. This usually takes place for a period of 28 days.

It is proposed that the organisation operate on the basis that any employees that the LATCo recruits to employment will be on different terms and conditions to the staff that transferred under TUPE. Trade Unions have raised concern that this effectively creates a two tier workforce. However, this will be necessary to

Document Pack Page 15

enable the financial outcomes required in the Business Plan. The LATCo would still strive to be an employer of choice and would therefore propose to pay at or above Living Wage and to provide a pension which is comparable within the market.

The Best Value Authorities Staff Transfers (Pensions) Direction 2007 applies to situations where services are contracted out and staff transferred from one employer to another under TUPE regulations. The Direction sets out that the employee has the right to acquire pension rights that are the same as, broadly comparable to, or better than those that he or she had as an employee of the Local Authority. The LATCo will therefore apply for Admitted Body Status within the Local Government Pensions Scheme meaning that existing members can continue their membership of the scheme. It is proposed to put in place a pooled arrangement with the Council and for the scheme to be closed to new entrants to the LATCo.

The LATCo will be responsible for the development and training of its employees but will be able to access training via the Council's training partnership which supports social care providers within Bury.

4.9 **Property**

The LATCo will require the use of the Council's existing day care and short stay premises and these comprise:

Pinfold Day Centre, Pinfold Lane, Whitefield
Grundy Day Care Centre, Wellington Road, Bury
Elmhurst, Whalley Road, Whitefield
Spurr House, Pole Lane, Unsworth
Sunnybank Community Centre, Sunnybank Road, Unsworth
Elton Community Centre
The Green, Clarence Park, Bury
Core Base, Hoyles Park, Bury
Core Base, Bolton Road Park, Radcliffe
Wheatfields Day Centre, Victoria Avenue, Whitefield (to be decommissioned 2015/16)

In addition, Council owned premises are currently being considered for a further site in Prestwich/Whitefield.

A company office base is proposed to be created within Grundy Day Care Centre and this will ensure that monies are not lost to the LATCo/Council through paying rent to the private sector, or public sector partners.

It is proposed that the general principle to be followed in granting leases of the various buildings is that each transaction will be budget neutral to both the Council and the LATCo. In this manner, while market rents will be charged by the Council, the service management fee charged by the LATCo will, in turn, include a sum to cover the rent. Similarly, the LATCo will take on the responsibility for repairing and maintaining the various buildings and to pay Business Rates, but will also have the existing budgets to cover these costs.

The premises will be leased to the LATCo for a period of time commensurate with the service contract, i.e. five years. Both the LATCo and the Council will have the ability to unilaterally terminate all of the leases at the end of Year 3, subject to the service of six months' prior notice. The LATCo will solely have

Document Pack Page 16

the ability to bring any of the leases to an end at any time during the five year period, subject to the service of nine months notice.

4.10 Financial Plan

The services concerned within this report are targeted with reducing the existing cost by £1.2m in 2015-16. The existing direct cost of the services is [£11.3m]. Whilst the service have initiated and proposed a number of cost reduction initiatives to work towards this target, it is clear that these alone will not be sufficient to meet the £1.2m target, either in the short or long term. The introduction of the LATCo model provides the opportunity to deliver further cost efficiencies, and new business growth, which will allow the target to be met in the medium term. This is shown in the diagram below:

Bury LA	2015-6	2016-17	2017-18	2018-19	2019-20	2020-21
	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar	Apr - Mar
Annual Budget Profile	Yr 1	Yr2	Yr3	Yr4	Yr5	Yr6
	£'000	£'000	£'000	£'000	£'000	£'000
Income	10,100	10,302	10,508	10,718	10,933	11,151
Costs	-11,300	-11,502	-11,708	-11,918	-12,133	-12,351
Cost reductions	430	1,100	1,550	1,800	2,000	2,100
Cost investments	-200	-400	-450	-500	-500	-500
New Business - existing services	0	25	50	100	250	350
New Business - LA Commissioned	0	0	0	0	0	0
Result	-970	-475	-50	200	550	750
Cumulative position	6 years		5			

The summarised position shows that the budget saving of £1.2million will be achieved in 2015/16. In addition, by Year 7 the LATCo is projected to deliver a net overachievement of £750,000 pa (i.e. a net saving of £1.95m pa from the current position).

In order to achieve this, a working capital of £1.5 million is required on an 'invest to save' basis. It is proposed that this be facilitated from reserves and the financial plan indicates that this would be fully repaid by the end of 2020/21 (6 years). Such an approach is in line with how other LATCo projects elsewhere in the country have been undertaken and the investment return is good with a relatively short period for return on investment. Essentially supporting the LATCo in the early years will allow the Council to benefit in the medium to long term as the organisation becomes stable and profitable. It also provides a potential tested model for other services which may benefit from development in a similar way. It is proposed that the detail of this arrangement be formalised in an agreement which will form part of the governance arrangements between the Shareholder and LATCo Board.

Document Pack Page 17

It should be noted that this is considered to be a 'base case' projection. In particular there is no future new business income included from additional work that potentially could be commissioned from within the Council, which could be transferring services currently provided by other external providers, or delivering new services commissioned by the Local Authority. These areas have proven to have been key sources of new business in other local authority LATCo models.

5.0 Stakeholder Engagement

- 5.1 During the earlier phases of work staff and customer engagement has been a key feature and has involved regular drop in sessions and road shows to brief stakeholders and gain feedback.
- 5.2 Unison has been engaged in the progress of the work and attends the Project Board.
- 5.3 In the next phase of transition planning it is proposed to develop a full stakeholder engagement plan which will allow a range of stakeholders including staff, customers and carers to influence decisions about the detail of the creation of the LATCo. These would be intended to provide the foundations and basis for the establishment of effective stakeholder forums for the new organisation.

6.0 Equality and Diversity

- 6.1 The equality analysis identifies that in respect of customers, people with disabilities, older people and carers are groups which would be affected by changes within these services. In addition, for older people's short stay female customers are significantly higher than males. Customers should experience no change to their service as a direct result of creating a LATCo. In the longer term any impact should be positive as a result of creating a more sustainable solution for service delivery which is specifically aimed at supporting people in these groups and is available to a wider number of people than currently. The proposal to create stakeholder forums for customers and carers would be positive in terms of the opportunity for an increased level of involvement and influence that these groups would have in the operation of the organisation.
- 6.2 The equality analysis in respect of staff identified that the workforce in this areas has a significantly higher number of females than males. Figures are similar to that of the Council as a whole. Overall alternative delivery may be unsettling for staff but it avoids large scale redundancy and should be a more sustainable option in terms of retention of employment. It may pose some risk in respect of Equal Pay as the new organisation would be deemed an 'associated employer'. This should be born in mind in the future workforce planning and strategy of the organisation. The proposal to create stakeholder forums for staff and to have a staff representative on the LATCo Board would be positive in terms of the opportunity for an increased level of involvement and influence in the operation of the organisation.

7.0 Risk

- 7.1 A Local Authority Trading Company model is not without risk. A risk register has been completed as part of the business plan and provides a detailed account of the potential risks to the Council, to the LATCo, and also the risk

Document Pack Page 18

attached to maintaining the status quo. The risk register will be regularly reviewed and updated during the transition phase of work. Once the Shareholder Panel is in place the risk register will be owned and managed by this group whilst the LATCo will own and manage its own operational risk register.

8.0 Project Plan and Milestones

8.1 The overall project milestone has been amended as follows:

Phase 4: 9 April 2015 – 30 September 2015

- Project management and transitional arrangements for implementation
- Shadow operation
- Regular communication with stakeholders and progress reports

Phase 5: 1 October 2015

- Go-Live
- Post launch review

8.2 Transition and implementation is a significant undertaking and a detailed project plan has been developed to identify the work required to bring the LATCo to reality. Work will need to be undertaken on behalf of the Council, on behalf of the LATCo and jointly. It is proposed to continue to engage consultants to support this phase of work, providing project management oversight, specialist advice and bringing their expertise of similar projects to facilitate a smooth process. The established Project Board will play a key role in undertaking the work involved in the transition and implementation phases.

9.0 Conclusion

9.1 The work undertaken in Phase 3 of this project has produced a detailed business plan for a Local Authority Trading Company for the delivery of the services concerned.

9.2 Whilst establishing a Local Authority Trading Company is by no means risk free, and requires some investment in the early years, the business plan demonstrates that this investment pays dividends in the medium to long term and enables the services to seek out a more sustainable future through the pursuit of new business and a stronger commercial focus.

9.2 If the business plan is accepted and agreement given to proceed to establish the new organisation the project will move into the transition planning phase before going live later in 2015.

10.0 Recommendations

10.1 To establish a Local Authority Trading Company in line with the principles contained in this report and the detail contained within the Business Plan.

10.2 Delegated authority for the detailed implementation plans based on the principles outlined within this report to rest with the Chief Executive and DASS in consultation with the Chief Financial Officer (S151), Monitoring Officer and Cabinet Member for Health and Wellbeing. Once the Shareholder Panel is in operation some of these decisions may be addressed by this group.

List of Background Papers:-

- Equality Analysis
- Cabinet Report 1 October 2014
- Cabinet Report 21 January 2015
- Business Plan (exempt pursuant to Paragraph 3 Schedule 12A Local Government Act 1972 (as amended), namely, information relating to the financial or business affairs of the Council)

Contact Details:-

Kat Sowden, Head of Workforce Modernisation
Department for Communities and Wellbeing
0161 253 5406
k.e.sowden@bury.gov.uk

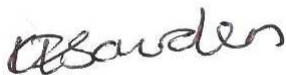

This page is intentionally left blank



Equality Analysis Form

The following questions will document the effect of your service or proposed policy, procedure, working practice, strategy or decision (hereafter referred to as 'policy') on equality, and demonstrate that you have paid due regard to the Public Sector Equality Duty.

1. RESPONSIBILITY

Department	Communities and Wellbeing	
Service	Workforce Modernisation	
Proposed policy	Future Service Options for Social Care Provider Services – LATCO Business plan and establishment of organisation – final sign off	
Date	25 March 2015	
Officer responsible for the 'policy' and for completing the equality analysis	Name	Kat Sowden
	Post Title	Head of Workforce Modernisation
	Contact Number	0161 253 5406
	Signature	
	Date	25 March 2015
Equality officer consulted	Name	Mary Wood
	Post Title	Principal Officer - Equalities
	Contact Number	0161 253 6795
	Signature	 19/2015
	Date	26 March 2015

2. AIMS

What is the purpose of the policy/service and what is it intended to achieve?	<p>The services concerned provide social care support to vulnerable adults within Bury and comprise Supported Accommodation, Learning Disability, Physical Disability and Older People Day Services, Short Stay and Shared Lives operating from a variety of bases around the borough. The purpose is to ensure that people are supported to maximise their life opportunities and independence and to maintain health and wellbeing.</p> <p>These services are used in the main by people with physical and/or learning disabilities and older people.</p> <p>The services in question have already experienced significant cuts, and more will be required in 2015/16 and beyond. Benchmarking has highlighted that the costs of the service are high compared to other providers.</p>
--	--

	<p>Maintaining the current service design is not financially sustainable going forward, and the service will be unlikely to adapt to meet the current and future demands of customers within the existing structures.</p> <p>A range of different delivery options have been considered, balancing financial return with staff, customer impact and the extent to which the Council can continue to influence and control provision / standard of services going forward.</p> <p>Following Cabinet approval to undertake an option appraisal, work has taken place to get the views of staff and stakeholders, and evaluate options in a number of key areas, e.g. Finance, Property, Procurement.</p> <p>This work was concluded and recommended that the alternative delivery model option was the preferred option. This was approved by Cabinet in October 2014.</p> <p>Significant additional work and further consultation has taken place to determine the form this should take and it was agreed by Cabinet on 21 January 2015 that the operating model should be a Local Authority Trading Company.</p> <p>Since this decision a full business plan has been developed for approval by Cabinet on 8 April 2015, recommending proceeding to establish a Local Authority Trading Company</p> <p>This equality analysis relates to the recommendation to approve the business plan, confirming the assumptions and financial modelling used to develop it and to proceed to establish a Local Authority Trading Company, This is required to inform the Cabinet decision making by demonstrating the equality characteristics of customers and staff and the impact the development of a Local Authority Traded Company may have on equality.</p> <p>In order to inform the equality analysis staff and customer profiles have been considered and engagement with staff and customers was undertaken during July / August / November 2014 and January/February/March 2015.</p> <p>In addition 29 customer/carer/staff drop-ins have taken place to answer questions and queries during October and November 2014. These raised no further issues than those previously identified once any concerns about continuity of care had been allayed.</p> <p>This equality analysis deals solely with the impact in respect of provider services, however it is recognised that the development of a Local Authority Trading Company</p>
--	---

	may have an impact on support services in the department and Council but it is not possible to identify this at this stage. This will become apparent during the transition and shadow phase and will be dealt with more fully in a later analysis.
Who are the main stakeholders?	Customers of provider services Families Carers Staff Dept of Communities & Wellbeing Councillors Unison Support Services

3. ESTABLISHING RELEVANCE TO EQUALITY

3a. Using the drop down lists below, please advise whether the policy/service has either a positive or negative effect on any groups of people with protected equality characteristics.

If you answer yes to any question, please also explain why and how that group of people will be affected.

Protected equality characteristic	Positive effect (Yes/No)	Negative effect (Yes/No)	Explanation
Race	No	No	
Disability	Yes	Yes	<p>The majority of customers supported in these service areas have a learning and/or physical disability or sensory impairment. The governance for the proposed LATCO provides the opportunity for more involvement in the operation of the organisation by customers through the stakeholder forums which would have a positive impact. Also the new service may be able to offer new and more flexible services to customers and would be working towards being delivered at a more affordable price. In addition, the services would be more sustainable offering better security to customers in the future. Under this option customers would benefit from the familiarity and continuity of staff they know and trust.</p> <p>The business plan has identified an area of possible growth as providing services to a wider group than currently, enabling direct payment recipients, people who self fund and who are not eligible under Fair Access to Care Services (FACS) criteria to access support. This would contribute to the wellbeing and independence of people at an early stage which may reduce/delay their dependence on health and social care services in the future.</p> <p>Setting up a LATCO may be concerning to some people as it is something which they are not familiar with and therefore seems uncertain and risky. The majority of customers and their carers have expressed their satisfaction with the current service they receive and are therefore likely to find this detrimental. However, ongoing feedback from customers and carers indicates that they are comfortable with the information being provided to them and the proposed vision for the new organisation.</p>

Gender	Yes	Yes	<p><i>This impact relates to staff rather than customers. Within this area the majority of the workforce is female. Proportions range from 70% to 88% females within all teams. This is similar to the Council as a whole. This option would maintain employment for staff as they would transfer to the new model and is anticipated to be more sustainable in the future. The governance proposed for the LATCO provides the opportunity for staff to be represented on the Board of the organisation as well as more general engagement via stakeholder forums. This allows greater direct involvement in the operation of the organisation and development of new and flexible services which is positive.</i></p> <p><i>However development of a LATCO is perceived by some staff as detrimental, despite the fact that TUPE would technically protect their terms and conditions of employment. This would affect more females than males due to the demographic makeup of the workforce. In addition, there could be an increased equal pay risk as the new organisation would be perceived as an 'associated employer'.</i></p>
Gender reassignment	No	No	
Age	Yes	yes	<p>Within the Older People's short stay, residential and day care the majority of customers are elderly. The governance for the proposed LATCO provides the opportunity for more involvement in the operation of the organisation by customers through the stakeholder forums which would have a positive impact. Also the new service may be able to offer new and more flexible services to customers and would be working towards being delivered at a more affordable price. In addition, the services would be more sustainable offering better security to customers in the future. Under this option customers would benefit from the familiarity and continuity of staff they know and trust.</p> <p>The business plan has identified an area of possible growth as providing services to a wider group than currently, enabling direct payment recipients and people who self fund and who are not eligible under Fair Access to Care Services (FACS) criteria to access support. This would contribute to the wellbeing and independence of people at an early stage which may reduce/delay their dependence on health and social care services in the future.</p> <p>Setting up a LATCO may be concerning to some people as it is something which they are not familiar with and therefore seems uncertain and risky. The majority of customers and their carers have expressed their satisfaction with the current service they receive and are therefore likely to find this detrimental.</p>

Sexual orientation	No	No	
Religion or belief	No	No	
Caring responsibilities	Yes	Yes	<p>Although the customer group concerned do not generally have caring responsibilities, many of them are supported by family and carers. Therefore people with caring responsibilities could be impacted as the purpose of many of these services is to provide respite and carer break which enables the carer to continue to provide support and to live their own life e.g. working etc. The governance for the proposed LATCO provides the opportunity for more involvement in the operation of the organisation by customers through the stakeholder forums which would have a positive impact. Also the new service may be able to offer new and more flexible services to customers and would be working towards being delivered at a more affordable price. In addition, the services would be more sustainable offering better security to customers in the future.</p> <p>The business plan has identified an area of possible growth as providing services to a wider group than currently, enabling direct payment recipients and people who self fund and who are not eligible under Fair Access to Care Services (FACS) criteria to access support. This would contribute to the wellbeing and independence of people at an early stage which may reduce/delay their dependence on health and social care services in the future and have a knock-on positive impact on their carers.</p> <p>Setting up a LATCO may be concerning to some people as it is something which they are not familiar with and therefore seems uncertain and risky. The majority of customers and their carers have expressed their satisfaction with the current service they receive and are therefore likely to find this detrimental.</p>
Pregnancy or maternity	No	No	
Marriage or civil partnership	No	No	

3b. Using the drop down lists below, please advise whether or not our policy/service has relevance to the Public Sector Equality Duty.

If you answer yes to any question, please explain why.

General Public Sector Equality Duties	Relevance (Yes/No)	Reason for the relevance
Need to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010	No	
Need to advance equality of opportunity between people who share a protected characteristic and those who do not (eg. by removing or minimising disadvantages or meeting needs)	Yes	<p>People with protected characteristics are supported to maximise their life opportunities and independence and maintain their health and wellbeing. The proposed vision for the LATCO focuses on maximising opportunities for people with disabilities, older people and carers, developing new and more flexible services and encouraging improved wellbeing and increased independence.</p> <p>The business plan has identified a possible growth area as offering services to a wider group of people who are not currently eligible to access support from provider services thus contributing to the early intervention and prevention agenda and potentially reducing their reliance on health and social care services in the future.</p>
Need to foster good relations between people who share a protected characteristic and those who do not (eg. by tackling prejudice or promoting understanding)	No	

If you answered 'YES' to any of the questions in 3a and 3b

Go straight to Question 4

If you answered 'NO' to all of the questions in 3a and 3b

Go to Question 3c and do not answer questions 4-6

3c. If you have answered 'No' to all the questions in 3a and 3b please explain why you feel that your policy/service has no relevance to equality.

--

4. EQUALITY INFORMATION AND ENGAGEMENT

4a. For a service plan, please list what equality information you currently have available, **OR** for a new/changed policy or practice please list what equality information you considered and engagement you have carried out in relation to it.

Please provide a link if the information is published on the web and advise when it was last updated?

(NB. Equality information can be both qualitative and quantitative. It includes knowledge of service users, satisfaction rates, compliments and complaints, the results of surveys or other engagement activities and should be broken down by equality characteristics where relevant.)

Details of the equality information or engagement	Internet link if published	Date last updated
Customer demographics		2013
Feedback from staff and customers – briefing packs and sessions conducted during July/August 2014		August 2014
Staff demographics		August 2014
Options Appraisal		
Case Studies of Alternative Delivery Models		
Feedback from road shows for staff and customers		November 2014
LATCo Business plan		March 2015

4b. Are there any information gaps, and if so how do you plan to tackle them?

Further data will be gathered during the transition phase of work in order to formalise agreements and understand the exact detail of the transfer into the new organisation in respect of staff and customers.

5. CONCLUSIONS OF THE EQUALITY ANALYSIS

<p>What will the likely overall effect of your policy/service plan be on equality?</p>	<p>Positive – people with protected characteristics who use the services would have a more secure future in terms of the service they receive continuing and developing. People who use services will have the opportunity to be more engaged in how the organisation operates and develops services through the stakeholder forums. A possible growth area has been identified as people with protected characteristics who currently are not eligible to access provider services but would benefit from proactive support to reduce their longer term reliance on health and social care services and maintain/improve their health, wellbeing and independence.</p>
<p>If you identified any negative effects (see questions 3a) or discrimination what measures have you put in place to remove or mitigate them?</p>	<p>Much of the negative impact is centred around unfamiliarity with the LATCo model and the uncertainty and risks the change will involve. Mitigation of negative effects will be considered as part of the stakeholder engagement plan in the transition phase and will need to include good communication with and reassurance to customers.</p>
<p>Have you identified any further ways that you can advance equality of opportunity and/or foster good relations? If so, please give details.</p>	<p>The organisation could develop partnerships with other groups that support people with protected characteristics to maximise mutually beneficial arrangements.</p>
<p>What steps do you intend to take now in respect of the implementation of your policy/service plan?</p>	<p>A report will be considered by Cabinet 8 April 2015 and will seek final sign off to establish the LATCo in accordance with the detailed business plan.</p> <p>If this is approved then the organisation will move into shadow form and a transition period before formally going live 1 October 2015.</p>

6. MONITORING AND REVIEW

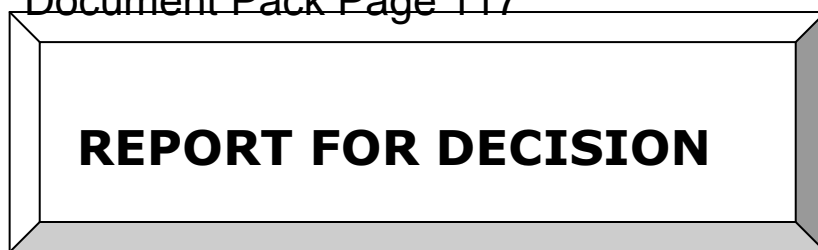
If you intend to proceed with your policy/service plan, please detail what monitoring arrangements (if appropriate) you will put in place to monitor the ongoing effects. Please also state when the policy/service plan will be reviewed.

The Future Service Options Strategic Delivery Team will oversee the establishment of the LATCo during the transition and shadow phase to ensure the go live date of 1st October 2015 is achieved. A governance framework is proposed within the business plan consisting of a Council Shareholder Panel holding the LATCo accountable via the LATCo Board.

COPIES OF THIS EQUALITY ANALYSIS FORM SHOULD BE ATTACHED TO ANY REPORTS/SERVICE PLANS AND ALSO SENT TO THE EQUALITY INBOX (equality@bury.gov.uk) FOR PUBLICATION.

Document is Restricted

This page is intentionally left blank



DECISION OF:	CABINET
DATE:	8 APRIL 2015
SUBJECT:	BURY INVESTING IN GROWTH - LOCAL BUSINESS RATES DISCRETIONARY SCHEME FOR NEW BUILDS
REPORT FROM:	LEADER OF THE COUNCIL & CABINET MEMBER FOR FINANCE
CONTACT OFFICER:	MIKE OWEN, INTERIM CHIEF EXECUTIVE
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	This report is for publication
SUMMARY:	This report outlines the proposed business rates incentive scheme for new build commercial properties which will be operated in Bury.
OPTIONS & RECOMMENDED OPTION	Cabinet is asked to approve the scheme.
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes No
Statement by the S151 Officer: Financial Implications and Risk Considerations:	<p>There will be no cost / loss of income to the Authority as the scheme will apply to sites which are not currently included in the business rates base.</p> <p>Indeed, the proposals should attract investment and see the business rates base and future income grow for the Council; mitigating future funding pressures.</p>

Statement by Executive Director of Resources & Regulation	It is essential that the Council seeks to promote the growth of business within the Borough and the proposed scheme provides a clear additional incentive for businesses to invest in the Borough.
Equality/Diversity implications:	The Council will have to comply with its` equality duties. The proposed scheme is subject to a full equality assessment.
Considered by Monitoring Officer:	Yes Comments
Wards Affected:	All
Scrutiny Interest:	Overview & Scrutiny

TRACKING/PROCESS

DIRECTOR: Mike Owen

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
	Yes		
Scrutiny Committee	Cabinet/Committee	Council	
	8 April 2015		

1.0 BACKGROUND

- 1.1 Section 47 of the Local Government Finance Act 1988 allows discretionary relief in certain prescribed situations. This provision was extended by Section 69 of the Localism Act in 2011 which broadened the scope of Section 47 and allows councils to grant locally determined business rate discounts outside the normal prescribed schemes.
- 1.2 The Council recognises that the economic growth of the borough and its contribution to the Greater Manchester economy is one of its key priorities. Our Team Bury Economic Development Strategy sets out a series of strategic themes designed to maximise our contribution to the economic success of Greater Manchester and, in turn how Bury can benefit from that economic growth. Specifically this proposed scheme will address the Economic Development Strategy’s themes of:
- Promoting new business formation, survival and growth
 - Developing the retail, leisure and office sectors to unlock the economic potential of the borough’s town and district centres and key employment sites

Document Pack Page 119

- 1.3 The proposed local scheme gives businesses a period of partial exemption from payment of business rates. The scheme will apply to newly built non-domestic properties shown in the Rating List where no property existed previously or where the previously existing property (whether domestic or non-domestic) has been demolished. This includes where businesses are re-locating within the borough. The Discretionary Local Discount will apply to the 15 relevant areas identified on the UDP which are considered to be employment regenerating sites.
- 1.4 The aim of the scheme will be to encourage new job creation and job safeguarding through investment in new commercial buildings within the Borough. It will also encourage growth and the development of the business rates base.

2.0 MAIN ELEMENTS OF THE SCHEME

- 2.1 Relief will be considered from 1st April (or from the date on which the property is or from the date on which the property is brought into the Rating List if later than 1st April) in the year in which the application is received. If an application is made part way through the year, need to confirm the relief would run for 12 months from the date of application: not for the remainder of the financial year.
- 2.2 The relief will apply to occupied and unoccupied new builds and will be considered after all other reliefs and exemptions have been applied.
- 2.3 Relief will be given on a sliding scale over 4 years:
 - 80% relief in Year 1
 - 60% relief in Year 2
 - 40% relief in Year 3
 - 20% relief in Year 4

3.0 OPERATION OF THE SCHEME

- 3.1 There will need to be a formal application for relief made by the owner or occupier of the building.
- 3.2 The scheme will be administered by the Business Rates Team within Customer Support and Collections.
- 3.3 An appeals process will be established in case of any dispute regarding entitlement to the relief. Initially an appeal will be made to and considered by the Collections Manager. If it remains unresolved, this will be further considered by a cross service panel including the Head of Property Services, head of Customer Support and Collections and Assistant Director of Communities. Although the criteria for an award is deliberately specific, each application will be looked at on its own merits at all stages of consideration to ensure the policy intention of the relief is maintained.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There will be no direct loss to the Authority as the scheme will apply to properties which haven't been included in the business rates base.
- 4.2 There will be no cost / loss of income to the Authority as the scheme will apply to sites which are not currently included in the business rates base.
- 4.3 Indeed, the proposals should attract investment and see the business rates base and future income grow for the Council; mitigating future funding pressures.
- 4.4 Medium Term forecasts suggest that Bury will be exclusively reliant upon locally generated income (Business Rates & Council Tax) by 2020 if Revenue Support Grant continues to be cut at the current rate.
- 4.5 The recent budget announcement regarding GM Authorities retaining 100% of new commercial entries into the List may have a bearing but at this stage there is no specific information on how this announcement will operate in practice.

5.0 CONCLUSION

- 5.1 This scheme presents a very real opportunity to incentivise businesses to choose Bury as their place to invest and grow. The scheme directly supports a number of important themes within Team Bury's Economic Development Strategy and will contribute to the Council's stated objective of creating a strong local economy.

List of Background Papers:-

Contact Details:-

Mike Owen, Interim Chief Executive; Tel 0161 253 5102; E-mail m.a.owen@bury.gov.uk

Claire Jenkins, Head of Customer Support and Collections; Tel 0161 253 7050; E-mail claire.jenkins@bury.gov.uk



REPORT FOR DECISION



DECISION OF:	CABINET
DATE:	8TH APRIL 2015
SUBJECT:	BURY SUPPORT FUND
REPORT FROM:	CABINET MEMBER FOR RESOURCES & REGULATION
CONTACT OFFICER:	Claire Jenkins, Head of Customer Support & Collections
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS :	This report is for publication
SUMMARY:	The report outlines the future of the localised Social Fund which now operates as the Bury Support Fund in the light of the withdrawal of Government funding and it makes proposals for the shape of the scheme for the coming 3 years.
OPTIONS & RECOMMENDED OPTION	Cabinet is asked to approve the proposed revisions to the Fund
IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes No

Statement by the S151 Officer: Financial Implications and Risk Considerations:	Government Funding for the Local Welfare Provision ceased with effect from 1 st April 2015; a loss of over £0.5 million. This report outlines how the scheme can be continued locally using the balance of existing funds, and an ongoing provision as agreed at Budget Council.
Statement by Executive Director of Resources & Regulation	
Equality/Diversity implications:	The Council will have to comply with its` equality duties. The proposed scheme is subject to a full equality assessment.
Considered by Monitoring Officer:	Yes The Council has a general power of competence to continue the scheme; and as the fund is a discretionary scheme it will be administered fairly, impartially and according to the general principles relevant to the exercise of discretion.
Wards Affected:	All
Scrutiny Interest:	Overview and Scrutiny

TRACKING/PROCESS

DIRECTOR: Mike Owen

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Yes	Yes		
Scrutiny Committee	Cabinet/Committee	Council	
	8/4/15		

1. BACKGROUND

- 1.1. The original Social Fund was established in 1986 and was administered on a national basis via the Department for Work and Pensions (DWP). It provided interest free loans, grants and payments through both a regulated scheme and a cash limited discretionary scheme. The discretionary scheme was designed

Document Pack Page 123

to help people on low incomes manage large items of expenditure and cope with emergencies through a combination of loans and grants.

- 1.2. Central Government announced in 2010, as part of the wider welfare reforms, that the Social Fund would be reviewed and as a result the Welfare Reform Act abolished the discretionary element of Social Fund and replaced it with a form of discretionary local provision to be administered by local authorities. Local authorities were free to design an appropriate scheme individual to their local needs and in Bury we developed the Bury Support Fund.
- 1.3. At the same time, the Government announced that the level of funding that would be transferred to local authorities would represent a 50% cut in the anticipated costs of this element of the Social Fund.
- 1.4. However to compound this, it also became apparent that DWP were unable to say how much they spent in individual local authority areas leading to great uncertainty around the level of resources that the localised schemes would require.
- 1.5. The Government continued to review the funding of local support schemes and as a result it announced last year that it would cut completely the funding it provides, leaving local authorities to bear all potential costs with effect from April 2015. Following representations from authorities, including Bury, there was an 11th hour amendment to the finance Settlement that put back a small proportion of funding to assist with pressures around Local Welfare Provision and Health & Social Care. This was reflected in the amendment approved at Budget Council.
- 1.6. This report looks at options for continuing to help people who rely on the Bury Support Fund despite the Government's funding cut.

2. THE LOCAL SCHEME

- 2.1 The Bury Support Fund was developed by the Council's Customer Support and Collections Service to provide local welfare support. This was done on a grant basis as a loan scheme would have been very difficult to administer: DWP had an advantage in this respect in that repayments were deducted directly from on-going benefit, an option not available to local authorities. The scheme was implemented in April 2013 and has been successfully administered for the financial years 2013-14 and 2014-15.
- 2.2 The original key aim was to design and develop a local scheme that would be easily accessible to all those who have a genuine need for short term help. However the Council was very clear from the outset that the scheme should not only address the short-term need of the customer; it should help promote both financial and social inclusion by addressing long term needs and long term challenges with referral being made to appropriate services where additional or alternative support was needed.

Document Pack Page 124

- 2.3 In each case, consideration is given to the nature, extent and urgency of the need in every case that is considered. The scheme seeks to utilise alternative avenues of funding where practical and possible in order to help protect the remaining funds for customers in need.
- 2.4 The scheme was developed to address two specific needs:
1. Certain specified groups who require basic household items as part of a new tenancy or improving conditions to stay in the household/community following significant lifetime events:
 - Leaving residential care
 - Leaving institutional care
 - Remaining in the community rather than going to residential or institutional care
 - Housing someone fleeing domestic violence
 - Housing a homeless person who is currently sleeping rough, in a hostel or a tenant in a Bury Council defined temporary accommodation
 - Housing someone from prison
 2. Helping with elements of immediate crisis linked to a serious risk to someone's health and safety.
- 2.5 The scheme is administered with the key aims of helping customers change behaviour by providing financial advice and debt counselling. This will help address long term problems of repeat applications to the fund and help customers address their financial issues in a substantive way.
- 2.6 As part of providing a holistic approach and aiming to assist customers to deal with their debt issues, the Council has funded a Citizen Advice Bureau caseworker to work within the team. This has proved very successful and funding this post will continue through to the end of 2015-16 when we will review the position.

The service provided by CAB includes the following:

- Drop-ins (Gateway gathering information)
 - Booked appointments (queries will/can be dealt with in more detail)
 - Completing DHP's
 - Benefit Checks (via CAB system – accurate and up-to-date)
 - Assisting with Housing Benefit Appeals
 - Negotiating debts with Council Tax, NNDR, HB overpayments etc
 - Dealing with Bailiffs
 - Queries relating to Tax Credits, Sanctions, Work Capability Assessments
 - Assist with Mandatory Reconsiderations
 - Budgeting /Financial statements
 - PIP – form filling (occasional)
- 2.7 Support has also been provided to Porchbox and the scheme has allowed the Council to take the lead in looking at food parcel provision working in partnership with the Community Food Group.

Document Pack Page 125

- 2.8 One particular trend of application which has emerged in administering the fund is that of customers who have made applications to the Fund who have been sanctioned by DWP. Often, such customers have received support from CAB in appealing their sanction as well as a short term grant from the support Fund, if appropriate and a food parcel, again if appropriate. This number has increased over the 2 years the scheme has been in operation.

3. FINANCIAL POSITION

- 3.1 From the implementation of the scheme, it was evident that funding by DWP would only be guaranteed for 2 years up to April 2015 and the Government announced that funding for local schemes would cease wef 1 April 2015.
- 3.2 As a result, the Council planned its budget provision in such a way that it would safeguard resources to allow the scheme to continue despite the Government's funding cut. Taken together with the late allocation provided in the Settlement this means that we anticipate to be able to make available funding of £295,000 pa for the coming three years.
- 3.3 However this is considerably less than the funding that was received during the first two years of the scheme's operation.

4. CHANGES TO THE EXISTING SCHEME

- 4.1 It is clear that, due to the cut in funding the scheme cannot carry on as before and so various options were considered in terms of restricting the scope of the scheme.
- 4.2 As a matter of principle, it is strongly recommended that the current approach of providing support for both crisis and re-settlement continue as this will provide support for the most vulnerable in the community without removing the existing safety nets.
- 4.3 However, it is evident that the scheme will have to be further restricted. Various options were considered and following detailed analysis it is recommended that:
- Payments to those fleeing domestic violence will be safeguarded due to sensitivities and the vulnerability of persons affected.
 - To remove awards from asylum seekers who are granted refugee status.
 - To remove awards from `sofa surfers`
 - To restrict items provided further: see Appendix B which outlines future provision.
- 4.5 Experience of administering the scheme has highlighted a small, but concerning number of cases where expert intervention may be required. Development of a corporate debt policy has helped customers who have several debts owed to Bury Council and Six Town Housing. To extend this further, it is proposed that a sum of £10,000 be set aside to provide intensive support to customers in terms of specialist debt advice, back to work initiatives and development of lifeskills in order to improve their financial position with the aim of helping them become economically active. We are currently sourcing appropriate

Document Pack Page 126

specialist advice and the outcomes of any such signposted referrals will be monitored to ensure positive and financially beneficial outcomes.

5.0 CONCLUSIONS

- 5.1 The scheme has been drafted to those customers most in need and administration includes signposting to alternative providers for those customers who fall outside the scope of the scheme.
- 5.2 Bury's approach will incorporate addressing the need to provide financial advice to customers in order to maximise their incomes and provide a better solution to debt/financial problems and thereby reduce reliance on such short-term awards.
- 5.3 It includes a very real partnership approach: the first 2 years have firmly embedded a partnership approach with CAB and Porchbox and the Council will continue to source agencies who can offer very real and life-changing solutions to customers in need.
- 5.4 The Council will continue to monitor awards and outcomes of such awards closely.

**COUNCILLOR SANDRA WALMSLEY
CABINET MEMBER FOR RESOURCES & REGULATION**

Contact Details:-

Mike Owen, Interim Chief Executive; Tel 0161 253 5102; E-mail m.a.owen@bury.gov.uk

Claire Jenkins, Head of Customer Support and Collections; Tel 0161 253 7050; E-mail claire.jenkins@bury.gov.uk

REPORT FOR DECISION



MEETING:	CABINET
DATE:	8 APRIL 2015
SUBJECT:	GM DEVOLUTION MEMORANDUM OF UNDERSTANDING
REPORT FROM:	LEADER OF THE COUNCIL & CABINET MEMBER FOR FINANCE
CONTACT OFFICER:	M Owen – Interim Chief Executive
TYPE OF DECISION:	KEY
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	This report provides information on the Memorandum of Understanding (MOU) developed between GM Local Authorities, GM Clinical Commissioning Groups (CCGs) and NHS England which creates a framework for the delegation and ultimate devolution of health and social care responsibilities to Greater Manchester. It also sets out the actions required by this Council to meet the requirement of the MoU.
OPTIONS & RECOMMENDED OPTION:	<p>Cabinet is asked to;</p> <ol style="list-style-type: none"> I. Note the report considered and agreed at the joint GM Combined Authority and AGMA Executive Board meeting on 27th February 2015 attached at Appendix A. II. Agree and endorse the MoU signed by representatives of AGMA, GM CCGs and NHS England and recognise that it is an important and significant step in the development of a new collaborative partnership for health and social care in Greater Manchester. III. Authorise the Interim Chief Executive to bring a report to the Cabinet in June 2015 setting out how the Authority will meet the locality requirements of the MoU.

IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with Policy Framework? Yes.
Statement by Section 151 Officer:	<p>Devolution of Health and Social Care will entail a budget in the region of £6 billion being managed by the 10 Local Authorities of AGMA.</p> <p>This MOU represents the first stage in establishing the Governance Framework.</p> <p>Further reports will be brought to Cabinet as financial details are established.</p>
Statement by Executive Director of Resources & Regulation:	There are no further, direct resource implications at this stage.
Health & Safety Implications:	The report does not present any Health & Safety issues.
Equality/Diversity implications:	All equality / diversity implications will be considered as operational arrangements for devolution are developed.
Considered by Monitoring Officer:	<p>Yes</p> <p>The report sets out details of a MOU developed between GM local authorities, Clinical Commissioning Groups and NHS England.</p>
Are there any legal implications?	The MOU sets out broad principals and a proposed governance structure. It does not make any changes to the statutory accountabilities, duties or financial flows of the Council or the CCG
Wards Affected:	All
Scrutiny Interest:	Overview & Scrutiny Committee

Chief Executive/ Senior Leadership Team	Cabinet Member/Chair	Ward Members	Partners
23/3/15	Leader of the Council		
Scrutiny Committee	Cabinet	Committee	Council
	8/4/2015		

1.0 INTRODUCTION

- 1.1 As set out in the attached report to AGMA/GMCA the integration of health and social care within and across Greater Manchester has been a major priority of GM’s growth and reform strategies for some time.
- 1.2 It is also recognised that the Council’s strategic vision and future budget strategy will place reliance upon the integration of health and social care and integrated commissioning at a local level. This will ensure that services are effectively targeted, thereby reducing dependency and supporting residents to be economically active.

2.0 MEMORANDUM OF UNDERSTANDING (MoU)

- 2.1 The MOU agreed in February will support and enable the Authority, working with its partners, to make this a reality; particularly as it has the support of the CCG and NHS Trusts operating in the Borough.
- 2.2 The Local Authorities, CCGs and NHS England have agreed that the next step in the process is the development of a Road Map which will set out what is required from all parties to progress to full devolution of NHS England powers and funding to Greater Manchester by April 2016. The Road Map will also include the development of plans for all localities to work with their local CCGs to produce whole system local area plans by April 2016.
- 2.3 It should be noted that the MoU does not propose any changes in legal responsibilities or accountabilities of any Local Authority or CCG. It confirms that the NHS Constitution and Mandate will still apply and services will remain as part of the NHS or councils. However it also recognises that this will provide the opportunity for those services to be tailored to meet the needs of the residents of GM and each local district.

- 2.4 The report to AGMA/GMCA summarises the agreement with NHS England and the governance proposals. It includes the following objectives and principles:
- Improving the health and well being of all of the residents of Greater Manchester from early age to elderly, recognising that this will only be achieved with a focus on the prevention of ill health and the promotion of well being.
 - We want to move from having some of the worst health outcomes to having some of the best.
 - We aim to close the health inequalities gap within GM and between GM and the rest of the UK faster
 - GM will remain firmly within the NHS and social care system, uphold the standards set out in national guidance and continue to meet statutory duties including those of the NHS Constitution and Mandate and those that underpin the delivery of social care and public health services.
 - Decisions will be focused on the interests and outcomes of patients and people in GM and organisations will collaborate to prioritise those interests.
 - Decision making will be underpinned by transparency and the open sharing of information.
 - There will be a principle that 'all decisions about GM will be taken with GM'. This will start on 1st April 2015.

3.0 IMPLICATIONS FOR BURY

- 3.1 The implications of devolution need to be fully analysed and work needs to take place to ensure that local plans for Bury's Health & Local Authority sectors and those of the wider GM area are aligned.
- 3.2 Devolution presents an opportunity for the Council to radically transform the Borough's community based care system, supporting people to live longer, healthier lives.
- 3.3 Members are requested to endorse the MoU, which will bring devolution of health powers to GM partners and support and enable the Authority to progress with this work; and agree that a further report on implementation will be considered at Cabinet in June.

**COUNCILLOR MIKE CONNOLLY
LEADER OF THE COUNCIL**

For further information on the contents of this report, please contact:

Mike Owen, Interim Chief Executive
Tel: 0161 253 5102
e-mail: M.A.Owen@bury.gov.uk



JOINT GREATER MANCHESTER COMBINED AUTHORITY & AGMA EXECUTIVE BOARD MEETING

Date: 27th February 2015

Subject: GM Health and Social Care

Report of: Sir Howard Bernstein, Head of the Paid Service and Steven Pleasant
Lead Chief Executive for Health

PURPOSE OF REPORT

This report provides an analysis of a Memorandum of Understanding that has been developed between GM local authorities, GM CCGs and NHS England in consultation with other stakeholders including GM NHS Providers. The MoU creates a framework for the delegation and ultimate devolution of health and social care responsibilities to Greater Manchester as part of a new partnership between local authorities, CCGs, NHS England and other stakeholders.

A Road Map starting in April 2015 and leading to full devolution in April 2016 is part of the MoU.

RECOMMENDATIONS:

1. To welcome the MoU as representing an important and significant step in the development of a new collaborative partnership model for GM health and social care leading to the full devolution of responsibilities in April 2016.
2. To reinforce the commitment of the GMCA/AGMA to work constructively and in partnership with all NHS stakeholders so that together all organisations create the best possible platform for improving the outcomes for local people and the long term sustainability of the health and social care system.
3. To endorse the MoU and commend it to all ten AGMA local authorities and request that it is considered and endorsed by each authority by 30th March 2015
4. To authorise officers to bring back a report following consultation with NHS colleagues on an Implementation Plan.

CONTACT OFFICERS:

Sir Howard Bernstein,
h.bernstein@manchester.gov.uk

Liz Treacy
l.treacy@manchester.gov.uk

Steven Pleasant
Steven.pleasant@tameside.gov.uk

BACKGROUND PAPERS:

None

INTRODUCTION

1. The integration of health and social care within and across Greater Manchester has been a major priority for some time as it is a key component of GM's growth and reform strategies. This was reflected in the GM Devolution Agreement agreed with the Government in November 2014, which secured access to a range of functions to drive growth and reform, and in which GMCA, working with GM CCGs and other stakeholders, was invited to bring forward a business plan for the integration of health and social care across Greater Manchester.
2. Since that Agreement officers have been working with CCGs, Providers and other stakeholders to bring forward such a plan. Discussions have also taken place with NHS England whose support for such an approach would be crucial. In the light of these further discussions GM local authorities and the full range of NHS stakeholders have been invited to develop ambitious plans for a new partnership between Greater Manchester health and social care bodies and NHS England which would significantly widen the platform for collaboration from that identified in the Devolution Agreement; and crucially, bring into sharp focus and deliver the devolution of all current funding and decision making for health and social care within Greater Manchester.
3. NHS England's 5 Year Forward View, which was published last year, articulates why change is urgently required, what change might look like and how it can be achieved. Collaboration between different stakeholders within the NHS and with social care providers and funders is at the heart of this strategy. NHS England sees GM as a test bed for new approaches to delivering new models of integrated care which reflect the needs of the local population. Through a new partnership approach involving local and national stakeholders greater freedoms and flexibilities and new place-based organisational models can be explored and developed to make the best use of total resources and deliver better outcomes for people. Such an approach will address the fundamental challenges of how the GM health and social care system can become financially sustainable over time, and how health and well being can support and enhance GM's priority of reducing worklessness, supporting people back into employment and providing growth through innovation.

4. A Memorandum of Understanding has therefore been worked up by the GM local authorities and CCGs, with support from GM NHS providers, which responds to this invitation. It is intended to provide the essential broader framework within which NHS England working with a wide GM partnership of local authorities, CCGs and other stakeholders can prepare for the full devolution of relevant NHS funding to GM and for GM to become the trailblazer for the objectives set out in the NHS 5 Year Forward View.
5. The MoU has been in development for several weeks between all of the relevant GM bodies. It has the support of the NHS Providers (NHS Trusts) which is key to the successful delivery of devolution and integration. This report requests the endorsement of GMCA and AGMA to the MOU and requests GMCA and AGMA to recommend the endorsement of the MOU to all ten local authorities in order to progress the Road Map to full devolution which is described within the MoU and which is due to commence from the 1st April 2015. GM CCGs which have agreed the overall direction of the strategy will also be requested to take the MoU through their own decision making processes.
6. It should be noted that, as a MoU, the document sets out the broad principles that the parties have agreed, the objectives, a proposed governance structure and a timeline for implementation all of which are explained in more detail below. It does not make any changes to the statutory accountabilities or duties of local authorities or CCGs nor will the accountabilities or existing financial flows to CCGs or local authorities be affected.

THE CASE FOR CHANGE IN GREATER MANCHESTER

7. Health and social care services represent a significant proportion of the total public services costs incurred in GM and are central to GM's growth and reform agenda. It is estimated that under the "business as usual" model the GM health and social care economy faces a fiscal challenge of £1.1bn pa by 2017/18.
8. The ongoing challenge of securing financial sustainability is made all the more difficult by a number of factors;
 - Artificial barriers between primary care, secondary care, social care, self-care and social support;
 - Hospital services which are fragmented and expensive; and which tend to focus more on organisational priorities than those of the places they are intended to serve.
 - Mental Health services which fail to address community requirements, particularly in supporting people into work;
 - Primary Care Providers who are not empowered or incentivised to make intensive intervention at the earliest stages to prevent ill – health which is resulting in rising levels of health inequalities;
 - Inadequate focus on public health prevention;
 - A social care system that does not link with health providers to support people to independence;

- National Delivery Models which fail to prioritise local partnerships with academic institutions to drive innovation, improvement and large scale change.

The impact of these constraints is intensified by fragmented leadership structures which creates an inability to focus on place, and regulation that focuses on institutional outcomes not systems and communities.

9. GM is seen to have the leadership capacity to develop the partnership structures to create stronger collaboration across public services; the opportunity to place integration of health and social care services at the heart of a wider reform agenda for public services; to create the framework where new incentives and flexibilities can help address many of these challenges; and to harness the activities of academic and research institutions to support the transformation which is required.
10. Through the CA/AGMA and the CCGs working with other stakeholders it has been possible to develop shared priorities for some time; the need to improve the health and well being of the residents of GM from early age to elderly and to move from having some of the worst health outcomes to having some of the best; to close the health inequalities gap within GM and between GM and the UK faster; to contribute to growth and connect people to growth; to address the issue of financial sustainability; to enable effective integrated health and social care across GM; to ensure people are helped to take more control over their own health and care; to redress the balance of care to move it closer to home where possible; forge new partnerships on health based activities within Universities and Science; and strengthen the focus on prevention and public health.
11. It is GM's collective leadership capacity on public services and its active pursuit of clear and shared objectives which the MoU seeks to build upon to address the challenges facing the health and social care system within Greater Manchester.
12. This agreement will address those challenges by bringing both decision making and resources closer to GM residents with more direct local control over services which were previously commissioned nationally or regionally. It will ensure false boundaries between hospital care and neighbourhood care and support are removed to ensure residents receive better joined up care. It will also prioritise early help and support to ensure people are able to take more control over their health and prevent existing illnesses from getting worse. Residents should therefore see better health and social care outcomes and have an improved experience of services across GM.

SCOPE OF MEMORANDUM OF UNDERSTANDING (MoU)

13. A copy of the MoU is enclosed as Appendix 1. Its scope is comprehensive and involves the entire health and social care system in GM as follows;
 - Acute Care
 - Primary Care

- Community Services
- Mental Health Services
- Social Care
- Public Health and
- Health Education

It also encompasses the key enablers of change, including changes to;

- Governance and Regulation
- Resources and Finance
- Capital and Estates
- Workforce, and
- Information Sharing and Systems

14. The scope and nature of the Agreement embodied in the MoU is ground breaking and unprecedented, and provides the health and social sector in GM with the essential platform to optimise our potential and re-shape the way in which health and social care services are delivered to reflect the needs of, and outcomes for, our local populations.
15. The MoU does not change the position of NHS services in GM in relation to the NHS Constitution and Mandate, all of the services will remain firmly part of the National Health Service. The MoU does however set the groundwork for GM to exercise freedoms and flexibilities to provide innovative approaches focused on the needs of the residents of GM.

ROAD MAP TO FULL DEVOLUTION

16. A Road Map will be developed which sets out the key changes which need to be delivered by GM and its national partners to enable the devolution of responsibilities and resources from NHS England to GM in a phased manner. This process will be supported by robust governance arrangements and a clear delivery plan.
17. The Road Map is considered essential to the management of risk and to enable GM to take more control of its own future and responsibilities in a way that is safe for patients and citizens and to ensure that the duties of the NHS constitution and all national accountability arrangements can continue to be delivered.
18. The financial year 2015/16 is depicted as a transition year with actions being planned and agreed with all parties with the objective of achieving full devolution from April, 2016. The Road Map to full devolution includes stepped increases in responsibilities and powers, underpinned by a clear set of financial and performance milestones and trigger points, robust risk and benefit share arrangements and the alignment of formal GM governance arrangements. These governance arrangements will effect a partnership between local authorities, CCGs, other NHS stakeholders – which for the purpose of this report is labelled “GM”

The key milestones include the following;

- April, 2015 ; all decisions about GM will be taken with GM
- April, 2015 ; the process for the establishment of shadow governance arrangements agreed including the Strategic Partnership Board
- By October, 2015 ; initial elements of the Business Case to support the CSR agreed, including a specific investment fund proposal to further support primary and community care
- During 2015; production of the final agreed GM Health and Social Care Strategic Sustainability Plan and related transformation case.
- December 2015; in preparation for devolution, GM and NHS England will have approved details on the funds to be devolved and supported governance, and local authorities and CCGs will have formally agreed the integrated health and social care arrangements.
- April 2016; Full devolution of agreed budgets, with the preferred governance arrangements and underpinning GM and locality S75 arrangements in place.

Workstreams have already been identified to progress all of this work - the principles, initial areas of work and potential achievements will be agreed by the Project Board and published separately.

APPROACH TO GOVERNANCE

19. One of the most significant areas of work will relate to the development of clear, transparent and accountable governance arrangements that reflect the genuine partnership between local authorities and NHS bodies. These will be shaped by CCGs and the local authorities in accordance with existing accountability arrangements whilst recognising that over time different ways of working will be required to deliver the transformation ambitions of GM.
20. To guide this work a number of principles have been agreed. These include the acknowledgement that local authorities and CCGs will retain their statutory functions and that accountability for resources will remain as now for 2015/16 with the partnership between the organisations reflecting the contributions and competencies of all the parties. Importantly, these principles also underline the critical role of inclusivity – commissioners, providers, patients and the public having a role in shaping the future of GM health and social care together.
21. There are currently seen to be several components of new governance arrangements which will be developed over the coming months.
 - Greater Manchester Strategic Health and Social Care Partnership Board (the Strategic Partnership Board)

From April 2015 this Board will be formed to include local authorities and CCGs, Providers, NHS England and the regulatory bodies. It is proposed that this is the body that will include elected member representation from the local authorities. It will oversee the strategic development of the GM health economy, and will have specific responsibilities for the GM Health and Social Care Strategic Sustainability Plan and related investment funding proposals. The intention is that during 2015/16 work will be undertaken to explore with CCGs and Government whether the Board should become a statutory body

as part of the enactment of legislation to give effect to the Devolution Agreement.

- GM Joint Commissioning Board

From April, 2015 a Shadow Board will be created including local authorities, CCGs and NHS England to agree decisions on all GM spend which is currently directly held by NHS England (there cannot however be any change in legal responsibility for decision making or financial responsibility at the present time). NHS England have agreed that the Board will be engaged in all decisions affecting GM health and social care and that financial plans, budget proposals and current performance will be shared across the GM health and social care economy.

During 2015/6 the shadow board will move to a formal structure operating under agreed S75 arrangements; there will need to be agreement reached on details of financial accounting arrangements within the current NHS accountability framework for GM wide funds devolved from NHS England. The intention is to have all of these arrangements in place from April 2016 so that the formal GM Joint Commissioning Board is in place – one of the key triggers to full devolution.

- Locality Arrangements

During 2015/6 each locality (for each of the local authorities in GM) will build on their current integration work and agree a MoU between the local authority and local CCG (s) which fairly reflects the responsibilities of CCG's and local authorities and supports how the parties wish to see working arrangements operate in each locality. This is where appropriate local authority health and social care funding should be pooled; the opportunities for further alignment of CCG resource management arrangements will be explored, and where the details for integrating health and social care, public health / prevention etc will be developed.

There will be 10 plans and it will be important to ensure that all deliver a consistent approach to service delivery and spend across GM. One of the responsibilities of the Strategic Partnership Board will be to work with localities to ensure this is the case so that investment funds held at that level are deployed effectively.

The existing role of local authorities and their local CCGs to determine the priorities and relevant spend for their areas will remain unchanged.

- NHS Providers

During 2015/6 providers will establish an agreed form of arrangements to enable them to provide a collective and positive response to the requirements of the GM Commissioning Board building on previous joint working arrangements. They will contribute to the principle of co-design and act accordingly. They will also develop a formal agreement with the regulatory authorities so that this becomes operational as soon as possible within 2015/16.

The NHS providers have produced a letter confirming their support for the overall strategy and this is enclosed at Appendix 2.

- National Bodies

NHS England will facilitate links with the various national bodies and arrangements for the formal involvement of national bodies other than NHS England will proceed during 2015/6 to ensure these are operational by April, 2016.

SUPPORT ARRANGEMENTS

22. There will be a requirement to establish technical support requirements to enable these new arrangements to function effectively with value for money at the heart of the process.
23. A Programme Board will be established to oversee all the various workstreams. Progressing the workstreams at the pace required will also require considerable investment in capacity by all of the partners to the MoU and it is agreed that a more detailed programme and resourcing plan will be finalised by mid March. This will include the recruitment of a full time Chief Officer and a finance director.

CONCLUSIONS

24. Since the Devolution Agreement was endorsed considerable progress has been made in charting a new strategic direction for health and social care within GM. The MoU appended to this report builds on this and provides an unprecedented opportunity for a new partnership structure not only to take active control over the shape and direction of health and social care within Greater Manchester, but to make significant progress in underpinning the long term financial sustainability of the entire system. In so doing there is potential to oversee the transformation of services, close the inequalities gap within GM and between GM and the rest of the country.

Detailed recommendations appear at the front of this report.

Sir Howard Bernstein
Head of Paid Service.
Greater Manchester Combined Authority
h.bernstein@manchester.gov.uk

Steven Pleasant
Lead Chief Executive, Health.
Steven.pleasant@tameside.gov.uk



Greater Manchester Health and Social Care Devolution Memorandum of Understanding

1 Introduction

The overriding purpose of the initiative represented in this Memorandum of Understanding is to ensure the greatest and fastest possible improvement to the health and wellbeing of the 2.8 million citizens of Greater Manchester (GM). This requires a more integrated approach to the use of the existing health and care resources - around £6bn in 2015/16 - as well as transformational changes in the way in which services are delivered across Greater Manchester.

To facilitate this, the Memorandum of Understanding creates a framework for achieving the delegation and ultimate devolution of health and social care responsibilities to accountable, statutory organisations in Greater Manchester (GM)ⁱ. It sets out the process for collaborative working in shadow form from 1st April 2015 and identifies the areas for further detailed work during the remainder of the year leading to full devolution in April 2016ⁱⁱ. It signposts the medium and longer term outputs and impacts anticipated from this process.

All parties agree to act in good faith to support the objectives and principles of this MoU for the benefit of all Greater Manchester patients and citizens.

2 Parties

The Parties to the agreement are:

- All local authority members of the Association of Greater Manchester Authorities (AGMA) and all Greater Manchester Clinical Commissioning Groups (CCGs) (together known as GM)
- NHS England (NHSE)ⁱⁱⁱ

Letters of support from Greater Manchester NHS Trusts, Foundation Trusts and NW Ambulance Service are annexed to this MoU at Appendix 2.

3 The Memorandum of Understanding

The MoU sets out the ambition for full devolution of funding and decision making^{iv} for health and social care within GM.

It should be read in conjunction with the commitments of the Greater Manchester Combined Authority (GMCA) Devolution Agreement; it builds upon the invitation to GMCA and Greater Manchester CCGs and Trusts to develop a business plan for the integration of health and social care across Greater Manchester. This will include the development of a GM Business Case (known as the GM Strategic Sustainability Plan), a comprehensive strategic plan to underpin a sustainable health and social care system which will inform submissions to the forthcoming Comprehensive Spending Review.

This MoU focuses on the elements of devolution relating to NHSE, the CCGs and AGMA, and their relationship with the GM provider community. It constitutes a roadmap, with initial undertakings which can be agreed by each constituent party now and further anticipated steps which will require ratification in the light of experience and developments in the future.

NHSE will engage with GM, the Department of Health and other national bodies on further phases of the work including on research & development, workforce and estates^v. The outcome of all related discussions with other national bodies on potential areas for devolution and/or changes to their interaction with the GM community will, where relevant, be reflected in separate agreements.

The MoU, in establishing the framework, sets out:

- Context: **why** we are doing this
- Detail: **what** we want to deliver
- The principles we will follow and the processes by which we will implement the changes, with timescales: **how** we will deliver

4 Context and Objectives

The parties share the following objectives:

- To improve the health and wellbeing of all of the residents of Greater Manchester (GM) from early age to the elderly, recognising that this will only be achieved with a focus on prevention of ill health and the promotion of wellbeing. We want to move from having some of the worst health outcomes to having some of the best;
- To close the health inequalities gap within GM and between GM and the rest of the UK faster;
- To deliver effective integrated health and social care across GM;
- To continue to redress the balance of care to move it closer to home where possible;
- To strengthen the focus on wellbeing, including greater focus on prevention and public health;
- To contribute to growth and to connect people to growth, e.g. supporting employment and early years services; and
- To forge a partnership between the NHS, social care, universities and science and knowledge industries for the benefit of the population.

We recognise that integrating health and social care is vitally important for improving the efficiency of our public services and delivering improved health and wellbeing for our population. A digitally integrated health economy with strong partnerships with research institutions and industry can support GM's economic growth strategy. GM has many assets, strengths and capabilities that allow the economy, its residents, industry and commerce to develop and grow. This includes world class academic institutions which deliver health research and innovation as a contributor to growth.

The NHS Constitution sets out clearly what patients, the public and staff can expect from the NHS. GM wants to build upon the rights and pledges of the constitution and provide further opportunities for patients and the public to be involved in the future of their NHS.

The NHS Five Year Forward View articulates why change is urgently needed, what that change might look like and how it can be achieved. It describes various models of care which could be provided in the future, defining the actions required at local and national level to support delivery. Furthermore, it sets out the development of new organisational models. GM is committed to being an early implementer and a test bed for new, innovative approaches of delivering new models of integrated health and social care which reflect the needs of local populations.

GM now needs the freedoms and responsibilities to optimise its potential. This MoU builds on the Devolution Agreement which created the platform for greater freedoms and flexibilities through the invitation to GMCA and Greater Manchester Clinical Commissioning Groups and trusts to develop a strategic plan for the integration of health and social care across Greater Manchester, making best use of existing budgets to transform outcomes for local communities and including specific targets for reducing pressure on A&E and avoidable hospital admissions. This work will now form part of a much broader framework where NHSE are working with GM to prepare for the full devolution of relevant NHS funding to GM and for GM to be a trailblazer for the objectives set out in the Five Year Forward View.

5 Overarching Principles

The agreement is underpinned by the following principles which will support the objective of implementing a strategic sustainability plan for GM to assume full responsibility for NHS funding streams for Greater Manchester:

- GM will still remain part of the National Health Service and social care system, uphold the standards set out in national guidance and will continue to meet statutory requirements and duties, including those of the NHS Constitution and Mandate and those that underpin the delivery of social care and public health services^{vi};
- Decisions will be focussed on the interests and outcomes of patients and people in Greater Manchester, and organisations will collaborate to prioritise those interests;
- In creating new models of inclusive governance and decision-making, the intention is to enable GM commissioners, providers, patients, carers and partners to shape the future of GM together. There will be regular communication and engagement with patients, carers and the public during the different stages of devolution;
- Commissioning for health and social care will be undertaken at a GM level where the GM place-based approach is optimum for its residents, rather than at a regional or national level;
- A principle of *subsidiarity* will apply within GM, ensuring that decisions are made at the most appropriate level;

- Decision making will be underpinned by transparency and the open sharing of information;
- There will continue to be clear accountability arrangements for services and public expenditure;
- The delivery of shared outcomes will drive changes to organisational form where necessary;
- Any changes to accountabilities and responsibilities for commissioning health and care services will be carefully evaluated, agreed with the DH where necessary and phased to achieve the benefits of devolution at the maximum speed consistent with safe transition and strong governance. The risks associated with transition of health commissioning responsibilities to GM will be shared with NHSE;
- There will be a transfer of skills and resources to support the commissioning functions being transferred, and we will ensure that neither duplication of activity nor an increase in total cost arises from these changes;
- The principle of new burdens should also apply, such that where GM is expected to take on a new responsibility during this period, the funding to cover the associated costs will transfer, to the extent where there is such national funding available;
- We commit to the production, during 2015/16, of a comprehensive GM Strategic Sustainability Plan for health and social care. This aligned with the 5 Year Forward View will describe how a clinically and financially sustainable landscape of commissioning and provision could be achieved over the subsequent 5 years, subject to the resource expectations set out in the 5 Year Forward View^{vii}, appropriate transition funding being available and the full involvement and support of national and other partners.
- We will aim to address any funding inequalities for the benefit of all residents in GM;
- A radical approach will be taken to optimising the use of NHS and social care estates^{viii};
- GM will be able to access any new or additional health and/or social care funding streams that become available during the CSR period^{ix};
- There will be a principle that *“all decisions about Greater Manchester will be taken with Greater Manchester”^x*;
- GM will work collaboratively with local non-GM bodies and take into account the impact of GM decisions upon non-GM bodies and their communities.

6 Scope

The parties will work together during 2015/16 (the Build-Up Year) to agree the mechanisms and timescales to devolve powers and resources from NHS England and local authorities to GM to achieve the aims and achievements set out below.

The scope is comprehensive and will involve the whole health and care system:

- Acute care (including specialised services^{xi});
- Primary care^{xii} (including management of GP contracts);
- Community services;
- Mental health services;
- Social care;
- Public Health^{xiii};
- Health Education*
- Research and Development*

*subject to discussion with the relevant bodies

The key enablers of transformation will include changes to:

- Governance and regulation;
- Resources and Finance;
- Capital and Estate;
- Workforce;
- Communication and Engagement;
- Information sharing and systems, including the potential for digital integration across GM.

A road map will be developed which sets out the key changes to be delivered by GM and its national partners, and specifically for the devolution of responsibilities and resources from NHS England to GM in agreed phases of change. This will be supported by robust governance arrangements and a clear delivery plan.

By working together, NHS England and GM will be able to fully understand and manage risk together. GM will take more control of its own future and responsibilities, in a phased way that is safe for patients and ensures the duties in the NHS constitution and all national NHS accountabilities continue to be delivered.

7 Roadmap

A significant amount of work will be completed during 2015/16, which is recognised as a Build-Up Year. A clear roadmap and supporting delivery plan will be developed and agreed with all parties with the objective of achieving full devolution from April 2016. The roadmap from delegation to full devolution will include stepped increases in responsibilities and powers, underpinned by a clear set of financial and performance milestones and trigger points, robust risk and benefit share arrangements and aligned development of GM governance arrangements. It will specifically enable regular reviews of progress against the key milestones drawn from the agreed aims and achievements:

- April 2015- *“All decisions about Greater Manchester will be taken with Greater Manchester”*;
- April 2015- Process for establishment of shadow governance arrangements agreed and initiated;
- By October 2015 – Initial elements of the Business Case to support the CSR agreed, including a specific investment fund proposal to further support primary and community care;
- During 2015 – Production of the final agreed GM Strategic Sustainability Plan and related transformation funding case;
- December 2015 – In preparation for devolution, GM and NHSE will have approved the details on the funds to be devolved and supporting governance, and local authorities and CCGs will have formally agreed the integrated health and social care arrangements;
- April 2016 – Full devolution of agreed budgets, with the preferred governance arrangements and underpinning GM and locality S75 agreements in place.

A programme of work will be agreed by the parties and completed between now and October 2015. This will include consideration of the legislative framework and any changes required to implement GM NHS devolution and ensuring the work programme as a whole is fully aligned with the CSR process.

In addition to the work already being undertaken between parties, a number of additional high priority workstreams have been identified:

- Governance;
- Resource and Finance;
- Clinical and Financial Sustainability;
- Primary Care;
- Specialised Services;
- Capital and Estates;
- Research and Innovation.

Additional workstreams and cross-cutting themes will be identified and agreed between the parties over the coming weeks, and these are likely to include:

- Prevention and Wellbeing
- Integrated Care
- Information and Data Sharing;
- Workforce.

8 Governance and financial pathway

General

The governance arrangements will be based on the principle of *subsidiarity*, i.e. that decisions will be taken at the most appropriate level. The governance arrangements will be shaped by the CCGs and local authorities in accordance with existing accountability arrangements, whilst recognising that different ways of working will be required to deliver the transformational ambitions of GM. These arrangements will be underpinned by the following principles:

- GM NHS will remain within the NHS and subject to the NHS Constitution and Mandate;
- Clinical Commissioning Groups and local authorities will retain their statutory functions and their existing accountabilities for current funding flows;
- Clear agreements will be in place between CCGs and local authorities to underpin the governance arrangements;
- GM commissioners, providers, patients and public will shape the future of GM health and social care together;
- All decisions about GM health and social care to be taken within GM and by GM as soon as possible;

- Accountability for resources currently directly held by NHS England during 2015/16 will be as now, but with joint decision making with NHSE in relevant areas to reflect the principle of “all decisions about GM will be taken with GM”;
- There will be a new partnership reflecting the contributions and competencies of all parties.

The governance arrangements will be regularly reviewed to ensure the programme aims are delivered within the required timeline.

April 15 to April 16

Greater Manchester Strategic Health and Social Care Partnership Board (GMHSPB)

- In order to fulfil the ambition of Greater Manchester there is need to build upon the existing partnership arrangements and strengthen them both at local and GM level. A key step in facilitating the latter will be the development of a new body, the GMHSPB;
- **From April 2015** the GMHSPB will oversee the strategic development of the GM health and care economy, and will specifically steer the development of the GM Strategic Sustainability Plan and related investment funding proposals, which will be underpinned through local area plans. Commissioners and providers will be represented, plus NHS England and potentially other national bodies (e.g. Monitor/TDA);
- **During 2015/16** the process will be progressed through the GM devolution agreement for the formal establishment of the GMHSPB **by April 2016** with the same membership and function.
- A Chief Officer will be appointed to lead, manage and deliver the programme with appropriate staffing.

GM Joint Commissioning Board

- **From April 2015** there will be a Shadow Joint Commissioning Board (JCB) of GM local authorities, CCGs and NHSE. The shadow JCB will discuss and agree recommended decisions on all GM wide spend, but there will be no change in legal responsibility for decision making or financial accountability^{xiv};
- The shadow Joint Commissioning Board will be engaged in all decisions affecting GM health and social care;
- Financial plans, budget proposals and current performance will be shared across the GM health and social care economy;
- **During 2015/16** the Shadow JCB will move to formal JCB operating under agreed s75 arrangements, and agreement will be reached on the financially accountable body within the current NHS accountability framework. An approved form of governance and fundholding will be agreed;
- **From April 2016** a Joint Commissioning Board of local authorities, CCGs and NHSE will be in place.

Locality arrangements

- **During 2015/16** each locality will agree an MoU between the local authority and CCG(s) to support the locality working arrangements, which accurately and fairly reflects their respective responsibilities for health and social care in their areas
- Opportunities for further alignment of CCG resource management arrangements will be explored;
- Each locality will continue to build on existing arrangements (e.g. Better Care Fund) and agree a local area plan for integration of health, social care and public health/prevention to be implemented **from April 2016**. Local area plans will be the focus for joining up health and social care services and ensure a consistent approach to service delivery and spend across GM.

Providers

- **During 2015/16** providers will establish an agreed form of arrangements to enable them to provide a collective and positive response to the requirements of the shadow JCB, building on previous experience of successful joint working across the conurbation;
- They will support the proposals to include in the GM devolution arrangements a clear principle of co-design and act accordingly;
- They will develop with Monitor and TDA^{xv} a Memorandum of Agreement to underpin the operation of the provider element of the governance structure, to be formalised as soon as possible in 2015/16.

National Bodies

- Arrangements for formal involvement of national bodies other than NHSE in the development and ongoing delivery of the programme will be discussed and agreed with those bodies **during 2015**, with initial agreements on any changes to arrangements for 2015/16 being agreed **by April 2015**.

April 2016 Onwards

Our shared aim is to proceed to full devolution of relevant budgets and commissioning responsibilities as outlined below by 2016/17. This will include NHSE delegating or devolving all relevant funds to appropriate bodies in GM. These changes will require formal decision-making by relevant statutory bodies in the light of progress, learnings and developments in the Build-Up Year (2015/16).

Greater Manchester

- GMHSPB will set GM strategies and priorities. It will drive and facilitate the implementation of GM strategic priorities in the context of the NHS five year forward view and the GM Strategic Sustainability Plan^{xvi};

- It will provide system-wide management to ensure the strategic priorities are achieved;
- It will support locality health and social care plans to be strategically aligned and determine any allocations required of the available investment funds;
- GM Joint Commissioning Board will commission GM-wide services.

Local

- Local HWBs will agree strategies and priorities for delivery of integrated health and social care (including prevention) within their districts and in the context of the GM wide strategy and local priorities;
- GMHSPB will work with local areas to ensure strategic coherence and consistency across Greater Manchester;
- NHSE, CCGs and local authorities will pool relevant health and social care funds to a local Joint Commissioning Board, building from existing arrangements (e.g. Better Care Fund);
- Each local area will commission services in line with the relevant local area plan (e.g. Integrated Care).

Appendix 1 includes a draft Governance Overview.

Support Services

GM CCGs, working together with wider partner colleagues, will determine the scale, style and configuration of technical commissioning and business support services and ensure that they align with the wider three-level business strategies within GM to further support the devolution programme. In doing so, they will ensure that transition plans maximise value for money and that future arrangements fulfil the principle regarding transfer of skills and resources set out in section 5 above.

Delivery

A Programme Board will be created to oversee the development of the programme through the agreed workstreams and milestones.

9 NHS England Support to GM

NHSE will actively lead and facilitate the links to other national bodies/ALBs (e.g. DH, Monitor, TDA and HEE) to help all key bodies align to achieve the outcomes described in this MoU.

In this context, NHSE is committed to working with GM in pursuit of the following:

- GM to be responsible for designing and creating the provider structure and form to support its commissioning intentions in collaboration with the relevant regulators/ALBs^{xvii};
- GM to play a clearly defined leadership role in the oversight of its provider community^{xviii}, working in close partnership with Monitor, TDA and CQC;
- GM to be responsible for determining its skilled workforce, capacity, education and training needs^{xix}.

10 GM Commitments to NHS England

GM will:

- Continue to deliver the NHS Constitution and Mandate requirements and expectations;
- Commit to the production, during 2015/16, of a comprehensive GM Strategic Sustainability Plan for health and social care (as described above);
- Seek to play a leading role in designing and delivering innovative new models of care as set out in the Five Year Forward View. It will use the opportunities resulting from its GM-wide scale and integration to create ground-breaking innovation in areas of mutual GM/NHSE strategic focus to be agreed and to be an exemplar for the national whole system efficiency initiative;
- Ensure clear accountability, exemplary governance and excellent value for money in relation to the health funds delegated or devolved to it.

11 Delivery

11.1 Programme Governance

Section 8 outlines the proposed governance arrangements to support the Build-Up Year and subsequent years. However, it is recognised that additional programme governance will need to be put in place to support the key workstreams. A Health and Social Care Devolution Programme Board will provide overall strategic oversight and direction to the programme. It is anticipated that the Board will consist of:

- AGMA/CA Sir Howard Bernstein, Steven Pleasant, Liz Treacy
- CCGs: Dr Hamish Stedman, CCG Clinical Leader, Ian Williamson, Su Long
- Trusts Provider Representatives
- NHS England Simon Stevens, Paul Baumann, Graham Urwin
- Department of Health John Rouse

Further discussions will take place to finalise and confirm the membership. The Programme Board will provide strategic management at programme and workstream level. It will provide assurance to the parties that the key objectives are being met and that the programme is performing within the boundaries and principles set by this MoU. It will ensure that the transition from the current system architecture is managed effectively, ensuring that associated costs are minimised, risks are understood and managed and that appropriate governance and accountability is maintained.

The Programme Board will have responsibility for the creation and execution of the plan and deliverables, and therefore it can draw technical, commercial, legal and communications resources as appropriate into the Programme. The Chief Officer referred to in section 8 above will be accountable to the Programme Board. The first meeting of the Programme Board will agree the key workstreams of the programme.

11.2 Governance Principles for the Programme Board

- Provide strategic oversight and direction;
- Be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- Align decision-making authority with the criticality of the decisions required;
- Be aligned with Project scope and each Programme Phase, recognising that changes will be agreed over the life cycle;
- Leverage existing organisational, group and user interfaces;
- Provide coherent, timely and efficient decision-making in respect of the programme
- Reflect the key features of the wider programme governance arrangements set out in this MoU.

11.3 Support Structure

The Programme will need to be supported by full time resources in order to be delivered within the required time scales. This will include a full time Chief Officer, a full time Finance Director and such other staff as the parties agree.

11.4 Resources

It is anticipated that all parties will contribute to the resourcing of the programme in cash and/or in kind. Furthermore, it is recognised that the identified key workstreams will also require additional funding to support the transformation process. A programme and resourcing plan will be agreed with all parties by 13th March 2015.

12 Parties' commitments to patient engagement

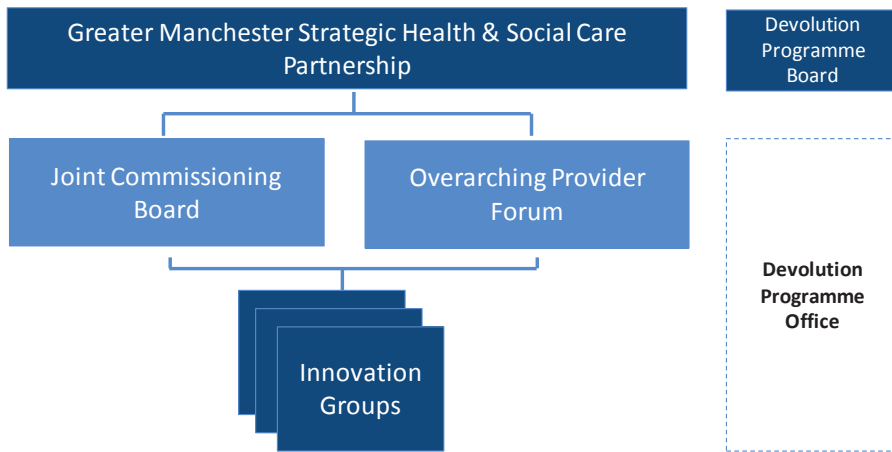
All parties acknowledge their various requirements to engage with patients, service users, carers and members of the public at relevant points and will cooperate to do so in a co-ordinated way.

13 Roles and Responsibilities

Following signature, GM partners will formally ratify this MoU through Boards and Councils and consult on its content with stakeholders as appropriate.

Appendix 1: Proposed Governance

The proposed governance structure below will exist in shadow form from April 2015, with the final structure being determined during the Build-Up year.



Proposed Membership:

Greater Manchester Strategic Health & Social Care Partnership	12 CCGs, 10 LAs, Providers, NHS England, Regulators, Healthwatch, GMCVO
Joint Commissioning Board	12 CCGs, LA, NHS England
Overarching Provider Forum	Acute, Community, Mental Health, Ambulance, Primary Care (LMCs) Social Care, Public Health,
Innovation Groups	Joint Commissioner and Provider – Task & Finish Groups to support identified workstreams
Devolution Programme Office	TBC

Note: role of third sector and private sector providers in the arrangements outlined above remains to be determined.

All parties welcome the principles set out in this MoU and recognises the benefits it will bring to the patients and citizens of Greater Manchester. The following explanatory notes are provided for further clarity.

Explanatory Notes:

ⁱ This will mean NHS England, CCGs and local authorities delegating relevant commissioning functions to joint commissioning boards, in line with the Government's policy of promoting joint commissioning between the NHS and local government. As stated elsewhere in this MoU, NHS England and CCGs, as statutory NHS organisations, would remain accountable for meeting the full range of their statutory duties.

ⁱⁱ This will require collaboration with national government, led by the Department of Health, to ensure that the proposed new arrangements continue to support the accountability of CCGs and NHS England for improving quality and health outcomes, delivering core operational standards, and ensuring the effective use of NHS resources. There will need to be agreement as to the precise scope and extent of the commissioning functions that can lawfully be delegated.

ⁱⁱⁱ The NHS Commissioning Board operates under the name of NHS England (NHSE) and will be referred to as such throughout the remainder of this document.

^{iv} All references to "devolution" of responsibilities or funding to GM would currently imply, in formal terms, the delegation of commissioning functions and associated financial resources to joint commissioning boards set up under section 75 of the 2006 Act.

^v This recognises, in particular, that some of the areas described in the MoU go beyond the statutory powers of NHS England and CCGs, and are often commissioned nationally.

^{vi} The proposed new commissioning arrangements will need to support CCGs and NHS England in continuing to meet the full range of their statutory responsibilities. There will need to be continued reporting against relevant national performance metrics to enable CCGs and NHS England to be held to account for core operational standards, progress in improving quality and outcomes and in other areas in a manner which is consistent and comparable to the rest of the NHS.

^{vii} Funding for the NHS beyond 2015/16 will be agreed at the next spending review.

^{viii} Options for more radical approaches in relation to NHS estates will need to be considered through engagement with relevant national partners.

^{ix} Access to any new NHS funding streams will clearly depend on the extent to which those funding streams are made available to the GM CCGs (or to NHS England) and their relevance to the delegated commissioning functions.

^x Where national policies apply, decisions about the implementation of those policies that are made about Greater Manchester will be made with Greater Manchester. As set out in the MoU national government will continue to set overall policy for health services, including setting the Mandate for NHS England. National policies, inspection regimes, guidance and regulations, and the standing rules for NHS commissioners will continue to apply to the whole NHS, including GM. Where there are decisions that cannot legally be delegated, these will continue to be taken by the relevant bodies.

^{xi} This refers to those specialised services that can be commissioned appropriately and effectively at a Greater Manchester level.

^{xii} Any delegation of primary care commissioning responsibilities will need to be consistent with the relevant enabling legislation. The main focus will be on primary medical care, i.e. general practice (GP) services.

^{xiii} This covers those public health services for which local authorities are responsible, subject to the statutory ringfence, together potentially (and subject to discussion with the Department of Health) with those public health services commissioned by NHS England on behalf of the DH.

^{xiv} Any changes to the underlying statutory accountabilities of NHS England and CCGs would need to be agreed with DH taking into account the advice of the National Audit Office. In the absence of such changes, then the intention is that the relevant joint commissioning boards will exercise functions on behalf of NHS England and CCGs.

^{xv} This remains subject to further discussion with Monitor, TDA and the Department of Health.

^{xvi} These strategic priorities will also need to reflect the Government's Mandate to NHS England and other relevant national policies.

^{xvii} The relevant provider Boards (or equivalent) will remain ultimately responsible for decisions on provider structure and form, but GM will work with existing providers – and with any potential new providers of health and care services – to help shape the provider response to local commissioning intentions.

^{xviii} This will ensure that the role of GM commissioners in shaping and stimulating the development of local provider arrangements complements the role of the relevant regulatory bodies.

^{xix} There will be further discussion with Health Education England about how best to take this forward.

Simon Stevens
Chief Executive
NHS England

25 February 2015

Dear Simon

Greater Manchester Devolution

We are writing as the Chief Executives of the Acute Trusts in Greater Manchester to confirm our support for the proposal to devolve greater decision-making authority and responsibility from central government to Greater Manchester.

It is important to recognise that a number of processes for working collaboratively across the GM footprint are already in place, and this includes the regular monthly meeting of the Greater Manchester Acute Chief Executives. The group is long established, having been in existence for more than ten years, and has its own chairmanship and secretariat functions. Over the years the GM Acute Chief Executives group has come to be recognised as the legitimate source of advice and opinion from the Acute providers in Greater Manchester, and in this respect the group has developed close working relationships with GM Commissioners and other key players in the GM health and social care system.

The GM Acute CEOs group has played a significant role in a number of important strategic programmes in the past, including in the areas of women's and children's service (the "Making it Better" project), service performance (eg facilitating agreement on cancer breach sharing) and specialist cancer services (functioning as a reference group for Manchester Cancer). The group also now plays an important role in the "Healthier Together" programme, which is overseeing the restructuring of acute and emergency care in Greater Manchester.

Much of the work of the GM Acute CEOs group has been undertaken through a period when the prevailing ethos did not encourage Acute providers to work collaboratively, or to cooperate to achieve strategic change and improved outcomes for service users across the wider conurbation. Our experience is that collaborative working is essential to how an integrated community like Greater Manchester can grow and develop, not least in respect of health and social care. Devolution offers the possibility to build on and formalise many of the vibrant working arrangements that have already been established, such that strategic change can be progressed more rapidly and more effectively.

The GM Acute CEOs' group recognises and supports the need to maintain the formal distinction between commissioners and service providers. We believe this is required to ensure clarity of purpose, not least for the Boards of provider organisations. We are also clear that the Memorandum of Understanding that is intended to underpin the health and social care aspects of GM devolution will be focused on the commissioner responsibilities, and needs to reflect the devolution of powers and resources from NHS England to GM CCGs and local authorities.

Having noted this, we strongly welcome the inclusion in the proposed GM health and social care governance arrangements of a formally established Provider Forum, and the centrality of a Co-design approach to the strategic transformation agenda. The Provider Forum will ensure that the voices of service providers can properly be heard on all relevant service

issues, not just in the context of major service change programmes. Emphasising a Co-design principle from the outset will ensure that whilst there is still an important role for competition between providers (as appropriate), there are clearer mechanisms for cooperation between providers and with commissioners, to achieve the best outcomes for the people of Greater Manchester.

The new arrangements will also require the development of a new set of relationships with the regulatory and inspection bodies within health and social care, including Monitor, the Trust Development Authority and the Care Quality Commission. It has been proposed that a Memorandum of Agreement should be developed to define the new relationship. The GM Acute CEO's group strongly welcomes this proposal and would want to play an important role in developing this agreement. The key objective of the agreement must be to create a GM sub-regional focus for the regulatory and inspection functions, whilst maintaining proper consistency. This will allow the regulators to gain a far clearer understanding of the strategic and transformational agenda in Greater Manchester, and to provide advice and support that facilitates rather than impedes change.

The health and social care system in Greater Manchester faces many challenges, but the conurbation is strong and robust, and has many effective, high quality provider organisations. There is considerable potential to make faster and more substantial progress with transformational change across the conurbation, and GM devolution can support this. The GM Acute CEOs' group supports the principle of GM devolution, and the approaches that are being developed to future governance arrangements. These approaches must be developed to facilitate an effective role for provider organisations, including working in an increasingly collaborative manner, in concert with commissioners, and with integrated input from sector regulators and inspectors.

In summary, the Greater Manchester Acute CEOs' group:

- supports the principle of Greater Manchester Devolution
- committed to collaborative working, which is increasingly delivering greater benefits and faster progress than competitive approaches
- believes there is considerable potential to build on previous experience of successful joint working across the conurbation
- strongly supports the proposals to include in the GM Devolution arrangements a clear principle of Co-design
- strongly supports the proposed creation of a Provider Forum to act as a conduit for provider engagement and participation
- strongly supports the approach to developing a new relationship with regulatory and inspection bodies, and would want to contribute to establishing a Memorandum of Agreement that would ensure a clear sub-regional focus for these functions
- strongly supports information sharing

We hope that this letter will be a constructive and useful contribution to the development of the Greater Manchester Devolution proposals.

Yours sincerely



Mrs Ann Barnes

Chief Executive, Stockport NHS FT



Dr Jackie Bene

Chief Executive, Bolton NHS FT



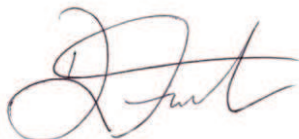
Sir Mike Deegan

**Chief Executive, Central Manchester
University Hospitals NHS FT**



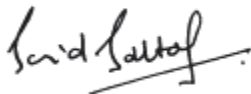
Mr Roger Spencer

Interim Chief Executive, The Christie NHS FT



Dr Gillian Fairfield

**Chief Executive, Pennine Acute Hospitals
NHS Trust**



Sir David Dalton

Chief Executive, Salford Royal NHS FT



Mrs Karen James

Chief Executive, Tameside Hospital NHS FT



Dr Attila Vegh

**Chief Executive, University Hospitals of South
Manchester NHS FT**



Mr Rob Forster

**Acting Chief Executive, Wrightington, Wigan
and Leigh NHS FT**

Cc David Bennett – Chief Executive, Monitor
David Flory – Chief Executive, Trust Development Agency
David Behan – Chief Executive, Care Quality Commission



OUR REF: BW/SS_GMDevo/correspondence
YOUR REF:
DIRECT TEL: 01204 498406

Headquarters
Ladybridge Hall
399 Chorley New Road
Heaton, Bolton
BL1 5DD

Tel: 01204 498400
Fax: 01204 498423

www.nwas.nhs.uk

26 February 2015

Mr Simon Stevens
Chief Executive
NHS England

Dear Mr Stevens

Re: Greater Manchester Devolution

Subsequent to the release of the letter from the Chief Executives of the Acute Trusts in Greater Manchester and discussion at our Trust Board yesterday, I wish to confirm NWAS support for the proposal to devolve greater decision-making authority and responsibility from central government to Greater Manchester.

We would echo many of the comments made in the GM Acute CEOs' letter, particularly in terms of recognising and supporting the need to maintain the formal distinction between commissioners and service providers. Although the Memorandum of Understanding is intended to underpin the health and social care aspects of GM devolution by focusing on the commissioner responsibilities, formally establishing a Provider Forum is vital for a consistent approach to the strategic transformation agenda. I believe that it is imperative that NWAS are also deemed to be included in this forum alongside the Acute providers.

This is particularly important as NWAS is a regionally commissioned service for the provision of 999 Emergency and Urgent Care across the whole of the North West and is not constrained within the Greater Manchester footprint, unlike the Acute providers and the other two blue-light services.

Yours sincerely

Mr Bob Williams
Chief Executive Officer

cc Ann Barnes, Chief Executive Stepping Hill Hospital. Acute Provider CEO Group Chair.
Warren Heppolette, Strategic Director – Health & social Care reform, Greater Manchester.

Simon Stevens
Chief Executive
NHS England

20 February 2015

Dear Simon

Greater Manchester Devolution

We are writing as the Chief Executives of the Mental Health and Community Trusts in Greater Manchester to confirm our support for the proposal to devolve greater decision-making authority and responsibility from central government to Greater Manchester.

It is important to recognise that a number of processes for working collaboratively across the GM footprint are already in place, and this includes the extensive involvement of provider organisations in strategic planning processes such as the “Healthier Together” programme, which is overseeing the development of integrated care and the restructuring of hospital services in Greater Manchester.

As providers of community and mental health services, we would make the following comments on the new and emerging arrangements;

- The national drive for parity of esteem for mental health will need to be embraced and even further advanced in the proposed devolution arrangements
- We welcome the proposal for an independently chaired provider forum to ensure an equity of voice in health and social care planning

There has been a considerable amount of positive joint working in the past, and this has often been undertaken when the prevailing ethos did not encourage providers to work collaboratively, or to cooperate to achieve strategic change and improved outcomes for service users across the wider conurbation. Our experience is that collaborative working is essential to how an integrated community like Greater Manchester can grow and develop, not least in respect of health and social care. Devolution offers the possibility to build on and formalise many of the vibrant working arrangements that have already been established, such that strategic change can be progressed more rapidly and more effectively.

The need to maintain the formal distinction between commissioners and service providers is still recognised and supported. We believe this is required to ensure clarity of purpose, not least for the Boards of provider organisations. We are also clear that the Memorandum of Understanding that is intended to underpin the health and social care aspects of GM devolution will be focused on the commissioner responsibilities, and needs to reflect the devolution of powers and resources from NHS England to GM CCGs and local authorities.

As noted, we strongly welcome the inclusion in the proposed GM health and social care governance arrangements of a formally established Provider Forum, and the centrality of a Co-design approach to the strategic transformation agenda. The Provider Forum will ensure that the voices of service providers can properly be heard on all relevant service issues, not just in the context of major service change programmes. Emphasising a Co-design principle from the outset will ensure that whilst there is still an important role for competition between providers (as appropriate), there are clearer mechanisms for cooperation between providers and with commissioners, to achieve the best outcomes for service users.

The new arrangements will also require the development of a new set of relationships with the regulatory and inspection bodies within health and social care, including Monitor, the

Trust Development Authority and the Care Quality Commission. It has been proposed that a Memorandum of Agreement should be developed to define the new relationship. We strongly welcome this proposal and would want to play an important role in developing the agreement. The key objective of the agreement must be to create a GM sub-regional focus for the regulatory and inspection functions, whilst maintaining proper consistency. This will allow the regulators to gain a far clearer understanding of the strategic and transformational agenda in Greater Manchester, and to provide advice and support that facilitates rather than impedes change.

The health and social care system in Greater Manchester faces many challenges, but the conurbation is strong and robust, and has many effective, high quality provider organisations. There is considerable potential to make faster and more substantial progress with transformational change across the conurbation, and GM devolution can support this. We support the principle of GM devolution, and the approaches that are being developed to future governance arrangements. These approaches must be developed to facilitate an effective role for provider organisations, including working in an increasingly collaborative manner, in concert with commissioners, and with integrated input from sector regulators and inspectors.

In summary, as the Chief Executives of the Mental Health and Community Trusts in Greater Manchester, we:

- support the principle of Greater Manchester Devolution
- recognise that collaborative working is increasingly delivering greater benefits and faster progress than competitive approaches
- believe there is considerable potential to build on previous experience of successful joint working across the conurbation
- strongly support the proposals to include in the GM Devolution arrangements a clear principle of Co-design
- strongly support the proposed creation of a Provider Forum to act as a conduit for provider engagement and participation
- strongly support the approach to developing a new relationship with regulatory and inspection bodies, and would want to contribute to establishing a Memorandum of Agreement that would ensure a clear sub-regional focus for these functions.

We hope that this letter will be a constructive and useful contribution to the development of the Greater Manchester Devolution proposals.

Yours sincerely



Mr Simon Barber

Chief Executive, Five Borough Partnership NHS Foundation Trust



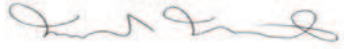
Dr Kathleen Fallon

Chief Executive, Bridgewater Community Healthcare NHS FT



Mrs Beverley Humphrey

Chief Executive, Greater Manchester West Mental Health NHS FT



Mr Michael McCourt

Chief Executive, Pennine Care NHS FT



Mrs Michele Moran

Chief Executive, Manchester Mental Health and Social Care NHS Trust

Cc David Bennett – Chief Executive, Monitor
David Flory – Chief Executive, Trust Development Agency
David Behan – Chief Executive, Care Quality Commission

This page is intentionally left blank

4.

**MINUTES OF THE JOINT MEETING OF THE
GREATER MANCHESTER COMBINED AUTHORITY AND THE
AGMA EXECUTIVE BOARD HELD ON 27 FEBRUARY 2015
AT THE AJ BELL STADIUM, SALFORD**

BOLTON COUNCIL	Councillor Cliff Morris
BURY COUNCIL	Councillor Mike Connolly
MANCHESTER CC	Councillor Richard Leese (in the Chair)
OLDHAM COUNCIL	Councillor Jim McMahon
ROCHDALE MBC	Councillor Richard Farnell
SALFORD CC	Ian Stewart
STOCKPORT MBC	Councillor Sue Derbyshire
TAMESIDE MBC	Councillor Kieran Quinn
TRAFFORD COUNCIL	Councillor Sean Anstee
WIGAN COUNCIL	Councillor David Molyneux

JOINT BOARDS AND OTHER MEMBERS IN ATTENDANCE

Police and Crime Commissioner	Tony Lloyd
TfGMC	Councillor Andrew Fender

OFFICERS IN ATTENDANCE

Howard Bernstein	GMCA Head of Paid Service
Liz Treacy	GMCA Monitoring Officer
Richard Paver	GMCA Treasurer
Margaret Asquith	Bolton Council
Mike Kelly	Bury Council
Carolyn Wilkins	Oldham Council
Steve Rumbelow	Rochdale MBC
Jim Taylor	Salford CC
Eamonn Boylan	Stockport MBC
Steven Pleasant	Tameside MBC
Theresa Grant	Trafford Council
Donna Hall	Wigan Council
Peter Fahy	Greater Manchester Police
Jayne Stephenson	Office of the Police and Crime Commissioner

Steve Warrener
Mike Emmerich
Simon Nokes
Mark Hughes
Andrew Lightfoot
Ian Williamson
GMIT
Julie Connor
Kerry Bond
Julie Gaskell

TfGM
New Economy
New Economy
Manchester Growth Company
GM Public Service Reform Team
GM Clinical Commissioning Group
Bill Enevoldson
) Greater Manchester
) Integrated Support Team
)

06/15 APOLOGIES

Councillor Peter Smith and Jon Lamonte, TfGM.

07/15 DECLARATIONS OF INTEREST

None received.

08/15 MINUTES OF THE JOINT GMCA AND AGMA EXECUTVE BOARD MEETING – 30 JANUARY 2015

RESOLVED/-

To approve the minutes of the Joint GMCA and AGMA Executive Board meeting held on 30 January 2015 as a correct record.

09/15 FORWARD PLAN OF STRATEGIC DECISIONS

RESOLVED/-

To note the Forward Plan.

10/15 GM HEALTH SCRUTINY AND GREATER MANCHESTER HEALTH & WELL BEING BOARD – CHANGE IN SALFORD CITY COUNCIL NOMINATIONS

RESOLVED/-

1. To note the appointment of Councillor Margaret Morris, replacing Councillor Val Burgoyne on the GM Health Scrutiny Panel, with immediate effect.
2. To approve the appointment of Councillor Lisa Stone, replacing Councillor Margaret Morris, to the Greater Manchester Health and Well Being Board, with immediate effect.

11/15 GREATER MANCHESTER DEVOLUTION: HEALTH

Members received a report from Sir Howard Bernstein, Head of the Paid Service and Steven Pleasant Lead Chief Executive for Health providing an analysis of a Memorandum of Understanding that has been developed between GM local authorities, GM CCGs and NHS England in consultation with other stakeholders including GM NHS Providers. The MoU creates a framework for the delegation and ultimate devolution of health and social care responsibilities to Greater Manchester as part of a new partnership between GM local authorities, CCGs, NHS England and other stakeholders.

The Chair gave thanks to all involved with the enormous amount of work undertaken to secure the MoU agreement. He stressed that the agreement represented a genuine partnership with the GM Health Sector.

Decisions will now need to be taken by each of the ten GM local authorities and the Clinical Commissioning Groups. Members noted that a summary of the MoU would be circulated to leaders following the meeting.

Ian Williamson expressed thanks on behalf of the GM Health Sector.

RESOLVED/-

1. To welcome the MoU as representing an important and significant step in the development of a new collaborative partnership model for GM health and social care leading to the full devolution of responsibilities in April 2016.
2. To reinforce the commitment of the GMCA and AGMA to work constructively and in partnership with all NHS stakeholders so that together all organisations create the best possible platform for improving the outcomes for local people and the long term sustainability of the health and social care system.
3. To endorse the MoU and commend it to all ten AGMA local authorities and request that it is considered and endorsed by each authority by 30th March 2015.
4. To authorise officers to bring back a report to the next meeting following consultation with NHS colleagues on an Implementation Plan.

12/15 GMCA COMMUNICATIONS

Members received a report from Donna Hall, Chief Executive, Wigan Council presenting the GMCA Communications Strategy and the latest brand designs for approval, and to provide a brief update on progress towards a new website, driven by both the new strategy and the brand.

RESOLVED/-

1. To approve the updated Communications Strategy, noting the coverage of portfolio areas at annex A to the Strategy.

2. To approve the brand materials.
3. To note that the redevelopment of the GMCA website is underway and that further details will be brought back to Leaders as soon as possible.

13/15 PROJECT PHOENIX

Members received a report from Jim Taylor, City Director, Salford City Council providing details of the progress to date in the delivery of Project Phoenix, particularly the development of a 'Phoenix Handbook' of good practice. Following discussions with the Police and Crime Commissioner a new governance framework has been drafted.

RESOLVED/-

1. To accept the Phoenix Handbook as a good practice guide to dealing with Child Sexual Exploitation and to disseminate within organisations and across Local Safeguarding Children's Boards.
2. To adopt the new governance arrangements for Phoenix, including the programme for peer support and challenge.
3. To note the plans for Phoenix in 2015, particularly the development of a Project Plan and the extension of the contract for the post of Project Manager.

14/15 EXCLUSION OF PRESS AND PUBLIC

RESOLVED/-

That under section 100 (A)(4) of the Local Government Act 1972 the press and Public should be excluded from the meeting for the following item of business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A, Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

15/15 GM ENERGY ADVICE SERVICE – FUTURE PROPOSALS

Members received a report from Mike Kelly, Chief Executive, Bury MBC setting out the current position of the Greater Manchester Energy Advice Service.

RESOLVED/-

1. To approve recommendations in the report in relation to the service including the estimated funding requirement.
2. To note and approve the estimated funding requirement as detailed in the report as a result of payments in respect of voluntary severance, voluntary early retirement or time limited costs of unplaced staff within the service, to be funded from reserves.

Chair

GREATER MANCHESTER COMBINED AUTHORITY**MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY MEETING
HELD ON FRIDAY 27 FEBRUARY 2015 AT THE AJ BELL STADIUM, SALFORD**

BOLTON COUNCIL	Councillor Cliff Morris
BURY COUNCIL	Councillor Mike Connolly
MANCHESTER CC	Councillor Richard Leese (in the Chair)
OLDHAM COUNCIL	Councillor Jim McMahon
ROCHDALE MBC	Councillor Richard Farnell
SALFORD CC	Ian Stewart
STOCKPORT MBC	Councillor Sue Derbyshire
TAMESIDE MBC	Councillor Kieran Quinn
TRAFFORD COUNCIL	Councillor Sean Anstee
WIGAN COUNCIL	Councillor David Molyneux

JOINT BOARDS AND OTHER MEMBERS IN ATTENDANCE

Police and Crime Commissioner	Tony Lloyd
TfGMC	Councillor Andrew Fender

OFFICERS IN ATTENDANCE

Howard Bernstein	GMCA Head of Paid Service
Liz Treacy	GMCA Monitoring Officer
Richard Paver	GMCA Treasurer
Margaret Asquith	Bolton Council
Mike Kelly	Bury Council
Carolyn Wilkins	Oldham Council
Steve Rumbelow	Rochdale MBC
Jim Taylor	Salford CC
Eamonn Boylan	Stockport MBC
Steven Pleasant	Tameside MBC
Theresa Grant	Trafford Council
Donna Hall	Wigan Council
Peter Fahy	GM Police
Jayne Stephenson	Office of the Police and Crime Commissioner
Steve Warrener	TfGM
Mike Emmerich	New Economy
Simon Nokes	New Economy

Mark Hughes
Andrew Lightfoot
Ian Williamson
GMIT
Julie Connor
Kerry Bond
Julie Gaskell

Manchester Growth Company
GM Public Service Reform Team
GM Clinical Commissioning Group
Bill Enevoldson
) Greater Manchester
) Integrated Support Team
)

18/15 APOLOGIES

Councillor Peter Smith and Jon Lamonte, TfGM.

19/15 DECLARATIONS OF INTEREST

None received.

20/15 MINUTES OF THE GMCA MEETING ON 30 JANUARY 2015

RESOLVED/-

To approve the minutes of the GMCA meetings on 30 January 2015 as a correct record.

21/15 FORWARD PLAN OF STRATEGIC DECISIONS

RESOLVED/-

To note the Forward Plan.

**22/15 GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP:
MEMBERSHIP 2015-2017**

The Combined Authority considered a report from Sir Howard Bernstein, GMCA Head of Paid Service seeking GMCA endorsement of the recommendations regarding the future private sector membership of the Greater Manchester Local Enterprise Partnership for the period April 2015 until March 2017.

RESOLVED/-

1. To agree that the eight existing private sector members' terms of office are renewed for another two year term (these members are Mike Blackburn, David Birch, Lou Cordwell, Scott Fletcher, Keith Johnston, Wayne Jones, Jeurgen Maier, Professor Dame Nancy Rothwell).
2. To agree that Mike Blackburn is invited to continue as Chair of the GM LEP for a further two years.
3. To agree that the Chair of the Manchester Growth Company, Richard Topliss, is invited to join the LEP as a full board member.
4. To agree that a full review for the GM LEP's private sector membership is undertaken in 2017.

23/15 GREATER MANCHESTER GROWTH DEAL: ROUND 2

The Combined Authority considered a report from Sir Howard Bernstein, GMCA Head of Paid Service, setting out details of the Greater Manchester's second Local Growth Fund allocation, awarded through the second round of Growth Deals, and announced by Government on 29 January 2015.

RESOLVED/-

1. To note the contents of the report.
2. To welcome the additional funding, which will support GM's broader programme of investment, designed to support the transport and connectivity requirements of GM, and to further develop business support and skills capacity to meet the needs of employers.

24/15 GREATER MANCHESTER GROWTH DEAL - SKILLS CAPITAL

The Combined Authority received a report from Simon Nokes, Deputy Chief Executive, New Economy, seeking conditional GMCA approval to make five offers of grant funding against the Skills Capital funding announced by government in July 2014 as part of Greater Manchester's Growth Deal.

RESOLVED/-

1. To conditionally approve:
 - (a) the five grant offers in line with the detailed recommendations set out in the accompanying Part B report, subject to the conditions identified in those recommendations and including the satisfactory completion of further due diligence.
 - (b) the use of up to a further £300,000 of funds allocated in the Growth Deal to meet the cost of due diligence, legal and monitoring services required in connection with the grant offers to the five projects.
(with the GMCA's approval being subject to the terms of the legal agreement for the GM Growth Deal funds which is to be entered into with government).
2. To approve the submission of the proposed grant offers and use of funds to meet the cost of due diligence, legal and monitoring services required in connection with the grant offers to the LEP for endorsement.
3. To delegate authority to the GMCA Treasurer and GMCA Monitoring Officer to finalise the five grant offers upon government's confirmation of Growth Deal funds and associated terms and conditions.
4. To delegate authority to the GMCA Treasurer to determine an appropriate financial structure and accounting treatment for the funding of the due diligence, legal and monitoring services required in connection with the grant offers to the five projects.
5. To delegate authority to the GMCA Treasurer and GMCA Monitoring Officer to review further due diligence information and, subject to their satisfactory review, to sign off any outstanding conditions, and complete grant funding agreement documentation in respect of the five grant offers.

25/15 HIGHWAYS REFORM - PROPOSED KEY ROUTE NETWORK

The Combined Authority received a report presented by Steve Warrener, Finance and Corporate Services Director, TfGM, setting out a strategic case for the establishment of a Key Route Network in Greater Manchester, including the unique opportunity that it offers to secure influence over the Highways Agency's operations and spending priorities on the Greater Manchester motorway network. The report also included an initial proposal for the definition and management of the Key Route Network that has been developed with local authority highway leads through the Highways Reform Group and reported to Wider Leadership Team.

RESOLVED/-

1. To approve the strategic case for the Key Route Network proposition, as proposed in the report.
2. To approve the shared responsibilities as set out in the proposed governance arrangements and outline operating model summarised in the report.

26/15 MINUTES OF SCRUTINY POOL – 13 FEBRUARY 2015

RESOLVED/-

To note the minutes of the Scrutiny Pool meeting held on 13 February 2015.

27/15 EXCLUSION OF PRESS AND PUBLIC

RESOLVED/-

That under section 100 (A)(4) of the Local Government Act 1972 the press and Public should be excluded from the meeting for the following item of business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A, Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

28/15 GREATER MANCHESTER INVESTMENT FUND: PROJECTS SUMMARY

The Combined Authority received a report from Eamonn Boylan, Chief Executive, Stockport MBC summarising the Regional Growth Fund projects approved by himself in consultation with Councillor Kieran Quinn, in line with the delegation agreed at the meeting of the Greater Manchester Combined Authority on 30th January 2015.

RESOLVED/-

To note the report.

29/15 MANCHESTER INVESTMENT FRAMEWORK AND PROJECT APPROVALS

The Combined Authority received a report from Eamonn Boylan, Chief Executive, Stockport MBC, seeking approval for a project funding application.

RESOLVED/-

1. To agree that the project funding application as detailed in the report be given conditional approval and progress to due diligence. The funding is subject to Trafford MBC agreeing a loan for the balance of the required funding.
2. To delegate authority to the Combined Authority Treasurer and Combined Authority Monitoring Officer to review the due diligence information and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transaction, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the loan at 1) above.

30/15 GREATER MANCHESTER HOUSING INVESTMENT FUND

The Combined Authority received a report presented by Eamonn Boylan, Chief Executive, Stockport MBC, detailing progress made in establishing the GM Housing Fund and in particular the underwriting arrangements that will need to be put in place with DCLG to underpin the agreement to set up the Housing Fund and the GMCA cost implications.

RESOLVED/-

1. To endorse the underwriting arrangements for the Housing Fund and request that each GM local authority approves through their appropriate procedures their element of the Guarantee.
2. To endorse the proposal for Manchester City Council to enter into the legal agreement with DCLG to take the funds on behalf of Greater Manchester, in view of restrictions on the Combined Authority's borrowing powers.
3. To note that officers will bring back proposals on staffing and recruitment arrangements for the GM Investment Team and any other costs for administering the Fund, following consultation with appropriate Leaders, for approval by the Combined Authority.
4. To agree that officers will bring back a report on the overall pipeline and the status of projects under development which may come forward as early applications to the Housing Fund, to be considered at the Combined Authority's meeting in April 2015.
5. To agree that officers will bring back a report on the proposed Investment Strategy for the Housing Fund, to be developed in close consultation with Leaders and following further discussion with government, for endorsement by the Combined Authority.

31/15 GREATER MANCHESTER GROWTH DEAL - SKILLS CAPITAL

The Combined Authority received a report from Simon Nokes, Deputy Chief Executive, New Economy, setting out recommendations for the conditional approval of five conditional offers of grant funding against the Skills Capital funding announced by government in July 2014 as part of Greater Manchester's Growth Deal.

RESOLVED/-

1. To conditionally approve the five grant offers as set out in the appendix to the report.
2. To agree to use the funds allocated in the Growth Deal to meet the cost of due diligence, legal and monitoring services required in connection with the grant offers to the five projects. The GMCA's approval being subject to the terms of the legal agreement for the GM Growth Deal funds which is to be entered into with government.
3. To approve the submission of the proposed grant offers and use of funds to meet the cost of due diligence, legal and monitoring services required in connection with the grant offers to the LEP for endorsement.
4. To delegate authority to the GMCA Treasurer and GMCA Monitoring Officer to finalise the five grant offers upon government's confirmation of Growth Deal funds and associated terms and conditions.
5. To delegate authority to the GMCA Treasurer to determine an appropriate financial structure and accounting treatment for the funding of the due diligence, legal and monitoring services required in connection with the grant offers to the five projects.
6. To delegate authority to the GMCA Treasurer and GMCA Monitoring Officer to review further due diligence information and, subject to their satisfactory review, to sign off any outstanding conditions, and complete grant funding agreement documentation in respect of the five grant offers.

Chair

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank