



Health Scrutiny Committee

Date: Wednesday, 8 November 2023

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

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

Access to the Council Antechamber

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

Filming and broadcast of the meeting

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

Membership of the Health Scrutiny Committee

Councillors - Green (Chair), Bayunu, Cooley, Curley, Hilal, Karney, Muse, Reeves, Riasat and Wilson

Second Supplementary Agenda

- 5. [2.05-2.25] Revenue Budget Update 2024/25** 3 - 10
Report of the Deputy Chief Executive and City Treasurer

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report provides a high-level overview of the updated budget position. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

- 5a Public Health Budget 2024-27** 11 - 36
Report of the Director of Public Health

The report sets out the proposals for the Public Health budget for 2024/25 to 2026/27.

- 5b Adults Social Care Budget 2024-27** 37 - 74
Report of the Executive Director of Adult Social Services

The report sets out the proposals for the Adults Social Care budget for 2024/25 to 2026/27.

Further Information

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

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

Manchester City Council Report for Information

Report to: Economy and Regeneration Scrutiny Committee - 7 November 2023
Communities and Equalities Scrutiny Committee - 7 November 2023
Children and Young People Scrutiny Committee - 8 November 2023
Health Scrutiny Committee - 8 November 2023
Environment and Climate Change Scrutiny Committee - 9 November 2023

Subject: Revenue Budget Update 2024/25

Report of: Deputy Chief Executive and City Treasurer

Summary

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report provides a high-level overview of the updated budget position. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

Recommendations

The Committee is recommended to:

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

Wards Affected: All

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

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

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

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

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

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The changes included within this report will, subject to Member comments and consultation, be included in the final 2024/25 revenue budget set by Council on 1 March 2024.

Financial Consequences – Capital

None directly arising from this report.

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Background documents (available for public inspection):

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

[Medium Term Financial Strategy and 2023/24 Revenue Budget – Executive 15 February 2023](#)

[Revenue Budget Update 2024/2025 - Resources and Governance Committee 7 September 2023](#)

1. Introduction

- 1.1. An indicative balanced 2024/25 budget was set out in the February 2023 MTFs, including the planned use of reserves. As reported to Resources and Governance committee in September the current years pressures and updated forecasts meant that the position had to be reviewed. This report updates on the refreshed position including progress in reaching a balanced budget, reflecting preliminary savings and investment options.

2. Background

- 2.1. The funding outlook for Local Government remains extremely challenging. The LGA published new analysis on 20 October¹ which estimates that English councils are set for a budget gap of £4bn by March 2025 just to keep services at current levels. This is an increase of more than a third since the previous forecast in July, which has been driven by higher inflation forecasts by the Bank of England. This is in the context of over a decade of austerity which saw councils' core spending power fall by 27% in real terms from 2010/11 to 2023/24. As a result, the financial resilience of the sector is low and its capacity to respond to financial crises is limited. Many Councils have warned this is threatening their financial sustainability and most are facing tough decisions around cutting services and increasing Council Tax and fees and charges during a cost-of-living crisis.
- 2.2. Despite levels of inflation being significantly higher than forecast at the time of the Spending Review in October 2021, the government has communicated there will be no increase in the overall funding envelope over the Spending Review period. As part of the 2023/24 financial settlement, the government produced a Policy statement on the 2024/25 financial envelope outlining the likely size of a number of key funding streams. The assumptions in this paper still stand and recent confirmation has also been received for the levels Adult Social Care grants in 2024/25. It should be noted that these assumptions include an overall council tax referendum threshold of 4.99% for upper tier authorities. Uncertainty still remains around a number of funding streams including New Homes Bonus. The number and level of different specific grants remains an ongoing risk.
- 2.3. The government is expected to announce the Autumn Statement on 22 November 2023, but no major changes are expected. Government funding for 2024/25 will be confirmed in the provisional finance settlement, expected late in December 2023.
- 2.4. In common with the rest of the sector the Council's finances continue to be under pressure. The high levels of inflation and rising demand for services continues to outstrip the level of resources available. The resilience of the

¹ **Autumn Statement 2023: LGA submission**

<https://www.local.gov.uk/parliament/briefings-and-responses/autumn-statement-2023-lga-submission>

Council has been eroded by the impact of over a decade of austerity. It should be noted that Manchester was one of the hardest hit councils and has delivered £443m of savings since 2010 to cope with the funding cuts and unfunded budget pressures. The Council is only in a position to set a balanced budget for 2024/25 due to the careful long-term financial planning which has involved taking some difficult decisions, including £36.2m of savings agreed across 2024-26 and the use of £53.2m of reserves to support the budget deficit during the same period. Despite this a significant and growing budget gap remains from 2025/26 and urgent action is going to be required to address this.

- 2.5. This report sets out the updated financial position and the proposed budget process.

3. Summary Budget Position

- 3.1. The final budget position for 2024/25 and future years will be confirmed at February 2024 Executive. This will be after the key decisions confirming the Council Tax and Business Rates tax base to be used to determine the collection fund position have been made in January and the Final Finance Settlement is received.
- 3.2. The indicative medium-term position is shown in the table below, showing the planned use of reserves and the level of savings proposals identified as part of last years budget setting process (£36.2m across three years) and additional savings for consideration (£2.5m in 2024/25).

Table One: Summary Budget position

	2023 / 24	2024 / 25	2025 / 26	2026 / 27
	£'000	£'000	£'000	£'000
Resources Available				
Business Rates / Settlement Related Funding	376,527	400,701	415,207	421,805
Council Tax	217,968	228,712	238,279	247,840
Grants and other External Funding	130,494	136,226	109,997	109,997
Use of Reserves	13,714	8,222	9,703	4,922
Total Resources Available	738,703	773,861	773,186	784,564
Resources Required				
Corporate Costs	116,421	120,681	124,767	123,986
Directorate Costs	638,751	699,761	734,783	765,996
Total Resources Required	755,172	820,442	859,550	889,982
Budget Gap	16,469	46,581	86,364	105,418
Savings approved in current MTFP	(15,396)	(25,568)	(36,170)	(36,170)
Additional Savings		(2,500)	(2,500)	(2,500)
Use of Smoothing Reserves	(1,073)	(16,858)	(17,850)	(17,758)
Gap after use of Smoothing Reserves and savings	0	1,655	29,844	48,990

- 3.3. The budget assumptions that underpin 2024/25 to 2026/27 include the commitments made as part of the 2023/24 budget process to fund known ongoing demand pressures. In addition, a review of emerging pressures and budget assumptions has been completed and provision has been made to address these where they are unavoidable, including inflation and pay awards. Whilst this contributes to the scale of the budget gap it is important that a realistic budget is set which reflects ongoing cost and demand pressures.
- 3.4. The accompanying report sets out the priorities and officer proposals for the services within the remit of this committee. This includes a reminder of the savings proposals identified as part of last year's budget setting process (£36.2m across three years) and additional savings for consideration (£2.5m from 2024/25). As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options.
- 3.5. There remains a forecast shortfall of £1.6m next year. Any further reduction to the underspend this year will reduce the need to top back up General Fund reserve in 2024/25 and help bridge this shortfall. In addition, the Collection Fund position will be finalised in January and the final levy amounts from GMCA confirmed.

4. Budget Consultation

- 4.1. There is a statutory requirement to consult with business rates payers. Public consultation on proposed Council Tax levels and the savings and cuts measures put forward by officers will open on 31 October and run until 27 December 2023. The provisional results from the consultation will be reported to Executive in February. The full analysis and results, alongside comments from scrutiny committees, will be reported to the Budget Scrutiny meeting on 26 February to ensure they are fully considered before the final budget is set.
- 4.2. None of the budget options set out to date require formal statutory consultation.

5. Equalities Impact and Anti-Poverty Assessments

- 5.1. Each saving option that was approved last year was supported by a robust business case where consideration was given to how the savings could impact on different protected or disadvantaged groups. Where applicable proposals were subject to completion of an Equality Impact Assessment (EqIA) and a Poverty Impact Assessment as part of the detailed planning and implementation. Work is also underway on the way in which equalities data is collected across the Council, supporting the ability to be better informed on the impact of changes being made to services.

6. Scrutiny of the draft proposals and the budget reports

- 6.1. The reports have been tailored to the remit of each scrutiny as shown in the table below. Each Committee is invited to consider the proposed changes

which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

Table Two Scrutiny Committee Remits

Date	Meeting	Services Included
7 Nov 23	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Compliance and Community Safety Housing Operations including Homelessness Neighbourhood teams
7 Nov 23	Economy and Regeneration Scrutiny Committee	City Centre Regeneration Strategic Development Housing and residential growth Planning, Building Control, and licensing Investment Estate Work and skills Highways
8 Nov 23	Health Scrutiny Committee	Adult Social Care Public Health
8 Nov 23	Children and Young People Scrutiny Committee	Children and Education Services
9 Nov 23	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
9 Nov 23	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance

7. Next Steps

7.1. The proposed next steps are as follows:

- 31 October Budget consultation launched to close 27 December 2023
- 7-9 November - Scrutiny Committees
- 7 December – RAGOS – Update on Autumn Statement (expected 22 November) and Council Tax and Business Rates Key Decisions report
- Late December - The Local Government Finance Settlement expected
- 11 January - Resources and Governance Scrutiny Committee - settlement outcome, update on the budget position and consultation responses, including for the proposed changes to the Council Tax Support Scheme
- 17 January - Executive -settlement outcome, update on the budget position and consultation responses

- 6-8 February - Scrutiny Committees
- 14 February - Executive receive proposed budget
- 26 February - Resources and Governance Budget Scrutiny.
- 1 March - Council approval of 2024/25 budget

**Manchester City Council
Report for Information**

Report to: Health Scrutiny Committee – 8 November 2023

Subject: Public Health Budget 2024-27

Report of: Director of Public Health

Summary

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

Recommendations

The Committee is recommended to:

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

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A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The effective use of resources underpins the Council's activities in support of its strategic priorities as set out in the Corporate Plan which is underpinned by the Our Manchester Strategy.
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Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The changes included within this report will, subject to Member comments and consultation, be included in the final 2024/25 revenue budget set by Council on 1 March 2024.

Financial Consequences – Capital

None directly arising from this report.

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Background documents (available for public inspection):

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

[Medium Term Financial Strategy and 2023/24 Revenue Budget – Executive 15 February 2023](#)

1. Introduction and purpose

1.1. The report sets out the proposals for the Public Health budget for 2024/25 to 2026/27. It provides:

- (i) An overview of Public Health services and key priorities;
- (ii) A detailed overview of the budget; and
- (iii) An update on Making Manchester Fairer (MMF).

2. Service overview and priorities

2.1. The Department of Public Health's overarching aims are to develop strategies and delivery plans, policies, work programmes and commission of services to; improve the health and wellbeing of the population of Manchester, protect them from threats to their health, prevent and mitigate risks to support better health outcomes, and create the conditions in society and the environment that lead to better health. This work is done using the best available evidence, data and insight.

2.2. The key Department priorities are to:

- Lead the implementation the Making Manchester Fairer Action Plan including delivery of the integrated anti-poverty strategy
- Strengthen the resilience and capacity of commissioned services to respond to population needs and inequalities driven by the cost-of-living crisis and the legacy of the COVID-19 pandemic
- Ensure that work to improve population health and reduce inequalities across the Manchester Locality Partnership is supported by high quality, useable evidence and intelligence

Health Improvement and Wellbeing

- Strengthen our capacity to improve health and wellbeing for children and young people
- Refreshing the Manchester Age Friendly Strategy
- Lead the development of an all-age mental wellbeing strategy for the city
- Relaunch CHEM as Community Health Equity Manchester with redefined focus, and programme of work to build trust, amplify voice and provide insight for specific communities

Health Protection and Healthy Environments

- Maintain a robust health protection system that can deal with business as usual as well as being able to respond to unexpected events including outbreaks, surges in infections and emerging health protection issues with a focus on reducing health inequalities

Health Care Public Health and Partnerships

- Support the Manchester Partnership Board to deliver the health and wellbeing priorities for the city, integrating population health and prevention of-ill health approaches in Manchester locality and neighbourhood arrangements.

3. Service budget and proposed changes

- 3.1. Public Health is funded nationally through a specific ringfenced grant. However, the Greater Manchester locality has been part of the governments business rates pilot for a number of years whereby the funding ringfence is removed and an equivalent allocation received as an adjustment to business rates.
- 3.2. The gross 2023/24 budget detailed in the table below is £50.471m and the net budget of £43.211m. Income of £7.260m includes use of reserves £3.753m, Better Care Fund £0.960m, contributions from NHS partners £0.805m and from other local authorities £0.853m and government grant £0.889m.

Table One: Base budget 2023/24

Service Area	2023/24 Gross Budget £'000	2023/24 Net Budget £'000	2023/24 Budgeted posts (FTE) £'000
Children's:			
Health Visitors	11,164	11,164	
Schools Health Service	4,145	4,145	
Other Children's	415	415	
Sub Total	15,724	15,724	-
Wellbeing:			
Be Well Service	2,921	1,585	
Weight Management	599	599	
Smoking Prevention	812	570	
Falls Service	768	768	
Other Wellbeing	2,760	2,142	
Sub Total	7,859	5,663	-
Drug & Alcohol Services:			
Integrated Treatment & Support Service	8,216	6,932	
In-patient Detox & Residential Rehab	944	944	
Young People Services	652	652	
Other Drug & Alcohol	736	736	
Sub Total	10,548	9,264	-
Sexual Health Services:			
Sexual Health	7,216	6,387	
HIV	1,227	1,227	
Other Sexual Health	1,599	1,408	
Sub Total	10,042	9,021	-
Making Manchester Fairer:			
COVID Health Equity Manchester (CHEM)	160	160	
Sub Total	160	160	-

Other Staffing, Management & Support:			
Core Staffing	3,638	2,709	61.50
Other	2,501	671	
Sub Total	6,139	3,380	61.50
Total Public Health	50,471	43,211	61.50

- 3.3. The latest 2023/24 global monitoring report to the Executive outlined a £0.8m underspend. Savings of £0.730m have been achieved in full. There are underspends across the staffing budgets due to vacant posts and the maximisation of external funding, and underspends on other indirect staffing costs.

Savings Plan 2024-27

- 3.4. There are no additional savings for 2024/25. Planned non recurrent use of reserves in 2023/24 of £0.330m is replaced in 2024/25 with the planned use of headroom in the budget set aside for contract uplifts as detailed in the report to Health Scrutiny February 2023. The approved savings schedule for 2024-26 is detailed in **Appendix 1**.

Growth and Pressures 2024-27

- 3.5. No additional growth and pressures were approved for 2024-26. Provision has been made for inflationary price increases and potential pay awards. This is held corporately and will be allocated to service budgets when the details are available and considered together with the funding settlement for Public Health.
- 3.6. The 2023/24 budget for the Manchester Locality Structure for health was provisionally set at £8.3m, which is lower than the existing cost of the locality structure. The budget and structures are currently subject to consultation prior to a final agreed position with the ICB. To avoid losing capacity that is essential to the provision of NHS services in Manchester and to ensure there is a managed transition to reducing costs, the Council agreed to fund the public health, population health and equality, inclusion and engagement teams, recurrently by applying £0.5m of public health grant. In addition, a one off £1m from the Public Health reserve to smooth the transition from the CCG to the locality place based budgets and underwrite any potential shortfall.
- 3.7. Further work is being undertaken to reduce costs and ensure their 2024/25 budget is within the resources available. This is focused on further aligning health and care within Manchester creating a more integrated model for the locality focused on delivering the right outcomes for Manchester's population in a financially sustainable way. A recurrent allocation of £1m is held centrally for 2024/25 pending consideration of the establishment structure in 2024/25.

Government Grants and Joint Funding 2024-27

- 3.8. The key arrangements are as follows:

- (i) Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) funding scheme, to support local delivery of the strategy. Use of the SSMTRG should directly address the aims of the treatment and recovery section of the drug strategy. Local delivery of these ambitions aims to drive an improvement in the quality of the service for Manchester residents, ensure more people can access our community treatment services, and support a reduction in the number of caseloads of our practitioners and clinicians delivering substance misuse services. The 2023/24 allocation is £2.394m, rising to £4.621m in 2024/25. Discussions are taking place regarding funding beyond this date.
- (ii) Supplementary Substance Misuse Treatment and Recovery Housing Support Grant to provide a menu of options to improve the recovery outcomes of people in treatment (or in contact with the treatment system) with a range of housing support needs. Manchester's annual allocation for 2023-25 is £0.889m.
- (iii) Grant for delivery of 'Individual Placement Support' (IPS) to provide employment support within alcohol and drug treatment services. The funding allocation in 2023/24 is £0.162m rising to £0.167m in 2024/25.
- (iv) Drug & Alcohol Treatment for Rough Sleepers Grant to provide wrap around engagement and support to support individuals in accessing, engaging with and sustaining engagement with drug and alcohol treatment and relevant services. Manchester's annual allocation for 2023-25 is £1.044m.
- (v) Stop smoking services grant. The indicative 2024/25 additional allocation is £0.909m.
- (vi) Additional funding is attached to the above for Inpatient Detoxification, and this is targeted to increase the number of people accessing support for inpatient detoxification services. A Greater Manchester Consortium is in place to enable the 10 local authorities to work together as a regional integrated care system to commission additional medically managed capacity in local hospital or inpatient settings. Manchester's annual allocation for 2023-25 is £0.139m.
- (vii) Early Years Pilot (Oral Health Grant) to improve oral health interventions in Manchester, Tameside and Trafford, and deliver an Oral Health Conference. The annual allocation for 2023-25 is £0.313m (to be distributed fairly across the 3 localities based on need.)
- (viii) Family Hubs Grant (received via Children's Services) to provide infant feeding enhancements in north and south Manchester, speech and language and learning development enhancements. The funding allocation in 2023/24 and 2024/25 is £0.409m.

3.9. Appendix 3 provides an overview of the forecast medium-term budgets by service. **Appendix 4** provides an objective analysis of the 2023/24 budget to

also set out the key areas of income. The forecast grants are listed at **Appendix 5**.

4. Making Manchester Fairer and Anti Poverty Strategy

- 4.1. Making Manchester Fairer (MMF) is Manchester City Council's five-year action plan to address health inequalities in the city focussing on the social determinants of health.
- 4.2. In the wake of the COVID-19 Pandemic and the cost-of-living crisis, the need to tackle inequalities in the city continues to be a corporate and political priority. The delivery of MMF can be by its 8 themes, 4 ways of involving communities and 6 principles that underpin the way the programme will be delivered. Implementation of the plan has focused on the foundational workstreams required to ensure robust delivery of the plan.

MMF Delivery Plan Themes, Principles and Ways of Involving communities.

Themes	Principles	Way of Involving communities*
Early years, children and young people	Proportionate universalism and focus on equity	Listen to us
Poverty, income and debt	Respond to and learn from the impact of COVID 19	Trust us
Work and employment	Tailor to reflect the needs of Manchester	Employ us
Prevention of ill health and preventable deaths	Collaboration, creativity, and whole system approach	Create and support the conditions for social connections to develop and flourish
Homes and Housing	Monitoring and evaluate to ensure we are Making Manchester Fairer – narrowing gaps with Manchester as well as regional and national averages	
Places, transport and climate change	Take a life course approach with action on health inequalities starting before birth and right through to focus on ageing and specific needs of older people	
Communities and power		
Systemic and structural racism and discrimination		

*Based on insight from community group engagement

- 4.3. Investment of up to £2.989m over the 2023/24 and 2024/25 financial years has been identified from Public Health reserves. With the expectation that delivery of the MMF programme and identified Kickstarter schemes will deliver savings to the health and social care system and wider including Education, Work and Skills and Homelessness.
- 4.4. Two kickstarter schemes have been prioritised for investment. The schemes are challenged with delivering the MMF plan's principles, improving health

equity and also demonstrating an ‘invest to save’ approach. Current budget allocation provides programme delivery resources and funds phase one Kickstarter Schemes.

MMF Spend Allocation	2023/24 £'000	2024/25 £'000	Total £'000
Programme Resources	248	268	516
Childrens Kickstarter	818	182	1,000
Young People’s Kickstarter	197	234	431
Early Help for Adults Kickstarter	67	783	850
TOTAL	1,330	1,467	2,797

- 4.5. The phase one Kickstarters are expected to deliver financial benefits as well as improving health equity for the target population groups. An update on the two Kickstarter schemes is provided below.

Improving Health Equity for Children and Young People (£1.431m)

Children’s Kickstarter

- 4.6. In April work began to implement the 3-tier support offer delivered by a collaborative task force of services to provide intensive, targeted and universal support and interventions for children and families in early years. Benefits of the Kickstarter will be in the short / medium term:
- Improved school attendance
 - Improved uptake of Early Years offers/free 2-year-old childcare
 - Improved school readiness
- 4.7. Longer term benefits will be realised in 2 -3 years through:
- Reduction in demand for specialist services such as speech and language therapy
 - Reduction in Education, Health, and Care Plans (EHCPs) due to needs being met at SEND (Special Educational Need and Disability) services.
 - Increase in children reaching the appropriate level at each transition stage.
- 4.8. All 10 schools identified for intensive support have recruited a support worker and are working with speech and language therapists and education psychologists to plan support. All 40 schools identified for the next tier of targeted support, are engaged and are working in groups to plan how they are using the resources available through the Kickstarter scheme.
- 4.9. The universal offer has started with an Early Years transition reading book that went out to all children in Manchester starting Reception in September 2023. Books and the parent activity/enrichment pack went out to all early years settings before the end of the summer term.

- 4.10. Qualitative and quantitative feedback on progress is expected at the end of the autumn term – December 2023. Informal feedback from the schools receiving support has been positive with outcomes including:
- The re-establishment of links between schools and other services such as Sure Start which had broken down over COVID, helping to improve the transition of children into Reception.
 - Partners who will form part of the taskforce are seeing the project as a route to deliver support.
 - Haveley Hey Community School, the first intensive support school, has seen the children's ability to write improve week on week, they are now able to express themselves through writing and have developed a positive association with writing which has fortified the building blocks of their learning going forward.

Young People's Kickstarter

- 4.11. This model was endorsed by the MMF Programme Board in July. The Kickstarter seeks to reduce the inequality or gap between the general population of young people and certain groups who are at an increased risk of experiencing poor mental wellbeing or developing mental ill health, such as those most impacted by the cost-of-living crisis, LGBTQ+ young people, racially minoritised young people, and those who have needed social care service support.
- 4.12. The main target groups will be young people (aged 13-25) living in the 11 wards in the city where poverty, marginalised communities, and young people's needs are the greatest. This will include young people living with their families, and young people living independently (e.g., young people in or leaving the care system or young people who are homeless).
- 4.13. There will be 2 delivery elements for the Kickstarter: a) mental health and wellbeing support (online and 1-1) for young people, and b) a multi-component skills-based training and support programme for frontline workers and managers in community settings, to increase skills and capacity for supporting young people's mental health and wellbeing and preventing mental ill-health.
- 4.14. Specialist VCSE (Voluntary, Community and Social Enterprise) organisation(s) with knowledge and experience of the needs of young people in Manchester, skills in supporting young people with mental health issues, and understanding of the needs and assets of Manchester's communities and young people, will be commissioned to deliver these.
- 4.15. It is envisaged that delivery will commence from October and measurable benefits will be evident from January 2024.
- 4.16. Benefits will be in short / medium term:
- Take up of targeted support and engagement with young people- VCSE provider will be triaging 42nd w/list based on targeted groups outlined.

- Improvement in wellbeing - measured at start and end of support with regular follow up at 3/6/9 months post support.
 - Reduction in 42nd waiting list for the targeted groups
- 4.17. Longer term benefits in 2 years will be seen by reducing or preventing demand in high demand areas such as:
- Reduced referrals for specialist mental health services
 - Visits to A&E
 - Substance abuse
- 4.18. It is worth noting these longer-term significant benefits will only be realised if learning from Kickstarter outcomes enabled the provision to be scaled up.

Early Help for Adults Experiencing Multiple and Complex Disadvantage (£0.850m)

- 4.19. This Kickstarter will allow Multi-Agency Prevention and Support (MAPS) meetings to be delivered across 13 Integrated Neighbourhood Team footprints, bringing together locality- based professionals with intelligence and experience working with adults who require supportive interventions. A commissioned local support provider with experience of working across sectors will draw on the intelligence of all MAPS and VCSE partners to provide a bespoke holistic support intervention and a single point of contact for the individual receiving support. The target group are adults experiencing multiple disadvantage (e.g. homelessness, mental ill health, alcohol or drug misuse, and unemployment).
- 4.20. It is envisaged that a local provider will be commissioned in early 2024 to provide this support.
- 4.21. Monthly monitoring of the additional MAPS and commissioned activity will take place from the date each MAPS is implemented. Benefits of provision should be evident from Q1 of the 24 / 25 financial year.
- 4.22. Benefits will be in short / medium term:
- Referrals to new MAPS Meetings
 - Relationship building and intelligence sharing with MAPS partners
 - Embedding of Early Help for Adults Case Management within MAPS supporting the wider support network
- 4.23. Longer term benefits in 2 years will be seen by reducing or preventing demand in high demand areas including:
- Reduction in A&E presentations
 - Reduction in the number of people sleeping rough or who are homeless
 - Reductions in demand for adult social care services
 - Reduction in intensive mental health support

- 4.24. The MMF Action Plan (above) focuses on the social determinants of health and requires all agencies to contribute to improving the conditions in which Manchester's residents are born, grow, live, work and age. The continues implications and impact of the cost-of-living crisis will affect the lives of many residents in the city and may reduce the scale of the outcomes intended to be achieved through the MMF Action Plan in the short-term.
- 4.25. Future funding opportunities would focus on sustainability and mainstreaming elements of the Kickstarters that provided the greatest benefits and providing VCSE organisations with long-term funding to build their capacity to support the delivery of the MMF Plan.
- 4.26. Detailed work is underway to review all support to residents through Cost of Living support and MMF to ensure the best use of resources with a report due in January.

5. Equality and Anti-Poverty Impact

- 5.1. The approach to Cost of Living, Anti-Poverty and Making Manchester Fairer (Including Health Equity) is summarised in the Figure below.



6. **Commissioning and procurement priorities**

- 6.1. Five high value commissioned services are undergoing due diligence checks at the present time in line with all other 'Gold' or strategic contracts across the Council. These are as follows - Health Visitors Service, School Health Service, Contraception, Sexual Health and HIV Service (Northern), Integrated Drug & Alcohol Treatment & Support Service (CGL Manchester), and Community Nutrition Support Service.

- 6.2. The Health Visitors Service leads the delivery of the Healthy Child Programme (0-5 years) across the city and works in partnership with maternity services, early years services, primary and secondary care, children's social care and others. The workforce consists of specialist community public health nurses (SCPHN) and teams who provide expert information, assessments and interventions for babies, children, and families including first time mothers and fathers and families with complex needs. Health Visitors help to empower parents to make decisions that affect their family's health and wellbeing, and their role is central to improving the health outcomes of populations and reducing health inequalities. The service is led by Health Visitors and supported by skill mix teams. An Infant Feeding Service is provided in north Manchester and the additional Family Hubs Grant funding has enabled the service to expand citywide.
- 6.3. The Health Visitors Service will be undergoing a desk-top review from January 2024 – March 2024.
- 6.4. The School Health Service leads the delivery of the Healthy Child Programme (5-19 years) across the city and works in partnership with wide range of professionals and organisations to support children and families. The Healthy Child Programme is universal and provides an early opportunity to identify children and families that may need additional support or are at risk of poor outcomes. The service has 4 elements including –
- (i) School Nursing which delivers safeguarding and clinical interventions including weighing and measuring children (National Child Measurement Programme), immunisations and outbreak response;
 - (ii) Healthy Weight Team which delivers weight management and safeguarding interventions to children identified as overweight, obese or morbidly obese;
 - (iii) Healthy Schools Programme which delivers health promotion across a curriculum of health-related topics; and
 - (iv) Accident Prevention which delivers health promotion to reduce accidental death and unintentional injury (for example, falls, cuts, burns, drowning) and works with various organisation including several Council Departments including Trading Standards, Neighbourhoods, Highways.
- 6.5. The School Health Service is undergoing a review which is due to conclude at the end of December 2023 with a view to a new service specification being in place from 1 April 2024. The review has been taking place against a backdrop of capacity constraints within the service due to recruitment difficulties. It is reported that the school nurse workforce across England has reduced by one third between 2009 and 2022 (NHS Digital, 2023.)
- 6.6. The Northern Contraception, Sexual Health and HIV Service (for people of all ages) is commissioned to provide routine, intermediate and specialist sexual &

reproductive health provision including the testing and treatment of sexually transmitted infections (STIs), all methods of contraception, emergency contraception, condoms, pregnancy tests, abortion information, dedicated services for young people under the age of 25 (FRESH), reproductive health advice and referral, post exposure prophylaxis (PEP) and pre exposure prophylaxis (PrEP.) Specialist services are available including the Chemsex Clinic (known as REACH.)

- 6.7. Performance information from Northern confirms that the service is in very high demand. There is an intention to work collaboratively with the service to address service capacity issues and develop service improvement options.
- 6.8. The Integrated Drug and Alcohol Treatment and Support Service (CGL Manchester) is commissioned to deliver a single referral, triage and assessment process for all drug and alcohol interventions delivered in a community setting. The service has a number of elements including prevention and self-care including training on drugs and alcohol, engagement and early intervention including harm reduction (including Needle & Syringe Programmes), structured treatment, and recovery support. The service is available citywide and can be accessed digitally and across community settings (for example, in criminal justice settings such as Probation.)
- 6.9. CGL Manchester have received additional investment as a result of the various grant schemes highlighted above in 3.4. Performance information confirms excellent performance for increasing the numbers of people in treatment and for improving on continuity of care from prison to community treatment.
- 6.10. The Community Nutrition Support Service is commissioned to deliver community nutrition (for example, sip feeds to supplement a normal diet in certain groups of residents with poor nutritional intake or status), home enteral feeding, and a prevention of malnutrition programme. There is an intention to discuss future commissioning arrangements with the MCLO (Manchester Local Care Organisation) and the NHS Locality Team.
- 6.11. A tender exercise is currently underway for a Contraception & Sexual Health Service for Young People (aged 19 and under.) The service will meet the routine and intermediate needs of young people through the provision of contraception, and screening for and treatment of common sexually transmitted infections. The service will operate a clinic in the city centre and deliver education outreach activities, provide postal STI testing kits to eligible people via a digital service, and develop at least one sexual health prevention and promotion campaign per year.
- 6.12. A tender exercise is planned for the provision of Drug and Alcohol In-patient Detoxification and Residential Rehabilitation placements. The In-patient Detoxification Service provides short episodes of drug and alcohol treatment in a hospital or in-patient setting including assessment, stabilisation and assisted withdrawal/treatment where it isn't safe to provide these interventions in the community. The Residential Rehabilitation Service provides placements

for residents who have been assessed by the Substance Misuse Social Work Team as requiring residential rehabilitation as part of their treatment and care plan.

- 6.13. A new contract is due to be issued in June 2024 for the provision of a GM Sexual Health Improvement Programme (which is provided by Black Health Agency for Equality, LGBT Foundation and George House Trust who work together as the PaSH (Passionate about Sexual Health) Partnership.) The programme delivers STI and HIV prevention and support to residents from populations who are at most risk. It is intended that the GM local authorities will work closely with the PaSH Partnership to review the current service specification before a new contract is issued.

7. Workforce

- 7.1. There are no workforce implications based on what is set out within this report. More generally, work has taken place over the past 12 months to establish virtual teams aligned to thematic delivery. This provides a better environment in which to share skills and expertise across the Department and provides clarity and stability to the workforce post-pandemic.
- 7.2. In order to support the delivery of the Making Manchester Fairer Programme, funded by the Public Health Reserves, a number of roles have been created, the majority of which have now been filled. Turnover within the Department remains low, at 3.7%.

8. Future opportunities, Risks and policy considerations

- 8.1. The cost of living has increased sharply across the UK in recent years. Recent data confirms it was 6.7% in September 2023, unchanged from the previous month. Rising costs have had an impact on commissioned services and robust budget management has enabled appropriate uplifts to contracts.
- 8.2. Commissioned service providers pay a minimum of the Real Living Wage to their workforce in line with the plan to make Manchester a Real Living Wage city.
- 8.3. As referred to in 3.4, there is currently no further information on the Grant schemes income beyond 2024/25. This creates a level of uncertainty when it comes to future planning. Of particular concern is the Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) with Manchester already achieving excellent outcomes in relation to the numbers of people in drug treatment. However other parts of the country are not performing as well, and this could lead to a “blanket” withdrawal of funding.
- 8.4. The mainstreaming of successful Kickstarter schemes will be considered as part of a phased approach, as the schemes have all had different start dates (see section 4.6). It is envisaged that proposals to mainstream the Children’s Kickstarter, which commenced in April 2023, will be considered in advance of the new financial year.

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Appendix 1 - Savings Schedule

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2023/24	2024/25	2025/26	Total	
				£'000	£'000	£'000	£'000	
Directorate	Disestablish Public Health Vacancies	Efficiency	These savings have been identified as deliverable without impacting on delivery of public health commissioned services in the city	90			90	3
Directorate	Use of 2022/23 underspend	Efficiency		330	(330)		0	None
Directorate	MCR Active - removal of budget intended to contribute to the development, implementation and licensing of the digital single pathway to design a 'one stop shop' for ALL Sport & Physical Activity opportunities. Whilst this causes a delay, MCR are confident in securing alternative financing arrangements for this development	Efficiency		30			30	None
Directorate	Headroom in budget set aside for contract uplifts	Efficiency		280	330		610	None
Total				730	-	-	730	3

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Appendix 2 – Growth and Pressures Schedule

Service	Description of Pressure	Pressure / Growth Amount			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Total Investment					

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Appendix 3: Indicative Medium term budgets by service

Service Area	2023/2024 Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget	2026/2027 Indicative Budget
	£'000	£'000	£'000	£'000
Children's:				
Health Visitors	11,164	11,164	11,164	11,164
Schools Health Service	4,145	4,145	4,145	4,145
Other Children's	415	415	415	415
Sub Total	15,724	15,724	15,724	15,724
Wellbeing:				
Be Well Service	1,585	1,585	1,585	1,585
Weight Management	599	599	599	599
Smoking Prevention	570	570	570	570
Falls Service	768	768	768	768
Other Wellbeing	2,142	2,142	2,142	2,142
Sub Total	5,663	5,663	5,663	5,663
Drug & Alcohol Services:				
Integrated Treatment & Support Service	6,932	6,932	6,932	6,932
In-patient Detox & Residential Rehab	944	944	944	944
Young People Services	652	652	652	652
Other Drug & Alcohol	736	736	736	736
Sub Total	9,264	9,264	9,264	9,264
Sexual Health Services:				
Sexual Health	6,387	6,387	6,387	6,387
HIV	1,227	1,227	1,227	1,227
Other Sexual Health	1,408	1,408	1,408	1,408

Sub Total	9,021	9,021	9,021	9,021
Making Manchester Fairer:				
COVID Health Equity Manchester (CHEM)	160	160	160	160
Sub Total	160	160	160	160
Other Staffing, Management & Support:				
Core Staffing	2,709	2,694	2,694	2,694
Other	671	671	671	671
Sub Total	3,380	3,365	3,365	3,365
Total Public Health	43,211	43,196	43,196	43,196

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

Public Health	2023/2024 Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget	2026/2027 Indicative Budget
	£'000	£'000	£'000	£'000
Expenditure:				
Employees	3,648	3,633	3,633	3,633
Running Expenses	50,423	50,711	50,711	50,711
Sub Total Subjective Expenditure	54,071	54,344	54,344	54,344
Less:				
Other Internal sales				
Gross Expenditure	54,071	54,344	54,344	54,344
Income:				
Government Grants	- 4,489	- 7,630	- 7,630	- 7,630
Contributions from Reserves	- 3,753	- 900	- 900	- 900
Other Grants Reimbursements and Contributions	- 853	- 853	- 853	- 853
Other Income	- 1,765	- 1,765	- 1,765	- 1,765
Gross Income	- 10,859	- 11,148	- 11,148	- 11,148
Total Net Budget	43,211	43,196	43,196	43,196

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Appendix 5: Government Grants Indicative Medium term budgets

Government Grants 2024-27	2023/2024 Budget £'000	2024/2025 Indicative Budget £'000	2025/2026 Indicative Budget £'000	2026/2027 Indicative Budget £'000
Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG)	2,394	4,621	4,621	4,621
Supplementary Substance Misuse Treatment and Recovery Housing Support Grant	889	889	889	889
Individual Placement Support' (IPS)	162	167	167	167
Rough Sleeper Drug & Alcohol Treatment	1,044	1,044	1,044	1,044
Stop smoking services		909	909	909
Total Government Grants	4,489	7,630	7,630	7,630

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**Manchester City Council
Report for Information**

Report to: Health Scrutiny Committee – 8 November 2023

Subject: Adults Social Care Budget 2024-27

Report of: Executive Director of Adult Social Services

Summary

The Council is forecasting an estimated budget shortfall of £46m in 2024/25, £86m in 2025/26, and £105m by 2026/27. After the application of approved and planned savings, and the use of c£17m smoothing reserves in each of the three years, this gap reduces to £1.6m in 2024/25, £30m in 2025/26 and £49m by 2026/27. This position assumes that the savings approved as part of the Medium-Term Financial Strategy in February 2023 of £36.2m over three years are delivered.

This report sets out the priorities for the services in the remit of this committee and details the initial revenue budget changes proposed by officers. Each scrutiny committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals in February 2024.

Recommendations

The Committee is recommended to:

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

Wards Affected: All

<p>Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city</p>
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<p>The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p>
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<p>Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments</p>

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

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

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The changes included within this report will, subject to Member comments and consultation, be included in the final 2024/25 revenue budget set by Council on 1 March 2024.

Financial Consequences – Capital

None directly arising from this report.

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Background documents (available for public inspection):

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

[Medium Term Financial Strategy and 2023/24 Revenue Budget – Executive 15 February 2023](#)

1. Introduction and purpose

1.1. The report sets out the proposals for the Adults Social Care budget for 2024/25 to 2026/27. It provides:

- (i) An overview of Adult Social Care services and key priorities and positioning within the Manchester Local Care Organisation;
- (ii) A detailed overview of the budget, including:
 - the significant financial challenges on the 2023/24 budget and requirement to resolve them ahead of incorporating the 2024/25 budget proposals;
 - the update to budget growth assumptions for the service as set out in the Council's Medium Term Financial Plan (MTFP);
 - confirmation of an unchanged savings plan 2024-26 at this stage pending further work underway; and
 - future risks and opportunities including significant budget considerations in 2025/26.

1.2. Whilst the focus of this report is on adult social care, the positioning within Manchester Local Care Organisation (MLCO) is of key importance because of the integrated and maturing approach to joined-up operational service planning. The key components of the financial plan have been developed together, to mitigate and collaboratively manage the need to deliver financial targets in social care and health. Joint financial planning ensures the impact of any plans in health or social care work across the system. Strong joint financial leadership is ensuring the process and the outcomes of the joint financial planning work better in Manchester.

2. MLCO overview 'We are Community'.

2.1. MLCO is the public sector partnership organisation that provides Manchester's NHS Community adult and children's Health and Adult Social Care services. It is the partnership vehicle for the delivery of joined up health, care and wellbeing services.

2.2. MLCO was formed in 2018 as a partnership organisation that is part NHS and part local authority. The s75 agreement between Manchester Foundation Trust (MFT) and the Council enables joint accountability for service design and delivery and to support an increasing integrated approach where that adds value for our staff and residents.

2.3. Over 2,100 NHS adults and children's community healthcare staff from MFT and over 1,700 adult social care staff from Manchester City Council are formally deployed to be part of MLCO; they include district nurses, social workers, health visitors, community dentists, therapists, school nurses, reablement teams, rehabilitation teams, intermediate care staff, end of life care professionals, disability supported accommodation staff and many other

health and care professionals. Collectively these staff undertake c.1m contacts in the community every year.

- 2.4. The MLCO enables these staff to work together as integrated teams with other community partners, such as GPs, housing, VCSFE, police and leisure to provide better care to the people of Manchester, keeping people well in the community and out of hospital.
- 2.5. The MLCO uniquely has a deployed commissioning function as part of its operating model; in Aug 2019 some aspects of community health commissioning was deployed into the MLCO from (the former) MHCC and in April 2021 Adult Social Care commissioning was deployed into the MLCO; integrating into our operating model and codified in the MLCO Commissioning Plan.
- 2.6. The MLCO is unique in GM and the s.75 (the means of achieving formal integration between the Manchester University Foundation Trust (MFT) and Manchester City Council) was signed in 2021 and facilitates the effective delivery of integrated health and adult social care.
- 2.7. The adult social care workforce is already deployed into MLCO, working alongside health colleagues. Health and care budgets are aligned rather than pooled. There is scope to revise partnership arrangements in future, either by entering into a pooled budget in future, or by moving other Council services into MLCO. The agreement is for an initial term of three years. It is due to be reviewed and renewed in 2024/25.
- 2.8. The partnership arrangements between the Council and MFT set out that the Council agrees to delegate its adult social care functions to MFT in order to strengthen integration of community health and social care. This builds on the existing partnership arrangements set out in the 2018 Partnering Agreement. An under- pinning financial framework sets out the agreed working principles and assumptions which will govern the financial arrangements between the Council and MFT for the operation of the aligned budgets. The Adult Social Care budget referred to in this report constitutes the Council contribution to the aligned budget.
- 2.9. The budget strategy for Adult Social Care, as detailed in this report, will also be incorporated into the S75 agreement with MFT and this will be included within the overall budget recommendations to the Executive accordingly.

3. Adult Social Care - overview and priorities

- 3.1. Manchester City Council Adults Services range from supporting young adults, to people who are in their later life. Support can range from receiving advice and guidance, through to shorter term support and onto commissioned services. Assessment for services is undertaken through a Care Act Assessment that uses national eligibility criteria defined in the Care Act 2014.

- 3.2. Aligned to the Care Act's expectations, assessments undertaken will 'consider the person's own strengths and capabilities', and what support might be available from their wider support network or within the community to help. Assessment conversations explore the person's life holistically, considering their needs in the context of their skills, ambitions, and priorities.
- 3.3. In discharging its statutory duty ASC retains discretion to determine how an individual's needs and outcomes should be met within available resources. Adults Eligibility: The Care and Support (Eligibility Criteria) Regulations 2014 sets out the eligibility criteria and determines the circumstances in which an adult meets the eligibility criteria.
- 3.4. In Manchester, we support a large number of Manchester residents with social care needs. We supported:

	31st Dec 2021	31st Dec 2022	30th Sep 2023
Older people (long term support to 65+)	2,995	2,945	3,001
Younger adults (long term support to 18-64)	2,371	2,350	2,375

These figures include:

	31st Dec 2021	31st Dec 2022	30th Sep 2023
Adults with learning disabilities (long term support)	1,220	1,189	1,226
Adults with mental health needs (long term support)	738	774	774
People we support are living in the community	3,735	3,812	3,929
People in residential care	1,072	971	963
People in nursing care	575	516	491

We provide:

	31st Dec 2021	31st Dec 2022	30th Sep 2023
Homecare to	1,863	1,933	2,057
Homecare commissioned hours (weekly)	29,516	31,234	32,648
Supported accommodation to	680	691	714
Support via shared lives schemes to	182	184	179
Support via an extra care scheme or apartment	113	121	113
Cash personal budget or Individual Service Fund	650	642	616

Rolling 12 months:

	31st Dec 2021	31st Dec 2022	30th Sep 2023
Items of equipment and adaptations were installed/provided	10,207	10,989	11,266
Blue badges were issued	7,270	8,162	7,908
People benefitted from our core reablement service	1,612	1,610	1,480
Carers were assessed	1,512	1,675	1,748
Safeguarding enquiries were opened for individuals	6,203	5,803	5,724

- 3.5. The adult social care budget is invested in ensuring that Manchester citizens can stay independent, safe and well. In Manchester, we organise our investment into:
- (i) *Long-term care supporting older and more vulnerable people* in the most appropriate arrangements to support independence, better outcome and better lives This includes investment in services including supported accommodation settings, care homes, home care services and day services;
 - (ii) *Short-term care interventions*, which are very much focused on preventing, reducing and delaying long-term support through maximising independence. This includes investment in equipment and adaptations, technology-enabled care and our in house reablement services. Over 65% of citizens accessing our reablement services don't have an ongoing care need following the short-term intervention. Our carers pathway ensures that we work closely with partners to provide help earlier in a carer's 'caring journey' to equip them with knowledge, information, resources and advice they need to help them continue caring and avoid going into crisis;
 - (iii) *The supporting social worker/assessment and management infrastructure* which we have invested in to ensure that all assessments and reviews are focused on strengths and that our statutory duties are met.
- 3.6. Whilst the fundamental priority for Adult Social Care in 2023/24 remains the safe, effective, efficient delivery of our statutory duties as outlined above in the Care Act 2014 as well as our duties in the Mental Capacity Act and the Mental Health Act, we always put citizens at the centre of everything we do.

Service Transformation and Priorities

- 3.7. In January 2021 we commenced delivery of a major transformation programme – Better Outcomes, Better Lives (BOBL). BOBL is a long-term programme of practice led strengths-based change, which aims to enable the people of Manchester to achieve better outcomes with the result of less dependence on formal care. The strategy of the programme has been to focus

on opportunities to effectively prevent, reduce and delay the point at which someone requires more intensive support. This has required working with people earlier and working in a strengths-based way to provide the right kind of support to maintain or maximise that person's independence.

- 3.8. Prevention will continue to be a priority for the service, providing the right kind of support at the right time. In addition to this, we will continue to focus on working with people to get the best outcomes by promoting independence.
- (i) **Early Help and prevention:** Focusing on the initial part of the persons journey, strengths-based conversations have been launched at the Contact Centre, providing a more exploratory conversation that gets to the real issues behind the call. The Adults Early Support Team, comprised of a Senior Social Worker, Occupational Therapists and Mind Mental Health worker, is now also providing professional expertise for all new contacts. Latest figures from August 23 show that 65% of calls are now resolved at this point, a 10% increase from 2021. This means that people receive the right kinds of support and guidance sooner, along with fewer calls being sent onto INT teams, enabling staff in these teams to focus on complex case work. Next year, this approach will be expanded further, including Learning Disability and Complex Services.
 - (ii) **TEC to support independence:** Technology Enabled Care helps people to remain in their own home, maintain their independence and increase their personal safety. Increasing use of TEC has been and will continue to be a priority. Recent evaluations of kit, such as, Just Checking have provided the evidence to incorporate kit more formally into service pathways to support assessment and review.
 - (iii) **Strengths-based, focused reviews:** proactive, strengths-based reviews that identify the right kind of support to maximise independence has expanded into the Learning Disability Service. By trialling using TEC to support the review process, this has evidenced increased independence for people.
- 3.9. Much of the programme has focused on embedding strengths-based practice across the service. This places greater emphasis on supporting independence, focusing on a person's own strengths, the support available in their local neighbourhood, short-term support including reablement and TEC. Insights from frontline teams has helped to shape commissioning prototypes that focus on gaps in provision.
- 3.10. Aligned to the approach taken in BOBL we are also launching a new programme My Life, My Way. This is a substantial 3–5-year redesign programme including in-house Supported Accommodation, Day Services, Transport arrangements and Short Breaks for adults with a learning disability and/or autism. The overall direction is to enable the service to support citizens with the most complex needs, whilst ensuring care arrangements for lower-level needs are met in the most appropriate ways.

3.11. In addition to this the Service is also continuing to scope, plan and deliver work on:

- (i) Improving the workflow, systems recording and payments process through dedicated work on the Controcc System;
- (ii) Strengthening the transition from Children's into Adults Services through the Preparing for Adulthood programme;
- (iii) Transforming Safeguarding into a system that supports people in a timely manner, so that people feel safe and secure where they live;
- (iv) Continued working with GMMH to support their improvement journey into becoming a safe, effective and innovative offer;
- (v) Retendering of commissioned contracts, including homecare and supported accommodation;
- (vi) Working with the care market to address market stability, review market framework rates and support providers with recruitment and retention;
- (vii) Work with VCSE remains a high priority and currently excelling in the field of Home from Hospital – a targeted, low cost, intervention to support mostly older people leaving hospital and requiring no adult social care intervention. The creativity of solution-finding evidenced by 3 VCSE providers, working across the 3 main acute trusts, means that patients leaving hospital receive a high quality, supportive and practical offer focused on preventing readmission and improving people's health and wellbeing at a difficult time;
- (viii) A new priority area for development over the next 6-12 months is the Prevention Strategy, defining more explicitly what prevention is, and coproducing the strategy with VCSE partners, focusing dynamically on deflection and other interventions such as stronger volunteering models as part of grass roots community support

Wider Integration Priorities

3.12. Alongside ensuring our community health and adult social care services achieve operational, financial, quality and safety standards and metrics, it is intended to build on the role of the MLCO as it operates at the interfaces between acute, primary care, mental health and wider public service offers by providing joined up health, care and wellbeing services to the residents of Manchester. In order to ensure the MLCO continues to deliver services at a high standard, but that our operating model continues to evolve the priorities are to:

- (i) Consolidate and further develop the community health and care operating model - 'We Are Community' - to focus on prevention and anticipatory care approaches that support people to remain at home
 - Home First - Mobilise Hospital at Home and Single Point of Access;
 - Design and embed a core Community Health service offer to include community beds and therapies service model across health and social care;
 - Ensure an integrated Learning Disability service model through an aligned commissioning and service plan; and

- Embed Population Health Management beyond INTs to citywide and specialist service models, using population health modelling to develop service offers and priorities.
- (ii) Continue to ensure the conditions are in place for our staff to deliver excellent services:
- Data, digital infrastructure and developments including options to develop a community EPR and developing ControCC.
 - staff engagement/improving employee experience
 - work through Senior Executive Group to develop a future plan for community estates.
- (iii) Leadership role at Manchester system / place level:
- Build on the aligned commissioning model in the MLCO to support the development of an Integrated Commissioning Function for Manchester ICP
 - (with Neighbourhoods Directorate) progress the Manchester Neighbourhood approach – a key MPB priority for 2024/25 – ensuring greater collaboration through the teams around the neighbourhood and documenting the impact they have for residents and our communities.
 - Through the North Manchester strategy implementation, pilot key initiatives across community partners to deliver improved health and wellbeing in the North.
 - Support the next phase of design and delivery of the Manchester CYP reform programme (Thriving Families) led by the Strategic Director Children and Education Directorate, with an agreed plan for children transitioning to adult community health and social care services.

The CQC Assurance Framework

- 3.13. The Health and Social Care Act 2022 puts the Care Quality Commission's assurance of local authorities on a statutory footing. The new duty on the CQC to assess local authorities' delivery of their adult social care duties under Part 1 of the Care Act 2014 came into effect on 1 April 2023. Linked to this new duty is a power for the Secretary of State to intervene, where, following assessment of the new duty, it is considered that a local authority is failing to meet their duties.
- 3.14. Manchester has played an active role in shaping the new CQC Assurance Framework with several senior managers and the Executive DASS participating in Peer Reviews of other local authorities to aid learning to bring into our own assurance inspection preparations. Members will be aware that Manchester was one of the two pilot sites to 'test and learn' with the CQC and received an indicative 'Good' rating, which is very positive.

- 3.15. A self-assessment has been completed on the suite of quality statements to identify strengths and weaknesses which will inform an improvement plan in due course to ensure that robust plans are in place on areas for development.

4. Service budget and proposed changes

- 4.1. The gross 2023/24 budget detailed in the table below is £280.764m and the net budget of £215.260m. Income of £65.504m includes client fees £30.416m, Better Care Fund £17.787m, contributions from NHS partners of £10.428m and other income of £6.873m which includes grants and use of reserves. This includes the integration reserve, which is drawn down in accordance with the plan agreed for the year with NHS Greater Manchester – Manchester locality.

Table One: Base budget 2023/24

Service Area	2023/24 Gross Budget £'000	2023/24 Net Budget £'000	2023/24 Budgeted posts (FTE) £'000
Long Term Care:			
Older People/Physical Disability	82,454	50,835	-
Learning Disability	64,675	59,169	-
Mental Health	31,265	25,378	-
Disability Supported Accommodation Service	23,129	19,825	461.50
Investment funding	6,599	6,599	-
Sub Total	208,122	161,806	461.50
Short Term Care:			
Reablement/Short Term Intervention Team	11,152	9,006	313.21
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,639	5,334	126.03
Equipment & Adaptations (inc TEC)	7,965	5,676	173.00
Carers/Voluntary Sector	3,947	3,485	-
Sub Total	28,703	23,501	612.24
Infrastructure and Back Office:			
Social Work Teams	22,371	17,762	358.66
Safeguarding/Emergency Duty	3,881	2,890	67.00
Brokerage/Care Home Teams	1,925	1,766	-
Management and support	15,763	7,536	263.13
Sub Total	43,938	29,953	688.79
Total	280,764	215,260	1,762.53

- 4.2. The base budget for 2023/24 was £211.947 and the key change to the budget in the year is the addition of the Market Sustainability and Improvement Fund (MSIF) workforce grant of £4.055m. This was also reduced by a pensions budget adjustment of £-0.602m and Directorate transfers of £-0.140m.

2023/24 In Year Financial Position

- 4.3. The latest global monitoring report to the Executive outlined a £3m ASC 2023/24 overspend and that the underlying recurrent pressure in the long term care budget is significantly more challenging at c£9m. This is being offset non-recurrently in 2023/24 through the approved use of reserves, employee underspends and applying Better Care Fund (BCF), Adult Discharge Fund (ADF) and Market Sustainability and Improvement Fund (MSIF) against eligible costs. In summary, new demand is running at a higher run rate than demographics and preventative programmes. This is compounded by significant price pressure in the care market, and the complexity of need for clients discharged through hospital.
- 4.4. A recovery plan has been initiated to fully mitigate the budget pressure without further need for a new savings programme and from the additional resources proposed as part of this budget process. The key areas can be grouped into three blocks:
- (i) Use of additional resources or expected headroom within the existing budget (line items 1-4 in the table below):
- The forecast underspend of (£0.7m) in the 2023/24 care fee uplift budget. Note the fee uplifts for some out of city placements are still to be concluded and there is a risk the funding will be required. This will be updated for the February report;
 - Apply a further proportion of the growth (£1.4m) across the Adults Discharge Fund and Better Care Fund in 2024/25 to meet existing Council costs to meet rising demand that is related to and eligible for these funding streams.
 - Apply a proportion of the proposed 2024/25 demographic growth budget (£1.5m) to reflect the population needs and increasing demand for home care.
- (ii) Expectations of the impact on the budget of other proposals or current market conditions (line items 5-7):
- Growth in client income (£1m) in line with the growth in client numbers and the increased care fees. A proportion of the additional costs will attract a contribution from clients who are assessed as being able to contribute to their costs of their care;
 - To secure supply, the Council is having to pay above framework rates. The 2024/25 uplift to care fees (funded separately) is expected to significantly negate the current £1.2m spend on top ups to fee rates; and
 - Vacancy factor (VF) – whilst a recurrent increase in VF above the current 6% is higher risk, given turnover is currently running at 10% and there are substantial vacancies, it is considered a non-recurrent increase (£1.1m) in 2024/25 is reasonable and that the rate is reviewed as part of the 2025/26 budget process.

(iii) Specific spend mitigation initiatives (line items 8-10):

- There is a significant increase in the use of one-to-one support in care homes. New business rules have been introduced by practice to more effectively manage these arrangements (£0.3m) and ensure on-going support is reviewed regularly;
- Moving and Handling pilot – this is a proven approach from other Council's aimed at reducing the need for double cover in homecare packages (£1m), spend on which is in excess of £15m (**given the importance of this programme, a further outline is detailed below**); and
- Other homecare initiatives, primarily focused on a robust review programme on hospital discharge pathways and a Reablement first approach (£0.5m).

		£'000
1	Headroom in 2023/24 RLW/care fees uplift fund	700
2	Apply growth in the ADF to fund the cost of social work supporting discharge onto the growth in ADF	800
3	Apply growth in BCF resources to support the pressures	600
4	Demographics	1,500
5	Expected growth in client income	1,000
6	Reduction in framework rate top up	1,200
7	Non-recurrent increase in vacancy factor	1,100
8	Increased one to one control	300
9	Moving and Handling homecare pilot	1,000
10	Other homecare initiatives	500
		8,700

4.5. Optimising Moving and Handling Prototype

- (i) The priority continues to be to deliver safe and effective services for people whilst working with them and alongside providers to enable greater independence wherever possible. Work is underway to deliver a prototype to change how we support people with moving and handling needs. The issue of risk adverse manual handling practices being common practice has been raised in the discussions which leads to a high level of double handed manual handling transfers where there is often scope for safe, more person-centred single-handed approaches. There are financial benefits to be had by embracing a switch to single handed care; mainly in the number of homecare hours commissioned.
- (ii) It is expected that optimising moving and handling techniques will have many benefits including:
- Double handed approaches can negatively impact on the experience of the person needing support. An individual's dignity can be enhanced by a reduction in the number of people providing intimate support whilst potentially they benefit from less intrusive

responses to achieving outcomes associated with their activities of daily living.

- There is also a significant workforce challenge for Providers who highlight the difficulties they routinely face in securing sufficient staff to undertake transfers.
 - The doubling up of calls places restrictions on how support at home providers rota and use their staff flexibly within a person centred, outcomes focussed model. Employing single handed care techniques can increase flexibility for staff, free up hours and provide greater scope to provide an outcomes-focussed service.
 - The lack of clarity within manual handling plans as to the exact role of the second staff member can lead to potentially ambiguous and unsafe manual handling practices.
 - Double ups can, unintentionally, undermine an asset-based approach to support at home by working in opposition to approaches that engage and utilise the support of family, friends, and other informal carers.
- (iii) A shared set of policies and practices will be developed from the outset. There will be significant engagement with citizens and families and carers to support and agree any changes to future care arrangements.

Savings Plan 2024-27

- 4.6. Savings of £4.4m were approved for 2024-26 and are detailed in **Appendix 1**. Implementation plans are being developed and at this stage, there are no proposed amendments to this programme.
- 4.7. The focus of the savings programme is now moving to Provider Services, the 'My Life My Way' programme (detailed in section 2 above). Work is currently taking place to ensure the conditions for success are fully understood. This is a highly complex programme and the key issues under review are:
- (i) Governance – ensuring overall project structure is in place and working as intended.
 - (ii) Capacity – the £3m investment programme approved last year includes £0.385m of dedicated capacity for the programme in 2024/25 including programme and project management and clinical support. A further £0.324m is invested in setting up a dedicated review team. However, recruitment difficulties are such it is proving difficult to attract experienced complex social workers and occupational therapists. The prioritisation of the social work assessment programme is being carefully considered.
 - (iii) Estate - delivering the programme is strongly contingent on the provision of suitable accommodation and facilities for people with complex needs and the modernisation of the in-scope existing property portfolios. Accommodation in Manchester for citizens with learning disabilities and/or autism is in extremely short supply. This is due to a

range of factors including land values, higher rent levels for enhanced accommodation and the specifications required to support the needs of this cohort. Opportunities for expansive developments are limited, as smaller concentrations of properties are required for these citizen cohorts which is a challenge due to the availability of land for development in the city.

My Life My Way programme's property needs will require significant capital investment over a 3–5-year period to support the delivery of activity and revenue savings. Local strategic partners (Registered Housing Providers) outline that to develop such accommodation within current market conditions, will need pump prime investment to support sustainability, and the strategy will require a blend of a short term acquisitional approach and new purpose-built schemes. Engagement with partners across Greater Manchester have indicated that the current timelines for delivery of the acquisitional approach is a minimum of 18 months, increasing to 2-3 years where new built schemes are concerned.

- (iv) There is an inherent risk that a citizen, family or advocates can decline a move into a new placement impacting upon the delivery of activity, savings and the programme vision. A full communication and engagement programme is being developed with Legal support aimed at overcoming any resistance.
- 4.8. In the context of the above, the planned delivery of the 2024/25 savings will be reviewed to determine whether they are fully achievable in their current form of whether additional measures will be required.
- 4.9. The Directorate has committed to the delivery of an additional workforce savings target from reducing a number of long term vacant posts in the establishment by £0.255m for 2024/25.

Growth and Pressures 2024-27

- 4.10. Growth and pressures of £26.372m were approved for 2024-26 and are detailed in **Appendix 2** together with the £5.936m of base assumptions for 2026/27. Together the current MTFP includes £32.308m of funding of which £6.074m relates to the transfer of grant funding in accordance with the statutory conditions, the MSIF original allocation (£3.105m) and the Adult Discharge fund (£2.969m), with the balance of £26.234m Council funding for demographics and towards the care fee uplift, including use of the ASC precept.
- 4.11. There are additional pressures recognised within Adult Social Care and the proposals are incorporated into the revised draft Medium Term Financial Plan. The key increases are as follows and are also detailed on **Appendix 2**.
- (i) Additional demographics in 2024/25 of £3.735m including £2m for transition of children to adult support, with increases of £1.064m in

2025/26 and £0.764m in 2026/27 to set the demographics budget to £4m in each year. The funding reflects the latest modelling of Manchester's population change and the known transition cohort. Due to the timing of the development of the budget work being completed far ahead of the end of the financial year, there will always be an inherent requirement for the demographics budget to be used part retrospective, addressing the full year affect of the previous year, and then the part year effect of packages that commence in the forthcoming year;

- (ii) Additional funding towards the care uplift of £3.500m in 2024/25;
 - (iii) Mainstreaming the cost of new care models £1.300m from 2026/27; and
 - (iv) A £1.779m reduction in the 2024/25 MSIF workforce grant from £4.055m to £2.276m.
- 4.12. The above represents an additional £8.584m, bringing the total investment into ASC over 2024-27 to £40.892m.
- 4.13. In addition, provision has been made for inflationary price increases and potential pay awards. This is held corporately and will be allocated to service budgets when the details are available. As part of this annual exercise an inflation assessment is being undertaken on the partnership arrangements with GMMH and a sum has been earmarked within the 2023/24 corporate inflation allowance, which could be released once the exact inflationary pressures have been verified. If the inflationary pressures do materialise these will be recurrent and flow into the 2024/25 budget if approved.

Government Grants and Other Investment Funding 2024-27

- 4.14. The specific funding for ASC is detailed in the table below with supporting commentary detailed.

	2024/25 £'000
Market Sustainability Improvement Fund	11,624
Adult Discharge Fund	7,420

- (i) Market Sustainability Improvement Fund
This grant is intended to assist local authorities to make tangible improvements to adult social care, and in particular to address: discharge delays; social care waiting times; low fee rates and workforce pressures. Manchester received a core allocation of £6.243m in 2023/24 rising to £9.348m in 2024/25. The supplemental MSIF Workforce fund is £4.055m in 2023/24 and £2.276m 2024/25. The total allocation in 2024/25 is therefore £11.624m. There are no funding announcements beyond 2024/25. All MSIF funding in 2024/25 will be incorporated into the funding envelope for the care fee uplift.

- (ii) Adult Discharge Fund
ASC Discharge Fund (£4.451m 2023/24 increasing to £7.420m 2024/25) - this is intended to form part of BCF plans, aimed at reducing delayed transfers of care and the funding will need to be pooled with the NHS. The NHS is receiving broadly the same amount to also put into BCF plans. The additional resource will be used to sustain funding for social worker capacity supporting the hospital discharge programme, the uplifted cost of D2A beds for 2024/25, with a balance of just over £1m available for further short term offer investments with areas under consideration covering next phase of reablement expansion, the TEC offer and support to Carers.
- (iii) Social Care Grant
The grant (£18.8m 2023/24 rising to £25.7m 2024/25) is ringfenced for adults and children's social care. This is funded nationally from the funding earmarked to fund the social care reforms which have been deferred until October 2025. This grant isn't passported in the same way as the above but the funding is directly supporting the cash limit allocation and the growth outlined over 2023-25.
- (iv) Better Care Fund (BCF)
The BCF will continue in 2024/25. Government will publish a policy framework in due course. The planning assumption is the minimum BCF contribution to social care will rise by a flat 5.66% at a health and well-being board level. This equates to c£1m. It is assumed the iBCF is not being increased for inflation as per 2023/24. The increase in BCF will be used to fund investment in the Control Room establishment, commissioning capacity and in part, the recurrent impact of the 2023/24 budget pressures on 2024/25.

Customer and Client Income 2024-27

4.15. The 2023/24 budget for client charges is £30.416m and this includes income from both assessed charges under the national framework and specific non assessed charges for services such as community alarms and transport provision. There is a clear connection between the increase in care costs and income from client contributions. The 2024/25 budget includes income growth of £1.8m rising to £2m in 2025/26. This is in line with the trend over recent years. Growth in income is partially included in the funding envelope for the care uplift but also to support budget pressures within the long term care budget detailed above.

4.16. A summary of the key budget movements is shown in the table below.

	2024/25	2025/26	2026/27
	£'000	£'000	£'000
Cashlimit	215,260	235,686	243,497
<u>Growth</u>			
Demography	2,636	2,936	3,236
Demography - Additional	1,735	1,064	764

	2024/25	2025/26	2026/27
Demography - Transitions	2,000		
Grants			
ADF for new investments	2,969		
MSIF	3,105		
MSIF Workforce - Reduction	-1,779		
Care Costs			
Price	458	2,011	
ASC Precept passthrough	2,274		
Real Living Wage	5,983	4,000	4,000
Fair Cost of Care	3,500		
Saving Programme			
Savings	-2,200	-2,200	
Additional Vacancy Factor	-255		
	235,686	243,497	251,497

- 4.17. **Appendix 3** provides an overview of the forecast medium-term budgets by service. **Appendix 4** provides an objective analysis of the 2023/24 budget to also set out the key areas of income. **Appendix 5** provides a further analysis of the make-up of the income budget.
- 4.18. Whilst there is additional investment proposed for the ASC budgets they remain under considerable pressure and the fragility of the social care market, the increased demands for mental health services in particular remain key risks.

5. Commissioning and procurement priorities

- 5.1. There is heightened work underway across Commissioning, Contracts and Market Development in response to the fragility of the current care market. The overarching framework for how commissioning is delivered is through the [MLCO Commissioning Plan](#) which is intended to act as a key communication tool with providers, partners, wider stakeholders, citizens and the commissioning workforce. This Plan sets out the key principles of how commissioning is intended to be more 'responsive' to the frontline staff as part of the Better Outcomes Better Lives transformation programme, and for staff to highlight where there are perceived gaps in provision. There are 58 actions contained in the Commissioning Plan and 11 key measures of success to ensure that accountability and performance is embedded in practice.
- 5.2. The fragility of the care market, particularly care homes, is extremely acute this year with a number of care homes failing; this necessitated a Market Oversight Review which has been presented to MLCO Executive and ICB colleagues so that key issues and concerns are well understood. This report highlighted the following key issues:
- (i) Providers are experiencing challenges around workforce capacity, recruitment and retention, especially in areas of the city where there is new business growth and more competitive rates of pay;

- (ii) A lack of investment in existing and new infrastructure – some of the care home stock in the city is outdated (typically large Victoria homes) and there is very little activity from new providers coming into the city and seeking newbuild opportunities;
- (iii) The city has lost 275 beds since 2021, particularly affecting South Manchester;
- (iv) Given the success of Extra Care Housing in diverting many older people with moderate/high care needs away from residential care, the current provision is now almost exclusively being used for complex needs, where citizens are unable to be cared for in their own home or within Extra Care; and
- (v) Providers are experiencing financial challenges in terms of their own stability as a business, and notably equally affected by the Cost of Living and Energy Cost crises.

5.3. In response to those market challenges, commissioners are:

- (i) Supporting providers with recruitment and retention through arranging Jobs Fairs (Etihad and Wythenshawe Forum);
- (ii) Increasing the number of providers who pay the Real Living Wage, to aid recruitment and retention;
- (iii) Developing a long-term care home strategy, which will highlight infrastructure challenges and stimulate more growth in provision, encouraging more national providers to come to Manchester;
- (iv) Reviewing the framework rates to ensure that providers remain viable during the current national financial challenges;
- (v) Providing bespoke support to individual care homes to prevent provider failure; and
- (vi) Recruitment to a dedicated Commissioning Manager role to work with the Sector and progress the Care Home Strategy.

5.4. A particular nursing home is a typical example of potential provider failure that has been averted. The home is in administration through a complex shareholder/financial arrangement and have appointed a suitable care provider to run the home whilst the home's future is determined. This is a 68-bedded nursing care which takes citizens with very complex Dementia and Nursing Needs and the city already has a known shortage of nursing care provision. Currently there are 44 beds occupied. Following a lengthy process, and, to protect the capacity of the home, the Council has stepped in short term to support financial viability and avoid a home closure over winter months, whilst a new provider is actively sought. Should the home close, there is very little provision both inside the city and beyond, in GM, to provide the capacity to relocate the residents.

5.5. Commissioning is also proactive this year in retendering high value contracts. A number of retenders, all concerned with statutory duties, have already been completed including:

- (i) Statutory Healthwatch;

- (ii) Support to Unpaid Carers through a new Carer Pathway Support and helpline for Carers (via Carers Manchester Contact Point);
- (iii) Independent Advocacy.

In addition, significant retendering work is focused on two main areas for 2023/24 including:

- (i) Reprourement of Learning Disability and Mental Health Supported Accommodation (value circa £33m); and
- (ii) Reprourement of Homecare (value £26m)

- 5.6. Further significant work in Mental Health is supporting the Executive DASS with the delivery of GMMH's transformation programme, ensuring that citizens with mental health needs receive timely Care Act Assessments and suitable placements are identified that meet those needs. This will be monitored as part of the s75 agreement which is actively being progressed.
- 5.7. The Control Room and Brokerage Team is now developing as a Centre of Excellence for both discharge from hospital and the sourcing of placements of Care Homes and Homes, offering a centralised approach and reducing workload of Social Workers. Due to the success of this model, the Brokerage Team is now being expanded to include Mental Health and Learning Disability Placements over coming months, providing a coordinated activity that will ensure timely placements and tighter controls over placement costs.

6. Workforce Implications

- 6.1. The total workforce has increased from 1,467 FTE in 2019/20 to currently 1,782 FTE, 21% increase.
- 6.2. Going into 2023/24 Adult Social Care had received significant investment to deploy within the establishment to support demand and develop capacity in key areas. Discussions have taken place with Senior Managers over the past few months to look at developing new types of roles where required, as well as the ability to trial approaches across services, such as Moving and Handling Optimisation Prototype and the Adults Early Support Team. To date, 71% of the roles funded by investment have been established and 32% of the overall investment roles are now filled. Some of the new posts have provided opportunities for internal progression.
- 6.3. The Recruitment and Retention Strategy has continued to drive good outcomes in priority areas including Reablement, Social Work and Disability Supported Accommodation. The new posts funded by investment monies have further added to our vacancy figure, however progress is being made, with 60 new starters in Quarter 2. It is worth noting that overall recruitment progress to some roles, for example Occupational Therapists, remains challenging due to the competitive and limited labour market.
- 6.4. The continued national challenges in filling posts within the sector also means that the council is working hard to ensure we are an employer of choice and

can attract people and minimise the pressures on our existing workforce. This includes work focused on recruiting qualified social workers, as well as a significant recruitment campaign into our Reablement services. Support has also been provided to the external care market given wider recruitment and retention challenges affecting adult social care and the impact on sustainable delivery in the sector.

- 6.5. The further development of the GM Care Academy over the coming year will support the brand for social care careers through an enhanced range of development options and career pathways.
- 6.6. The identified savings proposals will have a limited impact on workforce due to the holding of vacant roles in the two main service areas of review - Day Services and the Disability Supported Accommodation Services (covered by agency in the interim). This approach supports the wider review to take place and will mean that once proposals are ready to be implemented, there should be minimal impact on existing permanent staff. Within DSAS, significant recruitment has taken place in 2023 with an incredible response and 103 posts filled. Quarter 3 within DSAS will focus on a strong induction into the service for the new starters and it is expected that recruitment will recommence in Quarter 4, in line with the outcomes of the review referenced above.
- 6.7. If the proposals to focus on more complex citizens are implemented within DSAS, this will require a review of current roles and structures to ensure the requirements of the new service offer can be met. The workforce impact is difficult to fully define until the ongoing Provider Services review is concluded.
- 6.8. In addition to the work ongoing in the past 12 months, turnover has been a key focus. Turnover has improved over this time period from 10.6% in Sept 22 and currently stands at 8.1%.
- 6.9. It is proposed that we again increase the vacancy factor within ASC in the coming year. Through this approach we are releasing finances by recognising that a large number of our roles are vacant across the period and therefore do not require their full allocation of funding. A review of these vacancy levels has led to a proposal for an increase in the vacancy factor to 7.4%. The factor will be reviewed again in 2025/26 to reflect the updated recruitment position at that time.

7. Equality and Anti-Poverty Impact

- 7.1. The outcomes from equality impact work in particular are being built into the programme including ensuring that the advocacy is provided to citizens, that careful consideration is given to the way in which changes are communicated to citizens and their families and that the development of the new service model is developed through engagement with existing and future citizens, families and carers.

- 7.2. Work is also underway on the way in which equalities data is collected in ASC, supporting the ability to be better informed on the impact of changes being made to services. This will be informed by greater emphasis on Equality Impact Assessments (EqIAs), working with the Corporate Equalities Team, on emerging new approaches.
- 7.3. The anti-poverty strategy '[Making Manchester Fairer](#)' will strongly influence the work in ASC by ensuring there is a heightened focus on more marginalised communities and those with protected characteristics. The Carers Emergency Fund, for example, is one way of supporting unpaid carers to receive emergency help at a time of genuine crisis with small cash grants, white goods etc. to carry on caring.

8. Future opportunities, Risks and Policy/Strategy Considerations

- 8.1. Adult Social Care in Manchester continues to deliver services supporting citizens to remain independent and where appropriate, access care placements in the most appropriate setting. The national health and social care landscape is regularly subject to media attention with concerns focused on sustainability. This is coupled with very significant and complicated change programmes outside of business as usual and as a result, there are many risks that are being managed, some of the most significant include:
- (i) The overall funding position, the continued Government short term approach of in-year allocations with insufficient planning time and ambiguity on intent with regards to the funding reforms;
 - (ii) The pressures in the care market, detailed in the commissioning section above;
 - (iii) Demand levels and general increased acuity of need and transitions, reflecting both population change and policy direction to support citizens in the community;
 - (iv) The specific complexity of change programmes including the Provider review and retender programme;
 - (v) Progress on integration within the wider Health and Social Care system remains constrained by statutory and organisational matters;
 - (vi) The specific service delivery arrangements for Mental Health through GMMH. The refresh of Mental Health Section 75 Partnership Agreement with GMMH has resulted in the mobilisation of several improvement workstreams. Within this activity is the need to review the FTE establishment delivering delegated Care Act functions and duties. The outcome of this rebasing exercise may result in additional financial cost to MCC if further resources are required to deliver the ratified activity demand within the system.
- 8.2. All of the above, signal an immense challenge as the Directorate moves through 2024 and looks ahead to the 2025/26 budget position. At this point in time, without funding reforms and significant investment from Government into Social Care it is difficult to envisage, if a significant savings target is set, how the budget will be balanced. There are budget opportunities, but they are difficult to realise, some of the key areas include:

- (i) Continued substantial investment in the short-term offer including a increased and wider reablement offer covering mental health, TEC, support for carers etc. The BOBL approach to prevent, reduce and delay is key to avoiding demand growth and is the cornerstone why Manchester is comparatively stronger than the national picture;
- (ii) Reducing the number of out of city and crisis placements, linked to the Provider review, working closely on market shaping with Manchester Providers and strengthening arrangements to prevent instances of crisis occurring;
- (iii) The spend on homecare and particularly the growth in double cover support and average package size present key line of enquiry that are being actively considered, the moving and handling pilot is a key initiative.
- (iv) There are income opportunities on discretionary charges, however the approach in the recent couple of years has been to limit changes to protect Manchester citizens from inflation on care costs if possible; and
- (v) The opportunities of working within a health and social care system remain strong in terms of joint commissioning, joint investment programmes, avoiding cost shunting and working together on having the best possible support arrangements for Manchester citizens that need care.
- (vi) Development of best practice in order to meet the exacting areas of the CQC Assurance Framework and to ensure a satisfactory rating outcome.

8.3. There had been ongoing delays with Liberty Protection Safeguards (LPS) that were inextricably linked to Advocacy provision; the government has now announced that the LPS will no longer be implemented in this parliament; however, the provider has worked closely to prevent this causing major disruption.

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Appendices

Appendix 1 – Savings Schedule (No change)

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2024/25	2025/26	2026/27	Total	
				£'000	£'000	£'000	£'000	
<u>Provider Services</u>								
Provider Services	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).	Service Redesign	Limited impact on outcomes, consolidating model of care. Potential family dissatisfaction and complaints, engagement programme will be required This is part of a broader strategy to re-position day services as a whole and work by the transitions team and others to promote a range of options for people, including employment, facilitated by our strengthened supported employment offer	500	100		600	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	Service Redesign	Risk of not having an offer in place to support in crisis situations. Significant challenge to make operational	250	100		350	TBC

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2024/25	2025/26	2026/27	Total	
				£'000	£'000	£'000	£'000	
Provider Services	<p>Transport review - The savings target represents a substantial redesign of the service model and charging basis.</p> <p>Delivery will be through a combination of significant increase in nominal charge, review of access criteria, exploration of alternative transport models and encouraging independence through travel training initiatives</p>	Service Redesign	Exploration of alternative transport models and options for access to day services. Potential for family dissatisfaction and complaints, engagement programme will be required and aligned to the other proposals surrounding day services.	150			150	TBC
Provider Services	<p>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.</p>	Service Redesign	Potential to improve outcomes through more optimal approach to supporting most complex. Repatriation and changing tenancy arrangements including for people currently supported in house where the outcome may be a move to being supported externally will inevitably lead to significant engagement requirements with families. Establishment restructuring and realignment (consolidate establishment to meet future needs). Requires full and comprehensive review of estate to ensure it is fit for purpose from a condition and fabric	750	1,250		2,000	TBC

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2024/25	2025/26	2026/27	Total	
				£'000	£'000	£'000	£'000	
			perspective and associated and capital investment.					
<u>Charges</u>								
Extra care	<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>	Income Generation	Impact on most vulnerable during cost of living crisis	50			50	None
<u>Demand Management</u>								
Directorate	Smoothing via Adult Social Care Reserve	Efficiency	None		(2,275)		(2,275)	None
Long Term Care	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	Efficiency	Prevent, reduce, delay through Better Outcomes, Better Lives remains the underpinning approach so					

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2024/25	2025/26	2026/27	Total	
				£'000	£'000	£'000	£'000	
	<p>£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>		should continue to have a beneficial impact on outcomes but will be challenging in face of national social care context		2,275		2,275	None
Other								

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving				Indicative FTE Impact
				2024/25	2025/26	2026/27	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	Income Generation	Potential for tensions within partnership arrangements if not considered as an integrated opportunity. Improved outcome for citizens in terms of CHC care being non chargeable	500	750		1,250	None
Total				2,200	2,200		4,400	

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Appendix 2 - Pressures / Growth Schedule

Service	Description of Pressure	2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Long term care – Demographics	A specific model for demographics allocations to the budget has been used for a number of years (DAS model) and considers the potential impact of population change on flow into Adult Social Care	2,636	2,936	3,236	8,808
Long term care	Care sector fee uplift inclusive of Real Living Wage	5,983	4,000	4,000	13,983
Long term care	Market Sustainability Fund	3,105			3,105
Long term care	Adult Discharge Fund	2,969			2,969
Long term care	Additional price inflation towards care fees uplift	458	2,011	0	2,469
Long term care	Social Care Precept	2,274			2,274
Short term care	Removal of time limited investment in new care models			-1,300	-1,300
Sub-total	Current MTFP	17,425	8,947	5,936	32,308
Long term care – Demographics	Additional demographics – update to DAS model	1,735	1,064	764	3,563
Long term care – Demographics	Additional demographics - Transitions	2,000			2,000
Long term care	Additional price inflation towards care fees uplift	3,500			3,500
Long term care	Reduction in Market sustainability grant (£4.055m to £2.276m)	-1,779			-1,779
Short term care	Mainstream investment in new care models			1,300	1,300
Sub-total	MTFP Investment Proposals	5,456	1,064	2,064	8,584
Total		22,881	10,011	8,000	40,892

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Appendix 3: Indicative Medium term budgets by service

Service Area	2023/2024 Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget	2026/2027 Indicative Budget
	£'000	£'000	£'000	£'000
Long Term Care:				
Older People/Physical Disability	50,835	52,809	52,743	52,743
Learning Disability	59,169	61,874	60,946	60,946
Mental Health	25,378	26,991	26,959	26,959
Disability Supported Accommodation Service	19,825	18,841	17,891	17,891
Investment funding	6,599	24,196	33,284	41,283
Sub Total	161,806	184,711	191,823	199,822
Short Term Care:				
Reablement/Short Term Intervention Team	9,006	8,881	9,006	9,428
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,334	4,883	4,834	4,834
Equipment & Adaptations (inc TEC)	5,676	5,677	5,796	5,796
Carers/Voluntary Sector	3,485	3,489	3,485	3,485
Sub Total	23,501	22,930	23,120	23,542
Infrastructure and Back Office:				
Social Work Teams	17,762	17,557	17,815	18,693
Safeguarding/Emergency Duty	2,890	2,841	2,890	2,890
Brokerage/Care Home Teams	1,766	1,716	1,766	1,766
Management and support	7,536	5,930	6,084	4,784
Sub Total	29,953	28,045	28,555	28,133
Total	215,260	235,686	243,497	251,497

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

Adult Social Care	2023/2024 Budget	2024/2025 Indicative Budget	2025/2026 Indicative Budget	2026/2027 Indicative Budget
	£'000	£'000	£'000	£'000
Expenditure:				
Employees	71,687	70,669	70,506	71,806
Running Expenses	209,078	230,522	236,422	244,422
Capital Financing Costs	-	-	-	-
Contribution to reserves	-	-	-	-
Sub Total Subjective Expenditure	280,765	301,192	306,928	316,228
Less:				
Other Internal sales	-	-	-	-
Gross Expenditure	280,765	301,192	306,928	316,228
Income:				
Government Grants	- 382	- 382	- 382	- 382
Contributions from Reserves	- 5,705	- 2,275	-	-
Other Grants Reimbursements and Contributions	- 28,991	- 28,991	- 28,991	- 28,991
Customer and Client Receipts	- 30,416	- 32,216	- 32,416	- 32,416
Other Income	- 11	- 1,641	- 1,641	- 2,941
Gross Income	- 65,505	- 65,506	- 63,431	- 64,731
Total Net Budget	215,260	235,686	243,497	251,497

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Appendix 5: Indicative Medium term budgets analysis of gross budget and income blocks

Service Area	2024/2025 Indicative Gross Budget	Client Fees	Better Care Fund (BCF)	Health Income	Other Income	2024/2025 Indicative Net Budget
	£'000	£'000	£'000	£'000	£'000	£'000
Long Term Care:						
Older People/Physical Disability	85,564	- 20,004	- 10,104	- 2,647	-	52,809
Learning Disability	68,075	- 4,031	- 680	- 1,272	- 218	61,874
Mental Health	33,165	- 4,891	- 682	- 590	- 12	26,991
Disability Supported Accommodation Service	21,894	- 2,252	- 334	- 449	- 19	18,841
Investment funding	24,196	-	-	-	-	24,196
Sub Total	232,895	- 31,178	- 11,799	- 4,958	- 249	184,711
Short Term Care:						
Reablement/Short Term Intervention Team	11,044	- 45	- 1,897	- 221	-	8,881
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,188	- 138	-	- 167	-	4,883
Equipment & Adaptations (inc TEC)	8,001	- 609	- 665	- 1,051	-	5,677
Carers/Voluntary Sector	3,951	-	- 381	- 81	0	3,489
Sub Total	28,185	- 792	- 2,942	- 1,520	0	22,930
Infrastructure and Back Office:						
Social Work Teams	22,167	-	- 2,149	- 2,460	- 0	17,557
Safeguarding/Emergency Duty	3,683	-	- 522	- 114	- 206	2,841
Brokerage/Care Home Teams	1,875	- 51	- 107	-	-	1,716
Management and support	12,388	- 244	- 1,349	- 1,876	- 2,989	5,930
Sub Total	40,112	- 296	- 4,127	- 4,450	- 3,194	28,045
Total	301,192	- 32,266	- 18,868	- 10,928	- 3,444	235,686

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