



## **Health Scrutiny Committee**

Date: Wednesday, 9 November 2022

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

This is a **Second Supplementary Agenda** containing additional information about the business of the meeting that was not available when the agenda was published.

### **Access to the Council Antechamber**

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

### **Filming and broadcast of the meeting**

Meetings of the Health Scrutiny Committee are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

## **Membership of the Health Scrutiny Committee**

**Councillors** - Nasrin Ali, Appleby, Bayunu, Curley, Green (Chair), Karney, Newman, Reeves, Riasat, Richards and Russell

## Second Supplementary Agenda

---

**6. [10.30-11.00] Revenue Budget Update - Cover Report**

5 - 12

Report of the Deputy Chief Executive and City Treasurer

This report sets out the financial challenge facing the Council, the latest forecast position, and the next steps. The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this gap reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26.

This report sets out the high-level position. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings options will be developed between now and January 2023 and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

**6a Public Health Budget 2023-26**

13 - 32

Report of the Director Public Health and Interim Deputy Place Based Lead (Manchester)

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

**6b Adult Social Care Budget 2023-26**

33 - 62

Report of the Executive Director of Adult Social Services

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

## Further Information

---

For help, advice and information about this meeting please contact the Committee Officer:

Lee Walker  
Tel: 0161 234 3376  
Email: [l.walker@manchester.gov.uk](mailto:l.walker@manchester.gov.uk)

This supplementary agenda was issued on **Wednesday, 2 November 2022** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension, Manchester M60 2LA

This page is intentionally left blank

## Manchester City Council Report for Information

**Report to:** Communities and Equalities Scrutiny Committee – 8 November 2022  
 Health Scrutiny Committee – 9 November 2022  
 Children and Young People Scrutiny Committee – 9 November 2022  
 Environment and Climate Change Scrutiny Committee – 10 November 2022  
 Economy Scrutiny Committee – 10 November 2022

**Subject:** Revenue Budget Update - Cover Report

**Report of:** Deputy Chief Executive and City Treasurer

---

### Summary

This report sets out the financial challenge facing the Council, the latest forecast position, and the next steps. The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this gap reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26.

This report sets out the high-level position. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings options will be developed between now and January 2023 and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

### Recommendations

The Committee is recommended to:

- (1) To consider and comment on the forecast medium term revenue budget
  - (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee
- 

**Wards Affected:** All

**Environmental Impact Assessment** - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.

**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA).

<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

The changes included within this report are officer proposals and, subject to Member comments and consultation, these will be included as part of the 2023/24 budget preparation.

### **Financial Consequences – Capital**

None directly arising from this report.

**Contact Officers:**

Name: Carol Culley  
Position: Deputy Chief Executive and City Treasurer  
Tel: 0161 234 3406  
E-mail: carol.culley@manchester.gov.uk

Name: Tom Wilkinson  
Position: Deputy City Treasurer  
Tel: 0161 234 1017  
E-mail: tom.wilkinson@manchester.gov.uk

Name: Samantha McArdle  
Position: Corporate Finance Lead  
Telephone: 0161 234 3472  
E-mail: samantha.mcardle@manchester.gov.uk

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

[Revenue Budget Report - Executive Meeting February 2022](#)

[Medium Term Financial Strategy 2022/23 to 2024/25 -Executive Meeting February 2022](#)

[Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26](#)

[Resource and Governance Scrutiny – 6 September 2022](#)

## **1. Context and Background**

- 1.1. The Council's budget has seen considerable reductions since the programme of austerity started in 2010/11, which saw a significant reduction to central government support for local authorities, in which Manchester has been one of the hardest hit places in the country. Over the last 12 years the Council has had to make £428m of cuts and savings to cope with Government funding cuts and unavoidable cost pressures such as inflation and a growing population. Prior to 2015/16 reductions were made pro rata to government funding, without taking into account the size of the council tax base. This meant that the Council has had disproportionate budget reductions. Even if Manchester had received only the average cut to council funding between 2010/11 and 2022/23, we would still have £77m a year more to spend on services.
- 1.2. The national funding outlook for Local Government continues to be volatile. A further statement on government spending and tax rates was expected on the 31 October 2022. Following the appointment of a new Prime Minister on 24 September, a budget statement will now be on 17 November 2022 and will be a full Autumn Statement, accompanied by an independent forecast from the Office of Budgetary Responsibility. The statement is expected to set out in detail plans to reduce debt and a medium-term plan to grow the economy.
- 1.3. In addition to uncertainty of national finances, the Council is facing unprecedented levels of inflation across pay, utilities and prices. The Institute of Fiscal Studies (IFS) has warned an extra £18bn a year would be needed to keep pace with inflation across public services. For the Council the inflationary and pay award increases are estimated at a cumulative £58m for 2022/23 and 2023/24. This compares to a usual budget allowance of c£16m for that period, resulting in an additional £42m p.a. of unavoidable costs to be funded.
- 1.4. Despite levels of inflation being significantly higher than forecast at the time of the Spending Review in October 2021, the government has indicated there will be no increase in the overall funding envelope over the spending review period. The Chancellor has committed to public debt falling as a share of the economy over the medium term which indicates that government departments are likely to have to find further efficiencies and cuts to achieve this aim.
- 1.5. Councils' 2023/24 funding from central government will be confirmed in the Provisional Finance Settlement, expected late December 2022.

## **2. Medium Term Budget position**

- 2.1. The final budget position for 2023/24 and future years will be confirmed at February 2023 Executive. This will be after the key decisions confirming the Council Tax and Business Rates tax base to be used to determine the collection fund position have been made in January and the Final Finance Settlement is received.



- 2.2. The indicative medium-term position is shown in the table below, showing the planned use of reserves and the level of savings proposals identified to date. Full details on the overall financial position are provided in the budget update report to Resources and Governance Scrutiny Committee on 8 November 2022.

*Table 1: Medium term forecast summarising current budget proposals and use of reserves*

	2023 / 24	2024 / 25	2025 / 26
	£'000	£'000	£'000
<b>Resources Available</b>			
Business Rates / Settlement Related Funding	353,367	344,090	346,503
Council Tax	211,450	219,348	228,187
Grants and other External Funding	101,872	89,374	80,461
Dividends	0	0	0
Use of Reserves	13,714	11,703	6,222
<b>Total Resources Available</b>	<b>680,403</b>	<b>664,515</b>	<b>661,373</b>
<b>Resources Required</b>			
<i>Corporate Costs</i>	116,763	116,403	113,122
<i>Directorate Costs</i>	607,087	633,744	660,191
<b>Total Resources Required</b>	<b>723,850</b>	<b>750,147</b>	<b>773,313</b>
<b>Shortfall</b>	<b>43,447</b>	<b>85,632</b>	<b>111,940</b>
Use of Smoothing and Airport Reserve	(15,641)	(16,177)	(15,738)
<b>Gap after use of Smoothing Reserves</b>	<b>27,806</b>	<b>69,455</b>	<b>96,202</b>
Savings options identified to date	(21,135)	(32,738)	(42,320)
<b>Shortfall</b>	<b>6,671</b>	<b>36,717</b>	<b>53,882</b>

- 2.3. This position assumes Council Tax increases of 1.99% a year and an Adult Social Care precept of 1% a year. A 1% increase in Council Tax generates c.£2m additional income. The position also reflects the use of smoothing reserves to support the budget position of around £16m a year for the next three years. Use of reserves cannot be viewed as a long-term strategy to balance the budget and must be used in a planned way to avoid financial cliff edges while achievable long-term savings are developed and delivered.
- 2.4. The budget assumptions that underpin 2023/24 to 2025/26 include the commitments made as part of the 2022/23 budget process to fund known ongoing demand pressures.
- 2.5. In addition, a review of emerging pressures and budget assumptions has been completed and provision has been made to address these where they are unavoidable, including inflation and pay awards. Whilst this contributes to the scale of the budget gap it is important that a realistic budget is set which reflects ongoing cost and demand pressures. Additional resources have also been earmarked to provide £3.55m of targeted support to residents as part of

the Council response to the cost-of-living crisis to help protect our most vulnerable residents. Further details are set out in the Corporate Core Budget Report to Resources and Governance Scrutiny Committee.

- 2.6. This report sets out the priorities and officer proposals for the services within the remit of this committee. To date saving options totalling £42m over three years have been brought forward by officers for member consideration. As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options.
- 2.7. Following these savings proposals there remains a forecast shortfall of almost £7m next year increasing to £37m the year after. The measures contained within the Scrutiny Reports are officer options for consideration by the committee and deemed the 'least worst' options to close the budget gap. However, unless there is significant additional funding for local government, further and more severe budget cuts will be required.
- 2.8. Officers are working to identify further measures to bring forward in January along with the outcomes of the Finance Settlement. The target is a further £3m to £4m of savings deliverable in 2023/24 with a full-year effect of at least £8m. Work will then have to start on identifying the more difficult cuts that will be required to close the 2024/5 and beyond budget gap.

### **3. Workforce Implications**

- 3.1. The indicative workforce reduction linked to the savings proposals is 70 Full-Time Equivalent (FTE) over the three years. 53 of these posts relate to the Corporate Core directorate. At this stage, it is anticipated that this will be managed via natural turnover and vacancies and that there will be no requirement for any formal voluntary early retirement or voluntary severance scheme.

### **4. Equality and Anti-Poverty Impact Assessments**

- 4.1. Consideration has been given to how the individual proposed savings could impact on different protected or disadvantaged groups. All proposals are therefore being reviewed for their likely impact on these groups and where applicable, proposals will be subject to completion of an individual Equality Impact Assessment (EqIA).

### **5. Consultation**

- 5.1. There is a statutory requirement to consult with business rates payers. Public consultation on proposed Council Tax levels and the savings and cuts measures put forward by officers will open on Monday 7 November and run until 7 January 2023. The provisional results from the consultation will be reported to Executive in February. The full analysis and results, alongside comments from scrutiny committees, will be reported to the Budget Scrutiny meeting on 27 February to ensure they are fully considered before the final budget is set.

5.2. None of the budget options set out to date require formal statutory consultation.

## 6. Scrutiny of the draft budget proposals and the budget reports

6.1. The reports have been tailored to the remit of each scrutiny as shown in the table below. Each Committee is invited to consider the proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

Date	Meeting	Services Included
8 Nov 22	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
8 Nov 22	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Compliance and Community Safety Housing Operations including Homelessness Neighbourhood teams
9 Nov 22	Health Scrutiny Committee	Adult Social Care Public Health
9 Nov 22	Children and Young People Scrutiny Committee	Children and Education Services
10 Nov 22	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance
10 Nov 22	Economy Scrutiny Committee	City Centre Regeneration Strategic Development Housing and residential growth Planning, Building Control, and licensing Investment Estate Work and skills Highways

## 7. Next Steps

7.1. The proposed next steps are as follows:

- 8-10 November - Scrutiny Committees
- 7 November - Budget consultation launched to close 7 January
- 6 December – RAGOS – Update on Autumn Statement (expected 17 November) and Council Tax and Business Rates Key Decisions report

- Late December - The Local Government Finance Settlement expected
- 10 January - Resources and Governance Scrutiny Committee - settlement outcome, update on the budget position and consultation responses.
- 11-13 January - Further options to Scrutiny Committees.
- 18 January - Executive -settlement outcome, update on the budget position and consultation responses
- 7-9 February - Scrutiny Committees
- 15 February - Executive receive proposed budget
- 27 February - Resources and Governance Budget Scrutiny.
- 3 March - Council approval of 2023/24 budget

**Manchester City Council  
Report for Information**

**Report to:** Health Scrutiny Committee – 9 November 2022

**Subject:** Budget 2023-26

**Report of:** Director Public Health and Interim Deputy Place Based Lead  
(Manchester)

---

### Summary

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

### Recommendations

The Committee is recommended to:-

- (1) To consider and comment on the forecast medium term revenue budget
  - (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee
- 

### Wards Affected: All

<p><b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
--

<p>The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p>
--

**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti Poverty Assessment.

<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

The changes included within this report are officer proposals and, subject to Member comments and consultation, these will be included as part of the 2022/23 budget preparation.

### **Financial Consequences – Capital**

None directly arising from this report.

**Contact Officers:**

Name: David Regan  
Position: Director Public Health and Interim Deputy Place Based Lead  
Telephone: 07770 981699  
E-mail: david.regan@manchester.gov.uk

Name: Simon Finch  
Position: Head of Finance Adult Social Services and Public Health  
Telephone: 07939132452  
E-mail: simon.finch@manchester.gov.uk

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

[Revenue Budget Report - Executive Meeting 16 February 2022](#)

[Medium Term Financial Strategy 2022/23 to 2024/25 -Executive Meeting 16 February 2022](#)

[Health and Social Care – Adults Social Care and Population Health Budget 2022/23 - Executive 16 February 2022](#)

[Resource and Governance Scrutiny – 6 September 2022](#)

[Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26 - Executive 14 September 2022](#)

## **1. Introduction and Purpose**

- 1.1. The report is the first in the cycle for the budget programme 2023-26. It sets out an overview of the services within the remit of this scrutiny committee and the key priorities. The budget growth assumptions in the MTFP are set out. The report provides a draft set of officer proposals for further savings for 2023-26, developed in the context of the financial challenge facing the Council, for comments by Health Scrutiny.

## **2. Service Overview and Priorities**

- 2.1. The Manchester Public Health Team is responsible for commissioning Children's Public Health (including Health Visiting and School Nursing Services), Wellbeing (addressing wider determinants such as housing and work alongside support to reduce smoking, reduce levels of obesity and increase physical activity), Sexual Health (treatment and prevention), and Drug and Alcohol (treatment and prevention) Services for the city. In addition, the Population Health Team leads the delivery of the city's Age Friendly Manchester programme. The team is also responsible for leading and contributing to strategic partnership work to reduce inequalities in the city and leading the city's Health Protection (infection control, immunisation programmes) and Health Intelligence (Joint Strategic Needs Assessment) functions.
- 2.2. Following the publication of 'Build Back Fairer in Greater Manchester: Health Equity and Dignified Lives' (University College London Institute of Health Equity) the Public Health team led the development of Manchester's own action plan - Making Manchester Fairer (MMF) - that describes the actions that the city will take to reduce health inequalities in the aftermath of the pandemic, with a focus on the social determinants of health: the conditions in which people are born, grow, live, work and age.
- 2.3. MMF is made up of eight themes:
- Early Years, Children and Young People
  - Poverty, Income and Debt
  - Work and Employment
  - Prevention of Ill- Health and Preventable Deaths
  - Homes and Housing
  - Places, Transport and Climate Change
  - Systemic and Structural Racism and Discrimination
  - Communities and Power
- 2.4. Investment of £2m has been identified from Council Public Health reserves. The expectation is schemes will deliver savings to the health and social care system and wider including Education, Work and Skills and Homelessness.
- 2.5. MMF is an ambitious plan that will evolve and take time to embed and develop. Four Kickstarter schemes are in development/implementation to give the plan momentum. These schemes will kickstart delivery of the plan by



exemplifying our principles in terms of health equity, proportionate universalism, and involving and engaging Manchester's diverse local communities. The focus will be on some of the longer-term challenges to help us start narrowing the gap, particularly the need to tackle poverty and the additional barriers of racism and discrimination for some communities. The first priority below is considered to be the priority investment with a specific invest to save approach in development.

2.6. The Kickstarters will focus on:

- Early help and support for adults experiencing multiple and complex disadvantages, and barriers to their health and wellbeing. These adults often have a combination of substance-misuse problems, mental ill health and homelessness but often don't meet the threshold for statutory services and fall through the gaps in the system.
- Integrating employment, health and wellbeing services for people who are out of work or at risk of being out of work due to physical or mental ill-health. This will focus on strengthening the support NHS patients can get around employment, skills and training in a person-centred and place-based way.
- Children, young people and their families particularly those most impacted by the cost-of-living crisis and those from communities that experience racial inequality. This will include a focus on the mental health and wellbeing of young people and, and work to address health, income and education inequalities among the target groups.
- Supporting residents to become active in their neighbourhoods and communities; this means exercise that works for people that they can enjoy and build into their day to day lives. A campaign built on grass-roots activities will celebrate the diversity of Manchester and the broad range of activities that can help people stay fit and active.

2.7. In relation to the priority scheme for investment from the £2m MMF Fund, the funding model has been revised to maximise the impact in terms of health outcomes and improving health equity as well financial benefits. Council funding is expected to deliver savings to the Council and other partners within the next three to five years, within the context of budget pressures and the cost-of-living crisis. A Cost Benefit Analysis is in the process of being developed to demonstrate the invest to save case for the Early Help for Adults proposal. Delivery of this proposal will be effectively integrated with Adult Social Care early help and front door reforms, Homelessness prevention, and Children's services reform, so it will be important to avoid double counting of benefits.

2.8. Subsequently, the NHS focussed scheme will be delivered through arrangements under the new integrated health and care system, and deputy place-based lead. The physical activity scheme will be developed and delivered in partnership with Manchester Active with funding to be confirmed

in 2023/24. Work is progressing to complete business case and financial modelling of the potential preventative impact.

- 2.9. The committee received the Making Manchester Fairer Action Plan Report in October 2022.
- 2.10. The priority for 2022/23 has been to provide continued support for commissioned services in their recovery from the impact of the pandemic on their service delivery and their clients. The key metrics for commissioned services include:

<b>Metric</b>	<b>Q1 2022/23</b>	<b>Q1 2021/22</b>
% of smokers who successfully quit at 4 weeks of interventions (NICE target 35%)	59.80%	82.10%
% of health visitor visits to new births (within 2 weeks) (England average 88%)	85.00%	89.00%
% of dependent alcohol users who successfully complete treatment (Comparable local authorities average 40%)	31.90%	36.00%
% of adults attending 10-12 weeks of Tier 2 weight management interventions	48.20%	85.10%
% of NHS Health Checks received by the total eligible population	17.00%	16.00%

- 2.11. The percentage of new births visited by a health visitor within 2 weeks in Q1 2022/23 (85.0%) was slightly lower than that seen in Q1 2021/22 (89.0%). The performance of weight management services as measured by the percentage of adults attending 10-12 weeks of Tier 2 weight management interventions has fallen from 85.1% in Q1 2021/22 to 48.2% in Q1 2022/23\*. The percentage of dependent alcohol users in treatment who successfully completed treatment in Q4 2021/22 (31.9%) was slightly lower than that seen in the equivalent period in 2020/21 (36.0%). In Q1 2022/23, 17% of the total eligible population in Manchester received an NHS Health Check. This compares with to 16.0% of the eligible population in the equivalent period of 2021/22 suggesting that delivery has increased since the drop due to COVID pressures. Manchester is ranked 6th out of the 23 LAs in the NW region in terms of the delivery of NHS Health Checks and 30th out of the 152 LAs in England\*\*.

“The higher-than-average performance achieved by the Weight Management Service in Q1 2021/22 was linked to the receipt of a substantial grant from Office of Health Improvement and Disparities (OHID). By Q1 2022/23, this grant was being withdrawn.

\*\*NHS Health Check delivery is low nationally and is slowly recovering post COVID. Manchester is performing considerably better than average when compared to national and NW LAs. Delivery is expected to increase through 2022/2023.

- 2.12. The health of the people in Manchester has generally been worse than the England average across a range of outcome measures with a worsening of health outcomes in Manchester starting to become apparent in the years prior to the start of the Coronavirus (COVID-19) pandemic in 2020. The pandemic has had the effect of accelerating and strengthening that pre-existing trend. Recently published data on life expectancy at birth over time in Manchester compared with England shows that life expectancy has fallen, i.e. got worse for both males and females in Manchester in the 3-year period 2019-21 compared with the previous period of 2018-20.
- 2.13. In addition, we have developed a Population Health Recovery Framework based on the following three pillars:
- Healthy People (recognises the impact of social disadvantage and socio-economic circumstances on health outcomes)
  - Healthy Places (recognises the geographical inequalities within Manchester and between Manchester and other parts of the region and country)
  - Health Equity (recognises the groups of people and communities that face additional multiple and compounding barriers, prejudice or discrimination owing to factors such as race, sexual orientation, disability, and migrant status)

Each pillar has a “flagship” programme of activity to address the root causes and wider determinants of health inequalities alongside the broader partnership working to create the conditions for healthy lives.

- 2.14. The three “flagship” programmes are:
- Healthy People - Manchester’s Wellbeing Model to improve the wellbeing of Manchester’s residents based on the level of support people need to look after their own health and wellbeing
  - Healthy Places - Winning Hearts and Minds to work in, and with, communities to improve heart and mental health across the city, with a particular focus on North Manchester
  - Health Equity- COVID-19 Health Equity Manchester to address the disproportionate adverse impact of COVID-19 on specific communities in Manchester and ensure the legacy of COVID-19 is that lessons learned are implemented and improve the broader health outcomes of these communities
- 2.15 The flagship programmes are integral to the Making Manchester Fairer Action Plan.

### **3. Service Budget and Proposed Changes**

- 3.1. The service has a gross 2022/23 budget of £45.865m and a net budget of £42.562m. Income of £3.303m includes Better Care Fund £0.960m, contributions from health £1.290m and other income of £1.054m which includes grants.

- 3.2. Public Health is funded nationally through a specific ringfenced grant. However Greater Manchester locality has been part of a government pilot for a number of years whereby the funding ringfence is removed and an equivalent allocation received as an adjustment to business rates.
- 3.3. The position in 2022/23 regarding the public health contracts with local authorities and the associated pay costs with the NHS pay rises is that the 2022/23 Public Health Grant included an uplift to pay agreed cost increases to contracted NHS providers

*Table 1: Base budget 2022/23*

Service Area	2022/23 Gross budget £'000	2022/23 Net Budget £'000	2022/23 Budgeted posts (FTE) £'000
Public Health Core	2,840	1,911	57.30
Public Health - Children's Services	4,222	4,222	
Early years - Health Visitors	10,676	10,676	
Drugs and Alcohol	9,384	8,989	
Sexual Health	9,211	8,292	
Wellbeing (includes ZEST)	5,487	4,658	
Other	4,045	3,813	12.00
<b>Total</b>	<b>45,865</b>	<b>42,562</b>	<b>69.30</b>

- 3.4. The proposed additional savings and new programme for 2023-26 are detailed in **Appendix 1**. In the context of austerity and the national public health challenges post pandemic, the approach to the development of savings has been extremely difficult. The work has been informed by:
- (i) The challenging position across a range of Public Health outcome measures with a worsening of health outcomes in Manchester since the pandemic;
  - (ii) Reducing pressures on the wider health and social care system by ensuring that upstream cost effective prevention programmes are maintained;
  - (iii) The need to protect the Drug and Alcohol service budget linked to new national investment conditions relating to the new national 10-year Drug Strategy, From Harm to Hope; and
  - (iv) The scale of previous Public Health savings programmes.
- 3.5. The proposals detailed have been identified as deliverable without impacting on delivery of public health commissioned services in the city. The proposed savings programme (£1.000m) is detailed in **Appendix 1** and summarised in the table below

Table 2: Proposed Savings Programme

	2023/24 £'000	2024/25 £'000	2025/26 £000	Total £'000
Directorate	630			630
Children's	270			270
<b>Total</b>	<b>1,000</b>			<b>1,000</b>

- 3.6. The proposed savings programme is grouped into key themes as follows:
- (i) Directorate (£0.630m) – includes disestablishment of vacancies and available headroom from funding set aside for contract uplifts; and
  - (ii) Children's (£0.270m) - it is the commissioning intention to review and revise the service model and specification. This will be co-designed with stakeholders including the Local Care Organisation and the Strategic Director of Children and Education Services.
- 3.7. The emerging pressures are detailed in **Appendix 2**. There are no budget pressures currently reflected in the MTFP. As per the Spending Review, it was announced the public health grant will remain the same in real terms which will significantly undermine the ability of local systems to reduce health inequalities without further investment in prevention by the NHS. However current levels of inflation will significantly erode spending power unless a further increase in grant is confirmed.
- 3.8. If the proposed changes are approved the three-year budget position is shown in **Appendix 3** (excluding the additional savings which are subject to Scrutiny and consultation arrangements). **Appendix 4** also provides a subjective analysis of expenditure and income.

#### **4. Workforce Implications**

- 4.1 The savings proposals outlined at **Appendix 1** will have a limited internal workforce impact due to the roles being disestablished being vacant and planned. This is part of the wider review of roles and responsibilities as resource is shifting back to business as usual after the heightened focus on COVID-19 for the last three years.

#### **4.2. Vacancy Factor**

The Council's establishment is fully budgeted for at the top of the grade. In reality there are vacancies caused by staff turnover, recruitment difficulties and staff employed throughout the grade scale. In order to avoid budgeting for costs that will not be required and making bigger cuts elsewhere, adjustments are being made to reflect these issues by applying a vacancy factor to recognise that vacancies will always exist. The continued challenges in filling posts also means that the council is working hard on ensuring we are an employer of choice and can attract people and minimise the pressures on our existing workforce.

## **5. Equality and Anti Poverty Impact**

- 5.1. Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti Poverty Assessment as part of the detailed planning and implementation. At this stage no direct impacts on people and specifically MCC priority protected characteristics have been identified.

## **6. Future opportunities and Risks**

### MMF Action Plan

- 6.1. The MMF Action Plan (above) focuses on the social determinants of health and requires all agencies to contribute to improving the conditions in which Manchester's residents are born, grow, live, work and age. The implications and impact of the cost-of-living crisis, in 2022 initially, will affect the lives of many residents in the city and may reduce the scale of the outcomes intended to be achieved through the MMF Action Plan in the short-term.

### Drug and Alcohol Programmes

- 6.2. The new national 10-year Drug Strategy, From Harm to Hope, plans to cut crime and save lives and is underpinned by a clear recognition that illegal drugs cause damage to our society, affecting both individuals and neighbourhoods. The collective ambition of the strategy is to achieve a generational shift in the country's relationship with drugs and to reduce overall drug use through three overarching priorities:
- Break supply chains
  - Deliver a world class treatment and recovery service
  - Achieve a shift in the demand for recreational drugs
- 6.3. From Harm to Hope recognises the need for alignment between national expectations and local delivery. A local outcomes framework will be introduced to sit alongside the national outcome framework detailed in the strategy and will cover all three of the strategic priorities. The £780m national funding also includes the extension of the time limited Office of Health Improvement and Disparities (OHID) Section 31 Grant for reducing crime, reducing harm, and reducing drug related deaths.
- 6.4. In April 2022, OHID announced the Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) funding scheme, to support local delivery of the strategy. Local authorities' use of the SSMTRG should directly address the aims of the treatment and recovery section of the drug strategy. The outcomes are ambitious, and on a national basis, the additional funding aims to deliver:

- 54,500 new high-quality treatment places including:
- 24,000 more people in long-term recovery from substance dependency
- 800 more medical, mental health and other professionals
- 950 additional drug and alcohol and criminal justice workers
- Adequate commissioning and co-ordinator capacity in every local authority

6.5. Local delivery of these ambitions aims to drive an improvement in the quality of the service for Manchester residents, ensure more people can access our community treatment services, and support a reduction in the number of caseloads of our practitioners and clinicians delivering substance misuse services. Manchester has been identified as an ‘enhanced area’, benefitting from greater investment in year 1 with 51 new full time posts to be added to the workforce. The table below outlines the funding allocation for Manchester:

	<b>2022/23 Confirmed</b>	<b>2023/24 Indicative</b>	<b>2024/25 Indicative</b>
SSMTRG	£1,461,249	£2,394,242	£4,621,419
Inpatient Detoxification Grant	£138,535	£138,535	£138,535

6.6 Eligibility for SSMTRG funding is dependent on maintaining existing investment in drug and alcohol treatment. As noted above, an element of the funding in year 1 supports a continuation of some of the key activities funded in the Section 31 grant funding, to reduce crime and the rise in drug-related deaths.

#### Wellbeing Services

6.7 We intend to re-visit work on the Citywide Wellbeing and Prevention Model (paused due the COVID-19) to review and revise, in collaboration with commissioned community services, the delivery of community prevention services to achieve better alignment and avoid duplication in service delivery across the city. As a first stage of this work the buzz Community Development Team is transferring from Greater Manchester Mental Health NHS Trust (GMMH) into MCC Neighbourhoods Directorate on 1.1.23.

#### Children’s Public Health Services

6.8 The current contract for the School Health Service (5-19 years programme) expires in April 2023. We intend to extend for twelve months under current arrangement. In the period Nov 22-April 24 we intend to co-design a new service specification that consolidates the current separate contracts (Healthy Schools, School Nurse, Healthy Weight, Accident Prevention, School Immunisations) into a single 5-19 Healthy Child Programme (HCP) School Health Service. The new service specification will have new KPIs, a service model that reflects available resource and post pandemic priorities and will be co-designed with stakeholders including the Local Care Organisation and the Strategic Director of Children and Education Services.

This page is intentionally left blank



## Appendix 1 - Savings Schedule

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Directorate	Disestablish Public Health Vacancies	Efficiency	These savings have been identified as deliverable without impacting on delivery of public health commissioned services in the city	90			90	3
Directorate	Use of 2022/23 underspend	Efficiency		330	(330)		0	None
Children's	Children's PH 5-19- due to changing and challenging circumstances regarding staffing, service delivery and finance it is the commissioning intention to review and revise the service model and specification	Efficiency		270			270	None
Directorate	MCR Active - removal of budget intended to contribute to the development, implementation and licensing of the digital single pathway to design a 'one stop shop' for ALL Sport & Physical Activity opportunities. Whilst this causes a delay, MCR are confident in securing alternative financing arrangements for this development	Efficiency		30			30	None
Directorate	Headroom in budget set aside for contract uplifts	Efficiency		280	330		610	None
<b>Total</b>					<b>1,000</b>	<b>-</b>	<b>-</b>	<b>1,000</b>

This page is intentionally left blank

**Appendix 2 - Pressures / Growth Schedule**

Service	Description of Pressure	Amount of Pressure			
		2023/24	2024/25	2025/26	Total
		£'000	£'000	£'000	£'000
		Nil	Nil	Nil	Nil
<b>Total</b>					

This page is intentionally left blank

### **Appendix 3: Indicative Medium term budgets by service**

<b>Service Area</b>	<b>2022/2023 Budget £'000</b>	<b>2023/2024 Indicative Budget £'000</b>	<b>2024/2025 Indicative Budget £'000</b>	<b>2025/2026 Indicative Budget £'000</b>
Public Health Core	1,911	1,911	1,911	1,911
Public Health - Children's Services	4,222	4,222	4,222	4,222
Early years - Health Visitors	10,676	10,676	10,676	10,676
Drugs and Alcohol	8,989	8,989	8,989	8,989
Sexual Health	8,292	8,292	8,292	8,292
Wellbeing (includes ZEST)	4,658	4,658	4,658	4,658
Other	3,813	3,813	3,813	3,813
<b>Total</b>	<b>42,562</b>	<b>42,562</b>	<b>42,562</b>	<b>42,562</b>

This page is intentionally left blank

**Appendix 4: Indicative Medium term budgets by type of spend / income**

<b>Corporate Core</b>	<b>2022/2023 Budget £'000</b>	<b>2023/2024 Indicative Budget £'000</b>	<b>2024/2025 Indicative Budget £'000</b>	<b>2025/2026 Indicative Budget £'000</b>
<b>Expenditure:</b>				
Employees	2,452	2,452	2,452	2,452
Running Expenses	43,414	45,414	43,414	43,414
<b>Sub Total Subjective Expenditure</b>	<b>45,865</b>	<b>47,865</b>	<b>45,865</b>	<b>45,865</b>
Less:				
Other Internal sales				
<b>Gross Expenditure</b>	<b>45,865</b>	<b>47,865</b>	<b>45,865</b>	<b>45,865</b>
<b>Income:</b>				
Contributions from Reserves	-	-2,000	-	-
Other Grants Reimbursements and Contributions	-1,054	-1,054	-1,054	-1,054
Other Income	-2,250	-2,250	-2,250	-2,250
<b>Gross Income</b>	<b>-3,304</b>	<b>-5,304</b>	<b>-3,304</b>	<b>-3,304</b>
<b>Total Net Budget</b>	<b>42,562</b>	<b>42,562</b>	<b>42,562</b>	<b>42,562</b>

This page is intentionally left blank



**Manchester City Council  
Report for Information**

**Report to:** Health Scrutiny Committee – 9 November 2022

**Subject:** Budget 2023-26

**Report of:** Executive Director of Adult Social Services

---

### Summary

The Council is forecasting an estimated budget shortfall of £44m in 2023/24, £85m in 2024/25, and £112m by 2025/26. After the use of c£16m smoothing reserves in each of the three years, this reduces to £28m in 2023/24, £69m in 2024/25 and £96m by 2025/26. Officers have identified potential savings options to reduce the budget gap totalling £42.3m over three years.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers.

Even after these proposals there remains a budget gap of £7m to close to get to a balanced budget in 2023/24 and further savings and cuts options will be required to be worked between now and January and be reported back to Scrutiny committees in February. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2023.

### Recommendations

The Committee is recommended to:-

- (1) To consider and comment on the forecast medium term revenue budget
  - (2) Consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee
- 

**Wards Affected:** All

<p><b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
<p>The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p>

**Equality, Diversity and Inclusion** - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti Poverty Assessment. as part of the detailed planning and implementation. Further detail is provided at section 5.

<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

The changes included within this report are officer proposals and, subject to Member comments and consultation, these will be included as part of the 2023/24 budget preparation.

### **Financial Consequences – Capital**

None directly arising from this report.

**Contact Officers:**

Name: Bernadette Enright  
Position: Executive Director of Adult Social Services  
Telephone: 07866 989734  
E-mail: bernadette.enright@manchester.gov.uk

Name: Sarah Broad  
Position: Deputy Director Adult Social Services  
Telephone: 07966 229569  
E-mail: sarah.broad@manchester.gov.uk

Name: Simon Finch  
Position: Head of Finance Adult Social Services and Public Health  
Telephone: 07939132452  
E-mail: simon.finch@manchester.gov.uk

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

[Revenue Budget Report - Executive Meeting 16 February 2022](#)

[Medium Term Financial Strategy 2022/23 to 2024/25 -Executive Meeting 16 February 2022](#)

[Health and Social Care – Adults Social Care and Population Health Budget 2022/23 - Executive 16 February 2022](#)

[Resource and Governance Scrutiny – 6 September 2022](#)

[Revenue Monitoring to the end of July 2022 and Budget update 2023/24 to 2025/26 - Executive 14 September 2022](#)

## 1. Introduction and Purpose

- 1.1. The report is the first in the cycle for the budget programme 2023-26. It sets out an overview of Adult Social Care services and key priorities. The budget is detailed and the financial requirements to conclude the three-year Better Outcomes Better Lives savings programme. The budget growth assumptions in the MTFP are set out. The report provides a draft set of officer proposals for further savings for 2023-26, developed in the context of the financial challenge facing the Council, for comments by Health Scrutiny.

## 2. Service Overview and Priorities

- 2.1. Manchester City Council's Adult Social Care (ASC) services support people who have been assessed and meet the national eligibility criteria for care and support under the Care Act 2014. Following an assessment, a support plan sets out how the needs of people will be met and services are arranged to meet that need and help people to continue to live as independently as possible.
- 2.2. This support ranges from advice and information (minimal cost) to very intensive services. Whilst the Care Act 2014 places a statutory duty on ASC to meet assessed needs and outcomes it does not prescribe how these should be met. In discharging its statutory duty ASC retains discretion to determine how an individual's needs and outcomes should be met within available resources. Adults Eligibility: The Care and Support (Eligibility Criteria) Regulations 2014 sets out the eligibility criteria and determines the circumstances in which an adult meets the eligibility criteria.
- 2.3. In Manchester, we support a large number of Manchester residents with social care needs. At 31st December 2021 (latest complete figures) we supported:

	<b>31<sup>st</sup> Dec 2021</b>	<b>30 Sept 2022</b>
Older people (long term support to 65+)	2,995	2,908
Younger adults (long term support to 18-64)	2,371	2,354

These figures include:

	<b>31<sup>st</sup> Dec 2021</b>	<b>30 Sept 2022</b>
Adults with learning disabilities (long term support)	1,220	1,196
Adults with mental health needs (long term support)	738	759
People we support are living in the community	3,735	3,763
People in residential care	1,072	978
People in nursing care	575	521

We provide:

	<b>31<sup>st</sup> Dec 2021</b>	<b>30 Sept 2022</b>
Homecare to	1,863	1,877
Homecare commissioned hours (weekly)	29,516	31,073
Supported accommodation to	680	688
Support via shared lives schemes to	182	183
Support via an extra care scheme or apartment	113	119
Cash personal budget or Individual Service Fund to	650	645
Cash personal budget or Individual Service Fund to	333	334

Rolling 12 months:

	<b>31<sup>st</sup> Dec 2021</b>	<b>30 Sept 2022</b>
Items of equipment and adaptations were installed/provided	10,207	10,822
Blue badges were issued	7,270	8,212
People benefitted from our core reablement service	1,612	1,641
Carers were assessed	1,512	1,631
Safeguarding enquiries were opened for individuals	6,203	5,350

- 2.4. Adult Social Care in Manchester is deployed into the Manchester Local Care Organisation (MLCO) alongside delivery of community health services in the city which is governed via a section 75 agreement between MCC and Manchester University NHS Foundation Trust (MFT).
- 2.5. The S75 agreement between MCC and MFT includes a Financial Framework which sets out the approach to the management of an 'aligned' budget across MCC and MFT for the services in scope of the MLCO. The ASC budget referred to in this report constitutes the MCC contribution to the aligned budget.
- 2.6. The fundamental priority for Adult Social Care in 2023/24 remains the safe, effective delivery of our statutory duties as outlined above in the Care Act as well as our duties in the Mental Capacity Act and the Mental Health Act.
- 2.7. In January 2021 we commenced delivery of a major transformation programme, building on the Adult Social Care Improvement Programme – Better Outcomes, Better Lives (BOBL). BOBL is a long-term programme of practice led strengths based change, which aims to enable the people of Manchester to achieve better outcomes with the result of less dependence on formal care. The programme has been essential to delivering the 2021-2024 savings programme, and progress has been regularly reported to Health Scrutiny committee.
- 2.8. Given the positive work so far, and the continued opportunities, our work on Better Outcomes, Better Lives will continue in 2023/24 with a focus on:

- (i) **Front Door** - Work to change how services are configured at the front door is progressing, ensuring that we are effectively reducing, delaying and preventing demand through further embedding the strength-based approach to practice-led change at every opportunity. Opportunities which will be realised include offering earlier interventions, reducing demand for care act assessments and a shift of workload from the Integrated Neighbourhood teams and other community teams, all resulting in a more timely offer and better outcomes.
  - (ii) **TEC/Digital** – further increasing the number of people given the opportunity to access Technology-Enabled Care (TEC). TEC helps people to remain in their own homes, maintain their independence and improve their personal safety. Work is ongoing to drive further uptake in certain parts of the city and continue to embed the ‘think TEC and digital first’ approach across the organisation.
  - (iii) **Continuing to progress strength-based review** work including focused work in learning disability services.
- 2.9. In addition, working across the work and health care system we are focused on delivering the **Resilient Discharge Programme** – focused on maximising the impact on patient flow with increased ‘safe’ discharge rates and a consistent Home First offer.
- 2.10. Aligned to our work on BOBL we will continue to be focused on:
- (i) Ensuring we have the right internal capacity to support all of our work;
  - (ii) Strengthening our work to safeguard adults;
  - (iii) Strengthening our partnership arrangements and governance with GMMH through the new section 75 arrangements;
  - (iv) Implementation of Liberty Protection Safeguards;
  - (v) Preparation for the forthcoming CQC regulation and inspection;
  - (vi) Working with colleagues in Housing and other partners to ensure the right supply of accommodation for vulnerable adults in the city; and
  - (vii) Continuing to support the care market intensively, aligned to our Commissioning Plan and performance and quality regime. The Fair Cost of Care programme is integral to this.
- 2.11. Additionally, as set out in section 4 below and appendix 1 we will now be progressing at pace with a set of additional transformation opportunities including work on our day services offer (internally and externally) and our wider in house provider services (including supported accommodation and short breaks). These are significant additional change programmes which will require the right planning and engagement over a sustained period.
- 2.12. In July 2022 Manchester Health and Care Commissioning (MHCC) – the CCG in Manchester, ceased to exist with responsibility for health commissioning moving to the newly formed Greater Manchester Integrated Care System (ICS). ASC within the MLCO will be working with colleagues to ensure that this change is beneficial for Manchester residents and that we are continuing to

work to strengthen the MLCO and maximising opportunities for integration including in our collective commissioning of the external market.

### 3. Service Budget and Proposed Changes

- 3.1. The gross 2022/23 budget detailed in the table below is £252.815m and the net budget of £185.457m. Income of £67.358m includes client fees £24.997m, Better Care Fund £16.782m, contributions from health £7.455m and other income of £18.124m which includes grants and use of reserves, notably the integration reserve, in accordance with the plan agreed for the year with Manchester CCG.

Table 1: Latest Approved Base budget 2022/23

Service Area	2022/23 Gross budget £'000	2022/23 Net Budget £'000	2022/23 Budgeted posts (FTE) £'000
<b>Long Term Care:</b>			
Older People/Physical Disability	71,551	40,019	-
Learning Disability	63,009	56,947	-
Mental Health	28,416	24,491	-
Disability Supported Accommodation Service	16,699	14,223	461.50
Investment funding	2,554	2,554	-
Sub Total	182,229	138,234	461.50
<b>Short Term Care:</b>			
Reablement/Short Term Intervention Team	8,409	6,263	270.28
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,668	5,237	125.53
Equipment & Adaptations (inc TEC)	6,026	3,761	130.00
Carers/Voluntary Sector	3,511	3,211	-
Sub Total	23,614	18,472	525.81
<b>Infrastructure and Back Office:</b>			
Social Work Teams	21,851	16,788	378.76
Safeguarding/Emergency Duty	3,501	3,064	73.80
Brokerage/Care Home Teams	1,452	1,400	-
Management and support	20,168	7,499	165.20
Sub Total	46,972	28,751	617.76
<b>Total</b>	<b>252,815</b>	<b>185,457</b>	<b>1,605.07</b>

### Completion of Three Year BOBL Financial Plan 2020-23

- 3.2. 2023/24 is the final year of the three-year BOBL savings programme with an agreed saving target of £3.477m. To support the planned phased delivery of the savings, a one-off use of reserves of £5.5m supported the budget in 2022/23. This leaves an approved savings target of £8.977m to be delivered in 2023/24, plus proposals for a further £5.575m (within a proposed 3 year programme of £10.025m) outlined in this report. Proposals detailed later in **Appendix 1** are in addition to pre-approved savings.
- 3.3. The BOBL programme has been successful in reducing demand and the remaining target is being met through:
- £0.5m from continuing the successful work programme focused on strength-based reviews in the Older People citizen group working to reduce demand;
  - £2m targeted review in Learning Disabilities service to reduce demand through the optimisation of packages of care through enhanced use of TEC and reductions in emergency placements. A dedicated review team is being established;
  - For Mental Health a range of priorities have been confirmed including reviewing discharge support planning and community inclusion services with Greater Manchester Mental Health Trust, a review programme aimed at step down and a specific GM funded pilot 'move on' programme within supported accommodation. In total a £1.5m target has been set;
  - The 2022/23 budget included financial arrangements to invest in Discharge to Assess (D2A) beds in care homes, following completion of the hospital discharge programme funding on 31 March 2022. This care model is helping to reduce long term care home admissions and with the D2A intervention help facilitate citizens to return to their homes following a stay in hospital, some with a home care package. The expectation is for further benefits into ASC into 2023/24 estimated at £1.5m.
- The total across these areas is £5.5m.
- 3.4. There is expected to be no call on funding set aside for the demographic growth in citizen numbers in 2022/23 and a reduced call on the 2023/24 allocation. Together this is expected to contribute £3m towards closing the budget gap. Nationally it is reported that demographics are averaging 4% of net Adult Social Care budget. This gives a sense of the success of the BOBL programme in Manchester on demand management and the need to continue to have a strong grip on this programme of work to ensure continue delivery.
- 3.5. The balance of the existing savings (£0.477m) and the budget pressures arising in 2022/23 detailed **within Appendix 2** (£1.889m) will be addressed through the expected underspend against long term care budgets in 2022/23.



- 3.6. The challenges facing Adult Social Care are reported and recognised nationally. As a result of the significant investment in the improvement programme and the transformation of the service through Better Outcomes Better Lives, the current financial outlook is relatively stable and in a good position to look at the next stage of service change and additional savings.

#### Savings Plan 2023-26

- 3.7. The proposed additional savings for 2023-26 total £10.025m and are detailed in **Appendix 1**. In the context of austerity and the national challenges and ASC reform programme underway, the approach to the development of savings builds upon the previous work done to date and is cognisant of:
- (i) BOBL as the underpinning strategy and the commitments already made to deliver the 2021-24 target, detailed earlier in the report and which in itself will be challenging to deliver;
  - (ii) Preventing potential for a negative impact on the wider health and social care system; and
  - (iii) The imperative to maintain the progress against the ASC improvement plan for social work infrastructure and improved practice to support and safeguard our most vulnerable citizens.
- 3.8. The proposals detailed are all considered deliverable but will be challenging to deliver, requiring significant service redesign, reconfiguration and effective change management. The proposals do enable citizen independence and outcomes to be protected or potentially improved but there will need to be an understanding by citizens, families and carers that in some cases care arrangements will have to change and needs may be met in alternative ways. This is integral if the budget strategy is to be achieved. A full impact assessment will be prepared for each proposal, building on engagement work already completed on day services, and further engagement work underway and planned. In considering proposals, it is critical to be cognisant of the duty to meet eligible needs in cost effective ways.
- 3.9. Given the scale and complexity of some of the proposals, detailed work to finalise the modelling for targets and overall approach is on-going and will continue and take account of Health Scrutiny feedback in order that a robust set of proposals will be reported in the February cycle for further consideration.
- 3.10. The proposed savings programme (£10.025m) is detailed in **Appendix 1** and summarised in the table below

Table 2: Proposed Savings Programme

	2023/24 £'000	2024/25 £'000	2025/26 £000	Total £'000
Provider Services	750	1,750	1,450	3,950
Workforce	1,600			1,600
Charges	200			200
Demand Management	2,275			2,275
Other	750	500	750	2,000
<b>Total</b>	<b>5,575</b>	<b>2,250</b>	<b>2,200</b>	<b>10,025</b>

3.11. The proposed savings programme is grouped into key themes as follows:

(i) Provider Services (£3.950m)

This is a substantial redesign programme including in-house Supported Accommodation, Day Services, Transport arrangements and Short Breaks. The overall direction is to enable the service to support citizens with the most complex needs, whilst ensuring care arrangements for lower level needs are met in the most appropriate ways. Our ambition is to support citizens in supported accommodation holistically within that setting in lieu of attending day care. It is intended to develop a new integrated multi-disciplinary MLCO offer for emergency placements preventing the use of the in-house short breaks service for supporting crisis situations. With regards to Transport, a number of options are under consideration with the key ones being to encourage independence through travel training initiatives, potential new criteria for accessing transport and set a charge for the service in line with service cost. The work on provider services has begun with the day services review over the last few months which included extensive engagement with citizens and their carers/families as well as data analysis. Further engagement work is planned for November on our wider Learning Disability commissioning priorities which is also relevant for our work on provider services.

(ii) Workforce (£2.077m less £0.477m pressures £1.600m net)

Use of a vacancy factor is a normal budgeting practice. At any point in time, there is never a full establishment and a level of turnover is a healthy necessity. The increase of £2.077m increases the vacancy factor to 6.3% or approximately 114 FTE (establishment currently 1803 FTE). For Grades 1 to 12 budgeting practice is at the top of the grade and it is unlikely that the whole of the ASC workforce will be at the top of the grade, providing some flexibility in terms of funding. The £0.477m workforce pressures relates to the full year effect of an increase in response officers capacity within Community Alarms (£0.114m) and a shortfall in the funding for social work capacity (£0.363m) implemented as part of the Covid-19 response in the 2022/23 budget.

(iii) Charges (£0.200m)

The choices on the budget are especially difficult this time and the impact of the cost of living situation is well understood and specific Council financial

support is being directed. Where increases to charges are proposed, they have been carefully considered and significant subsidy arrangements maintained. Adult social care policy will continue to support the most vulnerable and especially those with disabilities through the Disability Related Expenditures scheme. The Care and Support (Charging and Assessment of Resources) Regulations 2014 set out examples of Disability Related Expenditure. The overall aim is to allow for reasonable expenditure needed for independent living.

There are two components:

- Community Alarms (£0.150m) - it is considered a better option to increase charges than remove or limit response. The proposal is to increase all charges by 50p a week. To note there would need to be a very significant cost increase to cover the full cost of this service which will continue to be provided at a significant subsidy; and
- Extra care well being charge (£0.050m) - this is an additional amount on top of the rent, service charge and any care charges that apply. It is a charge that every resident in the scheme would pay. The proposal is for a wellbeing charge of £5-10 per person per week.

(iv) Demand Management (£2.275m)

This target has been set for 2025/26. The target has been set on the basis that the programme has delivered evidenced demand reductions to date and that there will continue to be opportunities to improve outcomes and independence of Manchester citizens and many of the Better Outcomes Better Lives arrangements will be fully embedded by then. This target will be the subject of more detailed consideration in the 2024/25 budget cycle and is in effect a commitment at this stage.

(v) Other (£2.000m)

There are two components:

- The services of an occupational therapist in relation to the relevant capital scheme - it is proposed to charge £0.5m to Disabled Facilities Grant and there is headroom within the programme to do so recurrently; and
- High cost joint funded packages - working with partners on opportunities to improve joint commissioning. In addition, there are a number of citizens within long term placements that are at or near the Continuing Health Care (CHC) threshold. If assessed to be eligible for CHC, funding the cost moves to health and citizens are not eligible for charges. A target of £1.5m has been set.

### Growth and Pressures 2023-26

- 3.12. As part of the budget process it is important that as well as having to find savings to balance the budget, that service pressures are recognised and where unavoidable are correctly budgeted for. These emerging pressures are detailed in **Appendix 2**. They include the standard increases approved annually for demographic pressures and the uplift to care costs driven by the Council's commitment to pay the Real Living Wage to care staff. Current pressures reported in 2022/23 which have recurrent budget implications are also included and cover in-house supported accommodation, advocacy costs and deprivation of liberty standards (DOLS) best interest assessments.
- 3.13. The Council budgets for pay and prices inflation corporately and these will be allocated to Directorate budgets when known. Estimates are at Table 3 below.
- 3.14. Currently it is assumed that the Fair Cost of Care reforms will be cost neutral. The budget assumptions will be updated as soon as government announces further information on the financial arrangements for funding reform. It is assumed the funding reforms will be fully funded and the financial risk is not included as a pressure in the budget.
- 3.15. An investment of £1.3m per year 2023-26 will sustain the social work infrastructure and reablement capacity, supporting care models covering Crisis, Discharge to Assess and Manchester Case Management.
- 3.16. If the proposed changes are approved the three-year budget position is shown in **Appendix 3** (excluding the additional savings which are subject to Scrutiny and consultation arrangements). A summary of the key movements is shown in the table below.

Table 3: Summary of Budget Changes

	2023/24	2024/25	2025/26
	£,000	£,000	£,000
<b>Opening budget</b>	<b>185,457</b>	<b>194,699</b>	<b>203,318</b>
Demographic budget growth	2,329	2,636	2,936
Contract Cost of increasing the Real Living Wage	5,590	5,983	4,000
Contribution to Real Living Wage Increase 2022/23 from Corporate Inflation	3,500		
Removal of one-off reserves to support phased delivery of BOBL savings.	5,500		
Budget pressures rolled into 2023/24 (see Appendix 2)	1,889		
Investment to sustain the integrated New Care Models	1,300		
<b>Demand Management:</b>			
Long term care budgets	-		
Savings approved in 2021/22 budget setting (BOBL Year 3)	3,477		
Underspend against 2022/23 budget assumptions	1,889		
<b>Total Changes</b>	<b>9,242</b>	<b>8,619</b>	<b>6,936</b>
<b>Total Cashlimit</b>	<b>194,699</b>	<b>203,318</b>	<b>210,254</b>
Estimated Price Inflation	2,126	1,410	1,410
Estimated Pay Inflation	3,913	4,054	4,230
<b>Total</b>	<b>200,738</b>	<b>208,782</b>	<b>215,894</b>

#### Adults Social Care Funding

- 3.17. The funding arrangements for Adult Social Care have become increasingly complex over the past few years as new specific funding streams have been introduced. The Council's medium term financial plan, as approved in February 2022, assumed a 1% per annum increase in the Adult Social Care Council tax precept for 2023/24 and 2024/25, with the c£2m p.a. raised used to directly fund the service.
- 3.18. In addition, in relation to the Better Care Fund funding streams it has been assumed that these will be uplifted in line with NHS funding, with £2m additional funding included in the MTFP to support the Adults budget.
- 3.19. **Appendix 4** provides a subjective analysis of expenditure and income and **Appendix 5** provide an objective analysis of the 2023/24 budget to also set out the key areas of income.

#### **4. Workforce Implications**

- 4.1 A new 12-month Recruitment Programme led by HROD was launched in February 2022 with an increased focus on recruitment and retention across ASC. Recruitment progress has however still been challenging this year as a result of the competitive and limited labour market, alongside the high number of vacancies we have sought to fill during this time. It is likely to remain difficult in the immediate future, due to a national shortage of social care workers.
- 4.2. The Charging Reforms work will result in a demand for additional assessment capacity on a national scale which is likely to have wider implications on the ability to recruit locally once the number and role definition of the additional roles is concluded.
- 4.3. The savings proposals outlined at **Appendix 1** will likely have a limited workforce impact due to vacant roles in the two main service areas of review (Day Services and the Disability Supported Accommodation Service) currently being held (covered by agency in the interim). This supports the wider review to take place and should mean that once proposals are reviewed and ready to be implemented, there should be minimal impact on permanent staffing.
- 4.4. If the proposals to focus on more complex citizens are implemented within DSAS, this will require a review of current roles and structures to ensure the requirements of the new service offer can be met. The workforce impact is difficult to fully define until the Provider Services review is concluded.
- 4.5. Vacancy Factor

The Council's establishment is fully budgeted for at the top of the grade. In reality there are vacancies caused by staff turnover, recruitment difficulties and staff employed throughout the grade scale. In order to avoid budgeting for costs that will not be required and making bigger cuts elsewhere, adjustments are being made to reflect these issues by applying a vacancy factor to recognise that vacancies will always exist. The continued challenges in filling posts also means that the council is working hard on ensuring we are an employer of choice and can attract people and minimise the pressures on our existing workforce.

#### **5. Equality and Anti Poverty Impact**

- 5.1. Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti Poverty Assessment as part of the detailed planning and implementation. Those proposals which will be subject to an EqIA include the proposals pertaining to our in-house provider services and the proposals relating to charging as there are likely to be direct impacts on people and specifically MCC priority protected characteristics.

- 5.2. An update on work on equalities, diversity and inclusion in relation to the Better Outcomes, Better Lives programme was provided to the September Health Scrutiny Committee including work on the direct impact of a number of interventions being delivered on the programme. Work is also underway on the way in which equalities data is collected in ASC, supporting the ability to be better informed on the impact of changes being made to services.
- 5.3. As referred to at 3.11(iii) the implications of the impact of increases to the costs of living have been considered in relation to the specific proposals related to charging.

## **6. Future Opportunities, Risks and Policy Considerations**

### **6.1. National strategy for autistic children, young people and adults: 2021 to 2026**

The national autism strategy was published last year with work underway at a Manchester level to respond. An Autism Strategy group has been established with involvement from a number of partners. This group recognises that there will be an increased demand for support for people with a diagnosis of autism which will need to be carefully managed and planned for across the health and care system. In recognition of this ASC is investing in a specialist commissioning and social work role to support this work.

### **6.2. Charging Reforms and Fair Cost of Care (2023)**

A separate report is provided elsewhere on the agenda providing a detailed position statement. Progress will be reported regularly through 2023:

- (i) Fair Cost of Care - the process for determining a fair cost of care for Manchester has been completed in accordance with the requirements.
- (ii) Introduction of the Care Cap and Threshold - from October 2023, the government will introduce a new cap on the cost of personal care over the lifetime and amend thresholds for financial support.
- (iii) Implementation and Policy Implications - the service is currently working towards implementation and participating in many regional and national events focused on 'ready for reform'.

### **6.3. Liberty Protection Safeguards 2024**

The Deprivation of Liberty Safeguards (DoLS) provide a legal process to review and, where appropriate, authorise arrangements for a person's care or treatment which may amount to a deprivation of liberty, for people aged 18 and over in a care home or hospital. It provides key safeguards to protect the person's human rights. In the summer government consulted on proposed changes to the Mental Capacity Act 2005 Code of Practice and implementation of a new Liberty Protection Safeguards system. The consultation outlined that the existing arrangements, if fully operationalised due to increased eligibility arising from recent case law, will lead to spiralling

costs. In the governments preferred model, once embedded, it is expected there will be savings in comparison to the existing DOLS arrangements, albeit the implementation of the model will be complex and resource intensive. The budget pressures included for 2023/24 will be reviewed once implementation and transition arrangements are clear.

#### 6.4. CQC Assurance

From April 2023, local authorities will be subject to regular assessment and assurance by CQC in relation to their statutory duties for Adult Social Care. CQC are in the process of designing and finalising the framework. Manchester City Council, were part of a 'test and learn' process ahead of April 2023 which piloted the approach in two local authorities nationally. The framework will be robust in evidencing local authorities' delivery of their statutory duties and will therefore require planning and capacity to support at a local level once introduced.



## Appendix 1 - Savings Schedule

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
<b>Provider Services</b>								
Provider Services	<b>Day Services</b> - following the delivery of a day services review and associated findings, expand use of external capacity/focus on complex needs. This is intended to maximise the cost effectiveness of in-house day services by repositioning them to support citizens with more complex needs. This would mean reviewing people in expensive external day placements and moving them to in-house provision as well as reviewing people with low to moderate support needs in in-house provision and finding alternative provision in the community or with lower cost external providers (including VCSE as providers under contract).	Service Redesign	Limited impact on outcomes, consolidating model of care. Potential family dissatisfaction and complaints, engagement programme will be required  This is part of a broader strategy to re-position day services as a whole and work by the transitions team and others to promote a range of options for people, including employment, facilitated by our strengthened supported employment offer	250	250	100	<b>600</b>	TBC
Provider Services	<b>Day Services</b> - reduce access for citizens in supported accommodation. Citizens in supported accommodation supported holistically within that setting in lieu of attending day care	Service Reduction	Limited impact on outcomes, consolidating model of care. Maybe family dissatisfaction and complaints	250	250		<b>500</b>	TBC
Provider Services	<b>Short Breaks</b> - this programme is intended to refocus in-house short breaks service through a new integrated MLCO offer to support emergency placements and supporting	Service Redesign	Risk of not having an offer in place to support in crisis situations. Significant challenge to make operational		250	100	<b>350</b>	TBC

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
	crisis situations. The financial saving will be within long term care							
Provider Services	<p><b>Transport review</b> - The savings target represents a substantial redesign of the service model and charging basis.</p> <p>Delivery will be through a combination of significant increase in nominal charge, review of access criteria, exploration of alternative transport models and encouraging independence through travel training initiatives</p>	Service Redesign	Exploration of alternative transport models and options for access to day services. Potential for family dissatisfaction and complaints, engagement programme will be required and aligned to the other proposals surrounding day services.	250	250		500	TBC
Provider Services	<p><b>DSAS</b> - Transformation of in house supported accommodation to enable the service to support citizens with the most complex needs. Very significant change programme required with the potential to improve outcomes through more optimal approach to supporting most complex in-house including Transforming Care cohort, citizens placed in high cost packages (including out of area) and including those where joint or health funding arrangements are in place. Significant engagement with families will be required.</p>	Service Redesign	Potential to improve outcomes through more optimal approach to supporting most complex. Repatriation and changing tenancy arrangements including for people currently supported in house where the outcome may be a move to being supported externally will inevitably lead to significant engagement requirements with families. Establishment restructuring and realignment (consolidate establishment to meet future needs). Requires full and comprehensive review of estate to ensure it is fit		750	1,250	2,000	TBC

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
			for purpose from a condition and fabric perspective and associated and capital investment.					
<b><u>Workforce</u></b>								
Directorate	<b>Increase Vacancy Factor</b> (£2.077m less workforce pressures £0.477m). Vacancy data for 2019/20, 2020/21, 2021/22 and the current position, shows that Adult Social Care has never fallen below 150 FTE vacancies at any one time and can be significantly more. The base budget 2022/23 includes a £1.992m vacancy factor, approximately 3% of the £64.169m employee budget. The increase of £2.077m increases the vacancy factor to 6.3% or approximately 114 FTE (establishment currently 1803 FTE).	Efficiency	High turnover has constrained progress with BOBL and budgeting for it includes an element of risk albeit managed.  The number of established posts will remain the same and the service still able to recruit. The level of the vacancy factor will be adjusted annually to reflect recruitment and turnover levels.	1,600			<b>1,600</b>	None
<b><u>Charges</u></b>								
Extra care	<b>Implement wellbeing charge</b> This is an additional amount on top of the rent, service charge and any care charges that apply. It is a charge that every resident in the scheme pays, whether they receive care or not. Following introduction, the Service would expand the benefits of paying a Wellbeing Charge, for example, through an annual Wellbeing Check, working with local community health	Income Generation	Impact on most vulnerable during cost of living crisis	50			<b>50</b>	None

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
	providers and public health so that the Charge does have an actual emphasis on Wellbeing. Through benchmarking, the highest rate of weekly wellbeing charges found is £40 per week. The lowest charge is £11 per week. The proposal is for a wellbeing charge of £5-10 per person per week							
Community Alarms Service	<b>Increase community alarms charge</b> There is a requirement to reduce the cost of this service, which is a discretionary one. It is considered a better option to increase charges than remove or limit response. The proposal is to increase all charges by 50p a week in order to address the current 2022/23 overspend of £0.150m. To note there would need to be a very significant price increase to cover the full cost of this service which will continue to be provided at a significant residual subsidy (£0.600m)	Income Generation	Impact on most vulnerable during cost of living crisis  To note many local authorities have made similar changes	150			150	None
<b><u>Demand Management</u></b>								
Directorate	Smoothing via Adult Social Care Reserve	Efficiency	None	2,275		(2,275)		None
Long Term Care	<b>Further demand management</b> – all care groups. This target has been set for 2025/26 and is therefore some time into the future. This is in addition to £10m identified in 2023/24 for demand	Efficiency	Prevent, reduce, delay through Better Outcomes, Better Lives remains the underpinning approach so should continue to have a					

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
	<p>management to support the existing budget gap. The target has been set on the basis that the programme has delivered evidenced demand reductions to date and that there will continue to be opportunities to improve outcomes and independence of Manchester citizens and many of the Better Outcomes Better Lives arrangements will be fully embedded by then. There is notably an expectation that TEC and the move to digital will be further advanced and the whole care market will have developed further through the reform agenda. Within the MLCO work will have progressed to optimise care models and this will also be impacting. The Fair Cost of Care programme should enable a sustainable care market and more appetite to work with the Council on developing care models in residential settings and particularly therapeutic interventions. This target will be the subject of more detailed consideration in the 2024/25 budget cycle and is in effect a commitment at this stage</p>		beneficial impact on outcomes but will be challenging in face of national social care context			2,275	2,275	None
<u>Other</u>								

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Equipment and Adaptations	<b>Disabled Facilities Grant (DFG)</b> - Refinance assessment officers through DFG. In a case where an application is for DFG, the services and charges of an occupational therapist in relation to the relevant works are also specified for those purposes and can be considered as capital expenditure if included as part of the whole project costs of the adaptation. Whilst this normally applies to external capacity, consideration of DFG guidance is predicated on there being no substantive difference between using internal or external capacity for this purpose	Efficiency	Recharge of internal capacity to DFG includes a degree of audit risk	500			<b>500</b>	None
Learning Disability	<b>Joint funding/CHC and improving joint commissioning.</b> Of utmost importance is the right support from a clinical team having oversight of the citizens wellbeing and review responsibility for the package of care (a rights-based approach). There are a number of citizens within long term placements that are at or near the CHC threshold. The desired outcome includes an enhanced joint funding of packages and much more structured joint commissioning arrangements	Income Generation	Potential for tensions within partnership arrangements if not considered as an integrated opportunity. Improved outcome for citizens in terms of CHC care being non chargeable	250	500	750	<b>1,500</b>	None
<b>Total</b>				<b>5,575</b>	<b>2,250</b>	<b>2,200</b>	<b>10,025</b>	

## Appendix 2 - Pressures / Growth Schedule

Service	Description of Pressure	2023/24	2024/25	2025/26	Total
		£'000	£'000	£'000	£'000
Long term care – Demographics	A specific model for demographics allocations to the budget has been used for a number of years (DAS model) and considers the potential impact of population change on flow into Adult Social Care. A fundamental priority of Better Outcomes Better Lives (Prevent, Reduce Delay) is to manage demand well within the demographics allocation and to release some of this resource as part of completing the Better Outcomes Better Lives three-year savings programme. The signals in 2022/23 are in line with expectations, with demographics pressures running well below the national average. There is a strong focus on ensuring, through strength-based arrangements, that packages are the most appropriate and aimed at maintaining independence as much as possible and this will continue further through into 2023 and with a stronger ambition on how the Front Door can be used more effectively	2,329	2,636	2,936	<b>7,901</b>
Long term care - Care Provider uplift	The MTFP includes an annual increase in the budget for the uplift to care rates. This process will become integrated with the transition to the Fair Cost of Care. Each year consideration is given to price inflation factors and the national living wage announcements which is the basis for the uplift. In 2022/23 the Council engaged providers to begin to pay the real living wage and additional funding was provided to Adult Social Care as a key priority.	5,590	5,983	4,000	<b>15,573</b>
New Care Models	Investment to sustain the integrated New Care Models - the social work infrastructure and a contribution to the cost of Reablement, supporting integrated care models covering Crisis, Discharge to Assess and Manchester Case Management.	1,300	0	0	<b>1,300</b>
Long term care - Care Provider uplift	The element of the 2022/23 uplift to care rates funded through corporate price inflation	3,500			<b>3,500</b>
<b>Subtotal</b>	<b>Pressures funded through additional resources in MTFP</b>	<b>12,719</b>	<b>8,619</b>	<b>6,936</b>	<b>28,274</b>

Service	Description of Pressure	2023/24	2024/25	2025/26	Total
		£'000	£'000	£'000	£'000
<b><u>2022/23 Pressures with recurrent implications 2023/24</u></b>					
Provider Services – Disability Supported Accommodation Service	There is a significant budget pressure on DSAS in 2022/23. A significant proportion of which is recurrent and reflects the net growth in internal capacity which is utilised. The expansion covered 60 units at Scout Drive, Freshwater and Northfields, 26 units have been closed in specific properties in line with the business case. Overall capacity has been expanded by 35%. This service is subject to full redesign as outlined. The investment is to bring the budget to a more stable position and address the significant overspend	1,500	-	-	<b>1,500</b>
Safeguarding	Best interest and mental health/mental capacity assessments – external capacity including mental health/mental capacity act assessments to being carried out by Independent Section 12 Doctors as can't be completed by internal Best Interest Assessors	229	-	-	<b>229</b>
Commissioning	The service is working towards a new advocacy contract being in place from 1/6/2023. The current budget is £0.668m. The additional investment is to move towards a service which has sufficient capacity to respond to statutory advocacy requirements in a timely manner, which has development capacity to respond to future demand growth and places the service on the best footing to manage the challenges that will come with LPS implementation from 1/4/24. There is an expectation that additional requirements will be addressed via some additional ring-fenced government funding at that point, however the new contract requires progress as soon as possible. Future implications will be part of the 2024/25 budget process accordingly.	160	-	-	<b>160</b>
<b>Subtotal</b>	<b>Pressures funded through demand management within ASC</b>	<b>1,889</b>			<b>1,889</b>
<b>Total</b>		<b>14,608</b>	<b>8,619</b>	<b>6,936</b>	<b>30,163</b>



### Appendix 3: Indicative Medium term budgets by service

Service Area	2022/2023 Budget £'000	2023/2024 Indicative Budget £'000	2024/2025 Indicative Budget £'000	2025/2026 Indicative Budget £'000
<b>Long Term Care:</b>				
Older People/Physical Disability	40,019	43,519	43,519	43,519
Learning Disability	56,947	54,947	54,947	54,947
Mental Health	24,491	22,991	22,991	22,991
Disability Supported Accommodation Service	14,223	15,723	15,723	15,723
Investment funding	2,554	8,607	17,226	24,162
Sub Total	138,234	145,787	154,406	161,342
<b>Short Term Care:</b>				
Reablement/Short Term Intervention Team	6,263	6,685	6,685	6,685
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,237	5,237	5,237	5,237
Equipment & Adaptations (inc TEC)	3,761	3,761	3,761	3,761
Carers/Voluntary Sector	3,211	3,211	3,211	3,211
Sub Total	18,472	18,894	18,894	18,894
<b>Infrastructure and Back Office:</b>				
Social Work Teams	16,788	17,666	17,666	17,666
Safeguarding/Emergency Duty	3,064	3,453	3,453	3,453
Brokerage/Care Home Teams	1,400	1,400	1,400	1,400
Management and support	7,499	7,499	7,499	7,499
Sub Total	28,751	30,018	30,018	30,018
<b>Total</b>	<b>185,457</b>	<b>194,699</b>	<b>203,318</b>	<b>210,254</b>

This page is intentionally left blank

#### Appendix 4: Indicative Medium term budgets by type of spend / income

<b>Corporate Core</b>	<b>2022/2023 Budget £'000</b>	<b>2023/2024 Indicative Budget £'000</b>	<b>2024/2025 Indicative Budget £'000</b>	<b>2025/2026 Indicative Budget £'000</b>
<b>Expenditure:</b>				
Employees	61,532	63,421	64,721	64,721
Running Expenses	191,112	185,053	190,520	197,282
Capital Financing Costs	171	171	171	171
Contribution to reserves	-	-	-	-
<b>Sub Total Subjective Expenditure</b>	<b>252,815</b>	<b>248,645</b>	<b>255,412</b>	<b>262,174</b>
Less:				
Other Internal sales	-	-	-	-
<b>Gross Expenditure</b>	<b>252,815</b>	<b>248,645</b>	<b>255,412</b>	<b>262,174</b>
<b>Income:</b>				
Government Grants	- 2,343	- 2,343	- 2,343	- 2,343
Contributions from Reserves	- 15,438	- 2,026	- 174	-
Other Grants Reimbursements and Contributions	- 333	- 333	- 333	- 333
Customer and Client Receipts	- 24,997	- 24,997	- 24,997	- 24,997
Other Income	- 24,247	- 24,247	- 24,247	- 24,247
<b>Gross Income</b>	<b>- 67,358</b>	<b>- 53,946</b>	<b>- 52,094</b>	<b>- 51,920</b>
<b>Total Net Budget</b>	<b>185,457</b>	<b>194,699</b>	<b>203,318</b>	<b>210,254</b>

This page is intentionally left blank

## Appendix 5: Indicative Service Budget with Income Analysis

Service Area	2023/2024 Indicative Gross Budget £'000	Client Fees £'000	Better Care Fund (BCF) £'000	Health Income £'000	Other Income £'000	2023/2024 Indicative Net Budget £'000
<b>Long Term Care:</b>						
Older People/Physical Disability	71,203	- 16,245	- 9,345	-	- 2,095	43,519
Learning Disability	61,009	- 3,482	- 680	-	- 1,900	54,947
Mental Health	26,916	- 2,687	- 637	- 590	- 12	22,991
Disability Supported Accommodation Service	18,008	- 1,402	- 234	- 449	- 200	15,723
Investment funding	8,607	-	-	-	-	8,607
Sub Total	185,743	- 23,816	- 10,896	- 1,038	- 4,206	145,787
<b>Short Term Care:</b>						
Reablement/Short Term Intervention Team	8,831	- 45	- 1,880	- 221	-	6,685
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,668	- 214	- 50	- 167	-	5,237
Equipment & Adaptations (inc TEC)	5,908	- 627	- 469	- 1,051	-	3,761
Carers/Voluntary Sector	3,211	-	-	-	0	3,211
Sub Total	23,618	- 886	- 2,399	- 1,439	0	18,894
<b>Infrastructure and Back Office:</b>						
Social Work Teams	22,729	-	- 2,149	- 2,914	-	17,666
Safeguarding/Emergency Duty	3,890	-	- 437	-	-	3,453
Brokerage/Care Home Teams	1,452	- 51	-	-	-	1,400
Management and support	11,212	- 244	- 901	- 2,063	- 506	7,499
Sub Total	39,283	- 296	- 3,487	- 4,977	- 506	30,018
<b>Total</b>	<b>248,645</b>	<b>- 24,997</b>	<b>- 16,782</b>	<b>- 7,455</b>	<b>- 4,712</b>	<b>194,699</b>

This page is intentionally left blank