



## **Health Scrutiny Committee**

Date: Wednesday, 8 February 2023

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

This is a **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**

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

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

## Supplementary Agenda

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- 5B **Adult Social Care Budget 2023-26** 3 - 44  
Report of the Executive Director of Adult Social Services

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2022.

## Further Information

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

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This supplementary agenda was issued on **Wednesday 1 February 2023** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension , Manchester M60 2LA

**Manchester City Council  
Report for Resolution**

**Report to:** Health Scrutiny Committee – 8 February 2023

**Subject:** Adult Social Care Budget 2023-26

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

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### **Summary**

Members will recall that at the November round of scrutiny meetings the Council was forecasting an estimated budget shortfall of £112m over the three years with £44m in 2023/24. As part of the action to address the budget shortfall officers identified potential savings options of £42.3m over three years, of which there were savings options of £10.025m within the remit of this scrutiny committee.

The provisional financial settlement announced 19 December reflected a change in government policy in relation to funding inflation and social care pressures. This has given the opportunity to review the quantum and phasing of savings. It is now proposed that options of £36.2m are progressed, of which £8.542m is within the remit of this scrutiny committee.

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2022.

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 on 15 February 2023.

### **Recommendations**

The Committee is recommended to:

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

The Executive is recommended to approve these budget proposals

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - 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.	
<b>Equality, Diversity and Inclusion</b> - 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	Our work to strengthen the care market includes a focus on recruitment and retention, supported by a continued commitment to enable the care market to pay the Real Living Wage in 2023/24
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Our work to deliver Better Outcomes Better Lives is designed in particular to make a contribution to creating a progressive and equitable city – through working with our communities, our people and assets to improve outcomes for those who need support
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 will, subject to Member comments and consultation, be included in the final 2023/24 revenue budget set by Council on 3 March.

## Financial Consequences – Capital

None directly arising from this report.

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### 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 sets out the final proposals for the Adults Social Care budget for 2023/24 to 2025/26. It provides:

- (i) An overview of Adult Social Care services and key priorities
- (ii) A detailed overview of the budget, including:
  - the financial requirements to conclude the existing three-year Better Outcomes Better Lives savings programme;
  - the budget growth assumptions for the service as set out in the Council's Medium Term Financial Plan (MTFP);
  - an updated set of proposals for the necessary savings for 2023-26, developed in the context of the financial challenge facing the Council, for final comments by Health Scrutiny, with notable changes from the previous proposals; and
  - Detail of the additional funding announcements made in the Autumn Statement and included in the provisional finance settlement and the recommendations made for how this funding is deployed.

1.2. Whilst the focus of this report is on adult social care, the positioning within Manchester Local Care Organisation (MLCO) is of key importance because of the integrated and maturing approach to joined-up operational service planning. The key components of the financial plan have been developed together, to mitigate and collaboratively manage the need to deliver financial targets in social care and health. Joint financial planning ensures the impact of any plans in health or social care work across the system. This overall approach is beginning to show benefits, evidenced through the stable financial position in 2022/23 relative to many other localities.

1.3. Strong joint financial leadership is ensuring the process and the outcomes of the joint financial planning work better in Manchester. There is also a significant financial challenge within health contracts. The discipline and approach through Better Outcomes Better Lives (BOBL) is now being applied to wider system change and used to deliver the Resilient Discharge Programme through driving strengths based, person centred practice with a real focus on home first when leaving hospital.

## 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 2022 (latest complete figures) we supported:

	<b>31<sup>st</sup> Dec 2021</b>	<b>31<sup>st</sup> Dec 2022</b>
Older people (long term support to 65+)	2,995	2,945
Younger adults (long term support to 18-64)	2,371	2,350

These figures include:

	<b>31<sup>st</sup> Dec 2021</b>	<b>31<sup>st</sup> Dec 2022</b>
Adults with learning disabilities (long term support)	1,220	1,189
Adults with mental health needs (long term support)	738	774
People we support are living in the community	3,735	3,812
People in residential care	1,072	971
People in nursing care	575	516

We provide:

	<b>31<sup>st</sup> Dec 2021</b>	<b>31<sup>st</sup> Dec 2022</b>
Homecare to	1,863	1,933
Homecare commissioned hours (weekly)	29,516	31,234
Supported accommodation to	680	691
Support via shared lives schemes to	182	184
Support via an extra care scheme or apartment	113	121
Cash personal budget or Individual Service Fund	650	642

Rolling 12 months:

	<b>31<sup>st</sup> Dec 2021</b>	<b>31<sup>st</sup> Dec 2022</b>
Items of equipment and adaptations were installed/provided	10,207	10,989
Blue badges were issued	7,270	8,162
People benefitted from our core reablement service	1,612	1,610
Carers were assessed	1,512	1,675
Safeguarding enquiries were opened for individuals	6,203	5,803

- 2.4. The adult social care budget is invested in ensuring that Manchester citizens can stay independent, safe and well. In Manchester, we organise our investment into:
- (i) *Long-term care supporting older and more vulnerable people* in the most appropriate arrangements to support independence, better outcome and better lives This includes investment in services including supported accommodation settings, care homes, home care services and day services;
  - (ii) *Short-term care interventions*, which are very much focused on preventing, reducing and delaying long-term support through maximising independent. This includes investment in equipment and adaptations, technology-enabled care and our in house reablement services. Over 60% of citizens accessing our reablement services don't have an ongoing care need following the short term intervention. Our carers pathway ensures that we work closely with partners to provide help earlier in a carer's 'caring journey' to equip them with knowledge, information, resources and advice they need to help them continue caring and avoid going into crisis;
  - (iii) *The supporting social worker/assessment and management infrastructure* which we have invested in to ensure that all assessments and reviews are focused on strengths and that our statutory duties are met.
- 2.5. Whilst 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 2014 as well as our duties in the Mental Capacity Act and the Mental Health Act, we always put citizens at the centre of everything we do.

#### Service Transformation and Priorities

- 2.6. 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.
- 2.7. Given the positive work so far, and the continued opportunities, our work on Better Outcomes, Better Lives will continue in 2023/24 through phase 4 of the programme with a focus on:
- (i) **Front Door** - Work to change how services are configured at the front door, following initial contact via the Contact Centre, is progressing citywide, with the new model launching July 2023. This will ensure 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.
- 2.8. 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, from hospital settings, with increased ‘safe’ discharge rates and a consistent Home First offer building on the learning from BOB.
- 2.9. 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, recognising our staff are our most valued asset and are key to supporting our wider change programme and delivery of statutory duties;
  - (ii) Strengthening our work to safeguard adults in Manchester;
  - (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. Our approach to fees including annual fee uplifts will be critical to this.
- 2.10. 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.
- 2.11. 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.

#### Funding Reforms Update

- 2.12. Key elements of the ASC reform programme, notably the funding reforms (new financial cap and thresholds), have been delayed for two years (until October 2025). Local authorities are still required to submit and publish their final Market Sustainability Plans (submission and publications dates are to be confirmed at the time of writing by DHSC). The output of the Fair Cost of Care exercise was required to be published by 1 February, which has now been completed.
- 2.13. The Government has reconfirmed the outcome of the Fair Cost of Care exercise is not intended to be a replacement for the fee-setting element of local authority commissioning processes or individual contract negotiation. However local authorities are expected to use the insight gained from their cost of care exercises to support their commissioning and contract negotiation for the relevant services in practice. The approach to fee setting for 2023/24 will be informed by the outcome of the Fair Cost of Care research and also with due regard to the requirements of the Care Act and DHSC's 2022 policy, "Market Sustainability and the Fair Cost of Care Fund guidance", with a view to ensuring a stable market.

#### Further Integration of Health and Adult Social Care through the Manchester Local Care Organisation (MLCO)

- 2.14. The MLCO is the partnership vehicle in Manchester for the delivery of health, care and wellbeing services. Through the MLCO, services have been able to work in a more integrated way to support people with a learning disability and the delivery of services in our neighbourhoods.
- 2.15. The s75 agreement between Manchester Foundation Trust and the Council enables joint accountability for service design and delivery and to support an increasing integrated approach where that adds value for our staff and residents.
- 2.16. During 2023/24, the MLCO Executive will continue to explore and mobilise these opportunities and some of the priority areas are:
- (i) Embed a Population Health Management methodology through the INTs working with Primary Care Networks (PCNs) and wider community partners to address key population health challenges (such as diabetes, hypertension, Cardio-Vascular Disease (CVD) and bowel cancer screening take up);
  - (ii) Mobilise the refreshed INT Operating model maximising integration opportunities across health and care and working collaboratively at the

service interface with wider neighbourhood partners, such as development of joint and blended roles and trusted assessment;

- (iii) Support hospital discharge through the Resilient Discharge Programme (RDP) including development of the Transfer of Care Hub, control room, the development of the new model of bedded care and Virtual Wards;
- (iv) Explore the opportunities to align the provision of therapy services and equipment services to support people to remain in their own homes, as well as opportunities to secure safe and timely discharge through D2A and step-down bedded care;
- (v) Develop an aligned support services offer across our teams and explore opportunities provided by automated processes;
- (vi) Deliver the MLCO Commissioning Plan, aligning the work across the deployed ASC and community health commissioning teams, as well as opportunities to work collaboratively across the commissioning of LD and autism, CHC and children's services;
- (vii) Build on the work started with the Children's Directorate to proactively support the transition of children through to adults services, as well as embedding the Think Family approach into the MLCO service offer through Early Help and family safeguarding;
- (viii) Provide joined up workforce support to our health and social care teams reducing vacancies through bespoke recruitment processes with strengthened connections to communities and reducing avoidable absence through proactive health and wellbeing support and case management; and
- (ix) Agree, mobilise and measure the impact of actions delivered by community services to contribute to zero carbon including route mapping, prescribing practices, sharing of good practice approaches and opportunities to support sustainable travel.

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

- 3.1. The gross 2022/23 budget detailed in the table below is £258.615m and the net budget of £191.198m. Income of £67.417m includes client fees £24.997m, Better Care Fund £16.782m, contributions from health £7.513m and other income of £18.125m which includes grants and use of reserves. This includes the integration reserve, which is drawn down in accordance with the plan agreed for the year with NHS Greater Manchester – Manchester locality.

Table 1: Latest Approved Base budget 2022/23

<b>Service Area</b>	<b>2022/23 Gross budget</b>	<b>2022/23 Net Budget</b>	<b>2022/23 Budgeted posts (FTE)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Long Term Care:</b>			
Older People/Physical Disability	75,960	45,617	-
Learning Disability	62,513	56,451	-
Mental Health	28,661	24,735	-
Disability Supported Accommodation Service	17,942	15,467	462.00
Investment funding	3,071	3,070	-
<b>Sub Total</b>	<b>188,147</b>	<b>145,339</b>	<b>462.00</b>
<b>Short Term Care:</b>			
Reablement/Short Term Intervention Team	9,555	7,408	270.00
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,961	5,646	126.00
Equipment & Adaptations (inc TEC)	7,225	4,960	130.00
Carers/Voluntary Sector	3,591	3,292	-
<b>Sub Total</b>	<b>26,332</b>	<b>21,306</b>	<b>526.00</b>
<b>Infrastructure and Back Office:</b>			
Social Work Teams	21,081	16,557	377.00
Safeguarding/Emergency Duty	3,914	3,420	74.00
Brokerage/Care Home Teams	1,528	1,477	-
Management and support	17,613	3,098	157.00
<b>Sub Total</b>	<b>44,136</b>	<b>24,552</b>	<b>608.00</b>
<b>Total</b>	<b>258,615</b>	<b>191,197</b>	<b>1,596.00</b>

Winter Discharge Fund 2022/23

- 3.2. The government announcement of the winter discharge fund is to be deployed on relieving the pressures across hospital services through the resilient discharge programme. Winter planning arrangements have been implemented. The next three months are a critical period and it is expected all of the funding available (£2.2m direct to the Council and £3.8m through the GM ICS) will be deployed by 31<sup>st</sup> March in accordance with the plan agreed with partners.

Three Year Better Outcomes, Better Lives Financial Plan 2020-23

- 3.3. 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 already approved savings target of £8.977m to be delivered in 2023/24, plus proposals for a further £4.142m (within a proposed 3 year programme of £8.542m) outlined in this report. Proposals detailed later in Appendix 1 are in addition to pre-approved savings.
- 3.4. 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.
- 3.5. 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.
- 3.6. The balance of the existing savings (£0.477m) alongside emerging budget pressures (£1.889m) arising in 2022/23 are detailed within Appendix 2 and will be addressed through the expected headroom against long term care budgets in 2022/23.

- 3.7. 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

- 3.8. In November 2022, this Scrutiny Committee was presented with £10.025m of cuts and saving options relating to services within the remit of this committee, for consideration, as part of the effort to balance the Council's overall budget. The provisional settlement on 19 December reflected a significant change in government policy and provided more funding than initially expected. This has given the opportunity to review the quantum and phasing of savings. It is now proposed options of £8.542m are progressed which are detailed in Appendix 1.
- 3.9. 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.
- 3.10. 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 draft Equalities Impact Assessment has been for the Provider Services review work as the major programme of work delivering the majority of the savings areas which will impact in 2023/24, alongside the existing Better Outcomes, Better Lives programme. This builds 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.
- 3.11. The proposed savings programme (£8.542m) is detailed in Appendix 1 and summarised in the table below

Table 2: Proposed Savings Programme

	<b>2023/24 £'000</b>	<b>2024/2 5 £'000</b>	<b>2025/2 6 £000</b>	<b>Total £'000</b>
Provider Services	150	1,650	1,450	3,250
Workforce	1,217			1,217
Charges		50		50
Demand Management	2,275			2,275
Other	500	500	750	1,750
<b>Total</b>	<b>4,142</b>	<b>2,200</b>	<b>2,200</b>	<b>8,542</b>

- 3.12. The amendments to the savings programme from November 2022 are summarised in the table below. Following Scrutiny feedback and further work, a number of changes have been made, with the financial impact negated from additional resources available and detailed later in the report:

Table 3: Amendments to Additional Savings Programme

Item	Rationale	2023/24 £'000	2024/25 £000	2025/26 £000
<b>November Scrutiny</b>		<b>5,575</b>	<b>2,250</b>	<b>2,200</b>
Extra care (wellbeing charge)	<b>Defer.</b> Substantial planning and consultation programme with users and landlords. New planned start date 1/4/24.	-50	50	
Community Alarms income	<b>Delete.</b> Cost of living crisis and potential impact of clients withdrawing from scheme on ambulance call outs and potential increase in social care need	-150		
Reduce Vacancy Factor	<b>Reduce.</b> Given extensive recruitment programme and use of agency in key roles, 6% is considered to be a more optimal vacancy factor	-383		
Day services – focus on complex clients	<b>Defer.</b> Substantial review and assessment programme required. Requires full planning through 2023/24 and alignment to provider services review	-250	250	
Day services – Supported Accommodation	<b>Delete.</b> Further analysis of cohort indicates insignificant opportunity. Focus will be on day services opportunity as above, and alignment to Provider Review	-250	-250	
Transport	<b>Reduce.</b> In the context of new funding, proposed to take a more cautious approach to the programme development, reducing the target to £0.150m per year 2023-25	-100	-100	
CHC	<b>Delete.</b> Delete 2023/24 target allowing further twelve months for partners to develop integrated approach to this area and joint commissioning improvements	-250		
<b>Total</b>		<b>-1,433</b>	<b>-50</b>	
<b>Revised Savings Target</b>		<b>4,142</b>	<b>2,200</b>	<b>2,200</b>



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

(i) Provider Services (£3.250m)

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. 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 has now been completed on our wider Learning Disability commissioning priorities at the end of 2022 which will also feed into our work on provider services.

(ii) Workforce (£1.694m less £0.477m pressures £1.217m net)

Use of a vacancy factor is a normal budgeting practice. At any point in time, there is never a full establishment (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) and a level of turnover is a healthy necessity. The increase of £1.694m results in a vacancy factor of 6%. 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 (£0.050m)

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.

- 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. This proposal is deferred one year whilst further work is undertaken.
- The proposal relating to Community Alarms has been withdrawn as per the table at 3.11.

(iv) Demand Management (£2.275m)

This target has been set for 2025/26 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 and review in the 2024/25 budget cycle and is in effect a commitment at this stage. Reserves will be used to cover the period 2023-25. The use of reserves is within the overall Reserves Strategy, as part of the MTFP, with the recommended drawdown in line with reserves policy.

(v) Other (£1.750m)

There are two components:

- Disabled Facilities Grant – the delivery of the major adaptations require input of occupational therapists, which can be charged to the grant - 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. Of key importance is ensuring citizens get the right level of care. A revised target of £1.250m has been set with no requirement to deliver savings in 2023/24.

Growth and Pressures 2023-26

As part of the budget process it is important that as well as having to find savings to balance the budget, that any service pressures are recognised and where unavoidable are correctly budgeted for, this allows for the better on going management of the service and budgets. These pressures are included 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.

- 3.14. The Council budgets for pay and prices inflation corporately and these will be allocated to Directorate budgets when known. An estimate of pay and price inflation is included at Table 5 below.
- 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.

#### New Funding and Additional Investment Priorities

- 3.16. The Autumn Statement included a number of funding announcements of specific importance to social care and further details have been received as part of the provisional financial settlement and through the health announcements for the Better Care Fund (BCF). The key headlines are:
- ASC Discharge Fund (£4.451m 2023/24 increasing to £7.420m 2024/25) - this is intended to form part of BCF plans, aimed at reducing delayed transfers of care and the funding will need to be pooled with the NHS. The NHS is receiving the same amount to also put into BCF plans. The grant conditions are expected to be heavily focused on how they will support the NHS. The full deployment recommendations will be reported through Health and Wellbeing Board in line with the governance for the Section 75 agreement covering the BCF;
  - Market Sustainability and Improvement Grant – Manchester received £1.800m in 2022/23, this is rolled forward and there is an additional £4.443m 2023/24 rising to £7.548m 2024/25. This grant is intended to assist local authorities to make tangible improvements to adult social care, and in particular to address: discharge delays; social care waiting times; low fee rates; workforce pressures; and to promote technological innovation in the sector;
  - Social Care Grant (£18.8m 2023/24 rising to £25.7m 2024/25) - ringfenced for adults and children's social care. This is funded nationally from the funding earmarked to fund the social care reforms which have been deferred until October 2025. The position post 2025 remains unclear and this allocation is not guaranteed;
  - Social Care Precept - The council tax referendum limit will be 2.99% for local authorities, with social care authorities allowed an additional 2% social care precept. Within the overall budget recommendations it is proposed the ASC precept be used to support the adult social care market; and
  - Better Care Fund – The BCF will continue in 2023/24 and 2024/25. Government will publish a policy framework in due course. The planning assumption is the minimum BCF contribution to social care will rise by a

flat 5.66% at a health and well-being board level. This equates to £1.023m. The iBCF is not being increased for inflation.

- 3.17. The detailed budget recommendations on the use of the ASC Discharge Fund and Market Sustainability and Improvement Grant cannot be specific until further information from Government is released on objectives and conditions. At this stage indicative priorities are outlined.
- 3.18. ASC Discharge Fund – whilst further details on the grant conditions are awaited, the key priority areas identified are:
- (i) To strengthen the Brokerage team and the Control Room;
  - (ii) To further invest in Discharge to Assess beds and new models of bedded care;
  - (iii) Investment in therapy reflecting the benefits of rehabilitation and functional support to promoting independence;
  - (iv) Funding for extra care schemes into the supporting care hours and the expansion programme in order that they can also be a key option supporting discharge;
  - (v) Further investment in Reablement to ensure continued positive outcomes from the delivery of the reablement service as it continues to grow and focuses on P1 discharges, alongside community support preventing admissions; and
  - (vi) To ensure the full year effect of discharge care packages Dec-Mar 2023 is fully funded in the base budget for 2023/24 and for on-going discharges into long term care.
- 3.19. The NHS is receiving the same amount to also put into BCF plans. Discussions are ongoing around shared priorities for discharge through the Resilient Discharge Programme.
- 3.20. Market Sustainability and Improvement Grant - reporting requirements regarding performance and use of funding to support improvement against the objectives are still to be announced. For financial planning purposes, the funding will be deployed in its entirety as part of the approach to the 2023/24 care costs uplift. The Social Care Precept will be similarly deployed.
- 3.21. Social Care Grant – the additional grant enables the overall budget recommendations to the Executive to strike a better balance on use of Council reserves. It will therefore be deployed in part to support the key pressures including demographics, the independent living fund, resources for which were rolled into the grant, and part of the funding package in development for the 2023/24 care costs uplift. In addition, the funding allows for some rephasing and amendment of the savings programme, detailed above, to reduce risk and reflect the further work undertaken since the initial proposals.
- 3.22. Finally, a number of key investments are recommended by the Director of Adult Social Services and summarised into areas of focus in the table below. It is proposed these are funded using the increase in BCF £1.023m with the balance allocated from the Social Care Grant. Overall, this will sustain and

continue the improvement journey for adult social care, critically the work on effective demand management and ensuring care packages are appropriate and every opportunity to maximise individuals independence is considered and of note will also respond to the recommendations of the recent CQC test and learn pilot.

- 3.23. Recruitment to additional posts continues to pose challenges, particularly in certain role profiles, and until full recruitment is completed, there will be some headroom within the funding allocation that can provide some smoothing provision against the savings programme. Governance arrangements for the investment programme will be through BOBL Programme Board.

Table 4: Summary of Investment

	<b>2023/24 £'000</b>	<b>2024/25 £'000</b>	<b>2025/26 £'000</b>
Strengthening statutory functions	1,166	1,023	1,023
Effective demand management and supporting completion of the BOBL 3 year savings programme	717	703	655
Supporting the delivery of the new savings programme	189	386	306
Areas of demand pressures	1,046	896	971
<b>Total</b>	<b>3,118</b>	<b>3,008</b>	<b>2,955</b>

- (i) **Strengthening statutory functions** – Supports the delivery of statutory duties in service areas where there is increasing complexity of case load, ensuring delivery of safe, effective services alongside supporting focus on BOBL and demand management through dedicated review capacity. Key areas are investment in learning disability teams, complex services including sensory and autism and the transitions team (also includes social work capacity for provider review). Overall 16.5 FTE. Funding will also sustain the carers pathway after depletion of reserves, which is critical to delivery of statutory duties in relation to carers as well as supporting demand management and cost avoidance. There is intent to look at investment in Mental Health subject to on-going discussions with partners.
- (ii) **Effective demand management and supporting completion of the BOBL 3 year savings programme** – the focus is investment in the redesign of the front door. Expansion of prototype of the early support team, strengthening the front door, preventing and reducing care demand as well as demand for assessments and long-term interventions through community teams. This is recognised as integral to effective demand management and completion of the BOBL savings programme. There is also provision for on-going expansion in use of TEC and some refurbishment of short break facilities.
- (iii) **Supporting the delivery of the new savings programme** - the project management and specialist expertise to deliver extensive service

redesign of Provider Services in-house. Directly linked to the delivery of most significant savings programme for 2023/24 and beyond, ensuring programme grip and momentum, accountability, development of new model including complexity of estates, HR and housing issues as well as smooth transition of care arrangements for citizens currently supported in house and externally.

- (iv) **Areas of demand pressures**– Manchester Equipment and Adaptations Partnership (MEAP) capacity to support increase in demand linked to increased uptake of TEC, operational capacity to support increase in demand for equipment and adaptations. Also some investment in Client Finance Services which has significant backlogs and investment is overdue to expand capacity. HR and programme capacity aimed at implementing recruitment strategies and continued strong BOBL governance and delivery respectively.

3.24. If the proposed changes detailed in paragraphs 3.3 - 3.6, 3.10 - 3.12 and 3.14 - 3.24 above are approved the three-year budget position is shown in Appendix 3). A summary of the key movements is shown in the table below.

Table 5: Summary of Proposed Budget Changes

<b>Adult Social Care</b>	<b>2023/2024 Indicative Budget</b>	<b>2024/2025 Indicative Budget</b>	<b>2025/2026 Indicative Budget</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Opening Budget</b>	<b>191,197</b>	<b>211,947</b>	<b>227,172</b>
2022/23 RLW from Corporate Inflation	3,500		
Removal of one-off reserves to support phased delivery of BOBL savings	5,500		
Budget pressures (Appendix 2)	1,889		
Integrated New Care Models	1,300		
Independent Living Fund	2,000		
Demographics	2,329	2,636	2,936
Market Sustainability Fund	4,443	3,105	
Adult Discharge Fund	4,451	2,969	
ASC Precept	2,027	2,274	0
Additional funding - Real Living Wage / FCoC	3,495	6,093	4,053
Investment Plan	3,118	-110	-53
BCF Uplift 23/24	-1,023		
Corporate inflation allocation	2,729	457	2,011
<b><u>Demand Management and New Savings:</u></b>			
Long term care budgets	-5,500		
Savings approved in 2021/22 budget setting (BOBL Year 3)	-3,477		
Headroom within 2022/23 budget assumptions	-1,889		
Amended Additional Savings Programme	-4,142	-2,200	-2,200
<b>Total Changes</b>	<b>20,750</b>	<b>15,224</b>	<b>6,747</b>
<b>Total Cashlimit</b>	<b>211,947</b>	<b>227,171</b>	<b>233,919</b>
Estimated Pay Inflation	5,437	3,868	3,938
<b>Total Adult Social Care</b>	<b>217,384</b>	<b>231,039</b>	<b>237,857</b>

- 3.25. 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.
- 3.26. In line with the approach introduced 2022/23, long-term care budgets will be reset and realigned to reflect the full year effect of client numbers as at 31 March 2023 and the impact of winter, specifically the volume of discharges

coming through the hospital system. It is expected the financial impact will be met from within the funding available in 2023/24 from the adult discharge fund. This has not been forecast at this stage, due to the uncertainty and potential volatility within the health and social care system presently and will be reported and incorporated into the 2023/24 base budget early in the new financial year.

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

- 4.1. The Recruitment Programme led by HROD is ongoing with a focus on facilitating recruiting to vacancies at pace. This includes innovative ways of advertising and recruiting to ensure we are positioned in the market as an attractive employer. Whilst there has been some success, recruitment progress remains challenging due to the competitive and limited labour market, alongside the high number of vacancies we have sought to fill during this time. The number of vacancies reflects the increase in establishment due to previous investment monies alongside turnover. There are also a number of vacancies currently being held (see below at 4.5). We expect recruitment to remain challenging in the immediate future, due to a national shortage of social care workers.
- 4.2. The investment streams referred to earlier in this report will result in a significant number of additional posts being established within the directorate. These will be incorporated within the Recruitment Programme and a schedule has been drafted to support with sequencing recruitment in order for posts with the highest impact to be prioritised. Some of the new posts will provide opportunities for internal progression.
- 4.3. Whilst the Charging Reforms work has been delayed for 2 years, it is worth noting that this 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.
- 4.4. 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.
- 4.5. 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 ongoing Provider Services review is concluded.
- 4.6. Vacancy Factor

The Council's establishment is fully budgeted for at the top of the grade. These budgets are not fully utilised as a result of vacancies caused by staff turnover, recruitment difficulties and staff employed at various points in the



grade. 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. This includes work focused on recruiting qualified social workers, as well as a significant recruitment campaign into our reablement services. Support has also been provided to the care market given wider recruitment and retention challenges affecting adult social care.

## **5. Section 75 Arrangements**

- 5.1. Under section 75 of the National Health Service Act 2006, local authorities and NHS bodies can enter into partnership arrangements for the exercise of certain NHS functions by NHS bodies and certain health-related functions of local authorities. Section 75 provides for three flexibilities that NHS Bodies and local authorities can use: pooled budgets, lead commissioning and integrated provision.

### Better Care Fund

- 5.2. The Council and Manchester Clinical Commissioning Group entered into a Section 75 Better Care Fund Agreement in March 2022. The S75 Agreement sets out the terms on which the Partners have agreed to collaborate and to establish a framework, through which the Partners can secure the future position of health and social care services through Lead Commissioning Arrangements or Joint Commissioning Arrangements in relation to the BCF and IBCF. On 1 July 2022, the MCCG ceased to exist and was replaced by the GM ICB. On 1 July 2022, the S75 Agreement was transferred from MCCG to the GM ICB.
- 5.3. There is a requirement to update the financial contributions within the document once the final Better Care Funding allocations are published and this is done through delegated authority to the Deputy Chief Executive and City Treasurer and City Solicitor, in consultation with Executive Member. Any changes considered to be material need to be presented to the Executive for approval.
- 5.4. Each year the national BCF guidance is refreshed. This has not yet been released for 2023/24 and further consideration and update to local arrangements will be required in due course, with emphasis on joined up planning within the Health and Social Care System.
- 5.5. The following material changes are required for 2022/23:
- (i) Revised minimum BCF contribution £18.071m. The 2021 Spending Review confirmed the NHS contribution to the BCF will rise in actual terms by 5.66% each year from 2022 to 2025. This included the minimum contributions to social care;

- (ii) Revised iBCF allocation £31.749m an increase of 3%; and
- (iii) Winter Discharge Fund
  - the allocation to the Council of £2.222m
  - the allocation to the GM ICB of £19.558m. Of the GM ICB 2022/23 allocation, £3.982m is allocated to Manchester.

5.6. The following changes are required for 2023/24:

- (i) Revised minimum BCF contribution £19.094m;
- (ii) iBCF – no change.
- (iii) Adult Discharge Fund
  - the allocation to the Council of £4.451m
  - the allocation to the GM ICB of £17.659m. Of the GM ICB 2023/24 allocation, c£4m is expected to be allocated to Manchester.

5.7. The changes outlined above will be incorporated into the overall budget recommendations to the Executive.

5.8. In January 2023 a further government announcement was made regarding £200m national funding for discharging patients from hospital beds into step down beds to improve patient care and system flow, for the period to 31 March 2023. This funding will be channelled through the ICS. Local arrangements for Manchester are still in development. This funding may also be required to be included within the BCF.

#### Delivery of Integrated Health and Adult Social Care

5.9. As noted above, as part of achieving formal integration, a section 75 agreement was agreed between the Manchester University Foundation Trust (MFT) and Manchester City Council in 2021, to facilitate the effective delivery of integrated health and adult social care.

5.10. The adult social care workforce is already deployed into MLCO, working alongside health colleagues. Health and care budgets are aligned rather than pooled. There is scope to revise partnership arrangements in future, either by entering into a pooled budget in future, or by moving other Council services into MLCO. The agreement is for an initial term of three years.

5.11. The partnership arrangements between the Council and MFT set out that the Council agrees to delegate its adult social care functions to MFT in order to strengthen integration of community health and social care. This builds on the existing partnership arrangements set out in the 2018 Partnering Agreement. An underpinning financial framework sets out the agreed working principles and assumptions which will govern the financial arrangements between the Council and MFT for the operation of the aligned budgets. The Adult Social Care budget referred to in this report constitutes the Council contribution to the aligned budget.

- 5.12. The budget strategy for Adult Social Care, as detailed in this report, will also be incorporated into the S75 agreement with MFT and this will be included within the overall budget recommendations to the Executive accordingly.

## **6. Equality and Anti-Poverty Impact**

- 6.1. Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals have been subject to completion of an Equality Impact Assessment (EqIA) and an Anti-Poverty Assessment as part of the detailed planning and implementation. In particular, an initial EqIA has been completed pertaining to our in-house provider services as there are likely to be direct impacts on people and specifically MCC priority protected characteristics. The outcomes from equality impact work in particular are being built into the programme including ensuring that the advocacy is provided to citizens, that careful consideration is given to the way in which changes are communicated to citizens and their families and that the development of the new service model is developed through engagement with existing and future citizens, families and carers.
- 6.2. 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.
- 6.3. 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.

## **7. Future Opportunities and Policy Considerations**

- 7.1. National strategy for autistic children, young people and adults: 2021 to 2026

The national autism strategy was published in 2021 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 has invested in a specialist commissioning and social work role to support this work, with additional operational roles identified through the investment described at 3.15 (i) above.

- 7.2. 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.

### 7.3. 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.

## 8. **Conclusion**

- 8.1. This report provides a comprehensive overview of ASC's service priorities in the context of setting the budget for 2023/24 and outline budget strategy for the following two year (2024-26).
- 8.2. Adult Social Care in Manchester has delivered significant improvement and transformation over the last four years, including the delivery of the Better Outcomes, Better Lives programme which is supporting ensuring that our citizens are enabled to stay well, safe and live independently, as well as managing demand into our services. The integration of Adult Social Care with community health services through the Manchester Local Care Organisation is also enabling improved arrangements around the discharge of citizens from hospital through the Resilient Discharge Programme.
- 8.3. The planned investments and savings in this report have been identified to ensure the continuation of this positive direction of travel and will enable a continued sustainable budget position into future years.
- 8.4. The Committee is asked to consider the content of this report and comment on the proposed changes which are relevant to the remit of this scrutiny committee.

## 9. **Appendices**

Appendix 1 – Additional Savings Schedule  
 Appendix 2 – Pressures Growth Schedule  
 Appendix 3 – Indicative Medium-Term Budgets by Service  
 Appendix 4 – Indicative Medium-Term Budgets by Type of Spend/Income

Appendix 5 – Indicative Service Budget with Income Analysis

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## Appendix 1 – Additional 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		500	100	<b>600</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 crisis situations. The financial saving will be within long term care	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
Provider Services	<b>Transport review</b> - The savings target represents a substantial redesign of the service model and charging basis.  Delivery will be through a combination of significant increase in nominal charge, review of access criteria,	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	150	150		<b>300</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	
	exploration of alternative transport models and encouraging independence through travel training initiatives		and aligned to the other proposals surrounding day services.					
Provider Services	<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.	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 for purpose from a condition and fabric perspective and associated and capital investment.		750	1,250	<b>2,000</b>	TBC
<b>Workforce</b>								



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	<b>Increase Vacancy Factor</b> (£1.694m 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 £61.363m employee budget. The increase of £1.694m increases the vacancy factor to 6%	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.	1,217			1,217	None
<b>Charges</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 providers <sup>77</sup> 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	Income Generation	Impact on most vulnerable during cost of living crisis		50		50	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	
	wellbeing charge of £5-10 per person per week							
<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 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	Efficiency	Prevent, reduce, delay through Better Outcomes, Better Lives remains the underpinning approach so should continue to have a beneficial impact on outcomes but will be challenging in face of national social care context			2,275	<b>2,275</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	
	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							
<b>Other</b>								
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		500	750	<b>1,250</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	
<b>Total</b>				<b>4,142</b>	<b>2,200</b>	<b>2,200</b>	<b>8,542</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	7,901
Long term care -	The element of the 2022/23 uplift to care rates funded through corporate price inflation	3,500			3,500
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	1,300
Long term care and investment into ASC-	Taking into account all of the funding announcements for Social Care inclusive of the BCF, this component of resources, will be reconfigured to support both the investments detailed and the care sector fee uplift inclusive of Real Living Wage	5,590	5,983	4,000	15,573
Long term care	Independent Living Fund - resources for which were rolled into the social care grant in lieu of the separate grant previously received	2,000			2,000
Long term care	Market Sustainability Fund	4,443	3,105		7,548
Long term care	Adult Discharge Fund	4,451	2,969		7,420
Long term care	Social Care Precept	2,027	2,274		4,301
<b>Subtotal</b>	<b>Pressures funded through additional resources in MTFP including Social Care Grant</b>	<b>25,640</b>	<b>16,967</b>	<b>6,936</b>	<b>49,543</b>
<b><u>2022/23 Pressures with recurrent implications 2023/24</u></b>					

Service	Description of Pressure	2023/24	2024/25	2025/26	Total
		£'000	£'000	£'000	£'000
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>27,529</b>	<b>16,967</b>	<b>6,936</b>	<b>51,432</b>

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

Service Area	2022/2023 Budget	2023/2024 Indicative Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget
	£'000	£'000	£'000	£'000
<b>Long Term Care:</b>				
Older People/Physical Disability	45,617	49,200	49,491	49,666
Learning Disability	56,451	56,351	55,491	54,742
Mental Health	24,735	23,235	23,396	23,479
Disability Supported Accommodation Service	15,467	16,543	15,911	14,721
Investment funding	3,070	21,039	37,564	46,044
<b>Sub Total</b>	<b>145,339</b>	<b>166,367</b>	<b>181,852</b>	<b>188,652</b>
<b>Short Term Care:</b>				
Reablement/Short Term Intervention Team	7,408	7,551	7,551	7,551
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,646	5,373	5,223	5,223
Equipment & Adaptations (inc TEC)	4,960	4,403	4,403	4,403
Carers/Voluntary Sector	3,292	3,292	3,292	3,292
<b>Sub Total</b>	<b>21,306</b>	<b>20,619</b>	<b>20,469</b>	<b>20,469</b>
<b>Infrastructure and Back Office:</b>				
Social Work Teams	16,557	17,006	17,006	17,006
Safeguarding/Emergency Duty	3,420	3,708	3,708	3,708
Brokerage/Care Home Teams	1,477	1,477	1,477	1,477
Management and support	3,098	- 348	- 348	- 348
Investment Plan	-	3,118	3,008	2,955
<b>Sub Total</b>	<b>24,552</b>	<b>24,960</b>	<b>24,850</b>	<b>24,797</b>
<b>Total</b>	<b>191,197</b>	<b>211,947</b>	<b>227,172</b>	<b>233,919</b>

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

<b>Adult Social Care</b>	<b>2022/2023 Budget</b>	<b>2023/2024 Indicative Budget</b>	<b>2024/2025 Indicative Budget</b>	<b>2025/2026 Indicative Budget</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure:</b>				
Employees	66,153	69,081	69,521	68,218
Running Expenses	192,290	199,048	211,831	218,127
Capital Financing Costs	171	171	171	171
Contribution to reserves	-	-	-	-
<b>Sub Total Subjective Expenditure</b>	<b>258,614</b>	<b>268,300</b>	<b>281,524</b>	<b>286,516</b>
Less:				
Other Internal sales	-	-	-	-
<b>Gross Expenditure</b>	<b>258,614</b>	<b>268,300</b>	<b>281,524</b>	<b>286,516</b>
<b>Income:</b>				
Government Grants	- 2,343	- 359	- 359	- 359
Contributions from Reserves	- 15,438	- 4,836	- 2,275	-
Other Grants Reimbursements and Contributions	- 333	- 333	- 333	- 333
Customer and Client Receipts	- 24,997	- 25,497	- 26,007	- 26,527
Other Income	- 24,305	- 25,328	- 25,378	- 25,378
<b>Gross Income</b>	<b>- 67,417</b>	<b>- 56,353</b>	<b>- 54,352</b>	<b>- 52,598</b>
<b>Total Net Budget</b>	<b>191,197</b>	<b>211,947</b>	<b>227,172</b>	<b>233,919</b>

Note

The use of reserves is within the overall Reserves Strategy, as part of the MTFP, with the recommended drawdown in line with reserves policy.

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## Appendix 5: Indicative Service Budget with Income Analysis

Service Area	2023/2024 Indicative Gross Budget	Client Fees	Better Care Fund (BCF)	Health Income	Other Income	2023/2024 Indicative Net Budget
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Long Term Care:</b>						
Older People/Physical Disability	79,235	- 16,311	- 9,395	- 2,054	- 2,275	49,200
Learning Disability	60,513	- 3,482	- 680	-	-	56,351
Mental Health	27,161	- 2,687	- 637	- 590	- 12	23,235
Disability Supported Accommodation Service	19,188	- 1,402	- 234	- 449	- 561	16,543
Investment funding	23,039	-	-	-	- 2,000	21,039
<b>Sub Total</b>	<b>209,135</b>	<b>- 23,882</b>	<b>- 10,946</b>	<b>- 3,093</b>	<b>- 4,848</b>	<b>166,367</b>
<b>Short Term Care:</b>						
Reablement/Short Term Intervention Team	9,698	- 45	- 1,880	- 221	-	7,551
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,688	- 147	-	- 167	-	5,373
Equipment & Adaptations (inc TEC)	6,550	- 627	- 469	- 1,051	-	4,403
Carers/Voluntary Sector	3,291	-	-	-	-	3,292
<b>Sub Total</b>	<b>25,227</b>	<b>- 820</b>	<b>- 2,349</b>	<b>- 1,439</b>	<b>-</b>	<b>20,619</b>
<b>Infrastructure and Back Office:</b>						
Social Work Teams	21,529	-	- 2,025	- 2,499	-	17,006
Safeguarding/Emergency Duty	4,202	-	- 437	- 57	-	3,708
Brokerage/Care Home Teams	1,528	- 51	-	-	-	1,477
Management and support	3,061	- 244	- 2,048	- 426	- 691	- 348
Investment Plan	3,118	-	-	-	-	3,118
<b>Sub Total</b>	<b>33,438</b>	<b>- 296</b>	<b>- 4,510</b>	<b>- 2,981</b>	<b>- 691</b>	<b>24,960</b>
<b>Total</b>	<b>267,800</b>	<b>- 24,997</b>	<b>- 17,805</b>	<b>- 7,513</b>	<b>- 5,538</b>	<b>211,947</b>

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