

Greater Manchester

Public Service Reform and Early Years

March 2014

Strategic overview

- GM Priorities: Growth and Reform
- Growth and jobs will not be sufficient
- Need to significantly increase pace and scale of reform. Reducing demand for expensive, reactive services
- Two big ticket proposals:
 - Complex dependency – broader and deeper than Troubled Families
 - Early Years – how we turn off the tap of future dependency
 - Health and social care integration
- Multi-year budgets, Growth and Reform Deals. Sharing risk and reward, and new models of accountability

Consistent Principles of Reform



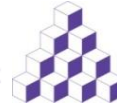
1. Interventions chosen on strength of evidence base
2. Integrated, co-ordinated and sequenced – bespoke packages of support at the right time, in the right order
3. Family based approach to changing behaviour, not just focus on individual

Consistent Methodology for Reform

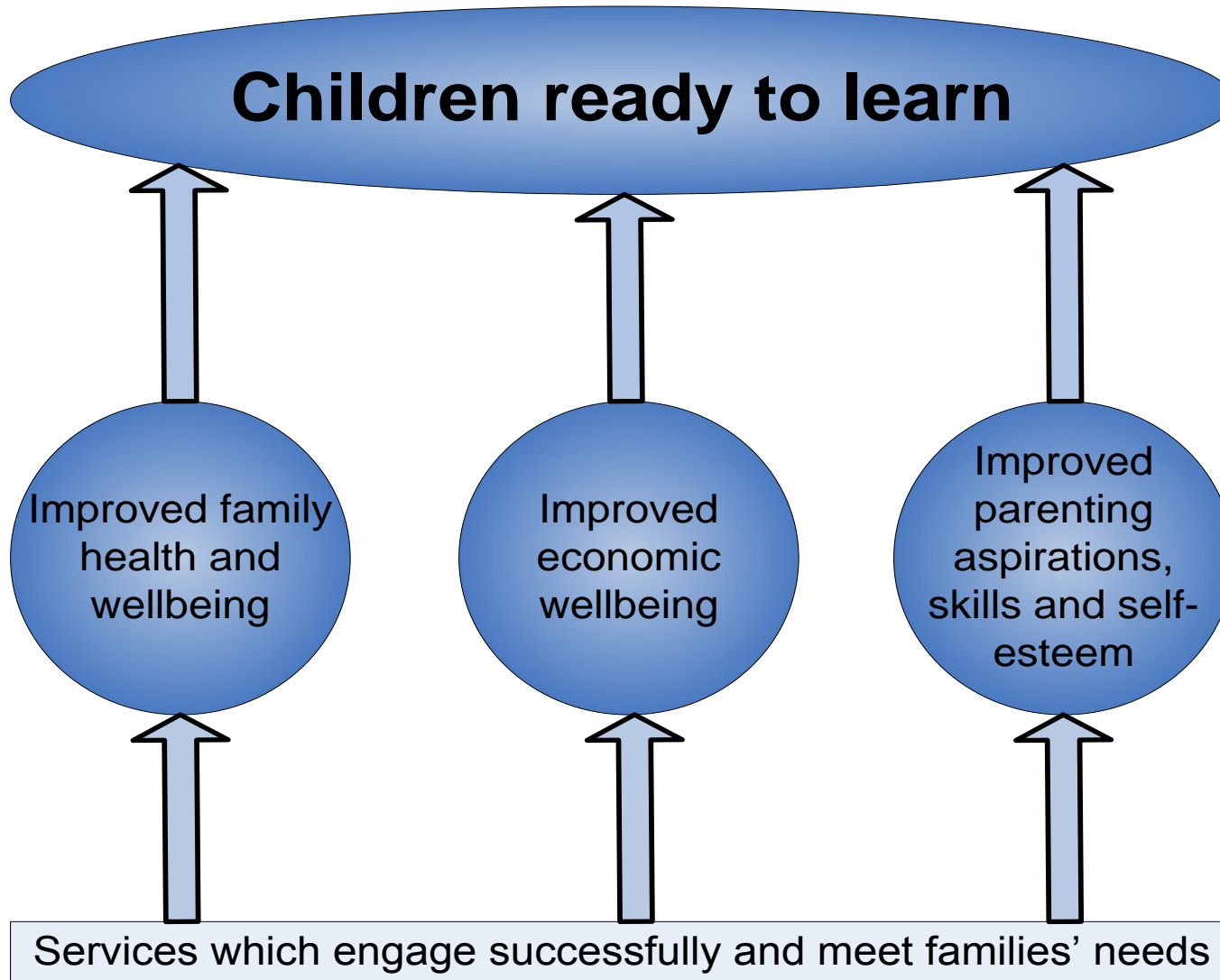
- Define the cohort, and how they are identified
- Co-design new delivery models with partners based on these three principles
- Cost-benefit analysis based on modelled assumptions vs business as usual
- Test examples of reform, obtain evidence
- Replace modelled assumptions with actuals
- Use as basis for securing investment from partners into scaling up
- Decommission reactive services no longer required as we reduce demand, reinvest some of the savings

Outcomes Framework

GMCA
GREATER MANCHESTER
COMBINED AUTHORITY



AGMA
ASSOCIATION OF
GREATER MANCHESTER
AUTHORITIES



The Case for Change



- Early parenting styles impact on school readiness aged 5
- Quality of home environment for three years old is correlated with English and maths aged 11
- Social and emotional development in early years likely to influence levels of crime, anti-social behaviour and mental health needs into adolescence and adulthood
- School readiness a significant predictor of academic employment outcomes
- Children who demonstrate development problems aged 3-5 are typically half as likely to gain a higher qualification

New Delivery Model Components

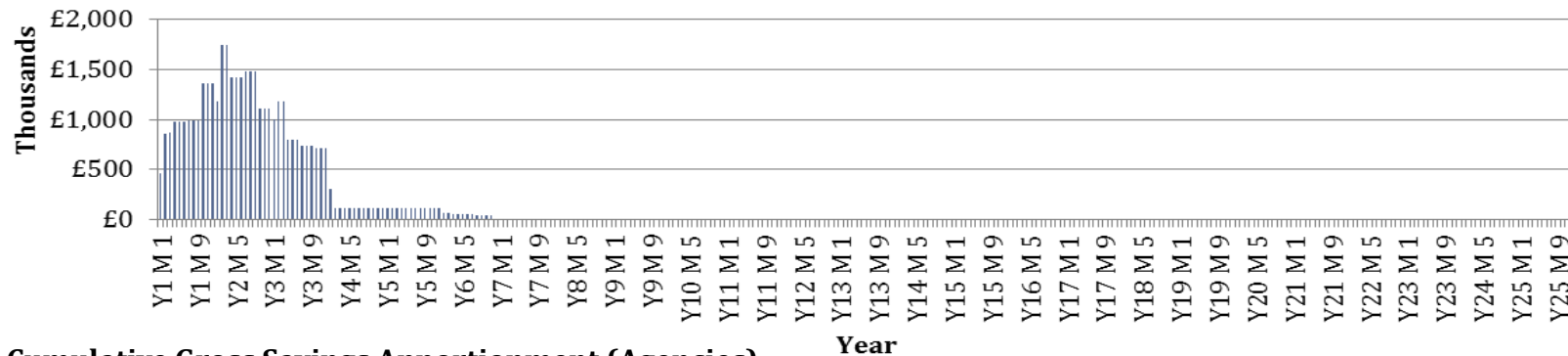


1. A shared outcomes framework
2. A common assessment pathway across GM
3. Evidence-based assessment tools
4. A suite of evidence-based interventions
5. Ensuring better use of daycare
6. A new workforce approach, to drive a shift in culture
7. Better data systems
8. Long-term evaluation

Costs and Benefits of New Delivery Model

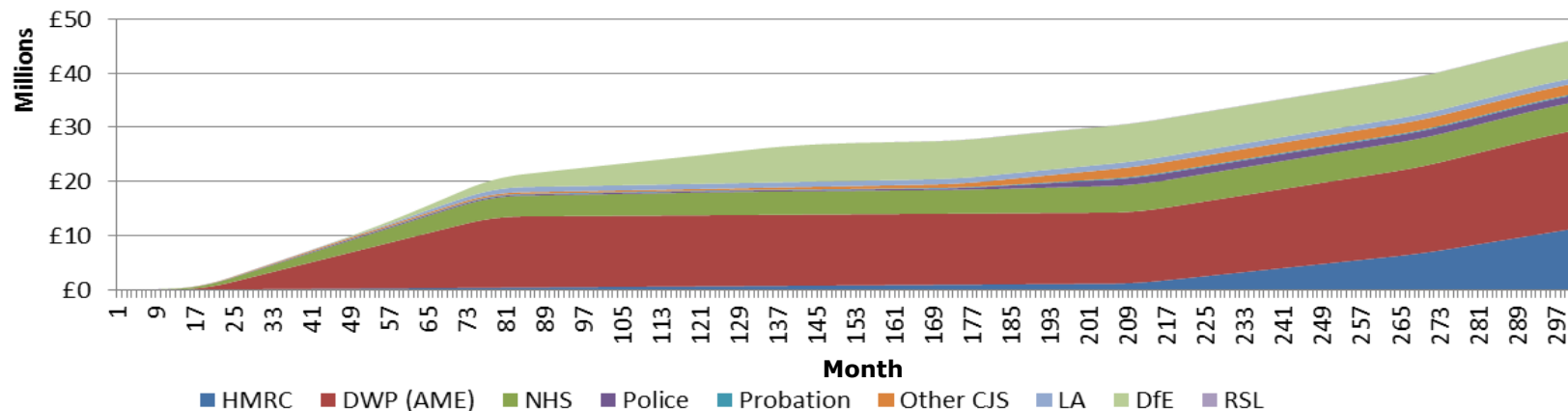
The costs of the GM New Delivery Model are incurred in the first few years of life but the savings accrue significantly later. Early savings are driven largely by maternal employment with child-related savings increasing in secondary school and again in adulthood.

Cost profile - over 25 years



Cumulative Gross Savings Apportionment (Agencies)

The cumulative gross savings shows the timing of savings and the splits between local authorities and central government departments.



Financial Model and next Steps

- Implementation will shift in school readiness and parental employment
- Early fiscal savings from parents into work. Long-term fiscal savings from lower benefits spending as the children enter the labour market
- LAs receive around 3% of the fiscal benefits. Main beneficiaries: 1. DWP/Treasury, 2. DfE/schools, 3. Health
- Strong economic and strategic case for LAs contributing investment.
- More than £400m of additional GVA estimated over 25 years - higher earnings and increased productivity as the children enter labour market.

Testing to generate the Evidence



- Early Adopters (Stockport, Tameside, Bolton, Manchester) have already started
- Rest of GM will start testing in 2014/15 to generate impacts on proxy indicators
- Across the PSR programme our priority for 2014/15 is testing working examples of reform in order to generate stronger evidence. To inform implementation at greater scale in 2015/16 and beyond. And different conversations with Government