



Joanne Roney OBE
Chief Executive
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PO Box 532, Town Hall
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M60 2LA

Friday, 24 February 2023

Dear Councillor / Honorary Alderman,

Meeting of the Council – Friday, 3rd March, 2023

A summons was issued on 23 February 2023 for meeting of the Council which will be held at 10.00 am on Friday, 3rd March, 2023, in The Council Chamber, Level 2, Town Hall Extension.

The following item marked as 'to follow' on the summons is now enclosed.

4I Council Tax Resolution 2023/24

3 - 68

The report of the Deputy Chief Executive and City Treasurer,
Chief Executive and City Solicitor is enclosed.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Joanne Roney'.

Joanne Roney OBE
Chief Executive

Councillors:-

Ludford (Chair), Y Dar (Deputy Chair), Abdullatif, Akbar, Azra Ali, Ahmed Ali, Nasrin Ali, Shaukat Ali, Alijah, Amin, Andrews, Appleby, Baker-Smith, Bano, Bayunu, Bell, Benham, Bridges, Butt, Chambers, Chohan, Collins, Connolly, Cooley, Craig, Curley, M Dar, Davies, Doswell, Douglas, Evans, Flanagan, Foley, Gartside, Good, Green, Grimshaw, Hacking, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Iqbal, Jeavons, Johns, Johnson, T Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Lynch, Lyons, McHale, Midgley, Moran, Newman, Noor, Nunney, Ogunbambo, B Priest, H Priest, Rahman, Raikes, Rawlins, Rawson, Razaq, Reeves, Reid, Riasat, Richards, I Robinson, T Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Simcock, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

Further Information

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

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This agenda was issued on **Friday, 24 February 2023** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

Manchester City Council Report for Resolution

Report to: Council – 3 March 2023

Subject: Council Tax Resolution for 2023/24

Report of: Deputy Chief Executive and City Treasurer, Chief Executive and City Solicitor

Summary

To advise the Council of the recommended Council Tax resolution and Collection Fund Budget for 2023/24.

Recommendations

The Council is recommended to:

1. Adopt those proceedings of the Executive on 15 February 2023 which contain details of the following:
 - Medium Term Financial Strategy and Revenue Budget 2023/24
 - Corporate Core Budget 2023/24
 - Children and Education Services Budget 2023/24
 - Public Health Budget 2023/24
 - Adult Social Care Budget 2023/24
 - Neighbourhoods Budget 2023/24 (1 – Communities and Equalities committee)
 - Neighbourhoods Budget 2023/24 (2 – Environment and Climate Change committee)
 - Zero Carbon Budget 2023/24
 - Homelessness Budget 2023/24
 - Growth and Development Budget 2023/24
 - Housing Revenue Account 2023/24 to 2025/26
 - Schools Budget 2023/24
 - Capital Strategy and Budget 2023/24 to 2025/26
 - Treasury Management Strategy Statement 2023/24, including Borrowing Limits and Annual Investment Strategy
2. Note the proposed Savings and Efficiencies as detailed in Appendix 1 to this report.
3. Note the proposed Growth and Investments as detailed in Appendix 2 to this report.
4. Note the position on Reserves as detailed in Appendix 3 to this report.

5. Note that the Council Tax determination included at Appendix 4 reflects the budget position.
6. Note the information on the referenda as detailed in Section 3 of this report.
7. Approve the Council Tax determination attached as Appendix 4. The Council Tax determination:
 - Calculates the Council Tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
 - Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the Council element) in accordance with Sections 31B and 36 of the Local Government Finance Act, 1992, as amended.
 - Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.
8. Approve the Treasury Management Strategy including borrowing requirement and strategy, Annual Investment Strategy, Prudential and Treasury Indicators, Minimum Revenue Provision strategy included at Appendix 5.
9. Approve the Collection Fund Budget for 2023/24 as set out in Appendix 6 to this report.

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.

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This report presents to Council the proposed Revenue Budget and consequent Council Tax for the City. Whilst this has no direct implications for the Our Manchester Strategy outcomes a balanced budget is a pre-requisite to the provision of the council services that support the outcomes and includes some transfer
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	of resources to support key council objectives.
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 approval sought above is a pre-requisite to setting a revenue budget for 2023/24. The revenue budget incorporates provision for financing of borrowing undertaken to fund capital expenditure.

Financial Consequences – Capital

Details of the proposed Capital Programme for the next five years were approved at Executive on 15 February 2023 and any financial implications are contained within the body of the report and attached schedules.

Contact Officers:

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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.

Provisional and final Local Government Finance Settlement papers;

Final Levy and Precept notifications from the Greater Manchester Mayoral Police and Crime Commissioner Precept and Greater Manchester Mayoral General Precept (including Fire Services);

Reports to the Executive on 15 February 2023, including appendices, available [here](#), entitled;

- [Medium Term Financial Strategy and Revenue Budget 2023/24](#)
- [Corporate Core Budget 2023/24](#)
- [Children and Education Services Budget 2023/24](#)
- [Public Health Budget 2023/24](#)
- [Adult Social Care Budget 2023/24](#)
- [Neighbourhoods Budget 2023/24 \(1 - Communities and Equalities Scrutiny Committee\)](#)
- [Neighbourhoods Budget 2023/24 \(2 - Environment and Climate Change Scrutiny Committee\)](#)
- [Zero Carbon Budget 2023/24](#)
- [Homelessness Budget 2023/24](#)
- [Growth and Development Budget 2023/24](#)
- [Housing Revenue Account 2023/24 to 2025/26](#)
- [Schools Budget 2023/24](#)
- [Capital Strategy and Budget 2023/24 to 2025/26](#)
- [Treasury Management Strategy Statement 2023/24, including Borrowing Limits and Annual Investment Strategy](#)

1. Introduction

- 1.1 At its meeting on 15 February 2023 the Executive received a series of reports which outlined the position for 2023/24 setting a balanced one-year budget in line with the Government's one year funding announcement. This reflected the budget position of the Council after the announcement of the final Local Government Finance Settlement on 6 February 2023. These reports included:
- (i) A Medium Term Financial Strategy which set out the framework for the budget strategy and the implications for the Council from the Finance Settlement. The report also set out the issues and legal requirements members need to consider prior to Council finalising the budget and setting the Council Tax for 2023/24.
 - (ii) The budget report for 2023/24 and a detailed report from each Directorate on proposals for service change to ensure they continue to meet the Council's objectives whilst managing services within the available resource envelope.
- 1.2 Resources and Governance Scrutiny Committee met on 15 February 2023 to consider the full suite of budget reports along with the outcomes from the budget consultation and the Equality Impact Assessment. The Committee also considered the issues arising from individual budget reports that the chairs of the scrutiny committees wished to draw their attention to. The proceedings of the meeting and the recommendations made are set out in the minutes elsewhere on this agenda. The full suite of budget reports are listed as background documents. Members should take the contents of these into account when considering the recommendations in this report.

2. The Revenue Budget

- 2.1 The financial considerations contained within this report are based on the final Local Government Finance Settlement issued on 6 February 2023 which provided a one-year finance settlement.
- 2.2 The Finance Settlement was towards the positive end of expectations, although it assumes that local authorities will increase council tax by 4.99% being the 2.99% referendum limit and the 2% Adult Social Care precept.
- 2.3 The final budget cuts proposals are detailed in the directorate budget reports elsewhere on this agenda and listed in Appendix 1. The summary position by directorate is shown in table one.
- 2.4 In addition to the £15.396m new savings there were £2.872m of savings approved in 2021/22 (for 2023/24) which brings the total savings and mitigations for 2023/24 budget year to £18.268m.

Table 1: Savings Proposals for financial year 2023/24

	Savings Approved Last MTFP	Savings Proposed as part of 2023/24 budget setting	Total 2023/24 savings
	£'000	£'000	£'000
Children's	1,309	(4,411)	(3,102)
Adult Social Care	(3,477)	(4,142)	(7,619)
Public Health	0	(730)	(730)
Corporate Core	(304)	(565)	(869)
Neighbourhoods (inc. Homelessness)	(100)	(1,789)	(1,889)
Growth and Development	(300)	(959)	(1,259)
Corporate budgets	0	(2,800)	1,000
Total	(2,872)	(15,396)	(18,268)

2.5 The final investment and growth proposals are detailed in the directorate budget reports elsewhere on this agenda and listed in Appendix 2. The summary position by directorate is shown in table two.

Table 2: Investment, Pressures and Growth Proposals 2023/24 to 2025/26

Directorate	Amount of Investment			
	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000
Adult Social Care	20,450	8,806	2,011	31,267
Public Health	0	0	0	0
Children's Services	6,927	0	0	6,927
Neighbourhoods	1,200	0	0	1,200
Homelessness	4,000	0	0	4,000
Corporate Core	6,511	0	0	6,511
Growth and Development	300	0	0	300
Total Growth, Pressures, and Investment Proposals 2023/24	39,388	8,806	2,011	50,205

2.6 The updated position is set out in Table 3 below.

Table 3: Summary of Budget Position 2022/23 (latest) and 2023/24 (proposed)

	Revised 2022/23	2023/24
	£'000	£'000
Resources Available		
Business Rates Related Funding	235,553	374,725
Council Tax	208,965	217,968

	Revised 2022/23	2023/24
	£'000	£'000
Grants and other External Funding	104,559	126,439
Use of Reserves	141,522	17,087
Total Resources Available	690,599	736,219
Resources Required		
<i>Corporate Costs:</i>		
Levies *	67,871	70,060
Contingency	600	600
Capital Financing	39,507	39,507
Transfer to Reserves	24,638	1,335
<i>Sub Total Corporate Costs</i>	<i>132,616</i>	<i>111,502</i>
<i>Directorate Costs:</i>		
Additional Allowances and other pension costs	7,316	8,566
Insurance Costs	2,004	2,004
Inflationary Pressures and budgets to be allocated	(7,169)	22,586
Directorate Budgets	555,832	591,561
<i>Subtotal Directorate Costs</i>	<i>557,983</i>	<i>624,717</i>
Total Resources Required	690,599	736,219
Shortfall / (surplus)	0	0

**Although included within the table of levies / charges above, the Waste Levy is administered by the Neighbourhoods Directorate and will be included within their published budget. This is to recognise that the actions within the directorate to reduce the levels of waste delivered impact on future levies which are tonnage based. It has been included above to give a complete view of the levies / charges paid.*

- 2.7 The budget report for 2023/24 also provided details of proposed movements to and from reserves including those being used to support the revenue budget. The detailed updated schedule of reserves is attached at Appendix 3.

3 Setting the Council Tax for 2023/24

- 3.1 The Localism Act 2011 abolished council tax capping powers and replaced them with a requirement for an authority to hold a council tax referendum if it increases its council tax by an amount exceeding the limit set out in principles determined by the Secretary of State and approved by the House of Commons.
- 3.2 The final Local Government Finance Settlement on 6 February 2023 confirmed that for 2023/24, local authorities will be able to increase their relevant basic amount of council tax (average Band D council tax, excluding local precepts) by up to 3% without having to hold a referendum.
- 3.3 Local authorities with responsibility for Adult Social Care can increase their council tax by up to 2% on top of the 3% core principle.

- 3.4 The Council Tax bill and the information that accompanies it, must highlight the part of the increase that is being used to fund adult social care. Further information about spending on adult social care must be provided with the demand notice.
- 3.5 This report is prepared on the basis that Manchester's Council Tax will increase by 4.99% in 2023/24; 2.99% attributable to the Council element and 2% for the Adult Social care precept. This equates to a Band D charge of £1,618.25 (an increase of £76.91 from 2022/23).
- 3.6 The Greater Manchester Mayoral General Precept has been confirmed at £107.95 for a Band D property, comprising of £76.20 for functions previously covered by the Fire and Rescue Authority (an increase of £5.00 from 2022/23) and £31.75 for other Mayoral General functions including bus reform (no change from 2022/23).
- 3.7 The Greater Manchester Mayoral Police and Crime Commissioner Precept will increase by £15.00 to £243.30 for a Band D property which is in line with the flexibility provided by the Government to all Police and Crime Commissioners.
- 3.8 The Council Tax resolution is attached as Appendix 4.

4 Prudential indicators

- 4.1 As part of the Prudential Framework the council is required to prepare a number of financial indicators to show that capital investment and treasury management activity is prudent, affordable and proportionate. The proposed Prudential Indicators for 2023/24 to 2025/26 are shown in Appendix 5.

5 Collection Fund Budget

- 5.1 Attached for approval at Appendix 6 is the proposed collection fund budget for 2023/24. The collection fund budget includes income and expenditure relating to council tax and business rates.

6 Robustness of the Budget

- 6.1 The budget report to Executive set out the Council's legal duties to which members must have regard in formulating the budget and setting Council Tax. The report referred not only to the need for the Council to continue to meet its statutory duties but also to any remaining requirements for consultation, legal processes and equality impact assessments before a final decision can be taken.
- 6.2 The Deputy Chief Executive and City Treasurer has a duty to report on the robustness of the estimates made for the purposes of the calculation of Council Tax and the adequacy of the financial reserves. The detailed assessment is set out in the S25 Report which forms part of the Medium Term Financial Strategy. As reported to the Executive the Deputy Chief Executive and City Treasurer remains satisfied that the assumptions on which the budget has been

proposed are manageable within the flexibility allowed by the General Fund balance. This and the fact that the Council holds other reserves that can be called on if necessary, means that the Deputy Chief Executive and City Treasurer is confident that overall the budget position of the Council can be sustained within the overall level of resources available. However, to the degree that the budget savings are not achieved in a timely manner and reserves are called on to achieve a balanced position, the future year's savings will be prejudiced, and further savings will need to be identified and implemented, including to replace reserve drawn downs, in order to ensure these are sufficient for future years.

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Council 3 March 2023
Council Tax Resolution for 2023/24
Appendix 1: Savings Proposals 2023/24 to 2025/26

Savings Proposals 2023/24 to 2025/26

Summary overview

Directorate	Amount of Saving				Indicative FTE Impact
	2023/24	2024/25	2025/26	Total	
	£'000	£'000	£'000	£'000	
Adults Services	4,142	2,200	2,200	8,542	-
Public Health	730	-	-	730	3
Children Services	4,411	3,920	3,394	11,725	-
Neighbourhoods	545	1,135	1,772	3,452	3
Homelessness	1,244	2,070	1,332	4,646	-
Corporate Core	3,365	677	1,089	5,131	27
Growth and Development	959	170	815	1,944	1
Total profiled savings options	15,396	10,172	10,602	36,170	34

Adults Services:

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Provider Services								
Provider Services Page 14	Day Services - 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).	Limited impact on outcomes, consolidating model of care. Potential family dissatisfaction and appeals, 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.	Service Redesign	0	500	100	600	TBC
Provider Services	Reduce access to day services for clients in supported accommodation, clients in supported accommodation supported holistically within that setting in lieu of attending day care	Limited impact on outcomes, consolidating model of care. Maybe family dissatisfaction and appeals	Service Reduction	0	0	0	0	TBC
Provider Services	Short Breaks - 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	Risk of not having an offer in place to support in crisis situations. Significant challenge to make operational	Service Redesign	0	250	100	350	TBC

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Provider Services	Transport review - 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, exploration of alternative transport models and encouraging independence through travel training initiatives	Exploration of alternative transport models and options for access to day services. Potential for family dissatisfaction and appeals, engagement programme will be required and aligned to the other proposals surrounding day services.	Service Redesign	150	150	0	300	TBC
Provider Services Page 15	DSAS - 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.	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	Service Redesign	0	750	1,250	2,000	TBC

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
		associated and capital investment.						
Workforce								
Directorate	<p>Increase Vacancy Factor (£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 increase Vacancy Factor (£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%re 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%</p>	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.	Efficiency	1,217	0	0	1,217	None
Charges								

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Extracare	<p>Implement wellbeing charge 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 providers⁷⁷ 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</p>	Impact on most vulnerable during cost of living crisis	Income Generation	0	50	0	50	None
Demand Management								
Directorate	Smoothing via Adult Social Care Reserve	None	Efficiency	2,275	0	(2,275)	0	None
Long Term Care	<p>Further demand management – 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. Further demand management – all care groups. This target has been set for 2025/26 and is therefore some time into the future. This is in</p>	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	Efficiency	0	0	2,275	2,275	None

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Page 18	<p>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 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>							
Other								
Equipment and Adaptations	<p>Disabled Facilities Grant (DFG) - 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</p>	Recharge of internal capacity to DFG includes a degree of audit risk	Efficiency	500	0	0	500	None

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Learning Disability	Joint funding/CHC and improving joint commissioning. 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	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	Income Generation	0	500	750	1,250	None
Total			Revised Total	4,142	2,200	2,200	8,542	0

Public Health

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Directorate	Disestablish Public Health Vacancies	These savings have been identified as deliverable without impacting on delivery of public health commissioned services in the city	Efficiency	90	0	0	90	3
Directorate	Use of 2022/23 underspend		Efficiency	330	(330)	0	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		Withdrawn				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	0	0	30	None
Directorate	Headroom in budget set aside for contract uplifts		Efficiency	280	330	0	610	None
Total				Revised Total	730	0	0	730

Page 20

Children's Services

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Developing partnerships, service efficiencies and improvements								
Children's Safeguarding	Managing Demand - Saving assumes that growth of placement numbers will be at a rate of 78 per annum across Looked After Children and Permanence placements, whereby average cost of placement is £25k p.a.	Potential to improve outcomes through prevention and more appropriate placements	Efficiency	3,000	3,000	2,000	8,000	0
Children's Safeguarding	Mockingbird - Programme nurtures the relationships between children, young people and foster families supporting them to build a resilient and caring community of six to ten satellite families called a constellation. The Mockingbird constellation builds links with other families and individuals important to the children's care plans and to resources in the wider community which can provide them with enhanced opportunities to learn, develop and succeed. This model has been applied elsewhere and has led to greater placement stability and carer retention. It is expected that over a three-year period 2 external residential placements and 4 external fostering placements can be avoided		Efficiency	47	219	257	523	0
Children's Safeguarding	Use of Reserve – to off-set recent increase in cost of external residential placements, one year only.		Use of Reserves	500	(500)	0	0	0

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Children's Safeguarding	Thriving Families - is a whole family, strengths-based approach to child protection. Work is undertaken by children's social workers, adult mental health practitioners, substance misuse and probation officers, working together as one team. Joint knowledge and expertise are used to assess the needs of the whole family, supplying services to meet those needs, and supporting parents to achieve sustained change for themselves and their children. There is empirical evidence that risks to children can reduce, reducing the need for children to come into care and requiring child protection planning. The cost benefit analysis shows that 22 placements can be avoided 2024/25 to 2025/26.		Efficiency	0	500	500	1,000	0
Children's Safeguarding	Shared Care - It was found that an edge of care service supporting children who have a learning disability and/or autism is needed. The plan is to support six children, splitting the week between the children to ensure there is only three children at home at any one time. Where needed the service will offer outreach support to children's families. It will promote education, health, and activities. Clothing will be provided by the family, foster carer/guardian etc. Children will be collected dropped off, as well as transported to education on the days children are at the home. The plan is to develop and test this in in 2023/24. The savings proposal assumes cost avoidance of 4.5 external residential placements and a further 1.5 placement external fostering placements	Improving outcomes through more optimal approach to supporting Child with Disability	Efficiency	0	351	351	702	

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Children's Safeguarding	<p>The Thriving Babies - Confident Parents Project is about promoting the health, wellbeing and safeguarding of children through working differently with their parents during pregnancy to improving outcomes for babies so they can thrive by having safe, stable, permanent homes, still being with their families and communities. The proof of concepts has been trailed and will be rolled out throughout the city. To date the program has worked with 118 cases, 110 babies have remained in the care of their family and 8 have become looked after - to date. The 118 primary care givers had previously 81 children removed from their care prior to working with Thriving Babies showing the complexity of this cohort. Numbers of babies taken into care across the city have reduced since the implementation of Thriving Babies in Jun-21. Based on this evaluation and after taking account of savings proposal outlined in it is proposed a further £200k savings can be made from the project, this equates to 15 internal foster care placements over the course of the year and a further 4.5 internal foster care placements thereafter.</p>	Potential to improve outcomes through prevention	Efficiency	300	90	0	390	
Service Efficiencies								

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Education	<p>School Crossing Patrols – There are 90 school crossing patrols. The patrols are rated red, amber or green in terms of road safety. 21 are rated as red, 36 rated as amber and 33 rated as green. The Council undertook significant capital investment from 2018 to 2022 in total £6.18m. This work has led to eight crossing changing their rating to green. Council policy is that it funds staffing for red and amber locations. If a crossing location is green, or is regarded as green, the school is given the choice to fund the patrols costing £6k per year. Whilst SCP (School Crossing Patrols) are not a statutory service they are key road safety measure. It is proposed that SCP are financed by the Road Parking and Bus Lane Penalties Reserve instead of Council budget an on-going basis. In accordance with the reserve's conditions road safety measures can be charged to the reserve. Further capital support will be provided to support the investment in school crossing patrols to reduce the call on future reserves.</p>	These savings have been identified as deliverable without impacting on delivery	Efficiency	0	100	286	386	0
Children's Safeguarding	<p>Early Help - the service's gross budget is £8.9m, it is funded by grant and Council budget. The grant supporting the service is set to increase by £2m, it will receive additional Family Hub (£1.5m) and Supporting Families grant (£0.5m) next year. This extra targeted investment has allowed services to be reviewed and streamlined to release £0.590m. Following a line-by-line review of the £0.550m of the proposed saving will be achieved through reducing contingencies built into the existing budget. £50k of 2023/24 saving will be achieved</p>	These savings have been identified as deliverable without impacting on delivery	Efficiency	430	160	0	590	

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
	through the ending of a contract. This approach will not impact on service delivery or expected outcomes as savings are being made through service efficiencies.							
Directorate Page 25	Vacancy Factor - There are 1,437 full time equivalent staff in the Directorate. A key budget assumption underpinning the financial plan is that staff are assumed to be at top of their pay scale minus a percentage ranging between 2.5% - 10%. New staff typically start on the bottom of their post's pay-scale. After reviewing the last three years staff turnover, it is proposed that an added 0.2% vacancy factor can be applied to workforce budgeting.		Efficiency	134	0	0	134	
Early Help	Early Years - Part of Parenting Programme to be charged to Family Hub grant		Efficiency	0	0	0	0	
Total			Revised Total	4,411	3,920	3,394	11,725	0

Neighbourhood Services

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Community Safety and Compliance	Reduce staffing budgets by increased vacancy factor to reflect increased staff turnover	Will reduce flexibility that exists within staffing budgets	Efficiency	99	0	0	99	0
Libraries, Galleries and Culture	Reduce staffing budgets by increased vacancy factor to reflect increased staff turnover	Will reduce flexibility that exists within staffing budgets	Efficiency	20	0	0	20	0
Parks and Green Spaces								
Parks and Green Spaces	Heaton Park increased Parking Charges	May reduce visitor numbers that could reduce levels of income proposed and would also impact the current income which underpins the delivery of services and the viability of partner operations which contribute to the overall visitor experience.	Income Generation	60	0	0	60	0
Parks and Green Spaces	Heaton Park, extend the hours of operation, pay and display	May reduce visitor numbers that could reduce levels of income proposed and would also impact the current income which underpins the delivery of services and the viability of partner operations which contribute to the overall visitor experience. Could limit regular usage for a core of visitors and may have a disproportionate impact on that cohort due to cost of living pressures.	Income Generation	27	0	0	27	0

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Parks and Green Spaces	Cease bonfire and firework activity and replace with community autumn and winter celebrations	Bonfire and firework options would potentially increase the activity that blue light services and Community Safety / Neighbourhood colleagues would need to respond to. Early indications are that there has been little to no impact of pausing reinstatement of these activities in 2022/23.	Service reduction	40	0	0	40	0
Waste and Street Cleaning								
Waste and Street Cleaning	Introduce charges for replacement recycling bins	Introduce charging for recycling bins, this will encourage bin ownership and reduce demand for new bin production and transport movements delivering / collecting the current volume of wheeled bins. It will also reduce the no of abandoned recycling bins on street and improve visual amenity of the street scene.	Service reduction	0	0	400	400	0
Operations and Commissioning								
Bereavement Services	Bereavement Services - Income charges, increase of 10% on all fees and charges	Impact on funeral poverty for Manchester Residents	Income Generation	0	0	372	372	0
Contract and Commissioning	New advertising hoardings on Chester Road roundabout	The delivery of the scheme is subject to planning approval, considerable engagement has already taken place to ensure that the planning application	Income Generation	0	100	0	100	

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
		addresses all the requirements and concerns.						
Commercial and Operations	Increased traffic enforcement – Moving Traffic Offences - new scheme / Bus Lanes - full enforcement of all bus lanes and bus gates	Will generate additional revenue income that will be used for investment and release existing mainstream budgets	Income Generation	0	1,000	1,000	2,000	0
Pest Control	Increase to the fees and charges for a Pest Control Service	A 10% increase in prices charged to customers.	Income Generation	59	0	0	59	0
Pest Control	Reduction in pest control supplies budget	Will require more efficient purchasing	Service reduction	20	0	0	20	0
Business Units	City Centre and Specialist Markets Saving Delivery Proposal. Disestablish G4 vacant post	Increased flexible working between City Centre and Specialist Market delivery teams.	Efficiency	30	0	0	30	1
Highways								
Highways	Developer Fee Income - S278's would generate fees for checks, and approvals to designs etc.	Increased costs for developers	Income Generation	0	35	0	35	0
Highways	Increased fee income from design and project management work	Increased capital costs for staff time on design and project management	Income Generation	75	0	0	75	0
Highways	Delete 2 vacant posts in highways maintenance team	Reducing in size the workforce reduces the flexibility to respond to unscheduled challenges in the future	Efficiency	65	0	0	65	2

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Highways	Income from Weekend inspections	New Evening & weekend Highway Inspectors will prevent non-permitted on non-licensed works taking place. As a result there will be more FPN's issued to developers & utility companies	Income	50	0	0	50	0
Total			Revised Total	545	1,135	1,772	3,452	3

Homelessness

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Homelessness	Implementation of Transformation Prototypes	A reduction in Temporary Accommodation Placements, B&B and Dispersed Accommodation. Annual forecast spend of c£17m in these areas in 2022/23.	Service Transformation	494	1,096	1,332	2,922	
Homelessness	Changes to Allocations Procedure	To deliver this saving there needs to be a change in the Allocations Procedure to allow people to be classified as Homeless at Home at the Prevention stage. If this decision is not made the savings are not achievable	Efficiency	500	500	0	1,000	0
Homelessness	Increase in Vacancy Factor	Increase in vacancy factor to reflect the underspend on mainstream staffing in previous years. £224k, a 2% increase from 3.5% to 5.5%. Vacancies are being utilised in 2023/24 to fund Transformation posts/double running	Efficiency	0	224	0	224	0
Homelessness	Expansion of Dispersed Accommodation Pilot	An expansion of the current pilot, increased properties managed by a Registered Provider would reduce the Housing Subsidy loss to MCC by £0.5m	Efficiency	250	250	0	500	0
Total			Revised Total	1,244	2,070	1,332	4,646	

Corporate Core

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Resident and Business Digital Customer Experience (RBDXP)								
Customer Services and transactions	ICT investment will make digital access easier and increase no of residents using digital channels rather than traditional channels for contact	Reduced staffing requirement due to increased digital access, staffing reduction will be managed through turnover.	Efficiency	0	0	200	200	7
Digital Data Insights								
ICT	Due to increased flexible working and access to MS teams, reduce number of telephones (mobiles and landlines) across the council	Link to EUD reduce mobile phones and 8x8	Efficiency	5	25	25	55	0
ICT	ICT software change that provides staff authentication to use MCC systems	Minimal impact, staff will authenticate access using different software	Efficiency	90	0	0	90	0
ICT	Rationalise Wi-Fi providers	Reduce number of wifi providers across the estate	Efficiency	0	0	184	184	0
ICT	Due to changes in working arrangements, reduce both the number of printers across the estate and the volume of prints.	Re procure new print supplier and reduce number of printers across the estate to reflect new flexible working	Efficiency	5	25	0	30	0
A More Purposeful and Effective Core								
Finance, Procurement & Commercial Governance	As part of the planned change in ERP system there will be increased efficiency through standardisation of processes, training of budget holders and self-service.	Look to manage and plan staffing reductions through changed processes and enabling head count reduction through natural turnover and management of vacancies	Efficiency	200	200	200	600	12
HR/OD	Replace existing ATS software to improve recruitment processes and new front Door implementation.	Look to manage and plan staffing reductions through natural turnover and management of vacancies	Efficiency	0	50	65	115	

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Performance Research & Intelligence	Review service operating model with greater emphasis on proactive work to improve our data and develop self-serve capacity and greater prioritisation of requests from services	Reduced staffing. Stakeholders improve data quality, agree to reduce the volume of requests and commit to self serve as systems improve to enable this	Efficiency	0	122	125	247	5
Legal	Increased income through review of fees and charges	Increased fees for legal services to third parties	Income Generation	0	50	100	150	0
Total Future Shape Programme				300	472	899	1,671	27
Housekeeping								
City Policy	Reduce strategic cultural grant to NFM	Reduce grant support to NFM	Efficiency	50	50	0	100	0
Reform & Innovation	Workforce review	Reduction in staffing budget through vacant posts	Efficiency	20	0	0	20	0
Communications	Review print and mailroom processes	Reduce print sites, introduce digital scanner solution and reduce courier costs	Efficiency	15	35	70	120	0
Communications	Review subscription and software licenses	Reduce subscriptions, software and reputation research	Efficiency	30	0	0	30	0
Registrars	Review existing fees and charges to align with other Core Cities	Increased fees for ceremonies and certificates	Income Generation	0	20	0	20	0
Customer Services and transactions	Review annual income targets for clamping budgets	Increased income because of activity levels	Income Generation	150	0	0	150	0
Corporate Core	NI and Superannuation savings through introduction of electric car leasing	Employees will access ULEV through salary sacrifice	Efficiency	0	100	120	220	0
Corporate Core	Savings against historic pension costs	Historic budget reduced to reflect current needs	Efficiency	500	0	0	500	

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Parking	Review existing parking and bus lane reserve	Review forecast bus lane and parking reserves to ensure investment opportunities are maximised. The funding will be used a year in arrears to contribute to funding the road safety elements funded through the transport levy.	Efficiency	2,300	0	0	2,300	0
Total Housekeeping Savings				3,065	205	190	3,460	0
Grand Total Corporate Core			Revised Total	3,365	677	1,089	5,131	27

Growth and Development

Service	Description of Saving	Impact	Type of Saving	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Investment Estate	Recognise annual agreed increase in Manchester Airport Group Rents	Minimum rents increase in line with contracts	Income Generation	630	170	815	1,615	0
Investment Estate	No invest to save recharge following sale of property	None	Efficiency	170	0	0	170	
Investment Estate	Charge staff time to capital/sale activity	Will increase capital costs, but reflective of activity levels	Efficiency	150	0	0	150	0
Strategic Housing	Delete existing vacancy in strategic housing	Potential reduced staffing capacity	Efficiency	9	0	0	9	1
Total			Revised Total	959	170	815	1,944	1

Council 3 March 2023

Council Tax Resolution for 2023/24

Appendix 2: Investment, Pressures and Growth Proposals 2023/24 to 2025/26

Summary overview

Directorate	Amount of Investment			
	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000
Adult Social Care	20,450	8,806	2,011	31,267
Public Health	0	0	0	0
Children's Services	6,927	0	0	6,927
Neighbourhoods	1,200	0	0	1,200
Homelessness	4,000	0	0	4,000
Corporate Core	6,511	0	0	6,511
Growth and Development	300	0	0	300
Total Growth, Pressures, and Investment Proposals 2023/24	39,388	8,806	2,011	50,205

Adult Social Care

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Adult Social Care	Investment to sustain the social work infrastructure and reablement capacity, supporting new models of care funded via smoothing reserve for 3 years.	Investment	1,300	0	0	1,300
Adult Social Care	Funding for Real Living Wage from Corporate Inflation		3,500	0	0	3,500
Adult Social Care	Funding to replace Independent Living Fund		2,000	0	0	2,000
Adult Social Care	ASC Market Sustainability Grant		4,443	3,105	0	0
Adult Social Care	Adult Social Care Discharge Fund		4,451	2,969	0	0
Adult Social Care	Additional 1% Council Tax Precept Funding		2,027	2,274	0	0
Adult Social Care	Contribution to market costs from Corporate Inflation		2,729	458	2,011	5,198
Total Adult Social Care			20,450	8,806	2,011	11,998

Children's Services

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	Early Years - The Dedicated Schools Grant (DSG) is significantly overspent and is subject to a recovery plan. Following a line-by-line review of spend and to reduce pressures it is proposed that £0.940m commissioned training support in relation to early years high needs will no longer be charged to the high needs block and charged to Early Years council budget instead, additional Council budget will be allocated to accommodate this transfer.		940	0	0	940

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	Take a Breath - it is proposed that both in-house solutions and longer term enhanced solo residential provision is developed. Two/three multi-building registrations are proposed. One to apply additional capacity to an existing Manchester in-house residential resource and the others with a commissioned provision with a trusted provider. These would be delivered as an internal service and that the commissions would be a direct award. These services would support children presenting in A&E/paediatrics, current admitted on ward and or in tier 4 acute provision with unstable placement/no place to return up to 18 years. The cost of this investment is £1.4m in total, in line with current Multi-Agency Resourcing Arrangements circa the revenue cost of the provisions will be met by the Council, £1m and the balance will be supported by Health. It is anticipated that this provision will reduce the need for high-cost external residential placements, the cost saving is estimated to be £366k per annum.	Investment	915			915

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	Short Breaks - Provides disabled children and young people with a chance to spend time away from their parents, relax with friends and have fun. They also provide families with a break from their caring responsibilities. Not all children and families will need the same level of short breaks, and some will need more than others because of the impact of their child's disability or their individual family circumstances. If a child qualifies for a specialist's short break they can receive support via a grant, a direct payment for the cost of the child's activities and services. The current short break's budget is overspent due to a rise in the number of children that qualify and want a direct payment.	Investment	125			125

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	<p>Social Work International Recruitment - In March 2020, Children's Services introduced a 5-year workforce strategy which set out the ambition to develop, build and maintain a stable, talented, and confident workforce which is key to supporting the Council to be judged 'good to better' by Ofsted. The strategy included a range of proposals including service redesign, stronger performance management, workforce initiatives and the application of market rate supplements. Implementation of the strategy has led to a reduction the staff turnover. However, nationally there is a growing shortage of children's social workers in the UK, this in turn has led to nationally councils' spending on agency staff has increased sharply in five years. Whilst number of agency workers has not reached levels it has in many councils Manchester has had to increase its use children agency workers this year, the current position is not sustainable. To attract diverse and experienced social workers the city is looking to recruit from abroad.</p> <p>Social Work Vacancy Factor - In 2022/23 the Council proposed an additional 1% workforce saving. This saving was arrived at by increasing budget assumptions on rate of vacancies and not assuming employees would be at the top of their salary scale.</p>	Investment	748			748

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	Family Group Conferencing - Is a family-led meeting in which the family and friends network come together to plan for a child. The process is supported by an independent coordinator who helps the family prepare for the family group conference. Children are usually involved in their own family group conference, often with support from an advocate. It is a voluntary process and families cannot be forced into one. Where successful it helps children remain within their families whilst improving their lived experience. Research confirms that placing children in kinship foster care helps them maintain important family and community connections. The Directorate is looking to set-up another FGC team.	Investment	250			250

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding and Education	Foster Care Recruitment and Project Management - Mockingbird scheme enables foster parents are to support other foster parents, this is a critical strategy for foster parent retention. Carers cite that they quit because they feel a lack of support for the responsibility they have taken on. FGC and Mockingbird outlined in are just two measures the Fostering service is looking to develop to promote kinship care and increase the number of internal foster care placements over a period. The service plans that future recruitment campaigns will focus on utilizing existing foster parents to help recruit additional foster homes. Rather than relying on general marketing campaigns and setting up tables at fairs – which increase public awareness but have not always been effective recruitment strategies. The service's focus is on supporting existing foster parents as partners to recruit prospective foster parents from their own networks. This is known to work. Additional budget is required to publicise, and project manage this approach.	Investment	98			98

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	Family, Drugs, Alcohol Courts - Parental substance misuse is a common reason for families becoming involved with children's social care in England. FDAC aims to help parents address their substance misuse issues, improve family functioning and reduce the need for children to enter care. This is a multi-disciplinary service model which aims to improve the coordination of services for families, such as social services, substance abuse treatment, therapeutic services, domestic abuse intervention, employment, and housing. This package of support is overseen by a court, which monitors parent's compliance and administers rewards and sanctions. Manchester is looking to invest in this alternative to traditional care proceedings with other Greater Manchester Combined Authorities.	Investment	164			164
Children's Safeguarding	Placement and Home to School Transport pressures - Due to national shortage of placements the Local Authority where appropriate is having to place children in external residential provision, this is adding pressure to the placement's budget. Manchester is looking to increase capacity through Take a Breath and development of local residential provision. Delay in implementation of route planning software may lead to pressures in bringing the HTST budget back into balance.	Investment	1000			1,000

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Education	Home to School Transport – This is a statutory service and provides transport to eligible children at the start and end of the school day. The total budget for this service is £9.7m p.a. The increasing number of pupils with Education, Health, and Care plans (EHCP) because of increasing levels of need have resulted in more individualised and specialised packages of support being put in place. In addition, the extension of Education, Health, and Care Plans (EHCPs) to young people aged up to the age of 25 has seen an increasing number of young people eligible and requiring transport for longer. The service is currently overspent by £2.5m, of which £1m is inflation, relating to: fuel costs, driver availability and vehicle maintenance costs. The full year effect of inflation is expected to be an additional £0.5m next financial year. The service is planning to manage the balance of the pressure, estimated to be £1.1m, by working with parents and carers to co-design the response and through route planning, re-commissioning of routes, and the promotion and support of independent travel training, where appropriate. In order to balance the budget next year, it is of paramount importance that the route planning software is implemented in time for the new academic year.	Inflation	500			500
Children's Safeguarding	Internal placements - Manchester has always sought to internal foster carers. Current inflation and cost of living pressures will need to be recognised in order to support carers.	Inflation	1966			1,966

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Children's Safeguarding	First Home Grant for Carer Leavers - is aimed to help young care leavers establish themselves independently for the first time. Currently the grant can be to a maximum of £2k, the impact of inflation has not been recognised for several years. Following an assessment on the rising cost associated with the move to independence it is the Directorate's view that the grant be uplifted to £3k, the impact of this proposal is estimated to be £113k. Winter Payment for Care Leavers - about 413 Care Leavers live in their own tenancy and or are responsible for paying utility bills. It is proposed that they would receive £10 per week for 6 months winter payment, at cost of £108k. Feedback received from Care Leavers that received this payment this year and is that it has made a huge difference to young people. This payment has been paid this year from a grant, at this stage MCC is not expecting the grant next year.	Inflation	221			221
Total Children's Services			6,927	0	0	6,927

Neighbourhoods

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Waste and Street Cleaning	Investment of £1.2m to support specific activity in and around the City Centre, District Centres and key arterial routes.	Investment	1,200	0	0	1,200
Total Neighbourhoods			1,200	0	0	1,200

Homelessness

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
Homelessness	However, there are specific demand and inflation pressures facing the Homelessness Budgets. Government refugee and asylum schemes are placing pressure on Manchester temporary accommodation market, driving up cost, resulting in a £4m fee uplift requirement for Homeless Temporary Accommodation and this pressure has been reflected in the Medium-Term Financial Plan with £4m of growth proposed for Homelessness in 2023/24. Wherever possible we have looked to ensure we are maximising external income generation, and this includes close work with colleagues in Revenues and Benefits to maximise Housing Benefit claims.		4,000	0	0	4,000
Total Homelessness			4,000	0	0	4,000

Corporate Core

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
ICT	ICT systems and cyber security resources		250	0	0	250
HROD	HR investment in disability hub		250	0	0	250
Revenue and Benefits	Additional software licenses there has also been increased requirements in respect of ensuring systems remain secure, to avoid any security compromises and to aid this additional software has been installed in 2022/23 and the full year costs in 2023/24 will be c£461k per annum.		461	0	0	461
Revenue and Benefits	Target support for vulnerable residents and voluntary sector		2,000	0	0	2,000
Revenue and Benefits	Cost of Living Support		3,550	0	0	3,550
Total Corporate Core			6,511	0	0	6,511

Growth and Development

Service	Investment Description	Type of Investment	Amount of Investment			
			2023/24	2024/25	2025/26	Total
			£'000	£'000	£'000	£'000
City Centre Regen	It is proposed to invest £300k to provide additional resources to enable capacity to support the establishment of a new team within City Centre Growth and Infrastructure, and to provide additional capacity to the Highways Development Specialist team. The teams will work closely together to ensure that an integrated and holistic	Investment	300	0	0	300

	<p>approach is taken to the development and delivery of strategic infrastructure across the city, with an initial focus on the development and delivery of our sustainable and active travel programmes and driving forward delivery of our Clean Air and net-Zero Carbon transport aims in line with Our Manchester Strategy. These roles will ensure alignment of scheme delivery, for all our residents, in line with our 2038 net-zero carbon and 2040 Strategy transport commitments.</p>					
Total Growth and Development			300	0	0	300

Council 3 March 2023
Council Tax Resolution for 2023/24
Appendix 3: Reserves Forecast 2023-26

Reserves Forecast 2023-26

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
Schools Reserve	14,000	0	0	14,000	14,000	14,000	
General Fund Reserves							
Statutory Reserves	19,480	(13,436)	9,350	15,394	11,330	9,389	
Earmarked Reserves	301,188	(65,232)	26,198	262,154	198,640	138,183	
General Fund Reserve	23,527	0	0	23,527	23,527	23,527	
Total General Fund	344,195	(78,668)	35,548	301,075	233,497	171,099	
Housing Revenue Account Reserves:							
Housing Revenue Account General Reserve	58,950	(21,654)	0	37,296	11,542	10,037	
Major Repairs Reserve	4,173	0	0	4,173	4,173	4,173	
HRA PFI reserve	10,000	0	0	10,000	10,000	10,000	
HRA Residual liabilities fund	24,000	0	0	24,000	24,000	24,000	
Housing Insurance reserve	2,500	0	0	2,500	2,500	2,500	
Total HRA	99,624	(21,654)	0	77,970	52,216	50,711	
TOTAL RESERVES	457,820	(100,322)	35,548	393,045	299,714	235,811	
SCHOOLS RESERVE							

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
LMS Reserve	14,000	0	0	14,000	14,000	14,000	School balances assumed year-end position. These are not Council resources and so cannot be used by MCC.
Sub Total Schools	14,000	0	0	14,000	14,000	14,000	
STATUTORY RESERVES							
Bus Lane Enforcement Reserve	6,458	(4,992)	3,200	4,666	2,874	1,082	Ring-fenced reserve which can only be applied to specific transport, environmental and highways related activity.
On Street Parking	6,364	(8,154)	6,150	4,360	2,378	2,342	Ring-fenced reserve which can only be applied to specific transport and highways related activity.
Ancoats Square Reserve	2,467	(231)	0	2,236	2,005	1,892	Received from the Homes and Communities Agency to cover the revenue costs of maintaining Ancoats Square for a period of at least 25 years.
Taxi Licensing Reserve	1,012	0	0	1,012	1,012	1,012	This is a smoothing reserve to equalise the income and expenditure of running the function over financial years. Income ring-fenced by statute.
Spinningfields Commuted Sum	629	(9)	0	620	611	611	Funds received as part of an agreement to cover maintenance costs.
St Johns Gardens Contingency	955	(50)	0	905	855	855	Contribution from St Johns Gardens tenants for maintenance works
New Smithfield Market	441	0	0	441	441	441	To contribute towards funding the development plans for the market
Great Northern Square Maintenance Fund	269	0	0	269	269	269	Set up in accordance with the agreement with the developers of the site. It will be used for upgrading of the square.
Art Fund Reserve	31	0	0	31	31	31	For art purchases
Manchester Move Reserve	210	0	0	210	210	210	To managed waiting list for Registered Providers
Manchester Safeguarding	191	0	0	191	191	191	Children's Safeguarding Board activity. The Board is a joint responsibility with MCC & CCG
Hulme High Street	283	0	0	283	283	283	Historic service charge levied by Hulme High Street Ltd

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
West Gorton Park Reserve	170	0	0	170	170	170	For spend on play equipment over the next 10 - 15 years
TOTAL	19,480	(13,436)	9,350	15,394	11,330	9,389	
EARMARKED RESERVES							
BALANCES HELD FOR PFI'S							
Street Lighting PFI	0	0	0	0	0	0	Established to fund the requirements over 25 years re: the PFI contract for Street Lighting service via external contractors
Temple PFI	392	(29)	8	371	283	0	Established to fund the requirements of the PFI scheme over 25 years
Wright Robinson PFI Reserve	1,437	(4)	40	1,473	1,368	1,105	PFI Scheme 25 year contract drawdown will be in future years as expenditure exceeds grant.
TOTAL	1,829	(33)	48	1,844	1,651	1,105	
MANAGING ECONOMIC AND COMMERCIAL RISKS							
Business Rates Reserve	13,816	(490)	8,999	22,325	21,835	11,231	To mitigate Business Rates income risk due to the volatility of assumptions
Airport Dividend reserve	14,189	(1,073)	0	13,116	0	0	The income in the reserve is from the Manchester airport dividend which is then used in arrears to support the Medium Term Financial Plan
Planning Reserve	3,148	(480)	0	2,668	2,184	2,184	Used to smooth the volatility of planning fee income to avoid budget pressures if fee income reduces
Investment Estate smoothing reserve	466	0	0	466	466	466	To manage budget pressures due to the volatility in investment income.
Land Charges Fees Reserve	244	(50)	0	194	144	144	To smooth the budget impact, planned to utilise in 2020/21
TOTAL	31,862	(2,093)	8,999	38,768	24,628	14,024	
INSURANCE FUND							

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
Insurance Fund	17,335	(500)	0	16,835	16,335	16,335	The insurance fund has been established to fund risks that are self insured.
RESERVES THAT WILL BE UTILISED TO SUPPORT THE DELIVERY, FINANCING AND RISK OF THE CAPITAL STRATEGY							
Capital Fund Reserve	81,875	(20,112)	10,717	72,480	47,880	23,038	Contribution to schemes which are supporting employment and growth, future carbon reduction investments and high priority strategic development opportunities in the city. Acts as a buffer for the capital financing reserve if required
Capital Financing Reserve	34,730	0	0	34,730	34,730	34,730	Capital Financing Reserve: Held to fund expected future increases in borrowing costs linked to the Council's capital investment programme and significant level of internal borrowing. The reserve will be used to mitigate the impact on the revenue budget of increased borrowing levels in the future.
Investment Reserve	8,888	(2,189)	0	6,699	4,470	2,576	To deliver priority regeneration projects.
Town Hall Reserve	8,502	(3,124)	0	5,378	1,951	1,951	To fund revenue costs including decant costs, for the Town Hall Complex Programme
Enterprise zone reserve	2,558	(99)	500	2,959	3,357	3,750	To underwrite the borrowing costs for development in the Oxford Road Corridor
Manchester International Festival	9,173	(1,250)	0	7,923	6,923	6,123	To fund agreed future Manchester International Festivals / Factory International grant from the reserve. Grant agreement will be aligned to the Arts Council England funding cycle.
Eastlands Reserve	7	(4,389)	5,137	755	1,823	823	This reserve reflects the contribution from Manchester City Football Club and will be used for various projects including English Institute of Sport. Use of the reserve has to be agreed with Sport England.
Highways Commuted Sum	4,305	(89)	0	4,216	4,127	4,038	Contributions towards future maintenance
TOTAL	150,037	(31,252)	16,354	135,139	105,260	77,028	

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
RESERVES HELD TO SUPPORT DELIVERY AND RISK IN THE MTFP							
Budget smoothing reserve	48,731	(2,300)	0	46,431	36,908	17,758	Planned use to smooth the impact of budget shortfalls to mitigate likely future funding reductions whilst cuts and savings are developed and implemented.
Integration Reserve	0	0	0	0	0	0	The reserve is a joint resource between Manchester City Council and NHS ICS to support the infrastructure requirements that underpin the mobilisation of the Locality Plan.
Transformation Reserve	8,609	(1,833)	0	6,776	5,276	3,776	Includes £1.5m a year for three years to fund the revenue costs of the ERP project. A balance is held to support future change programmes and the budget impact of any VER/VS costs.
Supporting Families Reserve	2,439	(800)	0	1,639	439	0	To support the Thriving Families initiative, a whole family, strengths-based approach to child protection.
Clean City	0	0	0	0	0	0	To support clean and green initiatives including litter bin installations, park clean ups, knotweed and hogweed clearances and other waste and recycling activities.
St. John's Growth Zone	1,156	(1,156)	0	0	0	0	Growth in business rates income in the St Johns footprint, used to support budget
Our Manchester reserve	389	(237)	0	152	0	0	Additional investment made available as part of the 2017-2020 budget process to drive forward the delivery of Our Manchester initiatives
Adult Social Care	7,633	(5,010)	0	2,623	174	0	To support Adult and Social Care Improvement Plan
Children's Social Care Reserve	0	0	0	0	0	0	To address pressures in social care, in particular the need to invest in early help and prevention in Children's Services and continued pressures on LAC budgets
Homelessness Reserve	1,946	(1,946)	0	0	0	0	To offset potential increases in need / demand
TOTAL	70,903	(13,282)	0	57,621	42,797	21,534	
RESERVES HELD FOR ACCOUNTING PURPOSES							

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
Business Rates - COVID-19	7,166	(7,166)	0	0	0	0	Business rates relief provided over the pandemic and funded by Government. Applied to offset Collection Fund deficit in arrears.
MAES Reserve	1,359	(449)	0	910	910	910	To fund Manchester Adult Education Services (MAES)
Children's Services Reserve	3,402	(2,797)	0	605	0	0	Various Children's grants being used over more than one year
Collection Initiatives Reserve	3,489	(777)	0	2,712	1,712	1,712	Previous years underspends and one-off grant funding, to be fund ongoing Resident and Welfare Support programmes.
English Partnership (Homes and Communities Agency)	569	(90)	0	479	479	479	HCA approval required to Fund Development appraisal and Eastland's Project team
Other Grants and Contributions - Neighbourhood Services	619	0	0	619	619	619	Various local Environment scheme and initiatives i.e. 'clean up campaigns'
Other Grants and Contributions- Growth and Development	199	0	0	199	199	199	Unspent grants received in previous year
Fraud Fund	136	(68)	0	68	0	0	Unspent grant received in previous year
Deprivation of Liberty Grant	149	(149)	0	0	0	0	Unspent grant received in previous year
Asylum Seekers	359	(92)	0	267	267	0	This will fund the Local Authority Asylum Support Officer (LAASLO) project.
Flood management reserve	37	(37)	0	0	0	0	Unspent grant received in previous year
Department for Transport Grants Reserve	33	0	0	33	33	33	Unspent grant received in previous year
Afghan Families	1,000	(1,000)	0	0	0	0	Unspent grant funding for Afghan families in the city to provide support and temporary accommodation until a permanent offer is identified. This will be applied in 2023/24
Ukrainian Families	1,000	(1,000)	0	0	0	0	Unspent grant funding for Ukrainian families placed in sponsor homes. This provides support for a 12 month period from arrival date and will be applied in 2023/24

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
Local Authority Housing fund	980	(980)	0	0	0	0	Unspent grants funding to provide housing and accommodation to Afghan and Ukrainian families currently supported with temporary accommodation arrangement. This will be applied in 2023/24
TOTAL	20,497	(14,605)	0	5,892	4,219	3,952	
OTHER SPECIFIC RESERVES	0			0			
Making Manchester Fairer	4,410	(2,430)	0	1,980	1,080	1,080	Funding for Making Manchester Fairer including kickstarter schemes
Fleet Maintenance Reserve	67	(92)	25	0	0	0	Reserve created for smoothing the impact of vehicle repair and maintenance costs.
Cleopatra Reserve	250	(130)	0	120	0	0	Balance to support legal costs relating to the CSE review programme
Newton Heath Market Reserve	22	0	0	22	22	22	To fund the future market provision
Landlord Licensing Reserve	100	0	100	200	300	300	This reserve holds the funding for investigation into poor property conditions in the private rented sector in Manchester with the purpose of improving housing conditions for tenants by enforcing compliance with statutory regulations and standards.
Selective Licensing reserve	4	0	117	121	669	669	Costs for administering the reputable landlord initiative and ensure compliance
Pension Risk Fund	518	0	0	518	518	518	To fund external pension liabilities
Nuclear Free Zone	43	(5)	0	38	33	33	General reserve/ GM contributions. At the end of the year any surplus/deficit is adjusted in the reserve
Carbon Reduction Reserve	684	(400)	0	284	79	79	To fund revenue initiatives which support the target for Manchester to become a zero carbon city by 2038 at the latest and specifically, to support the delivery of the Council's 2020-25 Action Plan
End User Device Reserve	1,030	0	515	1,545	60	575	To support ongoing ICT replacement programme.

	Forecast Closing Balance						Purpose
	Forecast Closing Balance Mar-23	Withdraw	Addition	Mar-24	Mar-25	Mar-26	
	£000	£000	£000	£000	£000	£000	
Councils with ALMOs Group (CWAG) Reserve	82	(82)	0	0	0	0	Held in relation to the running costs of the Council With ALMOs Group which is administered by MCC
Graves and Memorials	97	0	0	97	97	97	Money held in trust for repair and development costs for gravestones
Trading Standards Reserve	93	(36)	0	57	21	21	Specific grants such as Tobacco control, control of migration etc.
Housing Compliance Reserve (Fixed Penalty Notices)	505	(82)	0	423	341	341	Revenue collected from enforcement activity is ring-fenced to functions related to Housing Compliance.
Community Safety Reserve	445	(100)	0	345	245	145	A collection of grants the majority of which require spending plans to be agreed with key partner organisations such as GM Police.
Litter Reserve (Fixed Penalty Notices)	132	0	0	132	132	132	Under Government regulations reserve is ringfenced to a small number of specific projects.
Great Ancoats Management Improvement Reserve	192	(20)	0	172	152	152	Specific reserve for use within defined areas within Great Ancoats. Spending plans still under discussion.
Social Value Fund	52	(90)	40	2	2	42	Reserve for Social Funding income from successful tenders
TOTAL	8,726	(3,467)	797	6,056	3,751	4,205	
TOTAL EARMARKED RESERVES	301,188	(65,232)	26,198	262,154	198,640	138,183	
Grand Total General Fund Reserves	358,195	(78,668)	35,548	315,075	247,497	185,099	

Council 3 March 2023
Council Tax Resolution for 2023/24
Appendix 4: Council Tax Resolution for 2023/24

COUNCIL TAX

SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA
IT IS RESOLVED:

1. That the estimates prepared by the Executive at its meeting on 15 February 2023 be approved.
2. That it be noted that the Deputy Chief Executive and City Treasurer acting under delegated powers has determined the amount of 131,615.1 as the Council Tax base for Manchester for the year 2023/24 in accordance with Section 31A (3) of the Local Government Finance Act 1992 and regulations 3 to 5 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
3. That the following amounts can be now calculated by the Council for the year 2023/24 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:
 - (a) £1,760,525,101 being the aggregate of the amounts which the Council estimates for the items set out in the Section 31A (2) (a) to (f) of the Act.
 - (b) £1,547,538,333 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act.
 - (c) £212,986,768 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Sections 31A(4) of the Act, as its council tax requirement for the year.
 - (d) £1,618.25 being the amount at 3(c) above divided by the amount at 2 above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.
 - (e) Valuation Bands being the amount given multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings

listed in different valuation bands. The band bill is shown in the table below.

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,078.83	1,258.64	1,438.45	1,618.25	1,977.87	2,337.48	2,697.09	3,236.50

4. That it be noted that for the year 2023/24 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Precepting Valuation bands

Greater Manchester Mayoral Police and Crime Commissioner Precept:

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
71.96	83.96	95.95	107.95	131.93	155.92	179.91	215.90

Greater Manchester Mayoral General Precept (including Fire Services):

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
162.20	189.23	216.26	243.30	297.36	351.43	405.50	486.60

5. That, having calculated the aggregate in each case of the amounts at 3(e) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2023/24 for each of the categories of dwellings shown below.

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,312.99	1,531.83	1,750.66	1,969.50	2,407.16	2,844.83	3,282.50	3,939.00

1. CALCULATING THE COUNCIL TAX REQUIREMENT

Section 31A Calculations

- 1.1 Section 31A of the Local Government Finance 1992 requires the Council to make three calculations:

1. an estimate of the Council's required gross revenue expenditure - Section 31A(2)

2. an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3)
3. a calculation of the difference between (i) and (ii) above, (i.e. the Council Tax requirement) - Section 31A(4)

1.2 In its Section 31A(2) calculation the Council is required to allow for the following:

Section 31A(2)(a) - the estimated revenue account expenditure it will incur during the year in performing its functions.

Section 31A(2)(b) - an appropriate allowance for contingencies for the year, e.g. for unforeseen occurrences such as disasters, storm damage, higher than expected inflation etc.

Section 31A(2)(c) - any raising of financial reserves for future expenditure - examples of this include payments into a redemption fund, internal insurance etc.

Section 31A(2)(d) - any revenue account deficit for a previous financial year which has not yet been provided for.

Section 31A(2)(da) – any amount estimated to be transferred from the general fund to the collection fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(2)(e) - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund deficit.

Section 31A(2)(f) - any amounts estimated to be transferred from the General Fund to the Collection Fund by direction of the Secretary of State under Section 98(5) of the Local Government Finance Act 1988 - including an estimate of the shortfall in the collection of Non-domestic Rates in excess of the allowance.

1.3. In its Section 31A(3) calculation the Council must calculate the aggregate of sums to be put against gross expenditure, namely:

Section 31A(3)(a) - estimated income from fees, charges, and government grants (including RSG) plus other sums payable into the general fund (but excluding council tax)

Section 31A(3)(aa) – Any amount estimated to be transferred from the collection fund to the general fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(3)(b) - any amount estimated to be transferred from the Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund surplus;

Section 31A(3)(c) - sums to be transferred from the Collection Fund to the General Fund pursuant to a direction of the Secretary of State under Section 98(4) of the Local Government Finance Act 1988 - including allowances for costs of collection of business rates;

Section 31A(3)(d) - the amount of financial reserves/balances which the authority intends to use towards meeting its revenue expenditure

1.4 On the basis of current estimates, the calculations would be as follows:

	HRA £	Other £	Total £
<u>Expenditure</u>			
Section 31A (2)(a)	117,448,000	1,593,112,768	1,710,560,768
Section 31A (2)(b)	0	600,000	600,000
Section 31A (2)(c)	0	35,548,000	35,548,000
Section 31A (2)(d)	0	13,816,333	13,816,333
Section 31A (2)(da)	0	0	0
Section 31A (2)(e)	0	0	0
Section 31A (2)(f)	0	0	0
Total Expenditure	117,448,000	1,643,077,101	1,760,525,101
<u>Income</u>			
Section 31A (3)(a)	(95,794,000)	(975,401,732)	(1,071,195,732)
Section 31A (3)(aa)		(341,667,000)	(341,667,000)
Section 31A (3)(b)	0	(33,232,000)	(33,232,000)
Section 31A (3)(c)	0	(1,121,601)	(1,121,601)
Section 31A (3)(d)	(21,654,000)	(78,668,000)	(100,322,000)
Total Income	(117,448,000)	(1,430,090,333)	(1,547,538,333)

1.5 Council Tax Requirement under Section 31A(4) being the amount by which the aggregate under Section 31A(2) exceeds the aggregate under Section 31A(3) is £212,986,768.

2. CALCULATING THE BASIC AMOUNT OF COUNCIL TAX

2.1. Section 31B of the Local Government Finance Act 1992 requires the Council to calculate the basic amount of its Council Tax - this is in effect the Council element of the Band D Council tax.

2.2 This calculated by applying the following formula:

$$R \div T$$

Where:

R: is the Council Tax requirement, and
T: is the approved Council Tax base

2.3 Calculating the Basic Amount of Council Tax

Council Tax Requirement	£212,986,768
Divided by: Council Tax Base	131,615.1
Band D Basic Amount of Council Tax is:	£1,618.25

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Council 3 March 2023
Council Tax Resolution for 2023/24
Appendix 5: Prudential and Treasury Indicators 2023/24 to 2025/26

Prudential and Treasury Indicators 2023/24 to 2025/26

Please note last year's approved figures are shown in brackets.

Treasury Management Indicators	2023-24		2024-25		2025-26
	%		%		%
Estimated Financing Costs to Net Revenue Stream¹	5.49%		5.37%		5.34%
Estimated Net Income from Commercial and Service Investments to Net Revenue Stream	10.8		10.6		10.4
	£m		£m		£m
Authorised Limit - external debt					
Borrowing	1,825.1	(1,816.1)	1,811.9	(1,816.1)	1,811.9
Other long-term liabilities	190.0	(190.0)	190.0	(190.0)	190.0
TOTAL	2,015.1	(2,006.1)	2,001.9	(2,006.1)	2,001.9
Operational Boundary - external debt					
Borrowing	1,620.5	(1,698.5)	1,726.3	(1,724.0)	1,728.1
Other long-term liabilities	190.0	(190.0)	190.0	(190.0)	190.0
TOTAL	1,810.5	(1,888.5)	1,916.3	(1,914.0)	1,918.1
Estimated external debt	1,465.5	(1,572.0)	1,611.0	(1,606.0)	1,613.3
Upper limit for total principal sums invested for over 364 days	0	(0)	0	(0)	0
Estimated Capital Expenditure					
Non - HRA	377.4	(223.2)	155.7	(51.3)	22.5
HRA	49.0	(31.9)	43.7	(14.6)	11.6
TOTAL	426.4	(255.1)	199.4	(65.9)	34.1

Estimated Capital Financing Requirement (as at 31 March)					
Non – HRA	1,854.7	(1,895.8)	1,893.7	(1,898.6)	1,845.4
HRA	321.8	(321.8)	322.5	(322.6)	323.9
TOTAL	2,176.5	(2,220.6)	2,216.2	(2,221.2)	2,169.3

¹ Note that for 2024-25 onward these are based on estimated net revenue budgets.

Maturity structure of borrowing during 2023-24	Upper Limit		Lower limit	
under 12 months	70%	(70%)	0%	(0%)
12 months and within 24 months	60%	(70%)	0%	(0%)
24 months and within 5 years	40%	(60%)	0%	(0%)
5 years and within 10 years	50%	(60%)	0%	(0%)
10 years and above	80%	(90%)	30%	(30%)
Has the Authority adopted the CIPFA Treasury Management Code?				Yes

The status of the indicators will be included in Treasury Management reporting during 2023/24. They will also be included in the Council's Capital Budget monitoring reports during 2023/24.

Definitions and Purpose of the Treasury Management Indicators noted above (Indicators are as recommended by the CIPFA Prudential Code last revised in 2017)

Estimated Financing Costs to Net Revenue Stream

The authority will set for the forthcoming year and the following financial years an estimate of financing costs to net revenue stream. The indicator recognises that ultimately all debts of a local authority fall on the taxpayer, and that therefore when considering affordability, it is important to review the scale of financing costs to net revenue.

Estimated Net Income from Commercial and Service Investments to Net Revenue Stream

The authority will set for the forthcoming year and the following financial years an estimate of new income from commercial and service investments to net revenue stream. The indicator is intended to show the financial exposure of the authority to the loss of income, and therefore the proportionality of commercial and service investment income to the authority's overall budget. This is a new indicator for 2023/24.

Estimated Capital Expenditure

The authority sets a capital budget for each financial year, which includes an estimate of the capital expenditure which might be incurred. The figures here also include changes to other long-term liabilities.

Estimates Capital Financing Requirement

The capital financing requirement reflects the authority's underlying need to finance capital expenditure and is based on all capital expenditure including that incurred in previous years.

Authorised Limit - external debt

The local authority will set for the forthcoming financial year and the following two financial years an authorised limit for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. Other long-term liabilities include PFI's, service concessions and finance leases. Due to the introduction of IFRS16 (Leasing) on the 1st of April 2022, more of the Council's lessee leases will be classed as finance leases and will become other long-term liabilities, therefore the value will increase from previous years. Work is underway to determine the value of this change in accounting standards, but £20.0m has been added to the indicator at this stage and will be reviewed once this work is complete. This prudential indicator is referred to as the Authorised Limit.

Operational Boundary - external debt

The local authority will also set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. This prudential indicator is referred to as the Operational Boundary.

Both the Authorised Limit and the Operational Boundary need to be consistent with the authority's plans for capital expenditure and financing; and with its treasury management policy statement and practices. The Operational Boundary should be based on the authority's estimate of most likely, i.e. prudent, but not worst-case scenario. Risk analysis and risk management strategies should be considered.

The Operational Boundary should equate to the maximum level of external debt projected by this estimate. Thus, the Operational Boundary links directly to the Authority's plans for capital expenditure; its estimates of capital financing requirement; and its estimate of cash flow requirements for the year for all purposes. The Operational Boundary is a key management tool for in-year monitoring.

It will probably not be significant if the Operational Boundary is breached temporarily on occasions due to variations in cash flow. However, a sustained or regular trend above the Operational Boundary would be significant and should lead to further investigation and action as appropriate. Thus, both the Operational Boundary and the Authorised Limit will be based on the authority's plans. The authority will need to assure itself that these plans are affordable and prudent. The Authorised Limit will in addition need to provide headroom over and above the Operational Boundary enough for example for unusual cash movements.

Estimated external debt

After the year end, the closing balance for actual gross borrowing plus (separately), other long-term liabilities are obtained directly from the local authority's Balance Sheet.

The prudential indicator for Estimated External Debt considers a single point in time and hence is only directly comparable to the Authorised Limit and Operational Boundary at that point in time. Actual external debt during the year can be compared.

Upper limit for total principal sums invested for over 364 days

The authority will set an upper limit for each forward financial year period for the maturing of investments made for a period longer than 364 days. This indicator is referred to as the prudential limit for Principal Sums Invested for periods longer than 364 days.

The purpose of this indicator is so the authority can contain its exposure to the possibility of loss that might arise as a result of it having to seek early repayment or redemption of principal sums invested.

Maturity structure of new borrowing

The authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowing. These indicators are referred to as the Upper and Lower limits respectively for the Maturity Structure of Borrowing.

Liability Benchmark

The liability benchmark is a projection of the amount of loan debt outstanding that the authority needs each year into the future to fund its existing debt liabilities, planned prudential borrowing and other cash flows. The benchmark shows the gap between the authority's outstanding loans at future points in time and the authority's need to for borrowing (the benchmark). It can be used to identify the debt maturities needed for new borrowing in order to match to future liabilities. This is a new indicator for 2023/24.

Local Prudential Indicators

The Council has not yet introduced Local Prudential Indicators to reflect local circumstances but will review on a regular basis the need for these in the future.

Council 3 March 2023
Council Tax Resolution for 2023/24
Appendix 6: Collection Fund Budget 2023/24

COLLECTION FUND BUDGET 2023/24	2023/24 Budget Estimate £'000
<u>EXPENDITURE</u>	
<u>COUNCIL TAX</u> (Surplus) / Deficit B/fwd	6,052
<u>Precepts:</u>	
• Mayoral General (including Fire Services)	14,208
• Mayoral Police & Crime Commissioner	32,022
• City of Manchester	212,987
Total Precepts	259,217
Council Tax Total Expenditure	265,269
<u>BUSINESS RATES</u> (Surplus) / Deficit B/fwd	14,580
<u>Payments/Transfers:</u>	
• Mayoral General (including Fire Services)	3,451
• City of Manchester	341,667
Total Payments/transfers	345,118
Business Rates Total Expenditure	359,698
Collection Fund Total Expenditure	624,967
<u>INCOME</u>	
<u>COUNCIL TAX</u>	
Council Tax Income	268,619
Write Off of uncollectable amounts	(1,063)
Allowance for Impairment	(8,339)
Council tax receivable	259,217
<u>Contribution of Council Tax (surplus) / deficit:</u>	
• Mayoral General (including Fire Services)	333
• Mayoral Police & Crime Commissioner	738
• City of Manchester	4,981
<i>(Includes one third of 2020/21 in year deficit)</i>	
Total Contribution to Council Tax (surplus) / deficit	6,052
Council Tax Total Income	265,269

<u>BUSINESS RATES</u>	
Non-Domestic Business Rates Income	378,682
Enterprise Zone growth above baseline	(979)
Cost of Collection Allowance	(1,122)
Losses in Collection	(10,488)
Increase in Provision for Appeals	(20,976)
Business rates receivable	345,118
<u>Contribution of Business Rates (surplus) / deficit:</u>	
• Mayoral General (including Fire Services)	146
• City of Manchester	14,434
<i>(Includes one third of 2020/21 in year deficit)</i>	
Total Contribution to Business Rates (surplus) / deficit	14,580
Business Rates Total Income	359,698
Collection Fund Total Income	624,967
MOVEMENT ON FUND BALANCE	
Council Tax (Surplus) / Deficit C/fwd	0
Business Rates (Surplus) / Deficit Cfwd	0
Collection Fund (Surplus) / Deficit	0