

AGENDA FOR

CABINET

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To: All Members of Cabinet

Councillors : D Jones (Cabinet Member) (Chair),
A Simpson (Deputy Leader and Cabinet Member Health
and Wellbeing), S Briggs (Cabinet Member for
Communities), E O'Brien (Cabinet Member Finance and
Housing), A Quinn (Cabinet Member for Environment),
T Tariq (Cabinet Member for Children and Families) and
J Black (Cabinet Member for Corporate Affairs and HR)

Dear Member/Colleague

Cabinet

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

Date:	Wednesday, 13 May 2020
Place:	Via Microsoft Teams and Streamed Live
Time:	2.00 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

The appropriate Cabinet members will respond to questions submitted in advance 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)*

Minutes of the meeting held on 11th March 2020 are attached.

5 MARKETS TASK FORCE REPORT *(Pages 5 - 36)*

Councillor Dave Jones, Leader of the Council will report. Report attached.

6 EAST LANCASHIRE PAPER MILL *(Pages 37 - 42)*

A report from Councillor O'Brien, Cabinet Member for Finance and Housing is attached.

7 LCO CONTRACT EXTENSION *(Pages 43 - 94)*

Councillor Andrea Simpson, Cabinet for Health and Wellbeing will report. Report attached.

8 BUDGET UPDATE *(Pages 95 - 112)*

A report from the Cabinet Member for Finance and Housing is attached.

9 URGENT BUSINESS

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

Minutes of: CABINET

Date of Meeting: 11th March 2020

Present: Councillor D Jones (in the Chair)
Councillors J Black, K S Briggs, E O'Brien, A Quinn, A Simpson and T. Tariq

Also in Attendance Councillor N Jones and Councillor T Pickstone

Apologies:

Public attendance: 1 member of the public was in attendance.

CA. DECLARATIONS OF INTEREST

There were no declarations of interest made at the meeting.

CA. PUBLIC QUESTION TIME

No questions were asked under the item.

CA. BURY INTEGRATED COMMISSIONING FUND

The Cabinet Member for Finance and Housing presented an additional report following the report considered on 4 September 2019. In which, Cabinet approved the proposed expansion of the health and social care commissioning pooled budget and the creation of a wider integrated commissioning fund.

The Cabinet Member reported due to the large financial sums involved, it is appropriate to bring the Section 75 and Financial Framework back to Cabinet for formal approval.

The s75 Agreement and Financial Framework have been shared and discussed with the external auditors of both organisations and is based on documentation already in use over recent years in other localities where similar arrangements exist. Auditors have not raised any concerns of note. A variation in financial contributions is allowed for in the terms of the s75 Agreement and Financial Framework and is standard practice in these kinds of arrangements.

Delegated decision:

Cabinet agrees to:

- Approve the s75 Agreement and Financial Framework
- Approve a variation in the financial contributions (outlined in the paper) to be made to the pool by the Council and the CCG during 2019/20 and 2020/21

Reasons for the decision:

Section 75 partnership agreements provided by the National Health Service Act 2006 allow budgets to be pooled between local health and social care organisations and authorities. Resources and management structures can be

integrated and functions can be reallocated between partners. The legal mechanisms allowing budgets to be pooled under the section 75 partnership agreement enable greater integration between health and social care.

Other option considered and rejected:

To reject the recommendations.

CA. ICT CAPITAL STRATEGY

The Cabinet Member for Corporate Affairs and HR, presented a reported which provided details of a proposal to fund a three year Microsoft Enterprise Agreement.

The Cabinet Member reported that the ICT Capital Programme was approved by Full Council in February 2019 to support the Corporate Transformation Plan and to facilitate the delivery of a new programme of investment in technology and digital services.

Of the £10 million agreed in 2019, just over £2m has been spent on essential remedial work to improve the security and stability of our ICT infrastructure.

Cabinet is requested to support the next phase of the programme through the purchase of a three year Microsoft Enterprise Agreement to enable the Council to transition from Office 2013 to Office 365, thereby creating improved ways of working and further the potential for integration with the Clinical Commissioning Group

Delegated decision:

Cabinet agrees to:

Approve the decision to use the ICT Capital Programme to fund a three year Microsoft Enterprise Agreement through appropriate procurement routes.

Reasons for the decision:

The cost of licences was an initial consideration when the ICT reserve was created. It is anticipated that, dependent on the final specification, the cost will be up to £2m and this can be met from the funding already available.

Other option considered and rejected:

To reject the recommendations.

CA. RADCLIFFE REGENERATION UPDATE

The Cabinet Chair and Leader of the Council, Councillor David Jones, presented a further Radcliffe Regeneration Update. The report provides an overview of the on-going regeneration commitment in Radcliffe, including progress of the Radcliffe Regeneration Action Plan.

Delegated decision:

Cabinet Agrees to:

- Note progress with the Radcliffe Action Plan works to date (as set out in this report and Appendix 1);
- Approve delegation for approval of spend for the remaining monies (circa £170,000) committed to the implementation of the Action Plan (including the shop fronts improvement scheme and parking management scheme) to the

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Director of Economic Regeneration & Capital Growth in consultation with the Leader, as portfolio holder for regeneration;

- Note the progress with the development of a Strategic Regeneration Framework for Radcliffe;
- Note the longer term intention to create a Council Investment Fund to support interventions during the Strategic Regeneration Framework delivery programme. A further report will be brought to Cabinet setting out details of the proposed capital fund.

Reasons for the decision:

It is important that the capital expenditure position is regularly monitored to ensure that the priorities of the Council are being delivered. The SRF will provide the context for future development and allow its full economic, social and environmental potential to be achieved.

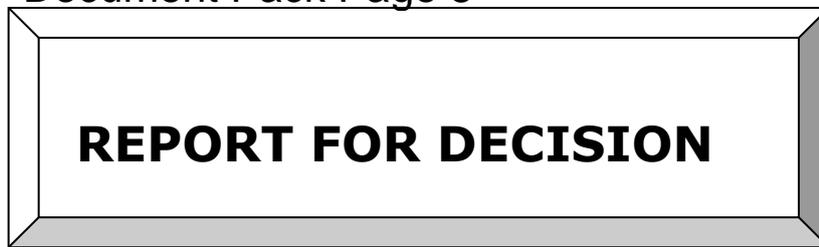
Other option considered and rejected:

To reject the recommendations.

COUNCILLOR D JONES

Chair (Note: The meeting started at 17.00pm and ended at 17.15pm)

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DECISION OF:	Cabinet
DATE:	13/05/20
SUBJECT:	Markets Task Force Report
REPORT FROM:	Cllr David Jones
CONTACT OFFICER:	Paul Lakin
TYPE OF DECISION:	NON KEY DECISION
FREEDOM OF INFORMATION/STATUS:	
SUMMARY:	<p>The cross-party Markets Task Force has completed its work and generated its final report. The report is attached as an Appendix 1.</p> <p>The Report from Leeds University is now available and attached as Appendix 2.</p>
OPTIONS & RECOMMENDED OPTION	<p>It is recommended the Cabinet endorse the work undertaken by the Task Group.</p> <p>It is then proposed that a subsequent report is generated containing the response to the short-term improvement proposals which works through the costs and implications of implementing the shorter-term recommendations for the next Cabinet meeting.</p> <p>We request Cabinets approval to release of £50k of the £100k from the Bury Master plan capital budget granted 2019/20. In order to progress this work-stream and generate a plan for the regeneration of the Wider Markets Area. This will include some externally commissioned design and feasibility work.</p> <p>It is recommended that Cabinet keep the cross party task group in situ to monitor and follow the progress of the actions on a quarterly basis.</p>

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:	The request for £50,000 funding can be met from within the capital allocation that is included in the council's capital programme for Bury market.
Equality/Diversity implications:	No
Considered by Monitoring Officer:	Yes Comments The current Market Regulations, leases and licence arrangements will need to be reviewed in due course to take account of any changes resulting from carrying out these recommendations.
Wards Affected:	ALL
Scrutiny Interest:	

TRACKING/PROCESS

DIRECTOR:

Joint Executive Team/CCMT	Cabinet Member/Chair Briefed	Ward Members (if necessary)	Partners
10/3/20	Yes	Cllr McGill	
Scrutiny Committee	Other Committee	Council	Comms

1.0 BACKGROUND

1.1 Bury Market is a major asset for the Borough and has underpinned the success of Bury Town Centre (the third most successful centre within GM). In 2019 Bury Market won National Association of Recording Merchandisers Best Markets Attraction Award and has won numerous other awards. However Bury Market, along with markets and town centres nationally has to face the challenges of on-line shopping along with changes to the types of stores on the High Street (who increasingly sell products traditionally sold on Markets). Since the report was completed in February 2020, the outbreak of COVID 19 has occurred and this is likely to have major ramifications going forwards, which could have a significant impact on the Market.

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- 1.3 During 2019 the Council received representations from market traders at Bury Market about difficult trading conditions and the operation of the Market. These representations included requests for rent reductions.
- 1.3 Following discussions with Market traders, including the Bury Market Traders Association, the Council agreed to invest in physical improvements to the Market and to establish a cross party Task Group to identify options for the long term future of Bury Market.
- 1.4 The membership of the Task Group was:
- Cllr J Black (Chair)
Cllr S Wright
Cllr G McGill
Cllr Y Wright
- Cllr Jackie Harris will represent the Conservative Party going forward should the group continue.
- 1.5 It was agreed that the remit of the Task Group should include:
- To agree a strategy for Bury market to ensure that it remains at the heart of the town's retail experience for the next 20 years
 - To help create a vision for how the Market evolves to meet changing consumer tastes and preferences
 - To identify the investment opportunities that can secure the future of the Market
 - Identify how the Market can better connect to wealthier local residents who don't use it
 - Identify how the Market can change without alienating its existing customer base
- 1.6 To complete its work the Task Group has:-
- Engaged Bury Market Traders and other stakeholders in Bury Town Centre including
 - A workshop was held in July 2019 with one of the outcomes being a Member led task group.
 - All Traders were also invited to the first Task Group in October 2019 although only one Trader attended.
 - All Traders were also invited to the Task Group meeting on 20 November with 6 Traders attending
 - Taken evidence from experts in retail, market trading and place marketing. To do this the Task Group has worked with Leeds University who are undertaking a nationally funded research programme on Markets. Bury Market is one of three case studies to underpin their research. This has given the Task Group access to data and research which has created an evidence base. <https://trmcommunityvalue.leeds.ac.uk/>
- 1.7 The Task Group has received evidence on:-
- The operation of the market
 - Occupancy rates

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- The level of rents, which have been frozen over the last three years
- Footfall associated with the Market and the importance of this to the town centre as a whole
- Customer demographics
- Parking charges
- The financial performance of the Market
- The perceptions and image of the Market
- The diversity of goods offered
- Bury Market as a tourist attraction and the impact of coach visitors on trade

1.8 The Task Group report was completed prior to the outbreak of coronavirus in the UK. The long-term impact this may have on venues such as outdoor markets will not be known for some time, however, it would be prudent to assume it is likely to increase the pressure on many market traders who perhaps were already struggling. For the purpose of completeness this report includes a summary of the actions the Council has taken to provide immediate relief from the forced shut down of the Market (these are included in Section 2.4)

2.0 ISSUES

2.1 The Task Group had a challenging job in assessing how best to balance a Market which still clearly resonates with a traditional audience whilst seeking to evolve the Market experience so it can engage with a wider and younger demographic.

2.2 The report notes a number of actions which can be taken as relatively short-term measures to improve what is already there and to also respond to some particular challenges noted by traders (such as a pronounced drop-off in footfall late in the afternoon).

2.3 The report also highlights the need for the Council to consider a much bigger and more strategic intervention. The current Market operates on a constrained site with some of the poorest buildings in the town centre. There is an opportunity to work in partnership with the owners of the Millgate Centre to seek to remodel the wider markets area, including the Market offices and the retail parade. The report proposes a multi-use 'Flexi Hall' which would provide an enhanced visitor experience on market days but would be explicitly designed to be a seven day a week cultural, food and entertainment venue.

This development would be adjacent to the Interchange site, which itself will be subject to major redevelopment. The combination of sites gives the potential for the transformative level change that would help secure central Bury's economic foundation for the long-term.

2.4 Since the original drafting of this report the outbreak of Coronavirus has seen an unprecedented lockdown. The Council agreed to an immediate cancellation of rent payments due in April and May.

The Council has been promoting the availability of a range of Government backed financial support measures. A few of the Traders pay direct business rates and were therefore eligible for a small business grant. Many others didn't pay rates directly so were not eligible for a grant, in these circumstances traders were encouraged to apply for the Self Employment Support scheme, but the terms of this fund meant many fell through the cracks. After significant

lobbying, including by the Council, the Government announced that it would extend its small business grant scheme to those businesses whose rents incorporate a contribution to a pooled business rate. The details of this scheme are still being finalised at the time of writing, with Government currently advising Local Authorities on how to administer the grants.

3.0 KEY ACTIONS PROPOSED BY TASK GROUP AND RECOMMENDATIONS

3.1 Key Recommendations from the Task Group:

- The Council should fund pre-development costs and a business plan associated with development of a new indoor flexi-hall - £50,000 from the Bury Town Centre Master plan fund already approved last year.
- The Market should be subject to a remodelling once plans for the Hall are drawn up to take maximum advantage of a new facility
- The Council should make an allocation within our capital programme as part of a funding package, this would greatly aid the credibility of any proposal for grant funding from Government

3.2 Short Term Quick Wins from Task Group:

- To Build/Re-establish the Market Traders Association.
- Investigate a reduction in or free parking charges after 3pm on market days.
- Share capital investment programme with traders, Councillors and the press to show Councils long term commitment.
- Seek marketing opportunities that appeal to a wider audience and to do collaborative offers across the market. i.e. food hampers for Christmas
- Review trading days for example shorter trading day and increasing market days
- Cultural Audit to see what is happening within the town and find out what our strengths are. Build on the Town Of Culture legacy.
- Internet Access for Traders. Investigate options outside of the town centre full fibre roll out including Barclay Card offer to other markets and cost of Wi-Fi on market.

3.3 Medium Term Wins from Task Group:

- Data collection: independent rents reviews, trader information, customer surveys
- Connections with wider community, business, colleges, arts

3.4 Key Recommendations from Leeds University Study:

- Governance and management issues -- The Council should 'reward' the market by ploughing back more profits into repair and improvements to basic infrastructure.
- Stability should be brought to the market's organisational berth within the Council – there is no *perfect* home.
- The good work of the Task Group should be translated into a sustained attempt to reinforce the appeal to traders of their association.
- Facilities and infrastructure -- While some may see a big opportunity for change now, our findings suggest any change should be incremental and focused on the basics (toilets, benches, signage, etc.).
- Market offer and market users – Safeguard existing strengths and current customer base.

3.5 General recommendations From Leeds University Study

- Danger of being trapped into a discourse of change and of contracts with consultants who might have a different vision of a successful market. On all fronts, Bury Market is performing extremely strongly.
- Concern that the 'Altrincham model' might be applied unthinkingly elsewhere in the UK.
- Other markets that have been rebuilt provide an object lesson.
- Master planning for Bury town centre must put the market at the forefront of its concerns.
- A careful balance needs to be struck.

4.0 RECOMMENDATIONS

- 4.1 If the Cabinet decide to endorse this report it is recommend that a subsequent report is generated containing the response to the short-term improvement proposals which works through the costs and implications of implementing the shorter-term recommendations for the next Cabinet meeting.
- 4.2 At this stage we are seeking Cabinets approval to release of £50k of the £100k from the Bury Master plan capital budget granted 2019/20. In order to progress this work-stream and generate a plan for the regeneration of the Wider Markets Area. This will include some externally commissioned design and feasibility work.
- 4.2 It is highly recommended that Cabinet keep the cross party task group in situ to monitor and follow the progress of the actions and to work with the Town Centre Growth and Recovery Board on the wider Bury Town Centre plan.

Appendix:

Markets Task Force Final Report

Contact Details

Paul Lakin

Director of Economic Regeneration & Capital Growth

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BURY MARKET

TASK GROUP REPORT - MARCH 2020





TASK GROUP – OVER VIEW

Remit

- To agree a strategy for Bury Market to ensure that it remains at the heart of the towns retail experience.
- To help create a vision for how the market evolves to meet changing consumer tastes and preferences
- To identify the big investment opportunities that can secure the future of the market
- Identify how the market can better connect to wealthier local residents who don't use it
- Identify how the market can adapt without alienating its existing customer base

Methodology

- The task group will hear from a range of experts in retail, market trading and place making
- The task group will review best practice examples from the UK and overseas in delivering outstanding markets
- The task group will review the potential impact of operating events programmes
- To invite traders who represent different consumer markets to provide input and evidence
- The task group will examine some of the high level options and will make recommendations
- The task group will produce a final report for full Cabinet by an agreed date

MEMBERSHIP

Chaired by: Councillor Jane Black

Councillor Steven Wright, Councillor
Gavin McGill

Report drafted and written by Paul
Lakin: Director of Regeneration and
Capital Growth

task group Secretariat: Sinead Gracey

Officer Support: Andrew Heyes
Markets Manager, Liz Gudgeon Head
of Property and Assets

Chairs Introduction

Bury Market is an incredibly important asset for the Town. That's why I accepted the Leaders offer to form a task group to consider what we need to do to ensure we have an outstanding market that future generations will want to visit.

The group has benefitted from working with Leeds University who are leading a national research project on markets, of which Bury is one of three national case studies. The lead researcher has given his time to engage twice with the task group.

We obtained the opinion of a range of market traders. It is tough for many Traders, they are retail businesses after-all, and the current retail environment is facing unprecedented challenge.

The view of the task group is that we don't want the Council to be simply managing the decline of the market. We think there is a strong case to put the market at the centre of our plans for the regeneration of the town centre.

A vibrant market helps sustain our physical retail offer and it also creates opportunities for local residents and entrepreneurs to start out in the process of setting up and running a business.

The social value of the market is of huge importance to the town and wider borough.

This is why I commend this report to the Cabinet and the wider Council as a blueprint for reinventing Bury Market



FACTS ABOUT BURY MARKET

- Ca. 365 stalls, leasehold and day license – on full market days, Wednesday, Friday, Saturday.
- Ca. 161 leasehold units (including all those in the market Hall) and ca. 204 day licenses. 60 + stalls in the market hall.
- Ca. 93% market occupancy (current refurbishment work accounts for a small decline).
- Nearly all stalls in the market Hall are on six year leases that expire in January 2023.
- Current three year rent freeze.
- Approximately 800 people work at the market
- Footfall to Market Hall, Fish and Meat Hall and Mill Gate Shopping Centre of ca. 150,000 per week (2018).
- In 2019 Bury Market won NABMA Britain's Favourite Market and Best Markets Attraction Award in 2015. It has won numerous other awards.



Bury Market Timeline

1440's - Bury Council first given exclusive rights by virtue of a Royal Charter to hold Markets & Fairs within the Borough

1559 – the market cross was sighted at the location of the Sir Robert Peel Statue for farm produce, livestock, and woven goods as well as fish

1839 - a new Open Market, set out within a walled triangle, opened on the area of land now known as Kay Gardens

1971, the old Bury Market had moved to the current site

1999 - refurbishment of the Outdoor Market new purpose built Fish and Meat Hall

WHAT PEOPLE SAY ABOUT BURY MARKET



Bury Market

●●●●●
D
1,151 Reviews

Reviews

Traveller rating

<input type="checkbox"/>	Excellent	<div style="width: 85%; height: 10px; background-color: #ccc;"></div>	859
<input type="checkbox"/>	Very Good	<div style="width: 45%; height: 10px; background-color: #ccc;"></div>	223
<input type="checkbox"/>	Average	<div style="width: 15%; height: 10px; background-color: #ccc;"></div>	46
<input type="checkbox"/>	Poor	<div style="width: 5%; height: 10px; background-color: #ccc;"></div>	15
<input type="checkbox"/>	Terrible	<div style="width: 0%; height: 10px; background-color: #ccc;"></div>	8

Steve L wrote a review Feb 2020

Bedford, United Kingdom • 18 contributions

Bury Market !

Superb ! You deserve a treat! Give yourself plenty of time. Lots to see, plenty of food and drinks on offer. A proper Market , great stalls , good Northern banter. Markets inside and out along with Bury town centre shops making this a worthwhile trip.

Read less ▲

Rosemary D wrote a review Nov 2019

Liverpool, England, United Kingdom • 143 contributions • 47 helpful votes

An amazing market

We went to Bury market with friends on wednesday and we had a fantastic day. The stalls are great and it is a traditional market and how a market should be. We had a good look around and me and my friend purchased our turkey and meat for christmas day and as my son could not come he asked me to get bacon ribs for tea which I did and they were fab. really enjoyed them. I also bought some sweets from a sweet stall and the choice of sweets were endless something for everyone.

Read less ▲

Richard G wrote a review Dec 2019

Nottingham, United Kingdom • 102 contributions • 31 helpful votes

Great Choice

Day trip from Nottingham. Great market such a great choice of food. Picked up Pork Pies Black & White puddings. A great place to visit all within easy walking distance of the main shopping centre. Vendors all very friendly and helpful

Read more ▼

Date of experience: January 2020

Bury Market

1 Murray Rd, Bury

4.6

★★★★★

3,800 reviews ⓘ

Sneha Nikhila Kotha

Local Guide · 40 reviews · 911 photos

★★★★★ a month ago

Great place!!No wonder why wouldn't be the Britain's best markets!!! love the meat hall and the fresh meat at cheaper deals. Its a proper place to go if you are looking for some quality fresh meat and seafood. There are all soughts of shops here. N the famous Black Pudding is a must try when you visit Bury Market. You could do a whole day of shopping and would still have shops to checkout..That big is this market..Could be a proper day outing for shopping.

Jane Webber

35 reviews

★★★★★ 3 months ago - 🗨

Well I've not been to Bury Market for a very long time. Since my childhood. And as we were visiting a very good life long friend we went and it's not changed a bit, I loved it. I took my family to my childhood home for the first time.

Bury market black pudding was required to have also. We went through the fish market, that hadn't changed either.

Lesley Corr

Local Guide · 19 reviews · 13 photos

★★★★★ 4 weeks ago

Got everything you need and Beautiful people who are more than happy to help you Singers and entertainment to make you feel happy 😊😊😊😊

Friday, May 1, 2020

5

BURY MARKETS FINANCIAL PERFORMANCE



- Budgeted income: £2.8 million; budgeted expenditure £1.7 million (2018).
- Surplus of £1.1 million - 40% return on investment.
- In recent years, Bury Market has been receiving an annual maintenance budget from the Council of £105,000.
- In addition investment, £1.38 million in 2019 (over a four year period) from the Council for important refurbishment work which is ongoing.
- 2015/16 surplus £925,000, 2016/17 surplus £1,169,000, 2017/18 surplus £1,150,000, 2018/19 surplus £1,042,000



LEEDS UNIVERSITY FINDINGS ISSUES AND PROBLEMS?



Glass Half Empty

- The market is looking “tired”. Recognition that this is an “old facility”. “It does look tatty”.
- Poor or absent signage. The market is tucked away behind bus station and shopping centre.
- Some concern about increasing the prepared food offer.
- Difficult for traders to adapt when their product lines are no longer popular.
- Low (or unenthusiastic) membership of traders’ association.
- Potential for discord created by a fragmented system of leases, rents and rates.

Glass Half Full

- Bury Market has a very diverse offering and this is an important ingredient in its success.
- Coaches and their visitors contribute to the aura of ‘World Famous Bury Market’.
- Although they form a small proportion of visitors, coach visitors spend more and more widely.
- They also help fill the cafés, which have been growing in number.
- The market is a space of sociability. Long-time customers get to know traders well.
- Social media: an apprentice has helped get market and stalls out on social media.

TASK GROUP FINDINGS





IMPORTANCE OF THE MARKET TO THE TOWN

What we Established

- Many towns in England often feel like ghost towns during the day with a lack of people animating the streets. This adds to a feeling of being run-down and neglected
- On market days Bury Town Centre is particularly vibrant with market visitors wandering into the Millgate Centre, over to the Rock and into some of the larger pub properties
- Each town and market is different. There has been a lot of focus on Altrincham which has created primarily a food hall and craft market. It has clearly resonated in that town. However, it would be unwise to think other models can be wholly lifted and shifted to other towns
- The market is central to the identity of Bury Town Centre and is a critical driver of footfall to the Town
- Bury Council puts the market in a prominent position in marketing the town and a focus for our social media

What we Recommend

- The market needs regeneration of its existing site and future development set out later in this report
- Bury Council need to widen the market and Town Centre appeal to all residence of the borough
- Future planning of the market is undertaken in line with future retail strategy for the centre.

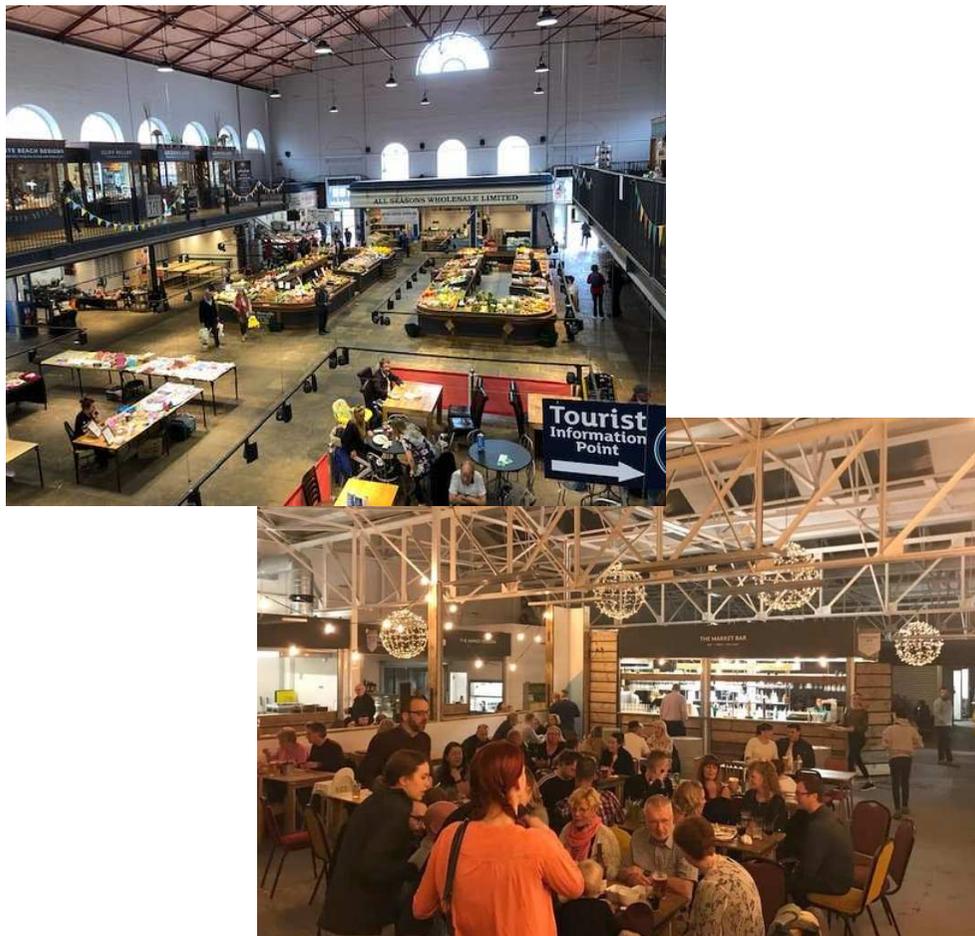
THE CHALLENGE FOR MARKET TRADERS

What we Found

- Markets are physical retail businesses and this sector is going through tumultuous change
- The changes to the profile of High Street retailers mean there is little difference between the products sold in stores such as Home Bargains, B&M and Wilkinson's and on the market. These stores also provide a much greater challenge than predecessor stores such as Woolworths and BHS because their business models are extremely efficient
- These companies have prospered because they have immense buying power and can offer many products that used to be sold on Markets at lower prices than a trader could viably sell them at (household cleaning, pet treats, gifts etc.)
- The clothing and fashion sector has changed beyond recognition and younger people don't use physical stores never mind markets to buy clothes. It is increasingly hard to compete in this sector
- Market traders are also coming under increasing competition from stalls placed in shopping malls, such as those in the Millgate Centre
- The market has no internet connectivity for traders or shoppers



THE CHALLENGE FOR MARKET TRADERS



What we Recommend

- Whilst the market will likely have to tilt towards food and events to maintain footfalls and attract younger and more diverse audiences it is important to recognise that the diversity of products and services available is a USP of Bury Market
- We need to address the lack of dedicated flexible space within the existing market estate to host events
- We may need to adapt the layout of the market to create a more visible and higher profile entrance to the market from the key points of arrival
- If the Council is to invest capital in new facilities they need to be operable on more than a three day a week basis
- We need to plan the future of the wider area with the owners of the Millgate Centre and accept a degree of competition is inevitable
- Town Centre full fibre is due to be rolled out in 2020 however other options for connectivity should be investigated for the market.

CUSTOMER DEMOGRAPHICS (1B)

What we Established

- There is a perception that coach visitors have a much larger contribution to the market than research suggests.
- The markets coach visitors have increased year on year, with large numbers coming from the North of England and in particularly Yorkshire.
- Contrary to some trader opinion coach visitors are spending money when they get to the market
- Market feels desolate in the late afternoon, one theory on this is coaches leaving and that we could 'do more' to improve the day-out experience for coach visitors afternoon
- The current generally older age profile of market-users will cause the market vulnerability if not replaced by a younger generation
- The market is used for social interactions by many. The value of this should not be measured in pounds



Approximate Spend



Data: Coach & Staff Survey by Bury Council

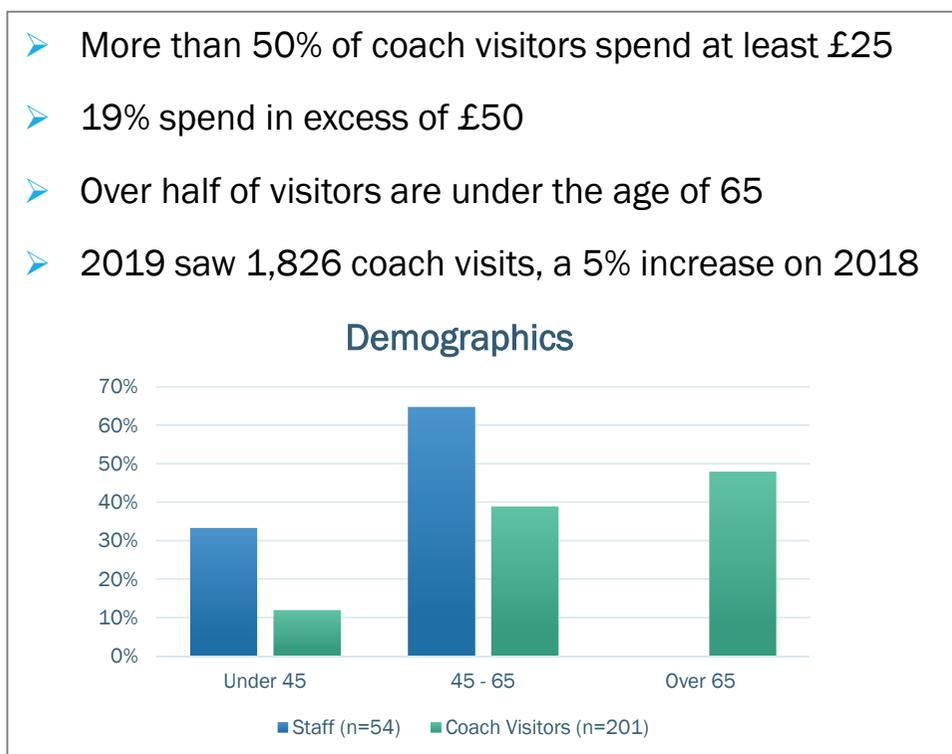
Friday, May 1, 2020



CUSTOMER DEMOGRAPHICS (1)

2019 Coach Visitor Data

- More than 50% of coach visitors spend at least £25
- 19% spend in excess of £50
- Over half of visitors are under the age of 65
- 2019 saw 1,826 coach visits, a 5% increase on 2018



Data: Coach & Staff Survey by Bury Council

What we Recommend

- That coach trips remain important and we should focus on improving the overall experience of visiting Bury and give Market customers a better day out.
- We need to provide dwell space and entertainment areas to create a more rounded experience for existing visitors to ensure repeat visits.
- We need to address the lack of vibrancy on the market in the later afternoon.
- Increased marketing locally, within GM and via coach operators in different areas.
- Consider a shorter trading day but increase the number of days it operates, what about Sunday half days?
- Health and well being should feature heavily in the regeneration of the market as its social importance is currently unmeasured, however socialising plays a huge part of the day to day operation of the market for our more vulnerable and aging population.
- Engage with younger population and encourage youth markets and younger entrepreneurs to use the market as a start up point which will in term provide younger visitors

CUSTOMER DEMOGRAPHICS (2)



What we Established

- The market is probably too dependent upon coach visitors and local pensioners arriving via Buses.
- The markets regular users are from lower income house holds and it is not attracting affluent residents of the borough.
- The market does not appear to be attracting younger customers from Bury or the wider metropolitan region.
- There are large numbers of public sector workers and college students in and around the centre, but they don't appear to be heavily using the market.
- The college students appear to walk past the market to get to the fried chicken and fast food outlets by Kay Gardens. Engagement and marketing with the college.
- There are large populations close by (in central Manchester) looking for new and interesting experiences and the existing market offer doesn't appear to appeal to them.

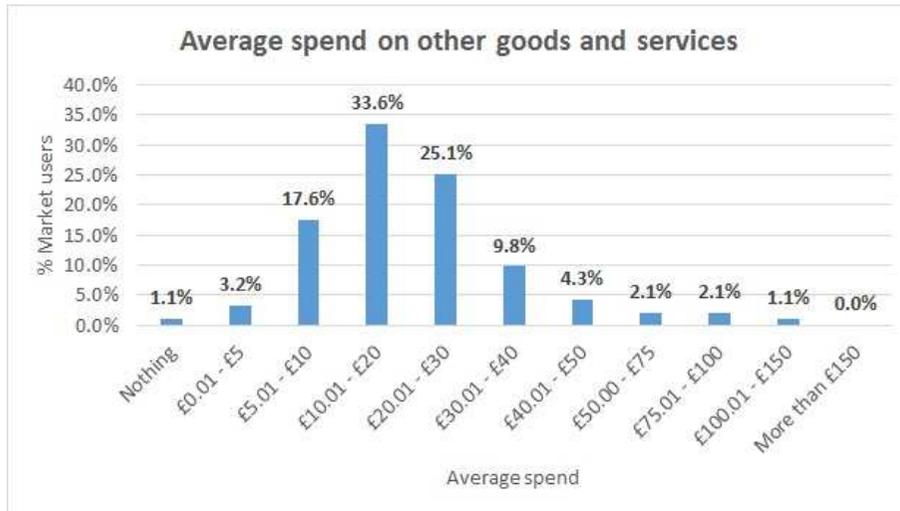
Top three reasons for visiting Bury Market	1 st	2 nd	3 rd
To shop	88.9%	6.7%	1.8%
To eat	4.0%	70.8%	5.0%
For leisure	3.4%	6.0%	49.6%

- 90% of market users say that shopping is their main reason for visiting Bury Market; 97% give it as one of their top three reasons.
- 71% say eating is their second main reason for visiting; 80% give it as one of their top three reasons.
- 50% say leisure is their third main reason for visiting; 59% give it as one of their top three reasons.

Data: University of Leeds, Community Value of Traditional Retail Markets project



CUSTOMER DEMOGRAPHICS (2)



What we Recommend

- We need to reconnect the market to our affluent residents. It may be that the market in its current format will not appeal to these groups
- We need to enhance the existing experience of visiting the market if we are to attract different customers
- However, we must not alienate those coach visitors
- We may need to create other reasons to visit Bury town centre and the market area in particular if we are to connect the market to wider customer groups
- Rent a space to the business/textile/Art/catering etc. students of the college, they could put their business/creative studies into practice

- 99% of market users spend money on other goods and services at the market.
- Average spend per market user on other goods and services is £22.62.

Data: University of Leeds, Community Value of Traditional Retail Markets project



SUPPORTING MARKET TRADERS

What we Found

- The objective of the Council should be to do what we can to create footfall, link the market to other development in the town centre, help with promotion and hold a capital development plan for the market.
- Whilst the Council can help bring people to the market, it is the job of traders to sell to them.
- Market stalls are small businesses and owners have to be able to multi-task which is not always easy.
- Despite this previous business support projects have not always had much impact.
- The market Traders Association has a relatively low level of membership.
- A petition on rent reductions submitted to the Council and was review by the task group.

What we Recommend

- An effective Market Traders Associations is the right forum to discuss market rules and regulations to get proper engagement from Traders, the alternative of each Trader voicing their own opinion is not likely to lead to a coherent position.
- Whilst business support projects cannot solve all the problems of traders who cannot sell enough goods, they can help with financial planning, labelling, purchasing and other practical tasks. Budget should be sought to run these session.
- Encourage people who work in the town centre to use the market, also more engagement with the college.
- Perhaps increase the market days but reduce the opening hours particularly in winter.
- The Council do not believe a rent reduction will resolve the issues that some traders face and intend to invest in the market and wider area, proposals are set out at the end of this report.
- However a rent freeze is in place for the 3rd year.



NATIONAL EXPERIENCES

What we Established

- Altrincham Market is regularly cited in the media as an example for other towns to follow. Whilst the old hall has been transformed into a modern food-hall it is not attached to a market of any scale.
- There are examples of towns in the north of England that have spent huge sums of money on new Market Halls and the results have been mixed.
- Modernisation projects need to be handled with care as a modern markets appeal is partly about the experience and creating a more standard retail environment might lose that along the way.

What we Recommend

- Markets are complex trading environments and proposals to create conformity can stifle the appeal of an organic and unique urban experience. Bury market needs to 'bottle' what makes it special and evolve its offer.
- The quality of the food and drink offer will be critical to sustaining the market and steps should be taken to build upon the existing offer.
- Proposals for change should seek to maintain the organic feel of the existing Market, but seek to increase wider footfall and diversify the potential customer base.
- Creating an open public space or Market Square to sit between the flexible hall and market with benches and tables to sit and eat and be all weather provision.



DATA

What we Found

- We need to more systematically measure the performance of the market
- Independent research was conducted for a number of years up to 2014 with the finding shaping investment such as additional toilets and better weather protection.
- In recent time we have a lot of strong anecdotal evidence and the soon to be published Leeds University research will help build a strong future plan.
- We need to find out much more about what the visitors to Bury Market think about the experience, what they spent their money on, and what they would like to see on the market
- Equally, we need to understand what might be stopping other groups of people in Bury from using the market
- We need to better inform our future investment plans

What we Recommend

- A comprehensive annual and independent visitor survey is conducted
- Employee survey
- Stronger collection of data from Traders
- Surveying work to assess what is stopping people in wider Bury area from using the market

LEEDS UNIVERSITY PROJECT TEAM FEEDBACK



Key Recommendations

- Governance and management issues – The Council should ‘reward’ the market by ploughing back more profits into repair and improvements to basic infrastructure.
- Stability should be brought to the market’s organisational berth within the Council – there is no *perfect* home.
- The good work of the task group should be translated into a sustained attempt to reinforce the appeal to traders of their association.
- We hope that the owners and managers of Mill Gate Shopping Centre will recognise the importance of a strong market to their own success.
- Facilities and infrastructure – While some may see a big opportunity for change now, our findings suggest any change should be incremental and focused on the basics (toilets, benches, signage, etc.).
- Market offer and market users – Safeguard existing strengths and current customer base.

General recommendations

- Danger of being trapped into a discourse of change – and of contracts with consultants who might have a different vision of a successful market. **On all fronts, Bury Market is performing extremely strongly.**
- Concern that the ‘Altrincham model’ might be applied unthinkingly.
- Other markets that have been rebuilt provide an object lesson.
- Master planning for Bury town centre must put the market at the forefront of its concerns.
- A careful balance needs to be struck.
- **Remember that the glass is much more than half full.**

OPPORTUNITIES



Market could be well positioned to take advantage of changing trends, tastes and behaviours of consumers

- If people want to buy something specific they can simply order it on the internet and a matter of moments and have it delivered directly to their house
- This simple change has transformed the entire retail environment
- The only growing part of the physical retail world has been the value-chains such as B&M and Home Bargains who have thrived because they sell goods it is usually impractical to distribute online. They also sell products and goods that many market traders have historically sold and operate in towns where traditional markets still operate (such as Bury), but because of their lean and scaled business models it is near impossible to compete on price
- However, there is evidence that consumers are also becoming more sophisticated wanting more unique and bespoke products and experiences
- There has been a huge increase in cooking using locally sourced fresh ingredients.
- There has been a huge increase in home baking and artisan bread making
- Bury being the Town Of Culture 2020 bring the opportunity to include the Arts to the heart of the market
- There is increasing awareness of the carbon footprint of food produce, with supermarkets using global supply chains, many consumers want locally grown produce
- The growth of craft beer and local brewing has been a phenomenon in the US and is increasingly fashionable in the UK
- The same phenomenon is evident in the Gin and other premium drink sectors sector
- Vinyl records, consigned to history in the 1990's have made a comeback and there are increasing populations of collectors also vintage markets
- There are many local artists and 'not on the High Street' operators who may want to have a physical presence on an occasional basis to connect to new customers
- Live music and film have increasingly diverse ranges of niche followers, unable to fill larger venues but with a requirement for space to host events
- The internet has brought together groups of enthusiasts and collectors across a whole diverse range of hobbies and shared interests

VISION FOR A NEW MULTI-PURPOSE HALL

The Council could invest capital in a new multi-purpose Hall, but it would have to be underpinned by a commercial business plan

- The hall would be a flexible space with a stage area, a flexible floorplate and would act as an entrance to the market
- Bury lacks large event space. The hall could deliver this and be one of the legacies of the Town Of Culture.
- On Market days it could support ‘pop-up’ trading and host events as part of the market day experience
- The hall could be let to commercial promoters to run events independently of the Council
- The hall could be used as a live venue in the evenings and used for community events and by community groups for larger events
- Workspace for small businesses



VISION FOR A NEW MULTI-PURPOSE HALL



Examples of how the Flexible Hall could be used:

- Pop-up independent trading space and visitor entertainment on Market days (Live performance, cooking demonstrations etc.)
- Live Music and Comedy events
- Children's entertainment (school holiday themes events)
- Food festivals
- One off arts, crafts and antique visiting markets
- Beer and wine festivals
- Seasonal events
- Third party promoted events Hire (a place where companies may want to do produce launches)
- Community Use

Benefits

- A flexi-hall would generate significant new footfall which could be captured by market traders
- It would allow us to dramatically improve the existing Markets visitor offer
- It would provide new space for the Bury community and a new live venue
- The multiple community, small business and other local benefits would make this proposal an ideal candidate for the Governments future high streets fund and other potential sources of funding.



KEY RECOMMENDATIONS (1)

- The Council should fund pre-development costs and a business plan associated with development of a new indoor flexi-hall
- The market should be subject to a remodelling once plans for the hall are drawn up to take maximum advantage of a new facility
- The Council should make an allocation within our capital programme as part of a funding package, this would greatly aid the credibility of any proposal for grant funding from Government



KEY RECOMMENDATIONS (2)

- Regeneration of existing site and surrounding area included in town centre master plan. Create dedicated flexible space, make the market more visible at key points of arrival and connect with neighbouring shopping centre and transport interchange to do this.
- Improve marketing and seek to connect to new audience. Improve current offer, improve customer space and entertainment programme. Connect to wider town offer, arts, museum and shopping. Promotion of Health and Well being by encouraging more social events
- Engage with local schools, colleges, business and community groups to offer platform for their organisation and engage with visitors
- Create proper engagement between traders and council. Re-establish an effective Market Traders Association. Offer business support training.
- Provided comprehensive data via independent rents review, Trader information and customer surveys annually.
- Review trading days, shorter trading day but increase number of trading days. Look at parking charge reduction after 3pm on market days.
- Holistically improve the trading environment and improve the current offer.



QUICK WINS

Short Term

- End parking charges after 3pm on Market Days on Market Car Park
- Build/Re-establish Traders Association
- Share capital investment programme with traders, Councillors and press to show long term plan.
- Internet Access for Traders. Investigate options outside of the town centre full fibre roll out including Barclay Card offer to other markets and cost of Wi-Fi on market
- Seek marketing opportunities appeal to wider audience and to do collaborative offers across the market i.e. food hampers for Christmas
- Review trading days, shorter day increase market days.
- Cultural Audit to see what is happening within the town and find out what our strengths are. Town Of Culture legacy

Medium Term

- Data collection: independent rents reviews, trader information, customer surveys
- Connections with wider community, business, colleges, arts

Long Term

- Investment in new flexi hall and wider market area



THANKS & ACKNOWLEDGEMENT

- University of Leeds, Community Value of Traditional Retail Markets project
 - Paul Waley
 - Myfanwy Taylor
 - Rosemary Wilkins

- Rivington Hark
 - Mark Williams

- The Met, Bury
 - David Agnew
 - Victoria Robinson

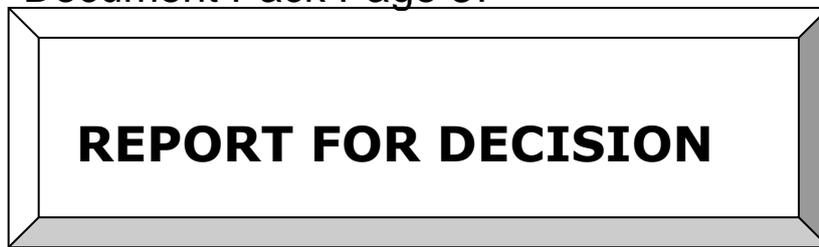
- CLES/Director of Levenshulme Market CIC
 - Helen Power

- Traders Association
 - Tony Hill – Carpet & Rug Centre
 - Debbie Pierce – Bury Black Pudding Company

- NABMA – David Preston

- NMFT – Joe Harrison

- Bury Market Traders
 - Sue Riley
 - Jennifer Eagle Cooper
 - Nathan Mills
 - Jason Floyd



DECISION OF:	CABINET
DATE:	13th May 2020
SUBJECT:	Former East Lancashire Paper Mill (ELPM) Site: Budget for pre-development work
REPORT FROM:	Councillor O' Brien - Cabinet Member for Finance and Housing
CONTACT OFFICER:	Vicky Carroll – Director of Housing
TYPE OF DECISION:	CABINET - NON KEY
FREEDOM OF INFORMATION/STATUS:	This paper is within the public domain
SUMMARY:	The purpose of this report is to establish a budget allocation for expenditure on pre development work to assist with furthering the development of the ELPM site.
OPTIONS & RECOMMENDED OPTION	<p>The Cabinet is recommended to:</p> <ul style="list-style-type: none"> • Approve the pre-development work as set out in the report and note that costs have already been incurred in relation to support the masterplan and the planning application; • Approve an allocation of £0.120m from the Place Shaping/Growth budget in the council's capital programme to fund all the costs; • Note the potential for a capital receipt and increased income, including that from council tax, in the future. <p>Reasons The approval of the recommendation will enable expenditure on pre development work to go ahead which will assist in furthering the development on the site.</p>

IMPLICATIONS:	
Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	<p>The cost of £0.120m can be met from the existing budget within the capital programme for Place Shaping/Growth.</p> <p>In the longer term the council will benefit from a capital receipt (which can be used to support the capital programme in future years) and also from an increase in council tax income that will support the council's financial strategy.</p>
Equality/Diversity implications:	None
Considered by Monitoring Officer:	<p>Yes</p> <p>This report is largely financial and as such there are no immediate legal actions or implications at this stage. Legal advice will be required once the pre-development work starts, as noted in the report.</p>
Wards Affected:	Radcliffe East
Scrutiny Interest:	

TRACKING/PROCESS

DIRECTOR: Vicky Carroll, Director of Housing

Joint Executive Team	Cabinet Member/Chair Briefed	Ward Members (if necessary)	Partners
Scrutiny Committee	Other Committee	Council	Comms

1 BACKGROUND

1.1 The former vacant East Lancashire Paper Mill site is a key site for future housing within Radcliffe. The Council own part of the site (extending to approx. 3.95 ha) which they acquired in 2008; Homes England acquired their site (14.58 ha approx.) in 2016. Over the last few years the two parties have worked together to develop a comprehensive masterplan for the site supported by various technical studies. As joint applicants, outline planning consent was

secured in December 2018 for up to 400 new homes on the site, with means of access, together with the relocation of the cricket ground on the adjoining Council owned Tower Farm site. The site is shown on the attached plan.

- 1.2 Joint working has continued with Homes England to explore the future delivery strategy for the site and to determine the arrangements between the Council and Homes England for bringing the site to market. This has included 'early market engagement' with developers from Homes England's Developer Framework Panel (DPP3).
- 1.3 Both parties have recognised however that there is a need for some further technical studies and development appraisal work to be jointly undertaken to help further de-risk and improve the market attractiveness of the site, as well as to inform the delivery strategy options. It is intended that a more detailed report on the delivery strategy will be brought back to Cabinet once this work is completed.
- 1.4 There are also associated legal, planning and marketing costs with bringing the site to market, as well as future land holding costs, associated with managing/maintaining the Council's site.
- 1.5 No specific budget has been identified for the project going forward and this report sets out the potential costs and a proposal on how this can be funded.

2 ISSUES

- 2.1 To progress the site to the next stage the following works need to be undertaken:
 - technical studies, such as updated surveys/ drainage strategies/openspace management/sports facility analysis/technical briefs
 - abnormal cost analysis and review
 - development appraisal work
 - specialist planning /marketing/ legal advice
 - land management/ maintenance
- 2.2 The anticipated costs, together with the cost of the works associated with the masterplan and the outline planning consent that have already been incurred is estimated to be £0.120m.
- 2.3 Expenditure on the joint commissioning of pre-development work is split on an agreed Equalisation Rate with Homes England relating to the size area of our respective land holdings. With regards to any specific land holding costs, these would be attributable to our site's ownership only. The costs in this report reflect the council's share.
- 2.4 The council created a Place Shaping/Growth budget as part of its 2019/20 Capital Programme to support the development of borough wide sites to offer housing and business growth and develop a one public estate approach to the council and partner organisations. At that time, it was envisaged that schemes meeting the criteria would be brought forward for consideration and approval by Cabinet. To date, the budget has not been fully committed. This scheme meets the criteria and is therefore proposed that an allocation from the fund be made to support all the costs.

- 2.5 In the longer term it is anticipated that the council's interest in the land will be sold and a capital receipt will be generated. The scale of the receipt is not yet known however it will be available for the council and will support the capital programme in future years. The council will also benefit from the growth in housing, in particular through increased council tax income. This however will only be realised should the council continue with the required pre-development work.

3 OTHER CONSIDERATIONS

- 3.1 The redevelopment of the ELPM site for housing is integral to the future regeneration of Radcliffe, as well an important contributor to Bury's wider housing growth agenda. In particular, the site's redevelopment project will be developed through the full planning process to support the Radcliffe Strategic Regeneration Framework, currently being produced.
- 3.2 Establishing a budget for expenditure on pre development work on the site will assist in determining the delivery strategy and further the development on the site.

List of Background Papers:-

Planning Applications Report: Application No Ref 62969: Planning Control Committee - December 2018

Contact Details:-

Julie Palmer, Housing Growth and Development Manager
Tel 0161 253 7863



REVISIONS

REV	AMENDMENTS	BY	DATE
A	Revised layout	HH	15.05.18
B	Revised layout	RK	30.05.18
C	Revised layout	RK	07.06.18
D	Amendment to goit	RK	14.06.18
E	Amendment to layout following highways changes and culverted brook details	RS	28.09.18
F	Amendment to goit	RK	01.10.18

KEY

- Site Boundary
- Bury Council Land Ownership
- Proposed Dwellings
- Gardens
- Public Open Space
- Proposed Roads
- Proposed Private Drives
- Emergency Vehicle Access
- Pedestrian / Cycle / Emergency Vehicle Access only
- Public Right of Way
- Proposed Pedestrian Routes
- Retained Trees
- Proposed Trees
- Proposed Realignment of Goit
- Proposed SUDs attenuation ponds
- Retained Reservoir
- Proposed Sports Pavillion/Club House



Homes England

East Lancashire Paper Mill

Illustrative Masterplan

DATE: 01.10.2018 SCALE: 1:1250 @ A1
 DRAWN BY / REVIEWED BY: HH / LW
 PROJECT NO: A900070-193 DRAWING NO: SP-01 REVISION: F

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REPORT FOR DECISION



DECISION OF:	Cabinet
DATE:	May 2020
SUBJECT:	Extension of the Mutually Binding Agreement (MBA) for the Local Care Organisation until 31 March 2020
REPORT FROM:	Cllr Andrea Simpson, Deputy Leader of the Council and Cabinet Member for Health and Wellbeing
CONTACT OFFICER:	Geoff Little, Chief Executive
TYPE OF DECISION:	KEY DECISION
FREEDOM OF INFORMATION/STATUS:	In the public domain
SUMMARY:	This report is to request from Cabinet the approval of extending the
OPTIONS & RECOMMENDED OPTION	<p>Cabinet is recommended to:</p> <ol style="list-style-type: none"> 1. Note the content of the MBA remains unchanged from that approved for the year to 31 March 2020; 2. Approve the extension of the MBA until 31 March 2021.
IMPLICATIONS:	Failure to support this work will result in the Council not delivering transformation in line with the Council's priorities and GM Devolution

Corporate Aims/Policy Framework:	Do the proposals accord with the Policy Framework? Yes
Statement by the S151 Officer: Financial Implications and Risk Considerations:	There are no direct financial implications of these proposals on the Council’s budget. There are wider system/OCO costs associated with maintaining the LCO but these has already been built into the relevant plans for 20/21.
Health and Safety Implications	No issues identified at this stage.
Equality/Diversity implications:	
Considered by Monitoring Officer:	The purpose of the LCO in integrating health and social care in Bury has commenced and the Mutually Binding Agreement (MBA) sets out the terms of reference for the partner agencies. It is important its work continues and so the extension of the MBA and current arrangements is appropriate
Wards Affected:	All
Scrutiny Interest:	Health Scrutiny Committee

TRACKING/PROCESS

DIRECTOR:

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Partners
Scrutiny Committee	Cabinet/Committee	Council	

1. **BACKGROUND**

Bury’s Locality Plan articulated an ambition to bring together the main providers of health and social care services to explore innovative methods of delivery, improve outcomes for Bury people and reduce costs. To do this seven partner

organisations have come together, and from 1 April 2019, signed up to the current version of the Mutually Binding Agreement to form a Local Care Organisation for Bury. The partners are:-

- Bury GP Practices Ltd. This is a federation of all GP Practices in Bury.
- The Council
- The Northern Care Alliance NHS Group. This is an NHS Trust comprising Salford Royal Foundation Trust and the Pennine Acute Hospitals Trust (including Fairfield Hospital)
- Pennine Care NHS Foundation Trust which provides community health and mental health services to a number of localities across Greater Manchester including Bury
- BARDOC a provider of GP Out of Hours services across Bury and parts of Rochdale
- Persona, the Council's Local Authority Traded Company (LATCo)
- The Voluntary Community and Faith Alliance (VCFA).

In April 2018, a formal agreement was signed which holds each partner to account in terms of operating 'system wide' with a focus on delivery of transformation and generating improved outcomes for the people of Bury.

This document was refreshed in March 2019, and became the Mutually Binding Agreement for the seven partners.

2. Update in respect of the development of the Local Care Organisation (LCO) during 2019/20 before the Covid-19 crisis

The purpose of the LCO is to provide integrated care and health support with the aim of helping people to remain healthy for as long as possible. When people do need health and care services these should be provided for as long as possible in their own homes. The intention is therefore to reduce admissions to acute health and residential care services by shifting more care and resources into the community. This will be a major contributor to improving the services received by Bury people and reducing the financial gap.

The work in respect of the LCO is driven through the LCO Board.

- The host arrangements for the LCO are delivered by the Northern Care Alliance, including back office support.
- An LCO management team has been established to accelerate delivery and operate as a single management team, including key roles from within each partner organisation, such as:
 - a senior manager of the GP Federation to support the leadership and coordination role of Primary Care in each of the five neighbourhoods.
 - a senior manager of Adult Social Care,
 - a senior manager of Community Health.
 - a senior manager of Community Mental Health

During the past 12 months a number of key milestones have been achieved, including:-

Five Integrated Neighbourhood Teams (INTs) covering the whole of the Borough that consist of primary care, adult social care, community care and VCFA staff have been operational since April 2019. The teams have:

- Single line management by five team leaders, reporting to a single post in the LCO management team
- Co-located community health, adult social work and VCFA staff in neighbourhoods supporting the delivery of high quality primary care
- Joint access to case management systems and access to relevant care records
- Risk stratified identification of cohorts, from the beginning of INTs going live
- Undertaken Active Case Management for people with complex health needs
- Undertaken innovative approaches to keeping people within their community

The Intermediate Tier of provision (ie between neighbourhood and hospital based services) brings together services such as reablement, intermediate care and end of life care provision to enable patients to effectively step up and down through different levels of intensity of care across Bury. This service has been significantly expanded during 2019/20, especially in respect of Rapid Response services.

Council staff in the LCO and the Council's statutory responsibilities for Adult Social Care

Approximately 150 adult social care staff work under single line management arrangements within the LCO, including the Assistant Director of Adult Social Care Operations. This includes approximately 33 in the INTs and approximately 100 moving into the integrated intermediate tier of the LCO. In other words staff in the LCO are not be managed within service silos.

However it is essential that the professional expertise of staff is not diminished and that the Council's statutory responsibilities for adult social care are protected. The Assistant Director of Social Care Operations sits on the LCO management team and provides professional supervision and development support to adult social care staff, as does the Principal Social Worker, who remains within the Council. The Assistant Director is also accountable to the Council's Director of Adult Social Care (DASS) who will in turn remain accountable for the Council's statutory duties to the Council Chief Executive and to the Deputy Leader of the Council who holds the statutory adult social care responsibilities.

The arrangements to protect the Council's role as an employer and to ensure that the statutory duties for adult social care, which cannot be delegated, are properly discharged are set out in detail in the Mutually Binding Agreement between the LCO partners.

3. Impact of the Covid-19 Crisis

All partners within the LCO are currently working to provide a joined up response to the Covid-19 crisis. It is considered that the strong relationships in place before the crisis between the LCO partner agencies have contributed to the effective stand up of the initial response to the crisis and is ensuring that people in Bury are being supported in the best way possible in terms of service delivery. Cross-system working continues to be strong, and under LCO leadership, front line Council services, such as Integrated Neighbourhood Teams and Rapid Response are supporting people to stay well in their community. Others, such as Killelea and Reablement are providing intermediate tier support to people recovering from stays in hospital due to both Covid-19 and other health diagnoses, with significant support from the Council's Public Health Infection Control Team.

4. **Mutually Binding Agreement**

As described above, the LCO partner organisations are all working to support the people of Bury through the current Covid-19 crisis. It is therefore proposed to simply roll forward the existing 2019-20 MBA without any change, and the document itself allows for this eventuality. It will mean that the governing document of the LCO is technically dated the previous year, however it will be noted at LCO Board that the provision to extend it for a further year has been put in place.

The mutually binding agreement is attached in Appendix 1. Its aim is to outline the expectations of the partner agencies in their dealings with one another, in the spirit of partnership with the intention of creating a substantial, long-term relationship based on a shared intention to create a sustainable health and social care system in Bury.

There are a number of principles set out in section 3 of the document, but the over-arching aim is to ensure that decision-making at all times is in the best interests of the people of Bury, whose health and wellbeing will be the first priority.

5. **Recommendations**

Given the importance of the LCO in delivering integrated services for the people of Bury, it is recommended to Cabinet that members:

- Note the content of the MBA remains unchanged from that approved for the year to 31 March 2020;
- Approve the extension of the MBA until 31 March 2021 for the Council as one of the seven partners to this document.

Appendix 1 – separate document

End

Contact Details:-

Geoff Little – Chief Executive, Bury Council

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The Local Care Organisation for Bury

Mutually Binding Agreement 2019/20

Parties to the Agreement

- (1) BARDOC Limited
- (2) Bury GP Practices Limited
- (3) Bury Metropolitan Borough Council
- (4) Bury Voluntary, Community and Faith Alliance
- (5) Northern Care Alliance NHS Group
- (6) Pennine Care NHS Foundation Trust
- (7) Persona Care and Support Ltd

Document information and version control

Version	19.0
Status	Final approved version
Approval	Given by all parties
Author	Chris O'Gorman
Version control	
v2	<ul style="list-style-type: none"> • Revision of schedules following meeting of task and finish group on 6 November 2018 • Rationalisation of numbering system
v3	<ul style="list-style-type: none"> • New clause on intellectual property • Diagram in terms of reference (schedule 1) to show relationship with partners
V4	<ul style="list-style-type: none"> • Significant revision in preparation for CEOs' summit meeting on 18 December 2018. Sections retained from previous version in italic
V5	<ul style="list-style-type: none"> • Amendments added following task and finish group on 3 December 2018 in yellow
V6	<ul style="list-style-type: none"> • Amendments to section on meaning of levels of in scope from Amy Lepiorz and Kath Wynne-Jones
V7	<ul style="list-style-type: none"> • Amendments made in response to comment from Andrew Hulcoop and Jo Purcell in blue • Revisions to scheme of delegations to include reserved matters in response to comment from Jayne Hammond • Revisions to terms of reference for LCO Board to harmonise with remainder of Agreement
V8	<ul style="list-style-type: none"> • 'Clean' copy produced for chief executives' sponsor group on 18 December 2018. Revised version of schedule 4 added.
V9	<ul style="list-style-type: none"> • Revised workforce protocol added; signature sheet added
V10	<ul style="list-style-type: none"> • New section on ambitions added; additions to section on purpose. Clarification that the document applies for 2019/20 only added.
V11	<ul style="list-style-type: none"> • Additions and amendments from Martin Clayton included • Amendment from Angela Schorah included
V12	<ul style="list-style-type: none"> • Amendments from Kath Wynne-Jones and Tyrone Roberts • General tidying up • Additional organisational parties added
V14	<ul style="list-style-type: none"> • Schedule 3 added • Amendments made following LCA Board meeting, 16 January 2019
V15	<ul style="list-style-type: none"> • Phrase added to end of 6.2 in workforce protocol (Schedule 5) at request of Keith Walker • Removal of LMC as observer member of Board following decision of CEOs.
V16	<ul style="list-style-type: none"> • V6 of investment agreement embedded
V17	<ul style="list-style-type: none"> • Minor corrections made to Schedule 1 and 5

V18	<ul style="list-style-type: none"> • Details of Bury VCFA office added • New schedule on actions agreed for 2019/20 added (details awaited) • Minor corrections made to Schedule 1 • Revised cashability statement • Revised statement at 7 on communications • Additions to PCFT delegations and reserved matters from Keith Walker • New schedule 7 (actions during 2019/20) as proposed by CEOs
V19	<ul style="list-style-type: none"> • Additional names of LCO directors added to terms of reference for LCO board
	<ul style="list-style-type: none"> • Confirmation throughout that Persona is a full member organisation of the LCO

Mutually Binding Agreement

1. Parties

This Agreement is made on 1 April 2019 between the following parties:

- (1) BARDOC Limited, 22 Derby Way, Bury, Lancashire, BL9 0NJ, an industrial and provident society
- (2) Bury GP Practices Limited, Unit 1 - Europa House, Barcroft Street, Bury, Lancashire, England, BL9 5BT, a private limited company
- (3) Bury Metropolitan Borough Council, Town Hall, Knowsley Street, Bury, BL9 0SW, a local authority
- (4) Bury Voluntary, Community and Faith Alliance, St John's House, John Street, Bury, BL9 0NE, an applicant for community incorporated organisation status
- (5) Northern Care Alliance NHS Group, Trust HQ, Level 3, Mayo Building, Salford Royal, Stott Lane, Salford, M6 8HD, an NHS group formed by bringing together two NHS bodies, Salford Royal NHS Foundation Trust and The Pennine Acute Hospitals NHS Trust
- (6) Pennine Care NHS Foundation Trust, Trust HQ, 225 Old Street, Ashton-under-Lyne, OL6 7SR, an NHS foundation trust
- (7) Persona Care and Support Limited, Grundy Centre, Wellington Road, Bury, BL9 9AH, a private limited company

2. Definitions

'Agreement'	means this collaboration Agreement between the parties for the establishment and operation of the Local Care Organisation;
'Board'	means the leadership board for the LCO established by the parties whose functions are described more fully in clause/schedule 28;
'Bury Locality Plan'	means the agreed Bury Locality Plan 2017/18-2020/21
'Greater Manchester Health and Social Care Partnership'	means the body made up of the 37 NHS organisations and councils in the Manchester region, which is overseeing devolution and taking charge of the £6bn health and social care budget;
' Local Care Organisation' or 'LCO'	means the health and care organisation formed by the parties to collaborate together to achieve the LCO objectives working in conjunction with the One Commissioning Organisation.

'LCO objectives'	means the objectives agreed by the parties and set out in clause 12 of this Agreement;
'One Commissioning Organisation' or 'OCO'	means the joint commissioning organisation established by Bury Metropolitan Borough Council and NHS Bury Clinical Commissioning Group to deliver whole system transformation of health and care services across Bury in line with the Bury Locality Plan.

2. Purpose of the Local Care Organisation

The LCO is a formal alliance of organisations which has agreed to work together in a single delivery and accountability structure to

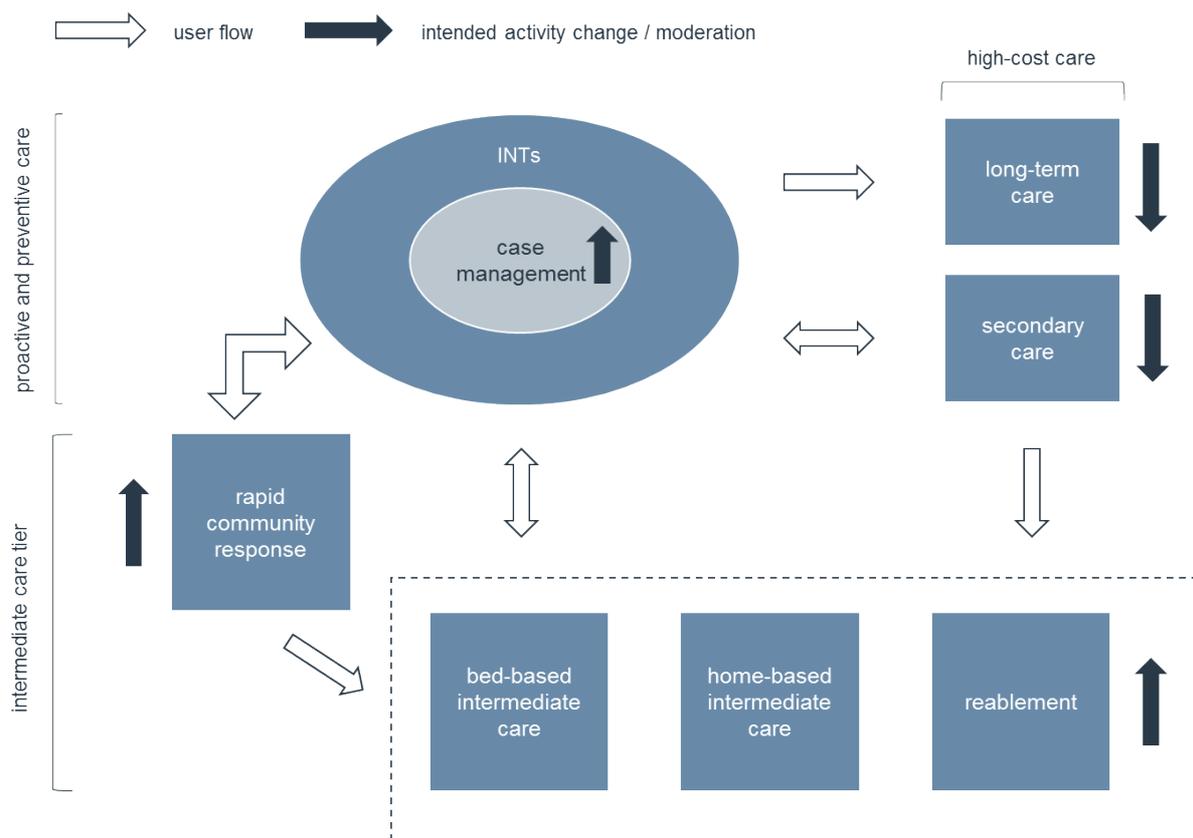
- provide integrated care and support to the people of Bury
- transform health and social care services in line with the Locality Plan and commissioners' intentions
- support improvements in population health, wellbeing and outcomes.

The LCO is responsible for the operational delivery and transformation of a group of services (the 'in scope' services at Schedule 1) which, starting in 2019-20 will ultimately include the large majority of health and social care services that are commissioned and provided in the borough.

The overall purpose of the LCO is to transform the ways in which health and social care is provided, and to transform the experience and expectations of, and relationship between Bury people and publicly-funded health and social care services.

A key aim of the LCO is to ensure that home and community are the principal place in which health and social care services are provided and that 'institutional'-type care, whether in hospital or in care homes, is 'right-sized' to meet the needs of those whose needs can only be met in such settings.

The anticipated system impact of the LCO is summarised in the graphic below.



3. Principles

The parties to this Agreement agree to act reasonably and in good faith in their dealings with one another. The parties will conduct themselves in the spirit of partnership with the intention of creating a substantial, long-term relationship based on:

- A shared intention to create a sustainable health and social care system in Bury
- A shared ambition to develop the opportunities offered by the Greater Manchester Devolution Agreement
- complementary capabilities in health and social care applied to common interests, specifically the health and wellbeing of the people of Bury
- fair and proportionate distribution of risk and reward
- shared values and culture of high quality service to the public

The parties to this contract agree that they will work at all times on the basis of the following principles:

- Decision-making at all times will be in the best interests of the people of Bury whose health and wellbeing will be the first priority of the parties

- Services will be designed and delivered without exceeding the financial resources available to the LCO by the OCO and in consistency with the investment agreement made between the LCO and OCO (Schedule 3)
- Notwithstanding the pre-eminence of organisational members' contractual, regulatory and statutory accountabilities, achievements and failures will be collective to the parties, and not to the individual organisations which constitute the LCO. Financial risks and rewards shall be determined and distributed in accordance with the risk and reward Agreement (Schedule 4)
- Financial sustainability and the sustainability of the services which make up the health and social care system as a whole is essential to the success of the LCO
- All parties will share relevant operational, financial, clinical, professional and workforce information with other parties on an open and transparent basis subject only to the statutory obligations placed on them, e.g., by the Data Protection Act 1998 and the General Data Protection Regulations

4. Services in scope

During 2019/20, the LCO has agreed with the OCO that a series of services will be in scope. Those services are listed in Schedule 1.

Services in scope at level 4 are directly managed by the LCO, and form part of the operational contract between the OCO and LCO (see section 6 below for details of the operational contract). The LCO Board and management team will be responsible for decision making about level 4 services as set out in section 5.a) below. Statutory responsibilities and regulatory accountability will remain with the organisation which employs the staff, as set out in the workforce protocol (Schedule 5). Monitoring arrangements for level 4 services are included within the operational contract, as are service budgets and all other resources.

Services in scope at level 2 are closely planned and delivered within the LCO management and governance arrangements, with staff, managers and professional leaders being members of the LCO management team. Operational models developed by the LCO may include services in scope at level 2, and there will be full integration between the LCO management team and services at level 4 and level 2. However, level 2 services will not form part of the operational contract between the OCO and LCO and will be primarily managed through existing bilateral contract arrangements. However, metrics relating to services in scope outside of level 4 may be included as required within the operational contract arrangements. Decisions of the kind described in 5.a) below remain the responsibility of the employing organisation which of course also retains statutory and regulatory accountability.

Services in scope at level 2 will cross refer to the LCO in their specifications. Formal contract performance and quality reporting remains through existing (i.e., 2018/19) bilateral reporting routes though relevant aspects of contract monitoring may be included in the LCO operational contract arrangements.

Services which are identified as in scope by virtue of being LCO commissioned (known as level 5 services) are those services which have been delegated for 'tactical' commissioning purposes by the OCO to the LCO. This delegation will include the commissioning budgets and such other resources (staff and infrastructure) as are

mutually agreed to discharge the commissioning responsibilities effectively. Level 5 services will be underpinned by an agreement between the OCO, LCO and whichever member organisation acts as the sub-contract holder. The agreement will specify resource availability, outcomes and standards. Level 5 services may include those services which are not provided wholly or partly by the LCO, i.e., where a service is part provided by the LCO (level 4) and part sub-contracted from an organisation (which may or may not be a party to this Agreement), for ease these arrangements shall be referred to as level 5. Priority will be accorded to establishing arrangements in 2019/20 for the locally commissioned services contract currently between NHS Bury CCG and Bury GP practices.

5. Objectives, goals and outcomes

- a) The LCO will be granted autonomy and authority to make decisions and deliver the services in accordance with this Agreement. Decisions may include but are not limited to: transforming models of care and delivery, deploying and line managing staff; managing rotas; receiving referrals; assessing, treating, supporting and caring for patients/users; managing budgets; processing data; improving safety and quality; fulfilling contract obligations on behalf of partners; fulfilling statutory requirements on behalf of others (without change in accountability); entering into sub-contracts with suppliers; reporting on performance, quality and finance; delivering savings; managing and investigating or coordinating the investigation of complaints which are made about the LCO and/or co-operating in the investigation of complaints about in-scope services made to parties to this Agreement; supporting the health and wellbeing of staff
- b) The LCO will, through the proper discharge of all obligations under this Agreement be empowered to pursue its agreed priorities to reshape how services work, individually and collectively, in line with agreed governance arrangements
- c) To ensure services are safe, equitable and of a high standard with reduced variation
- d) Co-ordinate health and social care, ensuring quality, safety, value for money and high standards for all
- e) To enable people and neighbourhoods to be active partners in their health and wellbeing
- f) Build on the strengths of communities, neighbourhoods, voluntary groups and social networks
- g) Support, empower and invest in individuals and carers supporting them to manage their own health
- h) To achieve a sustainable system in relation to finance, workforce and estate

- i) Transform the health and social care system, moving the focus from hospital to home and the community
- j) Reinvest savings into better care
- k) Balance finances in each and every year within the resources allocated to the LCO
- l) Develop the LCO workforce so that there are committed, skilled and motivated staff where and when they are needed

6. LCO longer-term ambitions

a) Scope of provision

The parties to this Agreement share the ambition of the Greater Manchester Health and Social Care Partnership that LCOs develop as the principal means by which health and social care services within a locality are integrated and delivered in a financially and clinically (professionally) sustainable manner. This means that the parties to this Agreement in Bury aim to ensure the inclusion of the large majority of services currently commissioned and provided to Bury people as services ‘in scope’ of the LCO. During 2019/20 the final plans for phased inclusion of health and social care services to be directly provided by the LCO (currently referred to as ‘level 4’) will be agreed and mobilised.

b) Scope of commissioning

The parties to this Agreement additionally share the ambition of ensuring that the LCO undertakes a range of commissioning and contracting functions currently (2019/20) undertaken by NHS Bury CCG and Bury Metropolitan Borough Council. This ambition is likely to lead to a new commissioning architecture in which the One Commissioning Organisation is responsible for setting overall strategy, outcomes and quality standards, whilst the LCO is responsible for translating strategy into operational practice and for providing assurance on outcomes and quality standards. The parties to this Agreement acknowledge that establishment of this new architecture will require the transfer of expertise and resources from the current OCO partners to the LCO in order to maximise effectiveness, retain skills, and maintain organisational ‘memory’ within the Bury health and social care system.

During 2019/20 the plans for phased transfer and transformation of health and social care commissioning from the OCO to the LCO (currently referred to as ‘level 5’) will be prepared and negotiated jointly with the OCO for mobilisation from 2020/21. A priority for this transfer will be the quality in primary care contract.

c) Organisational form

Whilst in 2019/20 the LCO is a formal alliance of organisations operating a relatively limited number of in scope services (though having an influence over many more), during this same year all parties to this Agreement confirm their commitment to engage in constructive discussion about the future state (sometimes described as the ‘end state’) of the LCO, namely the organisational form which the LCO might take from

2020/21. Discussion and agreement on organisational form from 2020/21 shall take into account the scope of the LCO as it has been agreed to include service provision and commissioning (see 6a) and 6b) above) as well as NHS contractual and supply chain management responsibilities together with the relevant legal and regulatory frameworks.

7. Contracts

In year 2019/20, commissioners will retain contracts with individual parties to the LCO including those services which are agreed to be fully 'in scope' of the LCO (i.e., level 4 and 5). These contracts will remain the legally binding obligations on each party to the LCO.

However, the delivery of contracts (in relation to level 4 services) held by individual parties shall be through the LCO, as if the LCO were the contract holder. The Board of the LCO shall be the body responsible for the fulfilment of individual contracts for services in scope. High-level contract management meetings will normally be held between commissioners and the Board (or agreed sub-committee of the Board) of the Local Care Organisation alone, though bilateral contract meetings may be required in addition. For ease, these arrangements and the documentation that supports them are referred to as the 'operational contract' in this Agreement. The LCO management team may be required to be involved in the contract management of contracts which cover services in the wider North East Sector, as agreed from time to time.

Commissioners will advise of their contract intentions in respect of year 2020/21 onwards. For the avoidance of doubt, no changes to contractual arrangements shall be made which create new VAT liabilities and nothing in this Agreement is intended to imply any change which creates new VAT liabilities.

8. Regulatory compliance

Each Partner is responsible for ensuring the regulatory compliance of the services provided under their respective contracts with the OCO. Each provider shall deal directly with the relevant regulatory body in relation to the services performed by that provider. LCO Management Team members may be accountable to one or more member organisations individually for the purpose of providing assurance of regulatory compliance.

It is acknowledged and agreed by Providers that it is not intended that there will be any collective responsibility or liability for any regulatory breaches or enforcement actions relation to the delivery of services pursuant to the terms of this Agreement.

9. Finance

It is the intention of the parties to this agreement to delegate to the LCO Board to the fullest possible extent agreed levels of budgetary control for relevant budgets relating to the services which are directly managed through the LCO management team. The risk and reward share agreement will guide the management of resources across the services in scope.

10. Staff – line management

Subject always to compliance with all relevant employment legislation, it is the intention of the Parties that the delivery of the in scope services within the LCO will not affect the employment status or terms and conditions of any employee of each Party, currently engaged in the provision of the services.

It is accepted that the line management of any staff employed by a provider may, if agreed by the relevant provider through this Agreement, be exercised through the LCO management team in accordance with the workforce protocol (Schedule 5)

The LCO management team and the parties shall ensure that each employee is appropriately managed and supervised in accordance with all relevant prevailing standards of professional accountability and shall at all times comply with the provisions of the workforce protocol (Schedule 5).

The LCO will develop a framework for staff and managers to secure appropriate assurance to employing organisations and to the LCO Board, e.g., through joint appointments.

11. The LCO Board

The Board of the LCO is a partnership board recognised by the Boards of each of the partner organisations as responsible for:

- Overseeing the LCO and the delivery of in scope services (Schedule 1)
- The achievement of the objectives, goals and outcomes set for the LCO (including system and service transformation objectives), through the management team and staff team
- Setting strategy and direction, in the context of available resources and the strategic intentions of commissioners
- Managing the effectiveness of the arrangements for the LCO, including the staffing agreement and the execution of delegated powers
- Holding the chief officer to account for the delivery of objectives, goals and outcomes
- Providing assurance to commissioners and to LCO partner organisations in relation to the effectiveness of the LCO's work and its achievement of goals and outcomes

The terms of reference of the LCO Board are set out at Schedule 6.

12. LCO management team

The role of the management team will be to:

- a) Manage the in scope services as per the agreed definitions at sections 4 and 5 above on a day to day basis in a manner consistent with the scheme of delegations (Schedule 2)
- b) Manage the design and mobilisation of transformation in line with the Locality Plan, and as agreed shall be the responsibility of the LCO through the Bury Health and Social Care Transformation Programme Board
- c) Maintain system resilience in relation to services in scope, e.g., by supporting the winter resilience Gold command arrangements
- d) Develop, seek approval for, and implement a consistent transformation operating model for Bury health and social care services
- e) Report to the LCO Board on material aspects of the services such that the Board is enabled to fulfil its responsibilities set out in section 10, namely, the management team shall ensure the Board receives regular reports in relation to transformation mobilisation, quality, performance, risk, finance, workforce and contractual obligations
- f) Identify, assess and manage risks associated with in scope services
- g) Support the development of operational practice, values and culture which encourages and enables transformation
- h) Direct the programme management office on behalf of the Bury health and social care system
- i) Line manage staff for level 4 in scope services
- j) Undertake, or oversee the delegated day-to-day commissioning of level 5 services
- k) Supports the LCO Board in identifying and agreeing additional in scope services for 2019/20 onwards.

13. Role of the host

The host Partner for 2019/20 shall be Northern Care Alliance NHS Group. During this year the role of the host will be to:

- Co-ordinate, on behalf of the management team, infrastructure and corporate support and resource requirements for the LCO, e.g., business intelligence, finance and HR expertise to support the LCO board and management team or to support acquisition of this support from other parties
- Employ and provide formal line management to the chief officer, director of transformation and delivery and other staff as required. NB., The chief officer

shall be line managed by agreement with the host by LCO independent chair on behalf of the LCO board.

- Coordinate the effective management of the supply chain either directly or through delegation to LCO partners as agreed by the Board
- To collate, assess and report on business intelligence, performance and quality metrics associated with the in scope services as required by the LCO Board, management team and commissioners, through the PMO and other infrastructure support as required
- To propose, seek approval for, and manage the implementation of the LCO's budgetary control, contracting and integrated risk management processes including holding resources specifically supplied for the LCO and ensuring the timely payment of invoices submitted by parties to this agreement.
- To hold contracts on behalf of the LCO where this is agreed by the LCO Board, notwithstanding the potential for other Partners to hold contracts on behalf of the LCO, where that Partner is judged by the LCO Board to be best placed to be the contract holder
- Ensure the effective management and support of the system-wide transformation Programme Management Office, through the management team

For the avoidance of doubt, the host provider does not:

- Take executive decisions on behalf of the LCO, which are the responsibility of the LCO Board.
- Conflict with the statutory or contractual responsibilities or accountabilities of partner organisations.
- Determine the provision of 'in scope' services for the LCO and the shape of the future LCO supply chain.
- Incur any financial liability to the NCA beyond that which will be fully reimbursed through agreed transformation funding

The role of the host Partner will be reviewed for 2020/21 and may be further developed with agreement of all parties.

14. Intellectual property

Intellectual property developed under this Agreement shall belong to each party to the LCO jointly and severally. No sale of intellectual property, other commercial benefit, or the transfer of rights to another party outside of the parties to this Agreement shall be permitted only with the express written permission of the LCO board.

15. Dispute resolution

The Local Care Organisation shall operate a three-stage dispute resolution process, where disputes arise between parties to this Agreement.

Stage 1

Disputants who have been unable to resolve a dispute by informal negotiation shall invoke stage 1 of the dispute procedure. The disputant shall set out the dispute in writing together with a statement of the resolution the disputant seeks. The respondent(s) shall reply in writing setting out their response to the dispute and the proposed resolution. This exchange of documents shall be completed within 10 working days unless it is extended by mutual Agreement.

Stage 2

Where a dispute cannot be resolved at stage 1, the matter will be escalated to stage 2 and brought to the Board of the Local Care Organisation where each party to the dispute will have the opportunity to present their case. The independent chair shall negotiate an Agreement to resolve the dispute (and may in so doing need to meet with the parties separately prior to discussion at a Board meeting). This stage shall be completed within 30 days of being notified to the chair.

Stage 3

Where the dispute cannot be resolved at stage 2, the parties in dispute shall ask a suitably qualified and experienced elected member or non-executive director or equivalent of their respective organisations to meet to review the dispute and attempt to resolve the dispute. This stage shall be completed within 30 days of having been notified to the chair.

Stage 4

Where a dispute cannot be resolved at stage 3, the parties to the dispute shall take the case to the Centre for Effective Dispute Resolution, sharing the costs between the disputant and respondent(s).

16. Breach of the Agreement

The parties to this Agreement agree that the Board of the Local Care Organisation may (after taking appropriate advice and/or conducting an investigation, as appropriate) determine that one or more parties are in breach of the terms of this Agreement. The independent chair shall have the final say on breaches of this Agreement, having taken appropriate advice.

When such a breach is identified, the independent chair of the Board will write to the Chair of the party or parties deemed to be in breach, setting out the nature of the breach and the terms for remedying the breach. The party or parties in breach shall have the opportunity to confirm their willingness to remedy the breach, that

confirmation needing to be received within 15 working days of their receipt of the independent chair's letter.

Where the breach is not accepted by the party or parties said to be in breach, or the remedy is not implemented within an agreed timeframe, either

- a) stage 3 of the dispute procedure may be invoked or
- b) this Agreement may be deemed by the LCO Board to be terminated

17. Termination and renewal

This Agreement will terminate on 31 March 2020 unless

- a) previously terminated by one or more party
- b) all parties have agreed to terminate it in order to put in place a new or revised Agreement at an earlier date

All parties may agree to renew this Agreement for a maximum of a further 2 years (i.e., to 31 March 2022)

Any party to this Agreement may give notification to terminate this Agreement by giving no less than 6 months' notice.

This Agreement will be deemed to be terminated by the Board of the Local Care Organisation where any party is in irremediable breach of the terms of the Agreement.

18. Approvals

In respect of the entire Agreement including schedules

This Agreement was approved by the Boards of the parties to this Agreement and signed by their authorised representatives as follows:

Signed for and on behalf of BARDOC Limited:

Signature: V. Riding Name: Vicky Riding

Signed for and on behalf of Bury GP Practices Limited

Signature: M. Craven Name: MARTIN CRAVEN

Signed for and on behalf of Bury Metropolitan Borough Council (as provider)

Signature: G.P.L. Little Name: GEOFF LITTLE.

Signed for and on behalf of Bury Voluntary, Community and Faith Alliance

Signature: S. Hashmi Name: SAJIN HASHMI

Signed for and on behalf of Northern Care Alliance NHS Group

Signature: [Handwritten Signature] Name: 1/4/2019 JACK SHARP

Signed for and on behalf of Pennine Care NHS Foundation Trust

Signature: [Handwritten Signature] Name: CLAIRE MOLLOY.

Signed for and on behalf of Persona Care and Support Ltd

[Handwritten Signature] KATHRYN SOWDEN.

In respect of schedules 1, 3 and 4 only

Signed for and on behalf of Bury Metropolitan Borough Council (as commissioner)

Signature: G. P. Little Name: GEOFF LITTLE

Signed for and on behalf of NHS Bury Clinical Commissioning Group

Signature: [Handwritten Signature] Name: MARGARET O'DWYER.

Screenshot

Schedules

1. Services in scope for 2019/20
2. Scheme of delegations and reserved matters
3. Investment agreement
4. Risk and reward share
5. Workforce protocol
6. Terms of reference for LCO Board
7. Agreed actions in 2019/20 arising from the Mutually Binding Agreement

Schedule 1

In scope services

See section 4 for a definition of 'in scope' services at relevant levels.

This schedule shall be agreed by the parties to the Agreement and also by the One Commissioning Organisation.



Schedule 1.xlsx

Schedule 2. Scheme of delegations and reserved matters

BARDOC Ltd	Bury GP Federation	Bury Voluntary Community and Faith Alliance	Bury MBC	Northern Care Alliance NHS Group	Pennine Care NHS Foundation Trust	Persona Care and Support Ltd
<p>BARDOC Ltd will delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope.</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of the Partnership Agreement with regard to the services in scope (levels 4 and 5).</p>	<p>Bury GP Federation will delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope, where relevant staff are directly employed by the Federation.</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of the Partnership Agreement with regard to the</p>	<p>Bury Voluntary, Community and Faith Alliance (VCFA) will delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope, where relevant staff are directly employed by the VCFA.</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of the Partnership</p>	<p>The majority of adult social care work will fall within scope of the LCO in the future. Work undertaken by adult social care staff needs to be authorised lawfully.</p> <p>Bury MBC needs to ensure that the Director of Adult Social Services (DASS) remains responsible for functions that cannot be delegated. Adult social care functions that are currently (November</p>	<p>The Northern Care Alliance will delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope.</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of the Partnership Agreement with regard to the services in scope (levels 4 and 5).</p>	<p>Pennine Care NHS Foundation Trust will, insofar as PCFT is able to do so without breaching its Constitution or other regulatory restrictions, delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope.</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of</p>	<p>Persona Care and Support Ltd will delegate to the LCO Board, and through the Board to the management team, the line management and resource management of the services in scope, where relevant staff are directly employed by Persona</p> <p>The LCO is authorised to make those decisions set out in paragraph 4 of the Partnership Agreement with regard to the</p>

<p>BARDOC Ltd will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO.</p>	<p>services in scope (levels 4 and 5). Bury GP Federation will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO.</p>	<p>Agreement with regard to the services in scope (levels 4 and 5). Bury VCFA will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO.</p>	<p>2018) delegated to the DASS under the Council's constitution remain with the DASS. Social care members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to the DASS. The DASS will authorise the social care member(s) of the LCO management team to perform the majority of adult social care functions except those that remain with the</p>	<p>The NCA will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO. The NCA will remain accountable for all statutory and regulatory responsibilities, for compliance with all relevant laws and guidance, and for fulfilment of contracts with</p>	<p>the Partnership Agreement with regard to the services in scope (levels 4 and 5). Pennine Care NHS Foundation Trust will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO. Pennine Care NHS Foundation Trust will remain</p>	<p>services in scope (levels 4 and 5). Persona will make available to the LCO those resources (people, estate, budgets, infrastructure) associated with the services in scope without undue let or hindrance in order to enable the Board and management team to fulfil the jointly agreed objectives of the LCO. Persona will remain accountable for all statutory and regulatory responsibilities, for compliance with all relevant</p>
<p>BARDOC Ltd will remain accountable for all statutory and regulatory responsibilities, for compliance with all relevant laws and guidance, and for fulfilment of</p>	<p>Bury GP Federation will remain accountable for all statutory and regulatory responsibilities,</p>	<p>Bury VCFA will remain accountable for all statutory and regulatory responsibilities,</p>	<p>those that remain with the</p>	<p>contracts with</p>	<p></p>	<p></p>

<p>contracts with commissioners insofar as they relate to services in scope.</p> <p>BARDOC Ltd members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to BARDOC's Chief Executive</p>	<p>for compliance with all relevant laws and guidance, and for fulfilment of contracts with commissioners insofar as they relate to services in scope.</p> <p>Bury GP Federation members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to Chief Officer of the Federation</p>	<p>for compliance with all relevant laws and guidance, and for fulfilment of contracts with commissioners insofar as they relate to services in scope.</p> <p>Bury VCFA members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to Chief Officer or equivalent of the VCFA</p>	<p>DASS as a matter of statute or policy.</p>	<p>commissioners insofar as they relate to services in scope.</p> <p>NCA members of the LCO management team will have a dual reporting line to the chief officer of the LCO and the Chief Executive of the NCA</p>	<p>accountable for all statutory and regulatory responsibilities, for compliance with all relevant laws and guidance, and for fulfilment of contracts with commissioners insofar as they relate to services in scope.</p> <p>PCFT members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to the Chief Executive of PCFT</p>	<p>laws and guidance, and for fulfilment of contracts with commissioners insofar as they relate to services in scope.</p> <p>Persona members of the LCO management team will have a dual reporting line to the chief officer of the LCO and to Chief Executive of Persona</p>
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RESERVED MATTERS

The reserved matters for each party to this Agreement are shown below. These are the matters which organisations are not seeking to delegate to the LCO.

BARDOC Ltd	Bury GP Federation	Bury Voluntary Community and Faith Alliance	Bury MBC	Northern Care Alliance NHS Group	Pennine Care NHS Foundation Trust	Persona Care and Support Ltd
<p>The LCO has no powers to:</p> <p>Breach the responsibility of the company's directors in relation to statute and regulation</p>	<p>The LCO has no powers to:</p> <p>Breach the responsibility of the company's directors in relation to statute and regulation</p>	<p>The LCO has no powers to:</p> <p>Breach the responsibility of the company's directors in relation to statute and regulation</p>	<p>Adult social care matters to be retained by the DASS or the Council's executive management team are as follows:</p> <p>Discharge of the Supervisory Body function of the Council for the Deprivation of Liberty Safeguards (DoLS) in hospitals and registered care homes, pursuant to Schedule A1 of the Mental Capacity Act 2005 and the Deprivation of</p>	<p>The LCO has no powers to:</p> <p>Breach the provisions of the contract between NCA's constituent Trusts and commissioners</p> <p>Breach the terms of constituent Trusts' licences</p> <p>Breach or have an impact on the NCA's constituent Trusts' Oversight and Accountability Frameworks</p> <p>Breach or have an impact on NCA's policies</p>	<p>The LCO has no powers to:</p> <p>Breach the provisions of the contract between PCFT and commissioners</p> <p>Breach the terms of PCFT's licence</p> <p>Breach or have an impact on the PCFT's Oversight and Accountability Framework</p> <p>Breach or have an impact on PCFT's policies (which have been disclosed to the LCO, e.g.,</p>	<p>The LCO has no powers to:</p> <p>Breach the responsibility of the company's directors in relation to statute and regulation</p>

			<p>Liberty Code of Practice</p> <p>Confirmation of appointment of approved independent Mental Capacity Act advocates and Section 12 approved Mental Health Assessors to complete eligibility assessments pursuant to Schedule A1 of the Mental Capacity Act 2005</p> <p>To be accountable for discharging the functions of the Council pursuant to sections 42-47 of the Care Act 2014, in relation to safeguarding</p>	<p>(which have been disclosed to the LCO, e.g., employment policies) or</p> <p>Affect NCA's business continuity</p>	<p>employment policies) or</p> <p>Affect PCFT's business continuity</p> <p>Breach any of PCFT's Standing Financial Instructions</p> <p>Take any action that would breach any undertaking between PCFT and NHS Improvement or between PCFT and the Care Quality Commission</p> <p>Make decisions in relation to clinical/ professional standards or decision making or alter the</p>	
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			<p>adults at risk of abuse or neglect and to be accountable for discharging the functions of the Council in relation to: multi-agency risk assessment conferences; the Greater Manchester Multi-Agency Public Protection Arrangements (MAPPA)</p> <p>Discharge of the Council's statutory responsibilities in relation to the establishment and administration of the Safeguarding Adult Board pursuant to Section 43 of</p>		<p>governance arrangements within with PCFT staff work without approval from the PCFT Executive</p>	
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			<p>the Care Act 2014</p> <p>Confirmation of the appointment of Approved Mental Health Professionals (AMHPs) pursuant to Section 114 of the Mental Health Act (MHA) 1983</p> <p>To be notified of matters that are considered appropriate to be placed on the Adult social Services or LCO risk register</p> <p>To retain responsibility for oversight of the Adult Social Services' risk register and reporting duty to the Council</p>			
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			<p>To be consulted on the development and management of proposals of the LCO risk register</p> <p>To be consulted on and where appropriate approve any significant changes to the provision of adult social care services or changes to the Council's adult social care policies and procedures (to ensure the Council's compliance with Section 149 of the Equality Act (Public Equality Duty) and any statutory or</p>			
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			<p>implied duty to consult with affected groups</p> <p>Finance, governance and HR matters</p> <p>Compliance with the Council's Constitution, Register of Delegation of Executive Functions, Standing Orders and Financial Regulations of the Council</p> <p>Key decisions as defined in Article 13 of the Council's Constitution which must be taken in accordance with the requirements of the Access to Information</p>			
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			<p>Procedure Rules set out in Part 4 Section B of the Constitution</p> <p>Discharge of the duty to make arrangements to ensure proper administration of the Council's financial affairs under section 151 of the Local Government Act 1972</p> <p>Responsibility for assessing residents' ability to pay under The National Assistance Assessment of Resources Regulations 1992 which came into force 1 April 1993</p>			
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			<p>Responsibility for determining charges for adult recipients of non-residential services under Section 17 of the Health and Social Services and Social Security Adjudications Act 1983</p> <p>Decisions on employee pensions, including flexible early retirement, voluntary early retirements and other decisions which impact on the employer pension liability are made in accordance with the LGPF requirements and authorised by the Council's</p>			
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			chief finance officer Decisions to dismiss Bury MBC employees and hearing of appeals against dismissal			
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Schedule 3

Investment agreement

This schedule shall be agreed by the parties to the Agreement and also by the One Commissioning Organisation.



Schedule 3.docx

NB. The issue around the cashability of efficiencies and the ability to move resource around the economy still presents itself as a challenge for the system as it does for elsewhere. Nonetheless, all partners to the MBA are unequivocally committed to delivering the benefits set out in the investment agreement and will work together to maximise the financial savings to the Bury health economy.

It is recognised that this is likely to entail service reconfiguration within the Locality and/or on a pan-sector footprint and therefore require the explicit support of commissioners.

This is being addressed in the contractual negotiations being led by the Directors of Finance and Chief Finance Officers.

Schedule 4

This schedule shall be agreed by the parties to the Agreement and also by the One Commissioning Organisation.

Principles for Risk and Reward Sharing

1. The overarching principle for the arrangements between Bury commissioners and the Local Care Organisation (LCO) is the promotion of a sustainable health and social care system in Bury that benefits the local population. Management of risks and rewards supports sustainability within total available resources. (“One pound to go round.”) Risk and reward sharing remove or lessen organisational barriers and incentivise the right behaviours.
2. For a potential risk or reward to be considered for a sharing mechanism it must meet the following gateway requirements:
 - a. Transformation: The services involved must be aligned to the aims of system transformation and new care models.
 - b. Materiality: The potential gain or loss must have a material financial impact.
 - c. Shared interest: The potential gain or loss must have an impact on or be influenced by multiple parties within the local system.
3. Risks and rewards that meet the gateway requirements will be worked up on a system-wide but case-by-case basis:
 - a. System-wide: any financial distribution will be based on the net outcome to the whole system not to a single service.
 - b. Case-by-case: there is no expectation that all gains and losses will be shared in the same proportions, and by all the same partners.
4. Point 3 notwithstanding, the total exposure to losses or risks of each individual organisation will be kept in view. The capacity to take and absorb risks, and the ability to control and influence them, will vary between organisations and between issues.
5. The development of any risk and rewards sharing mechanisms will take into account the availability of data for measurement, the possibility of perverse incentives and the existing governance arrangements for holding organisations to account. In other words, practical considerations may prevent the operation of a sharing mechanism when gateway requirements are met.
6. In assessing or quantifying potential risks, the Bury process will have some key considerations; for example, the possibility of stranded costs.
7. Any risk and reward sharing mechanisms developed and agreed under these arrangements will replace any prior risk sharing arrangements. For example, a gain-sharing mechanism will not be layered on top of a ‘cap and collar’ contract, which is itself designed to limit exposure to activity related gains and losses.

8. Gain and loss sharing arrangements can and will change over time.
9. There will be provision for partner organisations to review, update and if necessary terminate sharing mechanisms.
10. It is noted that an agreed financial plan between the LCO and commissioners may count expected rewards in changed service budgets. In this case there will be revised baselines – a new ‘Business as Usual’ – and these gains will not be available for a sharing mechanism.
11. The process for identifying and developing a gain and loss share arrangement in Bury will be documented through a specific example. The Risk and Reward Group has chosen Urgent Care and work is underway (February 2019) to describe this process.

Schedule 5

Workforce protocol

1 Introduction

- 1.1 As Bury Local Care Alliance works towards its next stage as a Local Care Organisation from 1 April 2019 consideration must be given to implementing a set of HR principles in order fully to support partnership and system working and to provide the basis for the LCO to manage services and their staff which are in scope, primarily those which are identified as being at level 4 in the 'in scope' schedule (see section 4 of the Mutually Binding Agreement for definitions)
- 1.2 The Workforce Protocol is a framework which all parties agree to, that recognises, complements and incorporates existing policies and procedures of the member organisations of the LCO.
- 1.3 Integral to the protocol is the assurance to staff within all of the in scope services, that the management of change will be transparent, equitable and consistent, and aligned to employing organisation policies and procedures.
- 1.4 The protocol represents the sharing of best practice, and aims to support our staff, managers, trade union/staff representatives, and HR professionals by providing information and guidance on the processes that will be adopted by the LCO from 1 April 2019.

2 Background and Context

- 2.1 The LCO is one of the pillars described in the Bury Locality Plan, being responsible for providing high quality, person-centred, integrated care and support to local people, enabling the greatest improvement in outcomes, whilst also reducing cost.
- 2.2 This will involve a fundamental shift in the way in which health and social care services interact, and the staff who are in scope of the LCO will work in a much more integrated way, delivering new models of care through integrated team working. Staff however, will remain employees of their respective organisations on their current terms and conditions of service.

3 Purpose

- 3.1 The development of a protocol creates a framework to ensure, in partnership with our trade union/staff representatives, that the necessary changes are facilitated, whilst ensuring that staff retain the security currently afforded to them by their relevant policies and procedures.
- 3.2 For clarity, the groups of staff to whom this document applies, are those identified and agreed by partner organisations to be in scope of the LCO. The details of in scope staff will be agreed between partner organisations, and

shared with trade union/staff representatives in advance of each phase of the LCO's development.

4 Governance

4.1 The following principles outline the approach that will be taken within the LCO development programme to underpin the management of the change. Relevant change management policies from partner organisations should also be read in conjunction with this document: -

- The LCO management team will consider workforce requirements that may exist. A pro forma has been developed to assist the management team. (See Appendix 1). The management team is responsible for the sign off of staff resources deployed to the LCO by the member organisations. Resourcing Principles (Appendix 2) will be adhered to where a vacancy is identified.
- The day to day management of resources deployed to the LCO and within the transformation bids sits with the management team where each organisational member is represented, reporting to the LCO Board (as set out in the management team's terms of reference which specifies the two-way accountability of management team members to the LCO and their employing organisation(s)).
- Roles that may be funded by any future pooled budget can be appointed on the terms and conditions of any employer within the pooled funding agreement.
- The Council takes responsibility for ensuring that the DASS statutory responsibility for the continuous professional development (CPD) of Social Workers, as a regulated provision, is met within agreed financial provision and does not breach delegated financial limits.
- Changes to deployed resources (i.e. restructures, role redesign etc.) must be made in line with substantive organisations' policies and procedures.
- Overarching principles will be designed where there is a need for a single process approach (i.e. for Integrated Neighbourhood Teams).
- Decision in respect of dismissals must be made by the employee's substantive employer.
- Access to occupational pension, including Voluntary Early Retirement (VER) and Flexible Retirement (FR), may only be determined by the substantive employer.

5 Clinical and Professional Governance

5.1 The majority of adult social care work will fall within the remit of the LCO. Work undertaken by social care workers needs to be authorised lawfully. The DASS Statutory responsibility will remain under the remit of the Council's Constitution. The current systems and processes in place within the Council to escalate concerns will remain the same.

5.2 All statutory, contractual and regulatory responsibilities for health and social care will remain under the remit of the employing organisation, through the organisational representative(s) on the management team e.g. safeguarding. The employer will ensure that mechanisms are in place to support staff to fulfil their professional responsibilities in accordance with their professional bodies

e.g. clinical supervision, mandatory training etc. Monitoring and reporting systems will continue to provide assurance that duties are being met.

- 5.3 Where professional concerns arise, these will be managed via the existing clinical governance systems and processes in each organisation. However the LCO management team and board will ensure that it has in place its own arrangements for monitoring and assurance quality and safety, which complement those of member organisations of the LCO.

6 Consultation with trade union/staff representatives

- 6.1 The LCO will operate effective partnership working, and initiate early consultation on options and proposals for change. This approach aims to promote positive relations with trade union/staff representatives to meet legal obligations and to ensure the views of trade union/staff representatives are fully considered when developing options for change.
- 6.2 Effective consultation will take place with trade union/staff representatives regarding organisational structures and change management plans to support the set-up of the LCO, allowing meaningful consultation and relevant discussions to take place. This will be managed via Locality Workforce Engagement meetings, and existing forums within partner organisations in line with the substantive employer's policies and procedures.

7 Communication to staff

- 7.1 Ongoing communication will take place to raise awareness and understanding of both the LCO and Locality Plan, in order to explain the context and benefits of any changes to services, processes, and ways of working for staff. This will be owned, planned and managed jointly by the Communications/Engagement Leads across LCO partners, via the Communications and Engagement Workstream Group. This activity will be supported by a suite of assets, including for example FAQs, presentations, staff newsletters etc, to ensure consistent messages, fill any gaps in understanding and minimise concerns.
- 7.2 Staff engagement sessions will be provided throughout the process of integration of the LCO and beyond, thus ensuring staff feel involved and have the opportunity to input into the process. These sessions will focus on any staff groups and teams who are likely to be directly impacted by changes.
- 7.3 Where formal consultation is required, clear documents will be drawn together for all proposals to ensure clarity, fill any gaps, reassure and minimise concerns. Alignment of timescales for consultation between different organisational change policies may need to be agreed to ensure individuals are treated consistently, and are not disadvantaged. Any consultation processes will involve and be supported by Communication and Engagement Leads, via the Workstream Group, to ensure consistency and clarity of messages, and where possible, ensure a period of engagement and discussion leading up to the consultation.

7.4 Leaders/Managers/Supervisors of teams within LCO partners, especially those teams directly impacted by changes, will be responsible for sharing information, briefing teams following any sessions they attend, as well as responding to queries and offering reassurance where needed. They will be supported by the relevant partner Communications and Engagement teams where needed, as well as their own direct managers.

7.5 All LCO partner leaders/senior executives will lead by example in terms of using straightforward language and plain English when communicating either verbally or in written format, avoiding terminology and acronyms wherever possible. They will encourage their own managers and teams to do the same in order to encourage a shared common language, understood by all partners and stakeholders, including the public.

8 Individual Consultation

8.1 In some instances, at a managerial level, staff may be directly affected by the transition. Where this is the case, in addition to formal consultation with trade union/staff representatives, there will be individual consultation with the staff concerned, in line with their substantive employer's policies and procedures.

9 Redeployment

9.1 In the event that a member of staff 'in scope' to transition to the LCO finds themselves without a substantive role, then the relevant redeployment policy of their employing organisation will apply.

9.2 Where transformation schemes are implemented and staff may no longer be required for a specific function, the LCO will use its best endeavours to find alternative employment for affected staff members through existing vacancies.

10 Pay Protection

10.1 Where an employee is redeployed into a suitable alternative role, on a lower grade, as a result of the transition to the LCO, the relevant pay protection policy of their employing organisation will apply.

11 Employment Matters

11.1 In the event of employee relations issues that may arise, the relevant policies and procedures of the individuals' substantive employer will be adhered to. In the case of relevant investigations, these matters can be progressed by a local line manager, in accordance with relevant policies. Decisions in relation to employee relations matters of any kind must be made by the substantive employer.

11.2 Decisions in respect of VER/FR must be made by the substantive employer.

11.3 Partner organisations commit to a review of HR policies and procedures, and where feasible, the content of policies and procedures across the partner

organisations should be mirrored, e.g., in relation to absence policies and procedures

12 Appointment Processes

12.1 In developing the LCO, a joint approach to recruitment needs to develop, to cover new appointments, and accounts for instances where the implementation of single line management arrangements may impact on staff. These arrangements will include: -

- The Resourcing Principles (Appendix 2) will be adhered to where a vacancy is identified.
- A joint commitment to equality and diversity through the adoption of fair, open and transparent recruitment processes.
- Appropriately constituted panels for all interviews.
- All new roles in the LCO leadership and management structures will be made initially available to identified 'in-scope' staff from partner organisations, regardless of their employer, subject to any relevant professional qualification that may apply.
- In relation to future recruitment across the partner organisations, where roles are funded wholly by one of the partner organisations of the LCO, the terms and conditions of that employer will apply. New employees appointed to these positions will take on the new terms and conditions. If the role is funded by multiple sources, a leadership decision must be made in respect of where the role sits (i.e. which organisation will host the role), and employees appointed to these positions will take on the terms and conditions of the host organisation.

Appendix 1

Workforce Considerations Pro-forma (applies to LCO infrastructure roles only)

To date, the majority of the roles that have been considered as essential for transformation have been recruited to on a secondment basis. Substantive roles, in the main have been backfilled, therefore resulting in an extra cost to the system as a whole. Work has been undertaken to consider the capacity and capability that is required in order to drive forward the transformation agenda. Therefore, rather than seconding more staff to undertake key roles/tasks, which could result in the system being de-stabilised, or adversely affecting business as usual, there should be a more detailed consideration of how to fill the workforce gaps that exist.

To determine how to approach each gap that is identified, it is important to consider the resourcing method: -

- What roles / tasks need to be undertaken?
- Why are the roles / tasks essential? / What are the key outputs / deliverables?
- Over what timeframe will the role / tasks need to be undertaken?
- What skills / experience are required from the individual undertaking the work?
- What options have already been considered / utilised?
- Is there a team / individual within the system that has the capacity to undertake the role/task?
- Is there a rationale to selecting an individual / team to undertake the role / task?
- Is there a rationale / fair method of selection?

In addition, arrangements to consider are as follows: -

- If input is required, the individual / team will be asked to provide this as part of their normal duties. Duration of input, and an agreement of what input is needed must be discussed and agreed.
- If a short term task is required, an employee(s) may be asked to undertake the full duties and responsibilities of a higher graded/banded position, for an agreed period and will therefore be paid an additional payment (an amount equal to the difference between their current salary and the salary of the higher graded post). If there is more than one person identified with the necessary skills / experience, the opportunity to undertake the task will be ring fenced to all those identified and a fair selection process must be used to allocate the task (interview).
- If there is a requirement for a role, approval is required to recruit, and then the Resourcing Principles must be adhered to.
- Any required backfill must be discussed and agreed by the Board. In agreeing a request, consideration must be given to whether a 'like for like' replacement is required, or whether a different role at a lower grade/band could be recruited.

After considering the questions and bullet points above, please complete the following boxes. The information will be considered and approved (where appropriate) at Transformation Board.

<p>For Information:</p> <ul style="list-style-type: none"> - Board should review the number of people per organisation that are already seconded to the LCO and the implication of any further secondments on the day to day operation. - Board should review the numbers of people that are already working on tasks for the transformation agenda (value in kind) against the agreement made in respect of hours/days per organisation? 	<p>Y / N</p> <p style="text-align: center;"><input type="checkbox"/></p> <p style="text-align: center;"><input type="checkbox"/></p>
<p>Proposed resourcing method (please provide details)</p>	<p>Approved by</p>
	<p>Name -</p>
	<p>Job title -</p>
	<p>Date –</p>
<p>Proposed backfill method (please provide details)</p>	<p>Approved by</p>
	<p>Name -</p>
	<p>Job title -</p>
	<p>Date –</p>

Appendix 2

Resourcing Principles

Principle 1

Any roles that are being formed as a result of transformation monies must receive the necessary approval to resource via Transformation Board.

Principle 2

Due to the length of the funding available, vacancies will be recruited to on a fixed term/secondment basis unless the roles are difficult to recruit to on such an arrangement

Principle 3

The host organisation is responsible for producing the necessary recruitment information. As standard, the recruitment information must comprise of: -

- Advert text, which includes the sentence – ‘consideration will be given to redeployees in the first instance’.
- The grade / band and the actual salary for the role (the role will be evaluated against relevant partners job evaluation schemes to determine appropriate salary)
- The hours of work and rota (if required)
- The work base
- The nature of the contract (i.e. fixed term)
- A job description and person specification
- Details of how to apply for the role (each organisation will retain its current recruitment system)
- A two week closing date.

Principle 4

All organisations within the LCO must be notified of the vacancy on the same day. Notification will be co-ordinated via the Project Management Office.

- a) The vacancy will be advertised to redeployees in the first instance for a period of 1 week.
- b) If there are no redeployees, the vacancy will be advertised to internal staff and a two week closing date will apply.

Principle 5

If there are no redeploys or internal candidates, the vacancy will proceed to external recruitment.

Principle 6

The employee will be seconded into the role, and will remain on the terms and conditions, and salary arrangements of their substantive employer. If a secondment is not approved, the individual will be employed on a fixed term basis and will receive the terms and conditions, and salary arrangements of the host employer. External appointments will be made on the terms and conditions of the host organisation.

Schedule 6

Bury Local Care Organisation Board

Terms of reference

1. Purpose of the Board

The purpose of the Board are set out at Section 10 of the Mutually Binding Agreement:

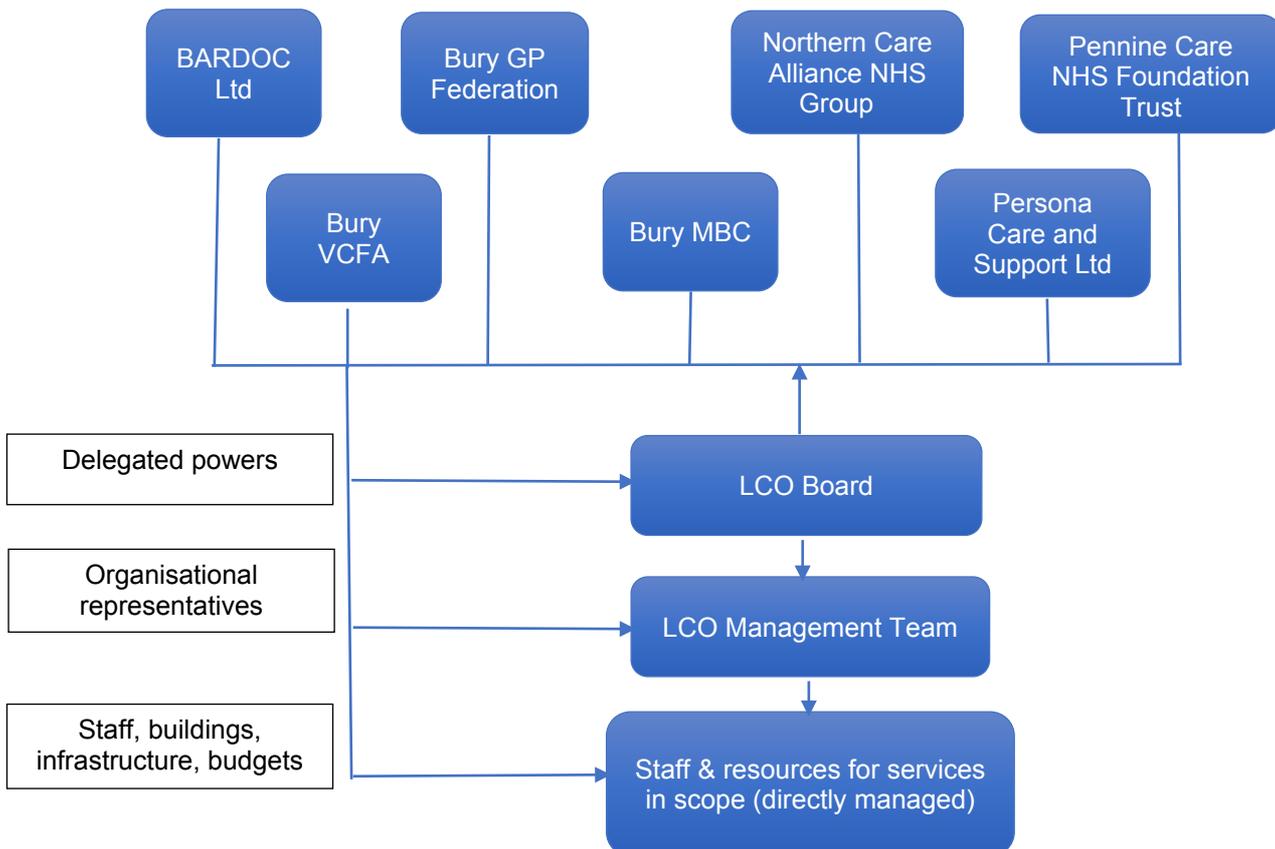
2. Principles

The principles by which the Board shall operate have been agreed in the Mutually Binding Agreement and are set out in Section 3 of the Mutually Binding Agreement:

3. Powers

The parties to the Mutually Binding Agreement have delegated specific powers to the LCO, and reserved specific matters from the LCO (Schedule 2). The Board of the LCO is responsible for exercising these powers, through the LCO management team, for the fulfilment of the objectives of the LCO (set out at Section 5 of the Mutually Binding Agreement).

The Board’s relationship with the partners is described in the diagram below:



4. Membership

The membership of the LCO Board shall consist of one Director from each of the parties. This director should be a Board or equivalent level director from member organisations.

The LCO directors shall be:

LCO member organisation	LCO Director
BARDOC Ltd	Vicky Riding
Bury GP Federation	Martin Clayton
Bury Metropolitan Borough Council	Geoff Little OBE
Bury Voluntary, Community and Faith Alliance	Sajid Hashmi MBE
Northern Care Alliance NHS Group	Steve Taylor
Pennine Care NHS Foundation Trust	Keith Walker
Persona Care and Support Ltd	Kat Sowden

Each LCO director shall have a nominated deputy who may attend on behalf of the LCO director when they are unavailable.

The nominated LCO deputy directors shall be:

LCO member organisation	LCO Deputy Director
BARDOC Ltd	Dr Zahid Chauhan
Bury GP Federation	Paul Juson
Bury Metropolitan Borough Council	Julie Gonda
Bury Voluntary, Community and Faith Alliance	Andy Hazeldine
Northern Care Alliance NHS Group	Senior member of Bury and Rochdale Care Organisation
Pennine Care NHS Foundation Trust	Sian Wimbury
Persona Care and Support Ltd	Bernard Noblett

Other representatives of member organisations may attend, e.g., to represent specialist areas of service, but no organisation should send more than 3 representatives to each meeting without the agreement of the Independent Chair.

Executive Officers of the LCO, as follows, shall be in attendance:

- a) Chief Officer
- b) Finance Lead
- c) Medical Director

At its discretion, the LCO Board may co-opt non-voting organisational representatives to the Board where to do so will assist the Board in advancing its purposes.

Co-opted members for the year 2019/20 shall include:
None specified

5. Meetings

The LCO Board shall meet monthly as a minimum and may call extraordinary meetings in addition to ordinary monthly meetings as required.

6. Voting

Each member organisation shall have one vote, to be cast by their Director or Deputy Director. Voting will take place on matters that are within the powers of the Board.

Whilst it will be the intention of the LCO Board to make decisions by consensus, where voting takes place a simple majority will be necessary to secure a decision.

Where relevant, the disputes procedure, set out in the Mutually Binding Agreement at Section 15, may be used by parties voting in the minority.

7. Quoracy

Board meetings will be quorate when each member organisation is represented either by their nominated Director or nominated Deputy Director.

Non-attendance by both a nominated Director or Deputy Director (twice or more per quarter) may lead to that party being excluded from the LCO.

8. Chairing

The Board shall be chaired by an Independent Chair, who shall be selected by the member organisations from time to time and engaged on terms agreed by those member organisations.

The Independent Chair shall not have a vote.

9. Accountability

The Board shall be accountable to the Boards or equivalent of the parties to the Mutually Binding Agreement and to the One Commissioning Organisation for the fulfilment of the LCO's operational contract.

All staff within in scope services shall be responsible to the Board through the Chief Officer and in line with the workforce protocol (Schedule 5).

10. Review

These terms of reference shall be reviewed in March 2020.

Schedule 7

Agreed actions or planned in 2019/20 arising from the Mutually Binding Agreement

Action	MBA reference	Commence	Final agreement	Date effective from	Involvement
Complete, agree and implement plans for phased inclusion of services at level 4 from 2020/21	Section 6 a)	2018/19	30 September 2019	1 April 2020	LCO OCO Non-LCO providers
Complete, agree and implement plans for the transfer of commissioning responsibilities for health and social care services to the LCO, with priority given to locally commissioning primary care services and the quality in primary care contract	Section 4 and Section 6 b)	2018/19	30 September 2019	1 April 2020	LCO OCO Non-LCO providers
Discuss the anticipated future organisational form of the LCO, negotiate and agree a proposal for organisational form from 1 April 2020	Section 6 c)	April 2019	December 2019	1 April 2020	LCO OCO
Contract intentions advised to the LCO by commissioners	Section 7	September 2019	31 March 2020	1 April 2020	LCO OCO
Review role of host organisation	Section 13	September 2019	December 2019	1 April 2020	LCO
Develop approach to cashability of savings arising from transformation	Schedule 3	2018/19	April 2020	2020/21	LCO OCO
Develop and apply a model of applying the risk and reward principles to urgent care	Schedule 4	2018/19	April 2020	2020/21	LCO OCO

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REPORT FOR DECISION



DECISION OF:	Cabinet
DATE:	13 May 2020
SUBJECT:	MANAGING THE FINANCIAL IMPACT OF COVID-19
REPORT FROM:	Cllr O'Brien
CONTACT OFFICER:	Mike Woodhead
TYPE OF DECISION:	Cabinet (Non-Key Decision)
FREEDOM OF INFORMATION/STATUS:	In the Public Domain
SUMMARY:	<p>The impact of COVID-19 on the council's and CCG's finances will be significant and will extend well beyond the period of the immediate crisis. Assumptions made in assessing the potential impact are likely to change significantly over the course of time and much of this is outside of the control of either organisation.</p> <p>Managing the council's financial position within existing reserves will be challenging and lobbying of central government needs to continue. Whatever approach is adopted, there is an emerging need for the council to ensure the financial framework within which it operates is as robust as possible and supports future delivery. It is recommended that this work be undertaken as part of the recovery process.</p> <p>A review of the council's revenue budget and capital programme is needed in the context of COVID-19, with early decisions to be taken around which of the budget priorities agreed in February should continue as planned, and which should be delayed, re-profiled or stopped. It is proposed that the review is concluded by 30 June.</p>

	<p>The impact of COVID-19 on CCG finances is very uncertain. Whilst the funding envelope for the CCG is more open-ended than for the council, there are huge unknowns in terms of the duration of the crisis, the ramifications of the anticipated financial “reset” and the future contracting regime with providers.</p> <p>NHSE/I will issue revised planning guidance in the next 6-10 weeks. The CCG will need to revise 2020/21 plans and budgets accordingly.</p> <p>It is essential that all partners in the Bury locality work together as a system to:</p> <ul style="list-style-type: none"> • Optimise access to and use of existing funding streams • Effective lobbying of government <ul style="list-style-type: none"> ○ Future funding ○ Addressing the future of the adult social care system ○ Local determination of the management of NHS funding and control totals • Effective recovery/reset beyond the immediate crisis period
<p>OPTIONS & RECOMMENDED OPTION</p>	<p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the financial implications and risks associated with Covid-19 • Agree the proposed review of the council’s revenue budget and capital programme • Note that CCG plans will need to be revised, with guidance anticipated prior to 31 July
<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 report lays out the financial implications. Current estimates suggest that the council could be adversely impacted by circa £21m in 20/21. In addition to this, £2.7m of council savings plans are at risk of which £0.582m have been assessed as red. This will add further pressure to council budgets.</p> <p>The CCG could be adversely impacted by up to £14m.</p>
<p>Equality/Diversity implications:</p>	<p>n/a</p>

Considered by Monitoring Officer:	Yes	Comments: No legal issues.
Wards Affected:	All	
Scrutiny Interest:	Overview and Scrutiny, Health Scrutiny	

TRACKING/PROCESS

DIRECTOR:

Joint Executive Team	Cabinet Member/Chair Briefed	Ward Members (if necessary)	Partners
GOLD meeting 6 May			
Scrutiny Committee	Other Committee	Council	Comms

MANAGING THE FINANCIAL IMPACT OF COVID-19

1. Introduction

- 1.1. This report updates members on the potential financial impact and risks of COVID-19 on the Council and CCG and addresses the need to develop the Council’s financial strategy and framework.
- 1.2. The funding regime and regulatory frameworks for the Council and CCG are fundamentally different, so this report looks at each organisation in turn.

2. Council: Background

- 2.1. As the COVID-19 situation continues there is an ongoing need to monitor the impact on the council’s financial position. Whilst it is inevitable that this will be significant, not only because of increased costs but also because of a loss of income, there is a need to think wider and review the overall financial framework to ensure that the council has in place a robust approach to managing its finances going forward.
- 2.2. In February the council set a budget, in the context of a longer-term financial strategy, that achieved a balance of;
 - Increasing and improving financial resilience through an increase in reserves and reducing reliance on one-off funding;
 - Providing funding to drive forward transformation that would deliver savings in future years;

- Investing in core activities that had been significantly under resourced following successive years of budget reductions;
 - Setting efficiency targets that were considered realistic following robust challenge;
 - Investment in priority areas including the capital programme.
- 2.3. The approach to the budget was underpinned by an expectation that budget holders would manage within their budgets and that schemes would be delivered on time and achieve the outcomes required. This report sets out the latest position and considers an approach that will challenge the existing budget in light of the changing circumstances and sets out an approach for ensuring the council's plans are underpinned by strong financial governance and control.

3. Council: Funding

- 3.1. The Council's budget was set in February 2020. Since then, the Chancellor has announced a 3-year Comprehensive Spending Review for Local Authorities informed through consultation. This announcement was made as part of the Chancellor's Spring budget with the intention that a consultation would take place in May 2020 and that the CSR would be announced in July 2020. This would have provided some long-term certainty around funding and sufficient time to start planning effectively for the 2021/22 financial year.
- 3.2. The escalation of the COVID-19 situation has been significant over recent weeks and, although no formal announcements have been made, it is unlikely that the initial timeframes and potentially the aspirations for a 3-year settlement will be achieved. At best, an announcement in the Autumn is likely and the ability to deliver a 3-year settlement in that timeframe may prove difficult. In addition, the conclusion and implementation of the fair funding and business rates retention reviews will be delayed and there is uncertainty around the new homes bonus consultation. In the absence of any information the council is continuing to use the resource planning assumptions that are already contained within the existing 5-year financial strategy.
- 3.3. Some specific announcements relating to the COVID-19 situation have been made that affect the current financial year and include:
- £10k one-off grants to small businesses (estimated maximum of £30m to be paid out to Bury businesses)
 - £25k one-off grants to small businesses (estimated maximum of £9m to be paid out to Bury businesses)
 - £617m national top-up funding to extend small grants to those businesses with ongoing fixed property-related costs, which would not previously have been eligible (estimated to be £1.2m for Bury businesses)

- Additional reliefs on business rates to the retail, hospitality and leisure sectors
- £3.2bn funding nationally to address the pressures facing local authorities in response to COVID-19 pandemic across all services (£10.6m for Bury)
- £3.2m nationally for homelessness funding
- £500m nationally for hardship funding of which Bury received £1.8m
- Deferment of business rates payments to central government and the upfront payment of social care grants to local authorities to provide some cash flow support.
- The government has indicated that it will provide new burdens funding in due course to cover the administrative costs of implementing COVID-19 grants (precise details and amounts to be confirmed)

3.4. Whilst these are welcome, and the grants and business rates reliefs will be fully funded, Bury's share of the £3.2bn (£10.6m) will be insufficient to cover of the additional costs and loss of income that we are likely to face.

3.5. The new funding is in addition to funding that has been made nationally for the NHS (see sections 7 and 8).

COVID-19 Emergency Funding for Local Authorities

3.6. Bury's share of the £3.2bn is £10.617m and is being provided to enable us to:

- Meet the increased demand for adult social care and enable councils to provide additional support to social care providers. (There is an expectation nationally that most of the funding provided will be used for this purpose).
- Meet the cost of extra demand and higher business as usual costs of providing children's social care including the need for increased accommodation to address the need for isolation.
- Provide additional support for homeless and rough sleepers (this is in top of the additional funding provided). Bury did not receive any additional homelessness funding – we have explored this further and have been advised that this is due to low levels of numbers across the Borough.
- Support those at higher risk of severe illness from COVID-19 who may soon be asked to self-isolate in their homes for the duration of the pandemic.
- Meet pressures across other services as a result of lost income, rising costs or increased demand.

4. Council: Projected Financial Impact

4.1. The impact on the council of COVID-19 will present in a number of different ways:

- Increased Demand for Services
- Additional One-Off Costs

- Loss of Income
 - Inability to Deliver Planned savings
- 4.2. As it stands it is inherently difficult to assess with any degree of certainty the impact on the council's finances. Some forecasting is however vital and therefore a range of assumptions have been made. MHCLG are starting to collate data on a national level and this is also being undertaken at a GM regional level too. The first submissions have been provided and, as assumptions are tested and challenged it is envisaged that more consistency in approach will start to emerge. A summary of the return submitted is attached at Appendix 1.
- 4.3. Based on the assumptions to date, it is estimated that the full year impact of the COVID-19 crisis together with the impact in the last financial year is estimated to be £31.730m. Of this, assumed funding of £10.7m is provided leaving a potential shortfall of £21m that will need to be managed as part of the council's financial strategy unless further funds become available. It should be noted that this is not a worst-case scenario and could change significantly dependent upon the length of time the crisis continues, impact on demand, economic impact on residents and the ability for some services to start operating (and trading) again. Appendix 3 gives a high-level summary of 2020-21 budget figures to contextualise the scale of financial risk that the council faces.
- 4.4. The main costs accounted for are:
- Increase in demand for social care
 - Increased costs for death management
 - Support for social care providers
 - PPE costs
- 4.5. The death management costs may be covered by the Greater Manchester Combined Authority should government funding be provided. Costs for social care are also based on current assumptions on demand and this is likely to change as the situation develops.
- 4.6. Loss of income is projected to have a much greater impact and exposes the fact that the council's budget is underpinned by a substantial amount of locally raised income including council tax, business rates and income for fees and charges. This is not an unusual position and is probably more significant for unitary councils due to the level of fee income that they receive through parking, leisure etc.
- 4.7. Income loss is projected to be £22.360m and includes the impact of the council's decision to provide rent holidays for market traders and those occupying the council's commercial properties who are able to provide evidence that they are suffering from hardship as well as the wider commercial impact. In addition to this a loss of 2% in council tax collection rates (based on the assumed increase in households becoming

eligible for the Local Council Tax Support Scheme) and 10% reduction in business rates is forecast in the model. Again, these will be closely monitored throughout the year.

- 4.8. Within the Council’s 2020/21 budget there is an assumption that savings and service options totalling £4.162m will be delivered. Whilst these were rigorously tested in the lead up to the budget being set, the change in circumstances will mean that some of these may not be full deliverable. Detail on the savings is set out in Appendix 2 and a summary is set out in the table below:

Assessment of Deliverability of Savings in the 2020/21 budget			
	Green (£m)	Amber (£m)	Red (£m)
Corporate	0.000	0.650	0.000
Communities and Wellbeing	1.284	0.711	0.000
Children and Young People	0.000	0.000	0.532
Operations	0.150	0.785	0.050
TOTAL	1.434	2.146	0.582

- 4.9. Based on the assessment, £1.434m can be delivered and a further £2.728m are at risk of which £0.582m have been assessed as red. This will add further pressure on the budget and will need to be managed within the financial strategy. Work is underway to assess the most likely position and will be included in future reports.
- 4.10. When the potential impact on savings is taken into account, the council could be facing a financial gap of £23.8m in the 2020/21 financial year. This position will change significantly based on the duration of the situation and the impact on the economy and how quickly some services and functions are able to return.

5. Council: Managing the Financial Position

- 5.1. When the budget was set, it was envisaged that general reserves would increase to c£16m. This took into account the forecast year end position for 2019/20, a release of funds from the collection fund and the application of reserves to support some one-off initiatives in both revenue and capital related activities. Some movement in provisions is also anticipated though the full extent of this is not yet known and may be required to manage some longer-term risks.
- 5.2. The 2019/20 budget out turn position has not yet been finalised. Restrictions on services being able to access reserves has been put in place so that a corporate assessment of need can be made – the intention being to ensure that any monies carried forward into the 2020/21 financial year are fully understood and that the council has stronger

corporate control. It is envisaged that this work will inform the development of a reserves policy for the council that will be in place going forward. Formal sign off will be obtained when the out turn position is presented to Cabinet.

- 5.3. The government has announced a relaxation in the timetable for the production and sign off of the accounts. This is helpful in one sense but unhelpful in another in that we may find ourselves in closure for many months and lose our focus on budget. Regardless of the new extended timescale, the finance service is working towards the initial timescales.
- 5.4. Timely closure of the accounts will provide greater insight into the council's financial resilience and it is suggested that the CIPFA resilience model be incorporated in the council's monitoring reports in future. Unplanned use of reserves during the year will impact on the overall financial resilience of the council and oversight of this will be required.
- 5.5. Central government has given guidance that it does not expect councils to issue s114 notices due to the crisis. These are issued in extreme situations where the s151 officer's assessment is that a balanced budget cannot be achieved. Some stepping back from the initial announcements that government would 'fund whatever it takes' has created a degree of nervousness and the national position will need to be continually assessed.
- 5.6. The impact on schools is not yet fully understood although some additional flexibilities have been announced together with some funding for specific new requirements. The impact on the DSG budget, including the DSG recovery plan, will need careful monitoring and control over the next few months, particularly as there is an inherent relationship between the two budgets and managing the impact in its widest sense is vital going forward.

6. Council: Financial Framework

- 6.1. A strong financial framework is fundamental to any organisation. Clearly, managing the financial impact of COVID-19 within reserves and the overall financial strategy is not enough and a fundamental review of budget management and control is needed as there may be opportunities in the existing budget that could be used to mitigate the impact. A challenge of the current budget assumptions is needed.
- 6.2. A review of the 2020/21 budget and capital programme is recommended and should commence as soon as possible to support recovery. A review of the longer-term strategy is also required although acknowledging that this will be impacted by any future announcements on the comprehensive spending review and implementation of the fair funding and business rates retention reviews. The assumptions contained in the budget

strategy from 2021/22 onwards also need to be reassessed and challenged and the ongoing programme of internal transformation will be crucial.

- 6.3. Any changes in the council's operating model as a result of new ways of working emerging from COVID-19 will also need to be underpinned by a strong financial strategy, enhanced governance and control. Work is underway on proposals to enhance the current financial framework and develop the council's finances in a way that will support the organisation going forward, provide the flexibility to influence decision making and support change and providing full transparency and assessment of risk. This will be underpinned by the need to have effective systems in place to support a more agile workforce and to place.

7. CCG: Background

- 7.1. The CCG Governing Body agreed an interim 2020/21 budget of £11m deficit, based on the pre-Covid-19 draft plan, which was submitted to NHSE/I on 5th March 2020. This consists of:
- Financial gap (pre QIPP savings) £20m
 - QIPP savings target £9m
 - Deficit plan £11m
- 7.2. Actual spend will certainly be significantly different to this, but the interim budget is a sensible and recognisable anchor-point against which we can measure the impact of Covid-19 and other variances. It is expected, post crisis, that there will be some form of financial "reset" in the NHS and that new plans will be required. Revised planning guidance should be issued well before the end of July.
- 7.3. The £11m deficit budget does not take account of the impact of Covid-19 and the temporary new financial framework introduced by NHSE/I. The scale of the financial impact cannot be reliably measured at this time as guidance is still emerging and we do not know how long the crisis will continue for.
- 7.4. The following paragraphs list some of the Covid-19 responses and how they might impact financially.

8. CCG: Funding and Financial Impact

- 8.1. NHS contract negotiations and key aspects of performance management have been suspended. NHSE/I have instructed CCGs to pay NHS providers on a block contract basis for the next 4 months. NHSE/I have told CCGs what amount to pay (largely based on 2019/20 values with 2.5% to 2.8% inflation added). There is also a system of "top-up" payments whereby NHSE/I will pay additional amounts each month to providers, e.g. to compensate for loss of income from other services.

These arrangements are largely about maintaining a working cash-flow to providers during the crisis and it's unclear if/how/when this will get adjusted post-crisis, although it is highly likely that some form of block contract will be imposed for the whole of 2020/21. As things stand, the arrangements will leave Bury CCG c£1.5m-£2.0m worse off for the period April to July compared to the contracts values that were negotiated and planned for in the draft budget. This could well turn into a £6m adverse impact for the whole year.

- 8.2. The government announced £1.3b additional NHS funding (in addition to the £3.2b funding to Councils and a series of other support measures, e.g. small business grants; retail, hospitality and leisure sector grants; furloughing of staff; business loan support; additional funding for charities). There is a promise of more to come if/when needed and The Chancellor of the Exchequer committed in Parliament that "*Whatever extra resources our NHS needs to cope with coronavirus – it will get.*" So, the message is: financial constraints must not and will not stand in the way of taking immediate and necessary action - whether in terms of staffing, facilities adaptation, equipment, patient discharge packages, staff training, elective care, or any other relevant category. This presents a risk – the CCG needs to take it as a matter of faith that costs will be reimbursed. Good record-keeping and audit trails will be essential (see below).
- 8.3. There is an expectation that CCGs and Councils will pool most of the additional Covid-19 related funding – this is in line with Bury's existing approach, with the establishment of the Strategic Commissioning Board and the Integrated Commissioning Fund. The s75 Agreements will need to be varied during 2020/21 to reflect this.
- 8.4. Financial means-testing has been suspended for patients being discharged with a package of care. All relevant costs will be funded via CCGs during the crisis period. This is to prevent delays in discharge and remove any barriers between CCGs and Councils in terms of "who pays" debates. Again, there is a financial risk here (potentially in the region of £1.0m-£1.5m over the first 4 months, or up to £4.5m for a full year), as the guidance on claiming funding for these costs has not been developed.
- 8.5. CCGs and providers are still expected to keep good financial governance and controls and will claim Covid-19 funding monthly. We will be expected to be able to justify all spend and might be subject to audit. The main areas of claims for Bury CCG to date have been:
 - £213k on the rapid hospital discharge programme (mostly payments to care homes, with some additional costs around the reablement, rapid response and intermediate care teams)
 - £110k on swabbing services (via Bardoc)
 - £74k on facilitating the remote management of patients (text

messaging service and enhanced homeworking capabilities)

- £74k on enhanced out of hours services and the setup of the Covid Management service
- £12k protective clothing and equipment

These costs were incurred in the final weeks of March and are expected to escalate sharply during April and May. The April return will be completed by 15th May.

8.6. There are expectations on CCGs to work with non-NHS providers to:

- Ensure any organisations playing a key role in the Covid-19 response are financially supported to do so.
- Any organisations which are not key to directly tackling Covid-19, but are important in terms of post-crisis "business as usual" are supported in accessing other channels for financial support (e.g. furloughing, small business grants, etc.).

CCG finance, contracting and commissioning teams are working to liaise with all relevant providers, to give appropriate support and, where possible, maintain a consistent approach with the Council and across GM. Where direct financial support is given, there will be certain conditions including:

- Providers to work on an open-book basis, with a contract reconciliation post crisis
- Redeployment of staff and/or facilities to tackle Covid-19
- Guarantees that providers will continue to pay their staff, sub-contractors and supply chain and not double claim (e.g. not charge the NHS at the same time as furloughing staff with government funding)

8.7. There is an acknowledgement from NHSE/I that very little savings are likely to be delivered in the first 6 months of the year, whilst all efforts are focused on tacking Covid-19. However, we have begun a review of our local QIPP programme to determine what we could/should be moving forward with over the next few months. It is also clear that much of what we are now doing at speed in response to Covid-19 fits in with our original plans, e.g. changing the management and setting of outpatients, introduction of AskMyGP for primary care consultations, increased home working, etc. It is important that we monitor the impact of this (clinical and financial) so that a proper evaluation can take place and, where appropriate, we can introduce a **new** "business as usual".

8.8. The government has announced the write-off of £13.4b historic debt from provider balance sheets. £160m of that relates to Pennine Acute. The debt will be converted into "Public Dividend Capital" (PDC) which will attract a 3.5% annual charge. It is expected that providers' control totals will be adjusted to reflect any impact (positive or negative) of this adjustment. This makes it unlikely that the CCG will benefit from the write-off.

8.9. The government has announced a retrospective fee increase for 2019/20 in respect of Funded Nursing Care. The impact on Bury CCG is circa £200k for 2019/20 and up to £100k in 2020/21. These costs should be centrally funded.

8.10. In summary, many of the CCG's Covid-19 related costs will be directly funded or reimbursed. The areas where significant risks exist are:

- The imposition of high cost block contracts with NHS providers
- The risk of increased packages of care costs not being easy to reclaim
- Missed savings targets

8.11. In broad brush terms, these risks can be quantified as per the table below. The table gives a range of financial risk based on scenarios of the crisis lasting for 4 months, 6 months, or 12 months.

	4 months		6 months		12 months	
	lower range	upper range	lower range	upper range	lower range	upper range
	£m	£m	£m	£m	£m	£m
NHS block contracts	1.500	2.000	2.250	3.000	4.500	6.000
Increased packages of care	-	1.500	-	2.250	-	4.500
Missed savings targets	1.000	1.300	1.500	1.950	3.000	3.900
	2.500	4.800	3.750	7.200	7.500	14.400

8.12. There are several potential mitigations to these risks. For example, elective activity has plummeted since early March and this would normally result in big savings to the CCG. However, there are too many unknowns to count on such mitigations. We do not know:

- what the waiting list/pipeline of demand will look like post crisis
- what expectations/requirements will be placed on CCGs in relation to waiting list initiatives
- the extent to which we can/should begin to ramp back up non-COVID-19 urgent services
- the impact of revised infection control measures on new bed occupancy limits/targets
- what the new financial and contracting frameworks might look like post crisis
- what other increases in demand might look like (e.g. the impact of Covid-19 on mental health services going forward)
- what impact Covid-19 is having on GP prescribing activity and costs (there is a 2½ month time lag on national datasets)

8.13. There is an expectation that new NHS planning guidance will be issued prior to the end of July, which would clarify some of the main issues identified in this paper.

9. Conclusion

- 9.1. The impact of COVID-19 on the council's and CCG's finances will be significant and will extend well beyond the period of the immediate crisis. Assumptions made in assessing the potential impact are likely to change significantly over the course of time and much of this is outside of the control of either organisation.
- 9.2. Managing the council's financial position within existing reserves will be challenging and lobbying of central government needs to continue. Whatever approach is adopted, there is an emerging need for the council to ensure the financial framework within which it operates is as robust as possible and supports future delivery. Alongside this, the ongoing work of internal transformation will be crucial.
- 9.3. A review of the council's revenue budget and capital programme is needed in the context of COVID-19, with early decisions to be taken around which of the budget priorities agreed in February should continue as planned, and which (if any) should be changed. It is proposed that the review is concluded by 30 June.
- 9.4. The impact of COVID-19 on CCG finances is very uncertain. Whilst the funding envelope for the CCG is more open-ended than for the council, there are huge unknowns in terms of the duration of the crisis, the ramifications of the anticipated financial "reset" and the future contracting regime with providers.
- 9.5. NHSE/I will issue revised planning guidance in the next 6-10 weeks. The CCG will need to revise 2020/21 plans and budgets accordingly.
- 9.6. It is essential that all partners in the Bury locality work together as a system to:
 - Optimise access to and use of existing funding streams
 - Effective lobbying of government
 - Future funding
 - Addressing the future of the adult social care system
 - Local determination of the management of NHS funding and control totals
 - Effective recovery/reset beyond the immediate crisis period

10. Recommendations

- 10.1. Members are asked to:
 - Note the financial implications and risks associated with Covid-19
 - Agree the proposed review of the council's revenue budget and capital programme

- Note that CCG plans will need to be revised, with guidance anticipated prior to 31 July

Lisa Kitto and Mike Woodhead
5 May 2020

Appendix 1

Assessment of Financial Impact of COVID-19				
	FY2019/20	FY 2020/21	FY20/21	FY2019/20 & 2020/21
	March	April	Full Year	
	£m	£m	£m	£m
Costs				
Adult Social Care Demand	0.175	0.193	8.101	8.276
Adult Social care – Workforce Pressures	0.041	0.000	0.289	0.330
Adult Social Care PPE	0.020	0.010	0.050	0.070
Housing/Homelessness	0.000	0.000	0.227	0.227
Cultural Services	0.000	0.000	0.246	0.246
Environmental and Regulatory	0.000	0.000	0.221	0.221
Total Costs	0.236	0.203	9.134	9.370
Loss of Income				
Business Rates	0.178	0.237	2.841	3.019
Council Tax	0.115	0.154	1.844	1.959
Sales, Fees and Charges	0.984	1.265	6.318	7.302
Commercial Income	1.560	0.460	8.520	10.080
Total Loss of Income	2.837	2.116	19.523	22.360
TOTAL IMPACT				31.730
COVID-19 Funding*				(10.617)
Potential Shortfall				21.113

- Housing/Homelessness Costs may be met by Greater Manchester Combined Authority/ MHCLG funding
- Assumes traded services income will continue
- Assumes some income for fees and charges and rents will be received during the year – assessment will continue throughout the year

Appendix 2

Assessment of Deliverability of 2020/21 Savings				
Budget - Permanent Adjustments	Service	£m	£m	RAG Rating
Supplier Review	All	0.300	0.300	Amber
Review of Discretionary Payments	All	0.350	0.350	Amber
Sub Total			0.650	
Persona Contract	CWB	0.611	0.611	Amber
Supporting People Review	CWB	0.177	0.177	Green
Debt Recovery Improvement	CWB	0.100	0.100	Amber
Review of Provider Fees	CWB	1.107	1.107	Green
Sub Total			1.995	
Procurement Review	CYP	0.100	0.100	Red
School Improvement Service	CYP	0.330	0.330	Red
Early Help Model	CYP	0.102	0.102	Red
Sub Total			0.532	
Re-Tender Parking	Operations	0.075	0.075	Green
Leisure - MIS Contract	Operations	0.010	0.010	Green
Review of Architects	Operations	0.200	0.200	Amber
Re-Wilding Grass Verges	Operations	0.065	0.065	Green
Review of Highways Fees	Operations	0.050	0.050	Red
Corporate Landlord Review	Operations	0.585	0.585	Amber
Sub Total			0.985	
Savings Options Included in Budget			4.162	

Appendix 3: High Level Summary of 2020-21 Bury MBC Budget



Adult Social Care

- £69m (42p in the £)
- Average package of care (residential) £25k-£26k
- Average supported living package £49k
- Home care/ direct payments £9k - £13k
- Average employee cost £26k Social Worker/ £16k Care & Support Worker



Children & Young People

- £43m (26p in the £)
- Includes
 - £24m child social care
 - £8m learning, early help & school readiness
 - £11m other CYP



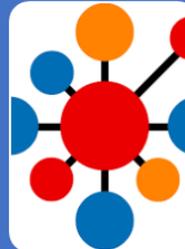
Operations

- £14m (8p in the £)
- Includes
 - £6m waste
 - £4m streets
 - £4m engineers/grounds maintenance/etc



Levies

- £27m (16p in the £)
- Includes
 - £13m GM transport
 - £14m GM waste



Other services

- £18m including
 - £10.3m public health
 - £1.1m communities
 - £1.1m environment
 - £1.5m housing
 - £1.6m libraries
 - £1.6m sport & leisure
 - £0.6m art gallery & museum
 - £0.6m civic venues
 - £0.5m park & countryside
 - (£0.7m) business growth & investment

Plus non service specific budgets (including technical adjustments and income) and central budgets = (£6m)

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