



Health Scrutiny Committee

Date: Wednesday, 7 February 2024

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

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

Access to the Council Antechamber

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Membership of the Health Scrutiny Committee

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

Supplementary Agenda

- 5a Revenue Budget Update 2024/25** 5 - 14
Report of the Deputy Chief Executive and City Treasurer

This report sets out the latest forecast revenue budget position, and the next steps. Following the Provisional Finance Settlement announced 18 December 2023 the Council is forecasting an estimated budget shortfall of £38m in 2024/25, £79m in 2025/26, and £90m 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, the budget is balanced for 2024/25 and the remaining gap reduce to £29m in 2025/26 and £41m by 2026/27. This position assumes that savings of £21.4m are delivered next year.

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 the final budget proposals on 14 February 2024.

- 5b Public Health Budget 2024/27** 15 - 42
Report of the Director of Public Health

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2023. Each scrutiny committee is invited to consider the proposed budget changes that are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals on 14 February 2024.

- 5c Adults Social Care Budget 2024/27** 43 - 84
Report of the Executive Director of Adult Social Services

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2023. Each scrutiny committee is invited to consider the proposed budget changes that are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals on 14 February 2024.

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 **Friday, 2 February 2024** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension , Manchester M60 2LA

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**Manchester City Council
Report for Information**

Report to: Economy and Regeneration Scrutiny Committee - 6 February 2024
Communities and Equalities Scrutiny Committee - 6 February 2024
Health Scrutiny Committee - 7 February 2024
Children and Young People Scrutiny Committee - 7 February 2024
Environment and Climate Change Scrutiny Committee - 8 February 2024

Subject: Revenue Budget Update 2024/25

Report of: Deputy Chief Executive and City Treasurer

Summary

Local Government is under profound financial pressure, largely due to externally driven cost and demand pressures at a national level particularly affecting Adults Services, Children's Services and Homelessness. It is in this context that the Council must set a balanced budget.

This report sets out the latest forecast revenue budget position, and the next steps. Following the Provisional Finance Settlement announced 18 December 2023 the Council is forecasting an estimated budget shortfall of £38m in 2024/25, £79m in 2025/26, and £90m 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, the budget is balanced for 2024/25 and the remaining gap reduce to £29m in 2025/26 and £41m by 2026/27. This position assumes that savings of £21.4m are delivered next year.

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 the final budget proposals on 14 February 2024.

Recommendations

The Committee is recommended to:

- (1) 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](#)

[Revenue Budget Update and Corporate Core Budget Proposals 2024/25 - Resources and Governance Committee 9 November 2023](#)

[Provisional Local Government Finance Settlement 2024/25 and Budget - Resources and Governance Scrutiny Committee 11 January 2024](#)

1. Introduction and Background

- 1.1. An indicative balanced 2024/25 budget was set out in the February 2023 MTFs, including the planned use of reserves. In common with the rest of the sector the Council's finances continue to be under intense pressure. The high levels of inflation and rising demand for services continues to outstrip the level of resources available. As reported to Resources and Governance committee in September and November the current year's pressures and updated forecasts meant that the budget position had to be reviewed. This report updates on the refreshed position including progress in reaching a balanced budget, reflecting proposed savings and investment options.

2. Changes to the Budget Position

- 2.1. The November scrutiny committees were presented with additional cuts and efficiencies totalling £2.5m for consideration, in addition to the savings agreed in last year's MTFP of £36m (of which £10.2m related to 2024/25) and the use of c£17m a year of smoothing reserves. It was anticipated that further cuts and savings may be required depending on the outcome of the provisional settlement.
- 2.2. The government announced the Autumn Statement on 22 November 2023 followed by the provisional finance settlement on 18 December 2023. This was in the context of another very difficult year for Local Government. In 2023, inflation averaged 8%, which together with unrelenting demand pressures has compounded challenges, especially in social care and homelessness, when there is limited financial resilience following the cumulative impact of the prior decade's austerity measures. A survey conducted by the LGA found that one in five councils believe they are fairly or very likely to issue a Section 114 notice this year or next. Several Councils have now applied to the Government for 'exceptional financial support'. Typically, this consists of a capitalisation directive allowing them to fund day to day spending from capital resources.
- 2.3. Despite this context, there was no new funding announced in the provisional settlement. Disappointingly the Services Grant was cut by 84.1% nationally. For Manchester this is a reduction of £6.1m, from £7.2m to just £1.1m. Whilst some redistribution of services grant had been anticipated, it was not expected at this scale. This cut was partly offset by an increase in forecast business rates income of £3.1m (one off) linked to another year of Retail, Hospitality and Leisure Relief. This scheme gives 75% relief for this sector up to a cap of £110k per business. This has a positive impact on the level of bad debt and appeals to be provided for, as these are now based on a reduced level of income. Other settlement changes to Revenue Support Grant and New Homes Bonus net to £0.6m. Therefore, the budget impact of the settlement is a £2.4m worsening of the position rising to £5.3m in 2025/26 as set out to Resources and Governance committee 11 Jan 2024.
- 2.4. In addition to the settlement announcements Manchester continues to face growing pressures in social care and homelessness. In the last two months

there has been an increase in children's placement numbers and costs, further significant pressures across adult social care (ASC) budgets and some worrying trends in asylum seekers, the migrant policy and homelessness. This is in line with national trends and Core Cities and other GM authorities are all reporting similar issues. Work throughout January quantified the full year effect of the increased numbers of residents requiring care and support this year at £10m. Whilst extremely challenging it is important that a realistic and deliverable budget is set which recognises these additional pressures.

2.5. The changes in the Provisional Finance Settlement and increased pressures in social care and homelessness meant further work was required to ensure a balanced budget for 2024/25 and be put forward for consideration by the Executive. Actions to balance the budget, totaling £15m, have been identified from the following areas:

- £3.4m - Council Tax and Business Rates – improvements in collection and 100% premium on empty unfurnished properties after one year
- £6.1m - GMCA Waste Rebates and Levies
- £1.5m - Additional Investment Estate and Enforcement Income
- £1m - Rephasing of ICT and G&D investments
- £1.2m - Airport Interest & Car Park Investment dividend
- £0.302m – Efficiencies on minor back-office budgets etc
- £1m - Gas energy savings (wholesale price reduction)

2.6. This has enabled a balanced budget in 2024/25 to be proposed as summarised in table one.

Table One: Summary of Budget changes

	2024 / 25 £'000	2025 / 26 £'000	2026 / 27 £'000
Position reported to Resources and Governance 9 Nov 2023	1,655	29,845	48,990
Increase General Fund to reflect worsening overspend	1,000		
Settlement changes	2,374	6,403	6,394
Revised Shortfall / (surplus) after settlement reported to Resources and Governance 11 Jan 2024	5,029	36,248	55,384
Net Additional Pressures	10,000	10,000	10,000
Actions to balance the budget	(15,029)	(17,448)	(24,619)
Revised Shortfall / (surplus)	(0)	28,800	40,765

2.7. Whilst not complacent, the Council is in a better position than many and is able to propose a balanced budget for 2024/25. This is due to the careful long-term financial planning which has involved making some difficult decisions around cost reduction and doing things differently. Despite this, a significant and growing budget gap remains from 2025/26, and urgent action will be required to address this.

- 2.8. The Final Settlement is due to be announced in early February 2024. This does not usually vary significantly from the Provisional Settlement. However, on 24 January 2024 additional funding was announced in a written statement in advance of the final settlement. The announcement included a further £500m for social care, £15m increase in the Rural Services Delivery Grant (RSDG), and that the funding guarantee would be increased from 3% to 4% (estimate £60m extra). If the funding is allocated in line with the existing Social Care Grant formula, Manchester would receive around £5.5m. Recommendations on how to achieve maximum value from the funding are being developed and will be finalised once the Final Finance Settlement has been published and final amounts are known. These will be presented to the Executive on 14 February and Budget Scrutiny on 26 February.

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 (£10.2m for 2024/25) and additional savings for consideration (£11.2m in 2024/25).
- 3.3. Further details on the overall financial position are provided in the budget update report to Resources and Governance Scrutiny Committee on 8 February 2024. The full budget will be set out in the Medium-Term Financial Budget going to Executive on 14 February 2024.

Table Two: Summary Budget position

	2024 / 25	2025 / 26	2026 / 27
	£'000	£'000	£'000
Resources Available			
Business Rates / Settlement Related Funding	406,378	417,785	424,393
Council Tax	230,872	248,888	266,205
Grants and other External Funding	137,242	104,614	104,614
Dividends	195	390	390
Use of Reserves	11,522	13,003	8,222
Total Resources Available	786,209	784,680	803,824
Resources Required			
Corporate Costs	120,478	123,321	123,125
Directorate Costs	703,963	739,985	771,198
Total Resources Required	824,441	863,306	894,323
Budget Gap	38,232	78,626	90,499
Savings approved in Feb 22 MTFP	(10,172)	(20,774)	(20,774)
Additional Savings	(11,202)	(11,202)	(11,202)
Use of Smoothing Reserves	(16,858)	(17,850)	(17,758)
Gap after use of Smoothing Reserves and savings	0	28,800	40,765

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 years budget setting process (£36.2m across three years) and additional savings for consideration (£11.2m from 2024/25). As far as possible these are aimed at protecting the delivery of council priorities and represent the least detrimental options.

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 opened on 31 October and ran 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 be 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 Three: Scrutiny Committee Remits

Date	Meeting	Services Included
6 Feb 24	Communities and Equalities Scrutiny Committee	Sport, Leisure, Events Libraries Galleries and Culture Community Safety Housing Operations including Homelessness Neighbourhood teams
6 Feb 24	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
7 Feb 24	Health Scrutiny Committee	Adult Social Care Public Health
7 Feb 24	Children and Young People Scrutiny Committee	Children and Education Services
8 Feb 24	Resources and Governance Scrutiny Committee	Chief Exec Corporate Services Revenue and Benefits / Customer and Welfare Support Business Units
8 Feb 24	Environment and Climate Change Scrutiny Committee	Waste and Recycling Parks Grounds maintenance Compliance

7. **Next Steps**

The proposed next steps are as follows:

- 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

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**Manchester City Council
Report for Information**

Report to: Health Scrutiny Committee – 7 February 2024
Executive - 14 February 2024

Subject: Public Health Budget 2024-27

Report of: Director of Public Health

Summary

Local Government is under profound financial pressure, largely due to externally driven cost and demand pressures at a national level particularly affecting Adults Services, Children’s Services and Homelessness. It is in this context that the Council must set a balanced budget.

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Recommendations

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

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- 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 £54.126m and the net budget of £43.266m. Income of £10.860m includes use of reserves £3.753m, government grants £4.489m and other contributions from NHS partners, from other local authorities and Better Care Fund totalling £2.618m.

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	4,155	4,155	
Other Children's	415	415	
Sub Total	15,734	15,734	-
Wellbeing:			
Be Well Service	2,921	1,585	
Weight Management	599	599	
Smoking Prevention	812	570	
Falls Service	768	768	
Other Wellbeing	2,793	2,176	
Sub Total	7,892	5,696	-
Drug & Alcohol Services:			
Integrated Treatment & Support Service	11,816	6,932	
In-patient Detox & Residential Rehab	944	944	
Young People Services	652	652	
Other Drug & Alcohol	736	736	
Sub Total	14,148	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	3,833	2,904	59.00
Locality budget	0	0	

Other	2,317	487	
Sub Total	6,150	3,391	59.00
Total Public Health	54,126	43,266	59.00

- 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 is a minor additional vacancy savings allocation of £0.015m 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. The provisional public health settlement has been received for 2024/25, a 1.318% increase totalling £0.752m. The final confirmation is expected before the end of March 2024. 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 were subject to consultation prior to a final agreed position with the ICB. The final allocation for running costs was £7.8m. 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 the 2024/25 budget is within the resources available. The 2024/25 planning round is currently underway to understand what recurrent allocations are available from the ICB to support running costs. This is focused on further aligning health and care within Manchester, working across the partnership to create a more integrated model for the City focused on delivering the right outcomes for Manchester's population in a financially sustainable way. £1m of the funding was allocated on a one-off basis in 2023/24 to support the locality integrated

model. Further discussions are being held on the locality budget and there is a need to manage the use of all available resources to support the integration of health and care across Manchester. The public health budget has been allocated to ensure sustainable funding for the previously funded CCG/GMICB health protection posts and the CCG/GMICB Engagement and Equalities function, which will be fully integrated into the Manchester Locality (MLCO and MCC) from 1 April 2024. The other budget priorities for public health relate to the demand pressures on commissioned services such as sexual health, along with the investments in the Making Manchester Fairer Programme which is a priority for the City Council and partners. This work needs to be concluded before the final decisions on the allocation of the funding can be made.

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 2024/25 additional allocation is £0.929m. There will be a specified reporting regime, which will include information about activity levels and "quit rates", the latter being a recognised Performance Indicator. Subject to conditions and further adjustments, the city can expect a similar allocation in the following years up to 2028/29.

- (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.

Eight Themes:	Six Principles:	Four Ways 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

Eight Themes:	Six Principles:	Four Ways of Involving Communities*:
		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. This is one off funding of which £2.281m has been used to support the Kickstarters programme, and this is phased over 2023/24 (£944k) and 2024/25 (£1.337m). The remaining £0.708m budget is allocated to programme delivery that includes, staffing costs, communications and other commissioned activity. 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.
- 4.4. The two Kickstarter schemes prioritised for investment 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	200	508	708
CYP - Childrens Kickstarter	792	208	1,000
CYP - Young People's Kickstarter	137	294	431
Early Help for Adults Kickstarter	15	835	850
TOTAL	1,144	1,845	2,989

- 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. Intensive schools: All ten schools have been appointed a Support Worker which has enabled the assessment, training and input from an Educational Psychologist (EP) and Speech and Language Therapist (SALT). Accompanying this, each school established a taskforce group made up of partners based on the needs and challenges of the school.
- 4.9. Targeted schools: Support started in the Autumn term. Each of the five clusters completed a needs analysis to identify how they could best utilise the support from the EP and SALT to meet their needs. The Early Years Outreach Workers were also appointed and started working with each cluster of schools, taking referrals for families from the schools.
- 4.10. Universal Offer: The early years transition reading book was given to all children going into a reception class in a Manchester school before the Summer term ended. This was supported with enrichment packs for pre-school professionals, parents and the reception class staff to support the transition. A webinar was delivered covering social housing and homelessness prevention following feedback that housing was an issue many families faced.
- 4.11. Initial baseline data has started being collected from schools now information sharing agreements are in place. Further data will be collected at the end of the Spring and Summer terms to allow assessment of the intervention on pupils' progress, their attendance and parental engagement. The impact of the interventions on early years will be collected on a termly or quarterly basis with the first data being available from January 2024 with qualitative analysis also being carried out to better understand the outcomes of the interventions and their impact through structured interviews with those involved with the project.

These findings will start to become available in the Spring term.

- 4.12. Discussions are now under way to secure funding from public health reserves to sustain the Children's Kickstarter beyond the current programme end date of June 2024. This will be finalised in the next month.

Young People's Kickstarter

- 4.13. The purpose of the Young People's Kickstarter is to give Children and Young People (CYP) in Manchester who are already experiencing inequalities and inequities on their mental health and wellbeing, the support that they need to improve their life chances. As well as providing the opportunity to learn and build evidence for longer-term strategic approaches to reduce inequities in CYP mental health and wellbeing in the city.
- 4.14. A Specialist VCSE (Voluntary, Community and Social Enterprise) organisation with knowledge and experience of the needs of young people in Manchester, skilled in supporting young people with mental health and wellbeing issues, and understanding of the needs and assets of Manchester's communities and young people, will deliver over a 12-month period the following elements of the Kickstarter Scheme:
- (i) Building skills and capacity in community-based organisations to strengthen the support they can provide to CYP experiencing poor mental health and wellbeing (at current funding levels, there is the capacity to train around 200 CYP practitioners to develop new skills in supporting CYP with mental health needs)
 - (ii) Provide targeted community-based mental health and wellbeing support to CYP from marginalised communities (e.g. CYP from racially minoritised and LGBTQ+ communities, CYP living in poverty, or care experienced CYP) who are currently experiencing poor mental health and wellbeing (at current funding levels, there is capacity to support 550 CYP who would not otherwise be receiving any support)
- 4.15. In addition, Public Health is providing funding of £126k for 2023/24 (with a possible further £74k in 2024/25, to be confirmed) to increase capacity within the Be Well service, to support CYP from marginalised communities through social prescribing and connecting with other community wellbeing support. This service is available to CYP who are receiving mental health and wellbeing support through the Kickstarter, to CYP who are not eligible to access Kickstarter support but who need wellbeing support, and to their families through the wider Be Well service which offers a range of 'social determinants' and wellbeing support (e.g., advice services, support to remain in or return to employment, health coaching, connecting to community support). The Be Well service has an excellent track record of engaging marginalised communities in support, and of improving wellbeing outcomes across a range of domains.

- 4.16. Delivery of the targeted support element of the Kickstarter Scheme commenced in November and measurable benefits will be evident from January 2024.
- 4.17. 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
- 4.18. 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
- 4.19. 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.

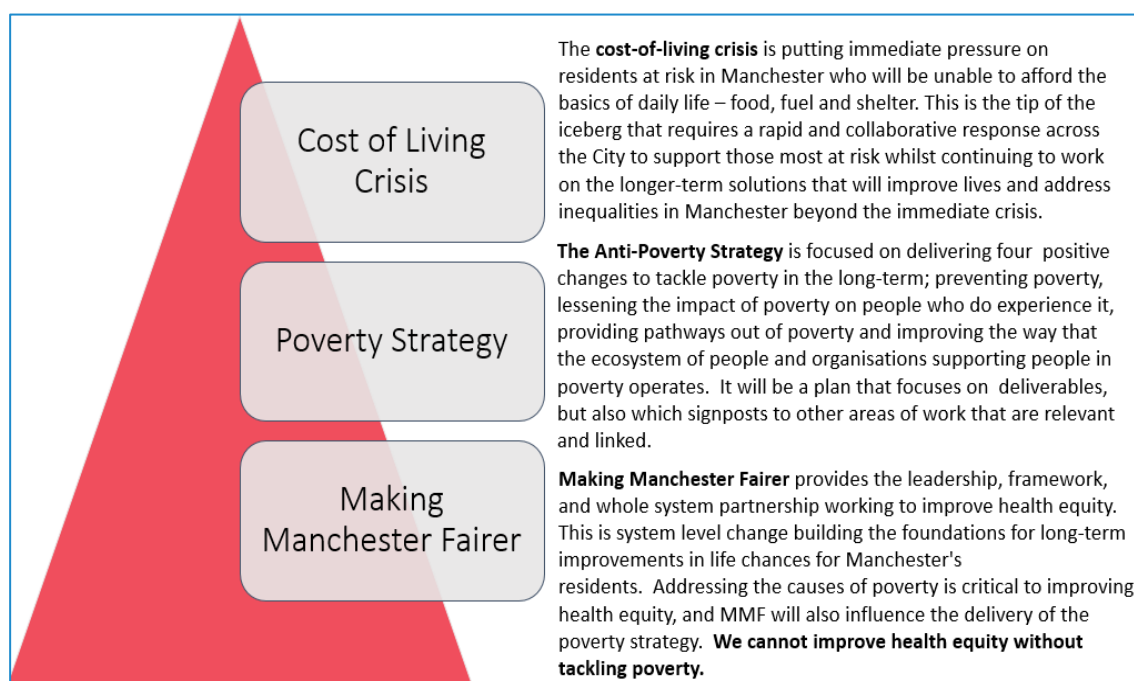
Early Help for Adults Experiencing Multiple and Complex Disadvantage (£0.850m)

- 4.20. 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).
- 4.21. It is envisaged that a local provider will be commissioned in early 2024 to provide this support.
- 4.22. 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 2024/25 financial year.
- 4.23. 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
- 4.24. 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
- 4.25. 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.
- 4.26. 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.
- 4.27. The process of reviewing the approach and benefits of the Children's Kickstarter underway. This will inform how the model would be resourced and delivered in year two. Discussions are under away to secure funding from public health reserves to sustain the Children's Kickstarter beyond June 2024 with confirmation of funding is to be finalised in February 2024.

5. Anti-Poverty Strategy

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



- 5.2. At the January Resources and Governance Scrutiny Committee it was agreed 5% of the Cost of Living Group budget (£178k) would be made available to support the Anti Poverty Strategy work focused on to the following activities:

- Benefits maximisation – Working age adults and 50+ & targeted work with retired people around access to entitlements such as pension credit and attendance allowance and linking into the new Age Friendly Strategy.
- Work with organisations supporting young people to deliver a series of workshops/activities that support financial inclusions activities including budgeting, understanding.
- Commission the collation and management of a single source of information for professionals to support residents.
- Supporting the poverty proofing of the school day particularly focusing on support VCSE organisations regarding affordable school uniform.

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). The process of reviewing the approach and benefits of the Children’s Kickstarter is underway. This will inform how the model would be resourced and delivered in year two. Discussions are under away to secure funding from public health reserves to sustain the Children’s Kickstarter beyond June 2024 with confirmation of funding is to be finalised in February 2024.

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Appendix 1: Savings Schedule

Service	Description of Saving	Type of Saving	RAG Impact	Amount of Saving			Indicative FTE Impact
				2024/25	2025/26	Total	
				£'000	£'000	£'000	
Directorate	Use of 2022/23 underspend	Efficiency		(330)		(330)	None
Directorate	Headroom in budget set aside for contract uplifts	Efficiency		330		330	None
Total				-	-	-	
Establishment	Vacancy Target			15		15	
Total				15		15	

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Appendix 2: Growth and Pressures Schedule

Service	Description of Pressure	Amount of Pressure			
		2024/25 £'000	2025/26 £'000	2026/27 £'000	Total £'000
Settlement funding		752			752
Total		752			752

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Appendix 3: Indicative Medium term budgets by service

Service Area	2023/2024 Budget £'000	2024/2025 Indicative Budget £'000	2025/2026 Indicative Budget £'000	2026/2027 Indicative Budget £'000
Children's:				
Health Visitors	11,164	11,164	11,164	11,164
Schools Health Service	4,155	4,155	4,155	4,155
Other Children's	415	415	415	415
Sub Total	15,734	15,734	15,734	15,734
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	2,176	2,176	2,176	2,176
Sub Total	5,696	5,696	5,696	5,696
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	2,904	2,889	2,889	2,889
Other	487	1,239	1,239	1,239
Sub Total	3,391	4,128	4,128	4,128
Total Public Health	43,266	44,003	44,003	44,003

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	3,903	3,888	3,888	3,888
Running Expenses	50,222	51,283	51,283	51,283
Capital Financing Costs	-	-	-	-
Contribution to reserves	-	-	-	-
Sub Total Subjective Expenditure	54,126	55,171	55,171	55,171 re
Less:				
Other Internal sales				
Gross Expenditure	54,126	55,171	55,171	55,171
Income:				
Government Grants	- 4,489	- 7,650	- 7,650	- 7,650
Contributions from Reserves	- 3,753	- 900	- 900	- 900
Other Grants Reimbursements and Contributions	- 2,618	- 2,618	- 2,618	- 2,618
Customer and Client Receipts	-	-	-	-
Other Income	-	-	-	-
Gross Income	- 10,859	- 11,168	- 11,168	- 11,168
Total Net Budget	43,266	44,003	44,003	44,003

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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		929	929	929
Total Government Grants	4,489	7,650	7,650	7,650

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**Manchester City Council
Report for Information**

Report to: Health Scrutiny Committee – 7 February 2024
Executive - 14 February 2024

Subject: Adults Social Care Budget 2024-27

Report of: Executive Director of Adult Social Services

Summary

Local Government is under profound financial pressure, largely due to externally driven cost and demand pressures at a national level particularly affecting Adults Services, Children’s Services and Homelessness. It is in this context that the Council must set a balanced budget.

Following the provisional finance settlement announced 18 December the Council is forecasting an estimated budget shortfall of £38m in 2024/25, £79m in 2025/26, and £90m 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, the budget is balanced for 2024/25 and the remaining gap reduces to £29m in 2025/26 and £41m by 2026/27. This position assumes that savings of £21.4m will be delivered next year.

This report provides a further update to members on the priorities for the services in the remit of this committee and details the changes to the initial revenue budget options proposed by officers in November 2023. Each scrutiny committee is invited to consider the proposed budget changes that are within its remit and to make recommendations to the Executive before it agrees to the final budget proposals on 14 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

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.
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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.
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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 final proposals for the Adults Social Care (ASC) budget for 2024/25 to 2026/27. It provides:
 - (i) An overview of ASC 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 the savings plan 2024-26; 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.
- 1.3. MLCO is in process of developing the Operating Plan for 2024/25 and the underpinning service plans across Community Health and ASC.
- 1.4. The Operating Plan will be drafted by end February and should be finalised by end March 2024.
- 1.5. The approach is embedded into the planning approaches in both Manchester Foundation Trust (MFT) and the City Council; MLCO will deliver one overarching Operating Plan for community health and ASC in one document that meets the requirements of both MFT (and therefore the Integrated Care Board and NHS Planning guidance) and the City Council.
- 1.6. 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 adult and children's Community Health services and Adult Social Care services. It is the partnership vehicle for the delivery of joined up health, care and wellbeing services.
- 2.2. 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.
- 2.3. 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.
- 2.4. 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.
- 2.5. The MLCO is unique in GM and the Section 75 Agreement (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.
- 2.6. 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.
- 2.7. 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.

2.8. The budget strategy for Adult Social Care, as detailed in this report, will also be incorporated into the Section 75 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. Adult 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. Manchester City Council supports a large number of Manchester residents with social care needs. Manchester has a relatively young population profile with around 50,000 residents aged over 65 in 2023, some 8% of the population. The number of residents aged 65 or over has increased by 3,300 from 2010 to 2023, which is 7% growth in 13 years, and lower than the overall rate of growth of the city's population in that time. Information on people supported is presented below.

	31st March 2022	31st March 2023	31st Dec 2023
Homecare hours per week	28,389	32,592	37,548
People receiving Homecare	1,889	2,082	2,214
People in Older People Residential and Nursing (Excluding self funders)	842	698	721
People in Physical Disability Residential and Nursing (Excluding self funders)	119	118	127
People in Learning Disability Residential and Nursing	158	163	163
People in Learning Disability Support Accommodation (Incl in-house)	485	492	514
People in Mental Health Residential and Nursing	367	372	387
People in Mental Health Supported Accommodation	332	318	334

The following are provided on a rolling 12 months basis:

	31st Dec 2021	31st Dec 2022	31st Dec 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 2024/25 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. The three-year transformation programme – Better Outcomes, Better Lives (BOBL) concluded in December 2023. BOBL was a practice led strengths-based change programme, aimed at enabling people in Manchester to achieve better outcomes with less dependence on formal care. The strategy of

the programme has been to focus on preventing, reducing and delaying the point at which someone requires more intensive support, changing how demand is managed. 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. Embedding strengths-based practice has been key to the programme, drawing on the right levers to create the conditions for Social Care practitioners to focus on wellbeing and independence, rather than deficits and needs. When assessing for support, practitioners will start with the persons' strengths, the resources within their own networks and local community before exploring what shorter-term support is available that could enable independence. The potential benefits of all of these options will be explored before longer-term support.
- 3.9. The impact of this strategy has contributed towards managing demand differently, supporting better outcomes and managing costs. Some of the evidence to date from the BOBL workstreams includes:
- 3.10. The **Early Help** workstream has introduced strengths-based conversations at the Contact Centre and established the Adults Early Support Team (AEST). Improving information to resolve more calls, to reduce demand coming in, and provide more accurate support and care. As a result:
- More calls are being resolved at the Contact Centre, up from 55% in April 2022 to 68% in November 2023, which equates to 1,183 new referrals being resolved at the front door;
 - Repeat calls are on a downward trend since February 2023, meaning more people getting the right advice and guidance first time; and
 - Fewer inappropriate calls are being sent to Integrated Neighbourhood Teams for social work assessments, meaning there are fewer unallocated cases – from 149 in May 2023 to 96 in November 2023, and a 19% reduction in overdue reviews.
- 3.11. The **short-term offer** workstream has expanded **Reablement** and Technology-enabled Care (TEC) use. Reablement is non-statutory, time-limited support that helps people re-learn or re-gain skills for independent living, that may have been lost following illness, accident or disability. Successful reablement means people do not need longer term care, or that they need a reduced package of care. BOBL has:
- Invested in expanding Reablement to a service with 296 FTE staff and a budget of £9.5 million in 2023/24. Reablement supported 1,444 people through core the offer in 2023, 51 through the complex Reablement offer and 24 people through Short Term Intervention Team;
 - Monthly reporting shows that around two thirds (67%) of those receiving reablement leave with no further care required (62%) or reduced care needs (5%). These numbers fluctuate monthly but have improved in recent years and are above the indicator agreed at the start of BOBL;

- To better understand impacts, we are looking at the cost avoidance from packages of social care that those people would otherwise have needed, and the reductions in demand on hospitals from fewer admissions (on average, 4 less days); and
- Further investment in Reablement will allow expansion to support people with Learning Disabilities and Mental Health, and to provide an offer for all people being discharged from hospital with social care needs.

3.12. **Technology-Enabled Care (TEC)** provides technological devices to help people maintain their independence and remain living in their own homes, alongside improving their personal safety. BOBL has embedded a TEC-first approach in Social Care over time, by developing a smart suite venue that showcases the TEC offer, a Champions Network for staff, a mandatory e-learning package, prototyping of new TEC devices, communications and branding. BOBL has:

- Increased the use of TEC, so 27% of support plans included TEC in 2022, up from 14% in 2021. This includes installation of 112 Just Checking and 32 Just Roaming motion sensors in supported accommodation to date;
- There are examples of lower cost care packages being required than otherwise through the use of TEC but more evidence is needed.
- There is an opportunity to build TEC into more care reviews as well as new packages.

3.13. **Extra Care** is supported accommodation for older people with an onsite care team commissioned by Adult Social Care, with commissioners acting as the gateway to placements and monitoring care and levels of need:

- Manchester had 6 Extra Care Schemes with 232 apartments in 2014. A new growth strategy was developed. By November 2023 there were 12 schemes with 762 apartments. This is one of the highest rates by population in the country (21 per 1000 people), compared to the national average of 12 and the CIPFA comparator areas average of 13.
- A further 3 schemes are already in the pipeline. Recent Housing Needs Analysis shows an estimated 33% increase in Manchester's over 65 population by 2043, with increased prevalence of dementia and related conditions. We are planning for 1,260 Extra Care apartments by this time from around 13 schemes.

3.14. **Unpaid Carer support** is being scaled up, led by Carers Manchester, a partnership of 18 organisations that supports unpaid carers in the city. Carers Manchester works closely with the ASC Carers Team to ensure carers are aware of the offer for carers, information and advice available, and statutory carers assessments. The Carers pathway provides help earlier in a carer's caring journey to help them continue caring (build up resilience) and avoid going into crisis:

- The numbers of Carers registered is increasing, in 2022/23, 1101 'new' unpaid carers were identified and supported: 183 new Carers were

registered in November 2023, much higher than the monthly average of 87 in the last year; and

- The number of Carers assessments is also above the better outcome indicators – 151 in November, and higher than the better outcome indicator of 138. There were 2,043 calls to Carers Manchester in past 12 months.

3.15. The Service will continue to have an overarching strategy of achieving the best outcomes, by supporting people to be as independent as possible, and being practice-led about delivering change. Priorities for large-scale transformation are:

- (i) **Expanding Early Help and prevention offer** to ensure that people access the right kinds of support at the earliest opportunity. This aligns to the development of an MLCO Prevention Strategy, referenced below. Sequencing to be defined:
 - Continued focus developing Adults Early Support Team and front door;
 - Ensuring our Reablement offer is accessible to more cohorts including people with a Learning Disability and more complex support;
 - Greater therapy input, to support increased independence, particularly for people requiring the support of two people with their movement; and
 - Expansion of TEC offer across the MLCO.
- (ii) **My Life, My Way and Learning Disability:** My Life, My Way is a substantial 3–5-year redesign programme focused on in-house Supported Accommodation, Day Services, Transport arrangements and Short Breaks for adults with a learning disability and/or autism. The programme seeks 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. The development of a system-wide vision for Learning Disability is currently being scoped.
- (iii) **Controcc Programme:** Creating an effective, robust and accurate financial and payments system. Improving the workflow, systems recording and payments process.
- (iv) **Preparing for Adulthood Programme:** Strengthening the transition from Children’s into Adults Services
- (v) **Transforming Safeguarding:** into a system that supports people in a timely manner, so that people feel safe and secure where they live and that Safeguarding is personalised.
- (vi) **Working with GMMH** to support their improvement journey into becoming a safe, effective and innovative offer;

- 3.16. In addition to the above, working with the VCSE remains critical to unlocking prevention in our communities. A recent example from Home from Hospital – a targeted, low cost, intervention to support mostly older people leaving hospital and requiring no adult social care intervention. Demonstrates the creativity of solution-finding evidenced by three VCSE providers, working across the three main Acute Trusts, means that people 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.

Wider Integration Priorities

- 3.17. Alongside ensuring our community health and adult social care services achieve operational, financial, quality and safety standards and metrics, the MLCO operates at the interface between acute, primary care, mental health and wider public services. Providing joined up health, care and wellbeing services to the residents of Manchester. 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, supporting care market sustainability;
 - Ensure an integrated Learning Disability service model through an aligned commissioning and service plan;
 - Embed Population Health Management beyond INTs to citywide and specialist service models, using population health modelling to develop service offers and priorities; and
 - Develop an MLCO prevention strategy building on our work to embed technology into our service models, a reablement first approach and our learning from BOBL and the Population Health management work in our Integrated Neighbourhood Teams.
 - (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, developing ControCC and mobilising a Single Point of Access (SPOA) for Community Health Services;
 - Continuing to build on our principles of Freedom to lead through varying methods of staff engagement and putting solutions in place to improve the employee experience, this includes joining up the approaches across community health and ASC; and
 - Work through the Manchester Strategic Estates 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; and
 - Develop a service strategy for Sickle cell and Thalassemia across MFT building on our understanding of the needs of service users and their families through a bespoke community engagement commission.

Preparation for Inspection under the CQC Assurance Framework

- 3.18. 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.
- 3.19. 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.
- 3.20. A self-assessment is underway 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 £285.023m and the net budget of £219.666m. Income of £65.357m includes client fees £30.416m, Better Care Fund Grant £17.791m, contributions from NHS partners of £10.267m and other income of £6.883m 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

- 4.2. The start budget for 2023/24 was £211.947m with key changes to the budget in year being the addition of the Market Sustainability and Improvement Fund (MSIF) workforce grant of £4.055m and pay award allocation of £4.347m. The budget was also reduced by a pensions budget adjustment of £-0.602m and Directorate transfers and other adjustments of £-0.081m.

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	83,040	50,957	-
Learning Disability	64,897	59,391	-
Mental Health	31,562	25,675	-
Disability Supported Accommodation Service	24,200	20,896	462.50
Investment funding	6,073	6,073	-
Sub Total	209,773	162,993	462.50
Short Term Care:			
Reablement/Short Term Intervention Team	11,929	9,782	316.62
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,989	5,684	132.46
Equipment & Adaptations (inc TEC)	8,371	6,082	174.42
Carers/Voluntary Sector	3,962	3,500	-
Sub Total	30,251	25,049	623.50
Infrastructure and Back Office:			
Social Work Teams	23,083	18,558	360.85
Safeguarding/Emergency Duty	4,045	3,037	67.00
Brokerage/Care Home Teams	2,011	1,853	-
Management and support	15,860	8,177	273.70
Sub Total	44,998	31,624	701.55
Total	285,023	219,666	1,787.55

Growth and Pressures 2024-27

- 4.3. The November 2023 Scrutiny report outlined that:
- (i) Growth and pressures of £26.372m were estimated and included in the Medium Term Financial Plan (MTFP) for 2024-26, as part of the 2023/24 budget approvals process. These are detailed in **Appendix 2** together with an additional £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 proposed ASC precept.

- (ii) Further pressures were detailed in the November report including:
- A £9m pressure into 2024/25 arising from the 2023/24 financial forecast position (as at August 2023), which was fully mitigated through a combination of additional resources and specific service initiatives detailed (and now presented in this report in the savings section below);
 - 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;
 - Additional funding towards the cost of care uplifts of £3.500m in 2024/25;
 - Mainstreaming the cost of new care models £1.300m from 2026/27; and
 - An expected £1.779m reduction in the 2024/25 MSIF workforce grant from £4.055m to £2.276m (the provisional settlement was slightly better at £2.316m).

The above representing an additional £8.584m, bringing the total investment 2024-27 to £40.892m (**also detailed at Appendix 2**).

- 4.4. The recurrent underlying position for 2024/25 has become significantly more challenging over the last five months notably:
- (i) A 15.2% increase in commissioned homecare hours in the year to December 2023 from 32,592 hours per week to 37,548 hours per week, following a previous 14.8% increase over 2022/23;
 - (ii) Older people and people with physical disabilities in residential and nursing care as at December were 32 above the start of year, from 816 people to 848 people (excluding self-funders) and there are increased one to one support costs, assessed need top up and price pressure above framework rates;
 - (iii) People with mental health needs or a learning disability in supported accommodation (including in-house provision) has increased by a net 31 as at December, from 817 people to 848 people with significant additional cost of new starters in provision against those that have left provision, reflecting an overall increase in complexity of need;
 - (iv) The In-house supported accommodation service is supporting more clients and higher level of complexity; and

- (v) The long term care budget included £5.5m of demand management savings with progress being made on £4m of this relating to older people and learning disability initiatives such as discharge to assess and reviews, but outweighed significantly by incoming demand pressures outlined above on residential, nursing, supported accommodation and homecare, and challenges delivering the £1.5m element relating to mental health social work.
- 4.5. Whilst the budget challenges outlined are significant, it is important to set in the context of the demand management BOBL work programme outlined earlier in the report and in particular, progress and outcomes delivered through: early help, reablement, TEC, support to carers, extracare and strength based practice. Due to cost effective management of demand, Manchester's social care financial pressures are less than many comparable authorities. Further commentary on the national comparative position is outlined in the cover report from the Deputy Chief Executive and City Treasurer.
- 4.6. The full year cost into 2024/25 of clients in long term care as at November is assessed at £20.812m above the existing budget. In addition, it is prudent to provide £1.5m for further growth in homecare to the end of the financial year. Furthermore, in relation to the increases outline in the November report, set out in 4.3 (ii) above, the £2m for transition of children to adult support and been increased to £3m and 2024/25 demographics increased by £1.295m
- 4.7. To complete the update on budget pressures, an investment requirement for capacity supporting mental health practice of £1m is included, £0.5m for commissioning, contacting and system hub capacity and the approved savings programme covering the provider review (detailed later in the report) has been reduced by £1m. Overall there are £27.107m of additional budget pressures (**Appendix 2**). Substantial work has been completed to mitigate these pressures, with a plan of £19.8m set out below but which leaves a residual additional budget requirement of £6.807m from the position reported at November and this has been included in the proposed update to the medium term financial plan, with £0.807m to met from additional social care grant per the provisional settlement and the balance further cash limit growth. The financial plan has also been updated with the £0.040m change in the provisional settlement for MSIF.
- 4.8. The proposals outlined in the report bring the total gross investment into Adult Social Care spending to £68m over 2024-27. All funding in relation to the care cost uplift is held centrally within the ASC budget and allocated into service lines once commissioned packages are updated.
- 4.9. 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.

Savings Plan 2024-27

- 4.10. Savings of £4.4m were approved for 2024-26 and are detailed in **Appendix 1**. The November report outlined the focus that was underway to look at the Provider Services, the 'My Life My Way' programme. Accommodation in Manchester for citizens with learning disabilities and/or autism is in extremely short supply. 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. The planned approach to and delivery of the 2024/25 savings has been reduced by £1m and is summarised in the table below. Future years savings remain unchanged and will be reconsidered within the 2025/26 process.

Amendments to Approved Savings Programme

Item	Update	Plan 2024/25 £'000	Revised 2024/25 £000
Day services	Priority area for 2024 will be DSAS and the approach to day services will be reconsidered within 2024 for the 2025/26 budget	500	0
Short breaks	Priority area for 2024 will be DSAS and the approach to short breaks will be reconsidered within 2024 for the 2025/26 budget	250	0
Transport	Reduced opportunity	150	75
Disability Supported Accommodation Service (DSAS)	Increased opportunity from Reablement, TEC and therapy to improve independence. Also step down opportunities	750	900
Extra care	No change	50	50
LD Joint funding	Further time needed for integrated joint commissioning with ICB to mature	500	175
Total		2,200	1,200

- 4.11. The additional mitigation plan presented in November, which totalled £8.7m has been further developed and increased to £19.8m. The plan has two components, £13.4m of additional funding and reallocated budgets which is secure and £6.4m of service actions which will be added to the approved savings programme and which include a level of risk. There are however no consultation requirements arising.

- 4.12. The £13.4m of additional funding and repurposed budget covers:

- (i) Use of grants and the better care fund allocation £2.6m;
- (ii) Expected growth in client contributions £2.5m, 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;

- (iii) Use of demographics budget allocation £4m;
- (iv) A specific price inflation allocation £2m; and
- (v) Release of pre 2023/24 budget held for backdated care cost uplifts £2.3m on the basis all material liabilities have now been addressed.

4.13. To respond to the significant pressures outlined above, £6.4m of service actions have been identified, which form a new savings programme (further detailed at **Appendix 1**), covering:

- (i) New business rules have been introduced by practice to more effectively manage one-to-one support in care homes (£0.3m) and ensure on-going support is reviewed regularly;
- (ii) 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;
- (iii) 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 and the budget updated at that point;
- (iv) Additional client income through correction to system configuration allowing accurate billing of care in block contract and extra care arrangements (£0.5m);
- (v) Reassessment of the Discharge to Assess budget requirement for 2024/25 £0.5m;
- (vi) Work with system partners to deliver an agreed programme of work that minimises discharge from hospital direct to Residential and Nursing care (Pathway 3) and avoids over-prescription of inappropriately large homecare packages (Pathway 1) on discharge (£0.5m);
- (vii) Moving and Handling pilot – this is a proven approach from other Council's aimed at reducing the need for double cover in homecare packages (£1.5m), spend on which is in excess of £15m; and
- (viii) Other homecare and direct payments initiatives, primarily focused on a robust review programme on hospital discharge pathways and a Reablement first approach (£0.8m).

4.14. The Directorate has also 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.

Government Grants and Other Investment Funding 2024-27

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

	2024/25 £'000
Market Sustainability Improvement Fund	11,664
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 £2.316m 2024/25. The total allocation in 2024/25 is therefore £11.664m. 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 Social Care Grant has been set at £60.218m, £0.807m higher than anticipated and is ringfenced for adults and children's social care. 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 2024-27.
- (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. The Improved Better Care Fund will remain at 2023/24 levels at £31.7m. 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

4.16. 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 £3.3m rising by £1m in 2025/26 and 2026/27. The increase in 2024/25 reflects both a budget reset to reflect the forecast outturn 2023/24 and 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.

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

		2024/2 5	2025/2 6	2026/2 7
		£'000	£'000	£'000
Cash limit	Para	219,666	247,439	255,250
<u>Growth</u>				
Demography	4.3 (i)	2,636	2,936	3,236
Demography - Additional	4.3 (ii)	1,735	1,064	764
Demography - Transitions	4.3 (ii)	2,000		
Additional Long Term Care Pressures and Homecare	4.6	22,312		
Transitions and Demographics	4.6	2,295		
Mental Health investment	4.7	1,000		
Commissioning and contracting capacity and system hub	4.7	500		
Less: additional funding and repurposed budget mitigation plan	4.1 2	- 13,400		
<u>Grants</u>				
ADF for new investments	4.3 (i)	2,969		
MSIF	4.3 (i)	3,105		
MSIF Workforce - Reduction	4.3 (ii)	- 1,739		
<u>Care Costs</u>				
Price	4.3 (i)	458	2,011	
ASC Precept passthrough	4.3 (i)	2,274		

		2024/2 5	2025/2 6	2026/2 7
Real Living Wage	4.3 (i)	5,983	4,000	4,000
Fair Cost of Care	4.3 (ii)	3,500		
<u>Saving Programme</u>				
Savings	4.1 0	- 2,200	- 2,200	
Amendment to existing programme	4.1 0	1,000		
New saving programme	4.1 3	- 6,400		
Additional Vacancy Factor	4.1 4	-255		
		247,4 39	255,2 50	263,2 50

- 4.18. **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.
- 4.19. 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. Furthermore, the cost of utilities, particularly in care homes, is now a regularly reported issue that is consuming a higher proportion of fee rates;

- (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

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

- (i) Supporting providers with recruitment and retention through arranging Jobs Fairs (Etihad and Wythenshawe Forum) and a further Jobs Fair planned for March 2024;
- (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) Consulting providers and 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. At present, the home is meeting a genuine need in the city for Discharge to Assess beds (D2A), which is offsetting some of the financial pressures, which is very positive.

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) - scheduled to be advertised Spring 2024; and
- (ii) Reprourement of Homecare (value £26m) which is now advertised on The Chest procurement portal from late December, with an implementation date of Summer 2024

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 has now been expanded to include Mental Health and Learning Disability Placements.

5.8 In summary, the care market remains fragile, however, the Market Sustainability and Investment Fund (MSIF) issued to providers, and continued work to sustain the quality of provision (Manchester now 2nd highest in GM for care homes rated Good or Excellent (91%)) and engagement with providers means that the situation in Manchester is less acute than our comparators at GM/Core Cities. Commissioners will continue to take a pro-active approach to safeguard provision and ensure best value/use of resources where possible.

6. Workforce Implications

6.1. 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 to look at developing new types of roles where required, as well as the ability to trial approaches across services, such as the Moving and Handling Optimisation Prototype and the Adults Early Support Team. To date, 89% of the roles funded by investment have been established and 57% of the overall

investment roles are now filled. Some of the new posts have provided opportunities for internal progression.

- 6.2. The recruitment and retention strategy has continued to drive good outcomes in priority areas including Reablement, Social Work and Disability Supported Accommodation (DSAS). The new posts funded by investment monies have further added to our vacancy figure, however progress is being made, with 76 new starters in Quarter 3. 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.
- 6.3. The continued national challenges in filling posts within the care 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 system.
- 6.4. The anticipated 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. This will be supported further by the Department of Health and Social Care work on developing a new care workforce pathway from entry level for Adult Social Care to help professionalise and promote the image of social care roles as a career.
- 6.5. The identified savings proposals as currently identified will have a limited impact on workforce, with savings to come from the review of services as opposed to deletion of a significant number of vacancies.
- 6.6. Previously, vacant roles were held in two main service areas that were under review - Day Services and the DSAS (covered by agency in the interim). Recruitment into these services is now underway, as there is sufficient scope to make any required changes to roles through vacancies that become available through normal anticipated turnover. 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 (further recruitment is now being progressed at the end of Quarter 3).
- 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. Adults (overall) turnover has also been a key focus and has improved over this time period from 10.6% in Sept 2022, with the latest figures from Nov 2023 showing a reduction to 7.4%.

- 6.9. It is currently 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 would be reviewed again in 2025/26 to reflect the updated recruitment position at that time. This proposal may need to be reviewed as part of an on going review of current vacancies and potential to delete a number of roles that do not have a clear future plan for recruitment in support of imperative service delivery.

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 for the Council and Government messaging about likely future settlements for Local Government. Coupled with short term in-year allocations of social care funding 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) Despite the progress made to reduce demand pressures through transformation and prevention programmes, there are still significant demand pressures in terms of numbers of people requiring care and their acuity of need;
- (iv) The specific complexity of change programmes such as the Provider review and retender programme;
- (v) Progress on integration within the wider Health and Social Care system remains constrained by financial pressures affecting NHS partners and 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 the City Council if further resources are required.

8.2. These and other issues are creating very significant challenges in the 2024/25, 2025/26 and future financial years. Areas for action to address these issues include:

- (i) Continued substantial investment in the short-term offer including an increased and wider reablement offer covering mental health, TEC, support for carers etc. This will build on the BOBL programme focusing on prevent, reduce, delay and strengths based ways of working, which has helped Manchester to avoid the most significant increases in demand affecting other Local Authorities;
- (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) Working with NHS partners on a joint programme of work to reduce discharge from hospital into high cost Residential, Nursing and Homecare packages where these involve over-prescription and care needs can be met through alternative packages of care. This includes strengthening the role of social workers in determining care packages on discharge from hospital, expansion of Reablement, Discharge to Assess reviews, building on the Hospital at Home work, the moving and handling pilot, and reducing double cover arrangements when appropriate;
- (iv) Review of Manchester care policies and procedures, within the Care Act assessment process to ensure that the funding available is sufficient to meet the needs of the entire local population;
- (v) Review the application of discretionary charges while limiting the impact of any changes on Manchester citizens; and
- (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.

Appendix 1 – Savings Schedule (Part 1 Update to Existing Programme)

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								
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		100		100	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		100		100	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.	75			75	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	900	1,250		2,150	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	175	750		925	None
Total				1,200	2,200		3,400	

Appendix 1 – Savings Schedule (Part 2 - New Programme)

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	
Homecare	Moving and Handling intervention to reduce double cover	Efficiency	Care needs are met in the most effective way	1,500			1,500	Nil
Homecare/ Direct Payments	Reviews aimed at ensuring people have appropriate levels of care without over prescription and a Reablement First approach	Efficiency	Care needs are met in the most effective way. Supports independence	800			800	Nil
Residential	One to One Control – updated business rules. Implemented and working well	Efficiency	Ensures additional support is appropriate and time limited unless care needs require such	300			300	Nil
Residential	Assessed Need Top Up – price pressure in 2023/24 will be addressed through the increase in framework rates in April 2024	Efficiency	None	1,200			1,200	Nil
Residential	Client numbers and D2A Pathway – Health and Social Care system requirement to ensure a sustainable social care component	Efficiency	None – ensuring hospital discharges are made on the most appropriate pathway and people eligible for social care have their needs properly assessed and met	1,000			1,000	Nil
Establishment	Vacancy factor - reflects current vacancy and turnover position. Non recurrent 2024/25	Efficiency	Recruitment difficulties reduce critical capacity	1,100			1,100	Nil
Income	Billing of client contributions for care in block contract and extra care arrangements	Income Generation	None, all charges are in line with current policy	500			500	Nil
Total				6,400			6,400	Nil

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	
Establishment	Vacancy Target			255			255	TBC

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Appendix 2 - Pressures / Growth Schedule

Service	Para	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	4.3 (i)	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			5,456	1,064	2,064	8,584
Total	4.3 (ii)	Position as at November Scrutiny Report	22,881	10,011	8,000	40,892

Appendix 2 - Pressures / Growth Schedule

Service	Para	Description of Pressure	2024/25	2025/26	2026/27	Total
			£'000	£'000	£'000	£'000
Long term care	4.6	Residential care	6,171			6,171
Long term care	4.6	Nursing care	3,406			3,406
Long term care	4.6	Homecare (including £1.5m for growth to 31/3/24)	6,662			6,662
Long term care	4.6	Supported Accommodation provision (including in-house)	5,808			5,808
Long term care	4.6	Direct Payments / Personal Budgets	265			265
			22,312			22,312
Long term care	4.6	Increase in Transitions budget from £2m to £3m	1,000			1,000
Long term care	4.6	Additional demographics allocation	1,295			1,295
Infrastructure	4.7	Investment in Mental Health	1,000			1,000
Infrastructure	4.7	Commissioning, Contracting and System Hub	500			500
Long term care	4.7	Amendment to savings programme	1,000			1,000
			27,107			27,107
Total			49,988	10,011	8,000	67,999
	4.12	Application of funding detailed in the report	(13,400)			(13,400)
Total		Net pressures	36,588	10,011	8,000	54,599

Appendix 3: Indicative Medium term budgets by service

Service Area	2023/2024 Budget £'000	2024/2025 Indicative Budget £'000	2025/2026 Indicative Budget £'000	2026/2027 Indicative Budget £'000
Long Term Care:				
Older People/Physical Disability	50,957	56,132	55,896	55,660
Learning Disability	59,391	65,772	64,831	64,741
Mental Health	25,675	28,646	27,972	27,299
Disability Supported Accommodation Service	20,896	22,896	21,646	21,646
Investment funding	6,073	18,645	29,656	38,656
Sub Total	162,993	192,091	200,002	208,002
Short Term Care:				
Reablement/Short Term Intervention Team	9,782	9,575	9,575	9,575
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,684	5,505	5,405	5,405
Equipment & Adaptations (inc TEC)	6,082	6,047	6,047	6,047
Carers/Voluntary Sector	3,500	3,504	3,504	3,504
Sub Total	25,049	24,630	24,530	24,530
Infrastructure and Back Office:				
Social Work Teams	18,558	18,272	18,272	18,272
Safeguarding/Emergency Duty	3,037	2,967	2,967	2,967
Brokerage/Care Home Teams	1,853	1,787	1,787	1,787
Management and support	8,177	7,691	7,691	7,691
Sub Total	31,624	30,717	30,717	30,717
Total	219,666	247,439	255,250	263,250

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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	76,097	75,496	75,496	75,496
Running Expenses	208,926	239,476	247,762	257,762
Capital Financing Costs	-	-	-	-
Contribution to reserves	-	-	-	-
Sub Total Subjective Expenditure	285,023	314,972	323,258	333,258
Less:				
Other Internal sales	-	-	-	-
Gross Expenditure	285,023	314,972	323,258	333,258
Income:				
Government Grants	- 382	- 382	- 382	- 382
Contributions from Reserves	- 5,705	- 2,275	-	-
Other Grants Reimbursements and Contributions	- 28,844	- 28,844	- 28,844	- 28,844
Customer and Client Receipts	- 30,416	- 33,716	- 34,716	- 35,716
Other Income	- 11	- 2,317	- 4,067	- 5,067
Gross Income	- 65,357	- 67,533	- 68,008	- 70,008
Total Net Budget	219,666	247,439	255,250	263,250

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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	89,985	- 20,676	- 10,066	- 3,111	-	56,132
Learning Disability	71,753	- 3,635	- 680	- 1,447	- 218	65,772
Mental Health	36,755	- 6,826	- 682	- 590	- 12	28,646
Disability Supported Accommodation Service	25,739	- 2,041	- 334	- 449	- 19	22,896
Investment funding	16,687	-	-	-	-	16,687
Sub Total	240,918	- 33,178	- 11,761	- 5,597	- 249	190,133
Short Term Care:						
Reablement/Short Term Intervention Team	11,738	- 45	- 1,897	- 221	-	9,575
Short Breaks/Respite/Day Centres/Neighbourhood Apartments	5,809	- 138	-	- 167	-	5,505
Equipment & Adaptations (inc TEC)	8,372	- 609	- 665	- 1,051	-	6,047
Carers/Voluntary Sector	3,966	-	- 381	- 81	0	3,504
Sub Total	29,885	- 792	- 2,942	- 1,520	0	24,630
Infrastructure and Back Office:						
Social Work Teams	22,797	-	- 2,149	- 2,376	- 0	18,272
Safeguarding/Emergency Duty	3,826	-	- 525	- 119	- 215	2,967
Brokerage/Care Home Teams	1,946	- 51	- 107	-	-	1,787
Management and support	13,641	- 244	- 1,387	- 1,330	- 2,989	7,691
Investment Plan	1,958	-	-	-	-	1,958
Sub Total	44,168	- 296	- 4,168	- 3,825	- 3,204	32,676
Total	314,972	- 34,266	- 18,872	- 10,942	- 3,453	247,439

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