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Wednesday, 28 February 2024

Dear Councillor / Honorary Alderman,

Meeting of the Council – Friday, 1st March, 2024

A summons was issued on 22 February 2024, for meeting of the Council which will be held at 10.00 am on Friday, 1st March, 2024, in The Council Chamber, Level 2, Town Hall Extension.

The following items marked as 'to follow' on the summons are now enclosed.

4c	Minutes of the Resources and Governance and Scrutiny Committee - 26 February 2024, in relation to the overall budget proposals	3 - 10
4k	Details of proposed Budget Amendments The report of the City Solicitor is enclosed.	11 - 16
4l	Council Tax Resolution 2024/25 The report of the Deputy Chief Executive and City Treasurer, Chief Executive and City Solicitor is enclosed.	17 - 72

Further Information

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

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This agenda was issued on **Wednesday, 28 February 2024** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension (Library Walk Elevation), Manchester M60 2LA

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Resources and Governance Scrutiny Committee

Minutes of the meeting held on Monday, 26 February 2024

Present:

Councillor Simcock (Chair) – in the Chair
Councillors Andrews, Brickell, Connolly, Davies, Evans, Kilpatrick, Kirkpatrick, Lanchbury, Rowles and Stogia

Also present:

Councillor Craig, Leader of the Council
Councillor Rahman, Statutory Deputy Leader
Councillor Midgley, Deputy Leader
Councillor Akbar, Executive Member for Finance and Resources
Councillor Bridges, Executive Member for Early Years, Children and Young People
Councillor Hacking, Executive Member for Skills, Employment and Leisure
Councillor Igbon, Executive Member for Vibrant Neighbourhoods
Councillor Rawlins, Executive Member for Environment and Transport
Councillor T Robinson, Executive Member for Healthy Manchester and Adult Social Care
Councillor White, Executive Member for Housing and Development
Councillor Hitchen, Chair of the Communities and Equalities Scrutiny Committee
Councillor Reid, Chair of the Children and Young People Scrutiny Committee
Councillor Leech

Apologies: Councillor Wheeler

RGSC/24/21 Interests

Councillor Connolly declared a personal interest in item 5k.

RGSC/24/22 The Council's Budget 2024/25

The committee considered reports of the Deputy Chief Executive and City Treasurer which provided updates on the Council's financial position following scrutiny of the draft budget proposals and directorate budget plans by all Scrutiny Committees.

The committee received a statement from the Leader of the Council on the Executive's budget proposals. She thanked officers for their hard work in achieving a balanced budget for 2024/25 and acknowledged the challenges in doing so. She stated that the government had previously indicated that they were receptive to the fact that local government finances were in crisis and that they recognised their role in helping to address the £4bn funding gap forecasted over the next two years but this was not reflected in the Local Government Finance Settlement which allocated only a small amount of funding for the Council. She explained that the proposed budget took these issues into consideration but that the Local Government Finance Settlement did not provide enough funding. She stated that Manchester would have had double the amount of spending power if it had received the average budget cuts

since 2010 but she highlighted that the Council had lots to be proud of, including its long-term view of investing in communities and supporting residents.

The committee received a statement from the Executive Member for Finance and Resources on the Executive's budget proposals and the key issues underlying the budget process. He echoed the Leader's comments and praise of officers and acknowledged the difficulty in achieving a balanced budget in the context of 14 years of austerity; the government's failure to recognise the role of local government; and in-year budgetary pressures on adult's social services, children's services and homelessness despite significant work to reduce demand. He explained that Manchester had lost £443m in funding as a result of cuts to local government finances with a further reduction of £32m expected in future years and that the Council would have had an additional £74.5m per year if it had been subject to the average budget cuts across local government, which he accredited to ideological political choices. He highlighted how 8 local authorities had issued Section 114 notices in recent years, of which 3 of these notices had been issued in the previous 6 months and stated that Manchester was in a better position than many councils as a result of taking tough, long-term decisions.

Each Executive Member then summarised key points within the relevant directorate budget proposals.

The Chair then invited Chairs of other Scrutiny Committees to highlight any issues arising from individual directorate budget plans. The Chair of the Children and Young People Scrutiny Committee highlighted challenges with the Children and Education Services directorate budget, particularly with regards to funding for high needs blocks in schools. She recognised the hard work of officers and the importance of early help work but stated that this would be difficult to continue after 2024/25 if the government did not continue to provide the Household Support Fund (HSF).

The Chair then invited questions from the committee and the following queries and key points were raised:

- Emphasising the need for multi-year Local Government Finance Settlements;
- Welcoming work on the Aviva Studios at Factory International, which had brought communities together;
- Noting that the budget proposed a reduction of 43 full-time equivalent (FTE) positions, and querying how many of these were currently vacant;
- What reassurances could be provided that the Council was not excessively using reserves;
- Commending the work of the procurement team dealing with the Council's energy contracts, who the Chair had recently met; and
- Recognising that the Council had defended many of its services and invested heavily against a background of 14 years of budget cuts.

In response to a query regarding vacancies, the Deputy City Treasurer advised that there were approximately 800 vacancies across the Council, of which 500 had been vacant for more than 12 months and had been difficult to fill. He explained that a review had been undertaken to identify if any vacant posts could be deleted.

The Executive Member for Finance and Resources echoed a member's call for multi-year finance settlements and explained that this was the sixth year of receiving an annual settlement, which did not enable the Council to plan ahead. The Deputy Chief Executive and City Treasurer explained that officers took a long-term view when setting the budget and that reserves were used to smooth the budget position but she acknowledged that this was getting increasingly difficult. The Leader of the Council stated that there had been a noticeable change with regards to how smoothing reserves were used and that consideration would need to be given to how reserves were used given the forecasted budget gap of £90m by 2026/27. She provided assurances, however, that the use of reserves was well thought through.

Decision:

That the Resources and Governance Scrutiny Committee endorses the budget proposals as presented for approval by Full Council at its meeting on 1 March 2024.

RGSC/24/23 Housing Revenue Account 2024/25 to 2026/27

The committee received a statement from the Executive Member for Housing and Development regarding the Housing Revenue Account (HRA) calculations for 2024/25 to 2026/27 and its use. The Executive Member for Housing and Development explained that there would be a rent increase of 7.7% in 2024/25 which was set by the government. He stated that there were challenges in balancing the HRA due to pressures with the Right to Buy scheme and the need to improve the Council's housing stock, but work was ongoing to improve energy efficiency of the current stock and to build more social housing in areas such as Collyhurst. He also explained that £1.1m had been allocated to supporting Council tenants with the cost-of-living crisis in the 2023/24 budget and this would be continued in 2024/25 with £300k allocated to mitigate against pressures caused by rent increases and the cost-of-living.

Decision:

To endorse the proposals as recommended for approval at Council on 1 March 2024.

RGSC/24/24 2024/2025 Budget Consultation Results

The committee considered a report of the Deputy Chief Executive and City Treasurer and the Head of Strategic Communications which provided a summary of the results of the 2024/2025 budget and council tax consultation.

Key points and themes within the report included:

- The consultation had run from 31 October to 27 December 2023 and sought feedback on a proposed 2.99% increase in council tax and a proposed 2% Adult Social Care (ASC) precept;
- This was undertaken through an online questionnaire on the Council's website and paper questionnaires in libraries across the city. Paper copies of the consultation form were also issued to Councillors;
- The questions asked and responses;

- Analysis of responses;
- Demographic analysis; and
- Equality data.

Some of the key points and queries that arose from the committee's discussion included:

- The reasons why 35% of respondents to the Budget Consultation viewed becoming a zero-carbon city as a least important priority; and
- Whether respondents to the consultation were more likely to be those who would benefit from changes to council tax, and what could be done to widen participation.

In response to queries regarding the budget consultation, the Deputy City Treasurer stated that most respondents supported an increase in council tax to support vulnerable residents. The Leader stated that there was a wide variety of respondents to the consultation and that these were often those least in receipt of Council services. She also stated that many residents favoured investment over tax cuts.

The Deputy City Treasurer explained that the Council's Communications team used different channels to reach a wide audience when consulting on the budget. He stated that the Council was pleased with the response rate this year compared to previous years and that the responses were beginning to reflect national polling.

In response to a query regarding why some respondents viewed becoming a zero-carbon city as a least important priority, the Leader explained that this could be because respondents considered the immediate issues affecting them rather than long-term ambitions or concerns.

Decision:

That the report be noted.

RGSC/24/25 Budget 2024/25 Anti-Poverty and Equalities Impact Assessment

The committee considered a report of the Deputy Chief Executive and City Treasurer which detailed how the approach to Equality Impact Assessments and Poverty Impact Assessments was embedded in the budget setting and business planning processes. It also detailed the budget setting process for 2024/25 and the impact this will have on equalities and poverty.

Key points and themes within the report included:

- Each service developed their own service plan for the year which detailed the steps to be taken to tackle inequalities;
- A wide range of data, intelligence and insight about communities in the city and different neighbourhoods and localities was used to inform decisions and service priorities;
- Support provided in children's early help, reablement services and investment in the Voluntary, Community and Social Enterprise (VCSE) sector;

- The proposals recommended to Council which had been identified as requiring an Equality Impact Assessment;
- Increased Investment and support for people experiencing poverty; and
- The collective impact of proposals and ongoing management.

Some of the key points and queries that arose from the committee's discussion included:

- Welcoming the support offered by the Cost-of-Living Advice Line and investment in the Voluntary, Community and Social Enterprise (VCSE) sector; and
- How many households could be lifted out of poverty if the government removed the two-child benefit cap.

It was clarified that, as of July 2023, 7000 households in Manchester would be lifted out of poverty if the two-child benefit cap was removed.

Decision:

That the report be noted.

RGSC/24/26 Details of Proposed Budget Amendments

The Chair next invited Councillor Leech to present his budget amendment. In doing so, Councillor Leech proposed the following:

1. To allocate a budget of **£770,000**, subject to consultation, to enable the Council to deliver a Council Tax rebate to Manchester residents in receipt of the maximum Council Tax support equivalent to increasing the maximum support from 85% to 87.5%; to be funded through the transfer from the General Fund Reserve.
2. To allocate a budget of **£75,000**, subject to consultation, to enable the Council to deliver a Council Tax rebate to Manchester residents in receipt of the maximum Council Tax support equivalent to the increase that they would be expected to pay to cover the increased precepts for the Police and Fire services and to cover the increase of the Mayoral General precept; to be funded through the transfer from the General Fund Reserve.
3. To allocate a budget of **£1,000,000** to invest additional resources into highways maintenance, to tackle the backlog of road and pavement repairs and gully repairs, to save money on future accident trip claims and to reduce the ongoing day to day maintenance costs on gully clearing and repairs; to be funded from the Budget Smoothing Reserve.
4. To allocate a budget of **£350,000** to invest additional resources into CCTV to tackle flytipping hotspots by improving detection rates and increasing enforcement and reducing instances of flytipping and to add or replace unsuitable bins in specific problem spots where existing bin capacity results is insufficient; to be funded from the Budget Smoothing Reserve.

5. To allocate a budget of **£105,000** to invest additional resources into CCTV enforcement vehicles to tackle specific parking enforcement hotspots; to be funded from the On-street Parking Reserve.
6. That a review be carried out on the cost-effectiveness of the parking enforcement income generated by the leasing of additional CCTV enforcement vehicles.

All proposals in this amendment were spending commitments for 2024/2025 only.

The Chair then invited the Executive Member for Finance and Resources to comment on the proposed amendment from Councillor Leech. He stated that local government finances had worsened from 2010 under the Conservative-Liberal Democrat coalition government and emphasised that reserves were to be used prudently for preventative strategies and initiatives to reduce demands on key services. He further stated that the Council had increased the maximum Council Tax Support to 85% and adjusted the Universal Credit excess bands to align with this. It was highlighted that £5.5m had been retained to support those residents most in need and it was stated that the Council was doing all it could to provide support considering the budget constraints it faced.

The Leader emphasised the support available to those most in need and that the Executive continued to focus on providing vital services for residents and investing in key priorities.

Some further clarity was sought on Councillor Leech's amendment and he explained that the additional resources for CCTV enforcement proposed in the amendment was to be used in problem areas and was in addition to the investment already allocated by the Council.

The Executive Member for Vibrant Neighbourhoods provided assurances in response to the amendment that the Neighbourhoods service continued to identify ways to improve cleanliness and to tackle flytipping and emphasised the need for reserves to be used prudently.

The Executive Member for Environment and Transport explained that there were currently less than 500 highways repairs to undertake and that the service continued to undertake the planned maintenance programme. She highlighted that the on-street parking reserve was not a form of guaranteed income and that enforcement measures were needed to generate income.

The Chair queried whether members should be nervous about the proposal in the amendment to use an additional £2m of reserves in 2024/25. In response, Councillor Leech disagreed and explained that the proposals within the amendment proposed would not result in the General Reserve Fund decreasing below the acceptable threshold in three years and that many of the proposals were on a spend-to-save basis and would result in long-term financial savings to the Council. In contrast, the Executive Member for Finance and Resources stated that the General Reserve Fund was forecasted to decrease below £20m by the end of 2023/24 and that an additional

£10m had been allocated to the reserves since November 2023 to account for demands in adult's and children's social care. He stated that the reserves needed to be replenished by £3m next year based on the proposed budget. He also advised that the Council could not predict future demand on reserves.

Decision:

That the committee recommends that Council does not agree to the amendment proposed by Councillor Leech.

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**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 26 February 2024
Council – 1 March 2024

Subject: Details of Proposed Budget Amendments

Report of: City Solicitor

Summary

This report provides details of amendments to the Executive’s budget proposals that have been submitted in accordance with Paragraph 18.3 of the Council’s Rule of Procedure.

Recommendations

The Resources and Governance Scrutiny Committee is recommended to give consideration to the proposed budget amendments and, if appropriate, make recommendations to Council.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city	Not applicable.
Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments	Not applicable.

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	Not applicable.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	Not applicable.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Not applicable.
A liveable and low carbon city: a destination of choice to live, visit, work	Not applicable.
A connected city: world class infrastructure and connectivity to drive growth	Not applicable.

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Background documents (available for public inspection):

None

1.0 Introduction

- 1.1 In accordance with Council Rule of Procedure 18.3, when the Executive makes recommendations to the Council in relation to calculating the budget requirement and setting the Council tax, any amendments to those recommendations which affect those calculations or the level of Council Tax must be submitted in writing and received by the Chief Executive by 4.00 p.m. on the seventh day after the meeting of the Executive (this being Wednesday 21 February 2024).
- 1.2 Any such amendment, together with the recommendations of the Executive, is to be referred to the Resources and Governance Scrutiny Committee which will report to the Council meeting in March at which the Council calculates the budget and sets the Council Tax ("the Budget Council").
- 1.3 In doing so, nothing in Rule 18.3 will prevent Members moving amendments at Budget Council in accordance with Rule 18.1 (amendments to be moved at Council must be in writing and be received by the Chief Executive at least 30 minutes before the meeting) or the Executive reconvening and revising their recommendations to Budget Council, where such amendments or revised recommendations arise out of the proceedings of the Resources and Governance Scrutiny Committee, nor will anything in Rule 18.3 require a further meeting of the Resources and Governance Scrutiny Committee in such circumstances

2.0 Details of Amendments Received

Amendment (1) proposed by Councillor Leech, seconded by Councillor Good

- 2.1 In order to support the least well-off Manchester Council Tax payers during the continuing cost of living crisis, the following proposals to the Council Tax Support Scheme as follows (amendment 1):
- To allocate a budget of **£770,000**, subject to consultation, to enable the Council to deliver a Council Tax rebate to Manchester residents in receipt of the maximum Council Tax support equivalent to increasing the maximum support from 85% to 87.5%; to be funded through the transfer from the General Fund Reserve.
 - To allocate a budget of **£75,000**, subject to consultation, to enable the Council to deliver a Council Tax rebate to Manchester residents in receipt of the maximum Council Tax support equivalent to the increase that they would be expected to pay to cover the increased precepts for the Police and Fire services and to cover the increase of the Mayoral General precept; to be funded through the transfer from the General Fund Reserve.

Amendment (2) proposed by Councillor Leech, seconded by Councillor Good

- 2.2 In order to tackle long-standing problems with highways maintenance, gully repairs, flytipping, littering and illegal parking as follows (amendment 2a and 2b):
- To allocate a budget of **£1,000,000** to invest additional resources into highways maintenance, to tackle the backlog of road and pavement repairs and gully repairs, to save money on future accident trip claims and to reduce the ongoing day to day maintenance costs on gully clearing and repairs; to be funded through the transfer from the General Fund Reserve.
 - To allocate a budget of **£350,000** to invest additional resources into CCTV to tackle flytipping hotspots by improving detection rates and increasing enforcement and reducing instances of flytipping and to add or replace unsuitable bins in specific problem spots where existing bin capacity results is insufficient; to be funded through the transfer from the Budget Smoothing Reserve.
 - To allocate a budget of **£105,000** to invest additional resources into CCTV enforcement vehicles to tackle specific parking enforcement hotspots; to be funded through the transfer from the On-street Parking Reserve.

Received 21 February 2024 at 14.14.

- 2.3 All proposals in this amendment are one off spending commitments for 2024/2025, with a review to be carried out on the cost-effectiveness of the parking enforcement income generated by the leasing of additional CCTV enforcement vehicles.

3.0 Financial Implications of Proposed Budget Amendments

Amendment 1 - Council Tax Support Scheme

- 3.1 The amendment proposal funds the total cost of £0.845m from the General Fund reserve, the Council's only unallocated reserve. The General Fund reserve is expected to be £19.640m at the end of 2023/24, if the current year overspend remains at the forecast £5.5m. The 2024/25 budget proposals include replenishing the reserve by £3.5m to bring the forecast balance to £23.140m by the end of 2024/25 and to a level considered prudent, as outlined in the reserves strategy.
- 3.2 As such any further call on the General Fund reserve will need to be replenished, in line with the strategy, and will present as an additional pressure on the Council's budget, increasing the forecast budget gap in 2025/26 from £28.748m to £29.593m, to be met from savings.

Amendment 2 - Highways maintenance, gully repairs, flytipping, littering and illegal parking

3.3 The proposed amendments seek to fund £1.350m from the Budget Smoothing reserve to fund:

- £1.0m to invest additional resources into highways maintenance, to tackle the backlog of road and pavement repairs and gully repairs
- £350k to invest additional resources into CCTV to tackle flytipping

It also seeks to fund £105k from the On Street Parking reserve to fund:

- The proposed amendments £105k to invest additional resources into CCTV enforcement vehicles to tackle specific parking enforcement hotspots

3.4 In relation to the use of the budget smoothing reserve, its current level will reduce significantly over the next 2-3 years as part of the budget strategy and is integral to managing peaks and flows in funding and avoiding large budget cuts in any one year. This reserve is forecast diminish to c£5.5m by the end of 2026/27 and as such any further calls on the Budget Smoothing reserve will need to be replenished by 2026/27 increasing the forecast shortfall. This has the impact of increasing the cumulative savings target for 2026/27 from £40.622m to £41.972m, to be met from savings.

3.5 The On Street parking reserve is a ring-fenced reserve which can only be applied to specific transport and highways related activity. Enforcement legislation restricts what the income from decriminalisation of parking income can be used for specifically, and the details are:

- Costs incurred by the authority for the operation of public passenger transport service
- A highway or road improvement project
- Environmental improvement

3.6 Although this reserve is forecast to be exhausted by the end of 2027/28, it is reasonable to forecast this investment will generate sufficient contributions to fund this amendment.

Table 1: Amendment impact to the Council's position

	2023 / 24	2024 / 25	2025 / 26	2026 / 27
	£'000	£'000	£'000	£'000
Resources Available:				
Business Rates / Settlement Related Funding	376,527	406,999	418,394	425,002
Council Tax	217,968	231,034	249,114	266,520
Grants and other External Funding	130,494	142,907	104,614	104,614
Dividends	0	195	390	390
Use of Reserves	17,087	29,380	32,853	27,982

Total Resources Available	742,076	810,515	805,365	824,508
Resources Required:				
<i>Corporate Costs:</i>				
Levies / Statutory Charge	70,060	72,463	78,806	78,610
Contingency	600	600	600	600
Capital Financing	43,926	43,926	43,926	43,926
Transfer to Reserves	1,335	8,968	0	0
<i>Sub Total Corporate Costs</i>	<i>115,921</i>	<i>125,957</i>	<i>123,332</i>	<i>123,136</i>
<i>Directorate Costs:</i>				
Additional Allowances and other pension costs	8,497	8,497	8,497	8,497
Insurance Costs	2,004	2,004	2,004	2,004
Inflationary Pressures and budgets to be allocated	2,101	17,357	33,492	50,226
Directorate Budgets	613,553	656,700	666,788	681,267
<i>Subtotal Directorate Costs</i>	<i>626,155</i>	<i>684,558</i>	<i>710,781</i>	<i>741,994</i>
Total Resources Required	742,076	810,515	834,113	865,130
Shortfall / (surplus)	0	0	28,748	40,622
Amendment 1 - Council Tax Support Enhancement		0	845	0
Net position	0	0	29,593	40,622
Amendment 2 - Highways				1,350
Net position	0	0	29,593	41,972

4.0 Recommendations

4.1 The recommendations are set out at the front of this report.

**Manchester City Council
Report for Resolution**

Report to: Council – 1 March 2024

Subject: Council Tax Resolution for 2024/25

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

Summary

To advise the Council of the recommended Council Tax resolution and Collection Fund Budget for 2024/25.

Recommendations

The Council is recommended to:

1. Adopt those proceedings of the Executive on 14 February 2024 which contain details of the following:
 - Medium Term Financial Strategy and Revenue Budget 2024/25
 - Corporate Core Budget 2024/25
 - Children and Education Services Budget 2024/25
 - Public Health Budget 2024/25
 - Adult Social Care Budget 2024/25
 - Neighbourhoods Budget 2024/25
 - Homelessness Budget 2024/25
 - Growth and Development Budget 2024/25
 - Housing Revenue Account 2024/25 to 2026/27
 - Schools Budget 2024/25
 - Capital Strategy and Budget 2024/25 to 2026/27
 - Treasury Management Strategy Statement 2024/25, including Borrowing Limits and Annual Investment Strategy
2. Note the proposed Savings and Efficiencies as detailed in Appendix 1 to this report.
3. Note the proposed Growth and Investments as detailed in Appendix 2 to this report.
4. Note the position on Reserves as detailed in Appendix 3 to this report.
5. Note that the Council Tax determination included at Appendix 4 reflects the budget position.
6. Note the information on the referenda as detailed in Section 3 of this report.

7. Approve the Council Tax determination attached as Appendix 4. The Council Tax determination:
 - Calculates the Council Tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
 - Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the Council element) in accordance with Sections 31B and 36 of the Local Government Finance Act, 1992, as amended.
 - Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.

8. Approve the Treasury Management Strategy including borrowing requirement and strategy, Annual Investment Strategy, Prudential and Treasury Indicators, Minimum Revenue Provision strategy included at Appendix 5.

9. Approve the Collection Fund Budget for 2024/25 as set out in Appendix 6 to this report.

Wards Affected: All

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

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This report presents to Council the proposed Revenue Budget and consequent Council Tax for the City. Whilst this has no direct implications for the Our Manchester Strategy outcomes a balanced budget is a pre-requisite to the provision of the council services that support the outcomes and includes some transfer of resources to support key council objectives.
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	
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Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The approval sought above is a pre-requisite to setting a revenue budget for 2024/25. The revenue budget incorporates provision for financing of borrowing undertaken to fund capital expenditure.

Financial Consequences – Capital

Details of the proposed Capital Programme for the next five years were approved at Executive on 14 February 2024 and any financial implications are contained within the body of the report and attached schedules.

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Background documents (available for public inspection):

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

Provisional and final Local Government Finance Settlement papers;

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

Reports to the Executive on 14 February 2024, including appendices, available [here](#), entitled;

- Medium Term Financial Strategy and 2024/25 Revenue Budget
- Corporate Core Budget 2024/25
- Children and Education Services Budget 2024/25
- Public Health Budget 2024/25
- Adult Social Care Budget 2024/25
- Neighbourhoods Directorate Budget 2024/25
- Housing Revenue Account 2024/25 to 2026/27
- Growth and Development Directorate Budget 2024/25
- Dedicated Schools Grant 2024/25
- Capital Strategy and Budget 2024/25 to 2026/27
- Treasury Management Strategy Statement 2024/25, including Borrowing Limits and Annual Investment Strategy

1. Introduction

- 1.1 At its meeting on 14 February 2024 the Executive received a series of reports which outlined the position for 2024/25 setting a balanced one year budget in line with the Government's one year funding announcement. This reflected the budget position of the Council after the announcement of the final Local Government Finance Settlement on 5 February 2024. These reports included:
- (i) A Medium-Term Financial Strategy which set out the framework for the budget strategy and the implications for the Council from the Finance Settlement. The report also set out the issues and legal requirements members need to consider prior to Council finalising the budget and setting the Council Tax for 2024/25.
 - (ii) A detailed report from each Directorate on proposals for service change to ensure they continue to meet the Council's objectives whilst managing services within the available resource envelope.
- 1.2 Resources and Governance Scrutiny Committee met on 26 February 2024 to consider the full suite of budget reports along with the outcomes from the budget consultation and the Equality Impact Assessment. The Committee also considered the issues arising from individual budget reports that the chairs of the scrutiny committees wished to draw their attention to. The proceedings of the meeting and the recommendations made are set out in the minutes elsewhere on this agenda. The full suite of budget reports are listed as background documents. Members should take the contents of these into account when considering the recommendations in this report.

2. The Revenue Budget

- 2.1 The financial considerations contained within this report are based on the final Local Government Finance Settlement issued on 5 February 2024 which provided a one-year finance settlement.
- 2.2 The Finance Settlement assumes that local authorities will increase council tax by 4.99% being the 2.99% referendum limit and the 2% Adult Social Care precept.
- 2.3 The final saving proposals are detailed in the directorate budget reports elsewhere on this agenda and listed in Appendix 1. The summary by directorate is shown in table one.
- 2.4 It is proposed that savings options of £31.476m are progressed. Details of the proposals are included in the relevant directorate budget report. The updated summary is shown in the table below and the detail included at Appendix 1.

Table 1: Savings Proposals 2024/25 to 2026/27

Service Area	Amount of Saving				Indicative FTE Impact
	2024/25	2025/26	2026/27	Total	
	£'000	£'000	£'000	£'000	
Adults Services	7,855	2,200	0	10,055	0
Public Health	15	0	0	15	0
Childrens Services	6,142	3,394	0	9,536	0
Neighborhoods	4,211	3,104	0	7,315	7
Corporate Core	1,359	1,089	0	2,448	35.5
Growth and Development	1,460	315	0	1,775	1
Cross Cutting	332	0	0	332	0
Total Savings	21,374	10,102	0	31,476	43.5

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

Table 2: Investment, Pressures and Growth Proposals 2024/25 to 2026/27

Directorate	Amount of Investment			
	2024/25	2025/26	2026/27	Total
	£'000	£'000	£'000	£'000
Adult Social Care	35,628	10,011	8,000	53,639
Public Health	1,765	0	0	1,765
Children's Services	18,819	3,779	3,779	26,377
Neighbourhoods	4,077	4,150	2,309	10,536
Corporate Core	4,277	2,500	2,000	8,777
Growth and Development	0	0	0	0
Total Growth, Pressures, and Investment Proposals	64,566	20,440	16,088	101,094

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

Table 3: Summary of Budget Position 2023/24 (latest) and 2024/25 (proposed)

	2023 / 24	2024 / 25
	£'000	£'000
Resources Available:		
Business Rates / Settlement Related Funding	376,527	406,999
Council Tax	217,968	231,034
Grants and other External Funding	130,494	142,907
Dividends	0	195

Use of Reserves	17,087	29,380
Total Resources Available	742,076	810,515
Resources Required:		
<i>Corporate Costs:</i>		
Levies / Statutory Charge*	70,060	72,463
Contingency	600	600
Capital Financing	43,926	43,926
Transfer to Reserves	1,335	8,968
<i>Sub Total Corporate Costs</i>	<i>115,921</i>	<i>125,957</i>
<i>Directorate Costs:</i>		
Additional Allowances and other pension costs	8,497	8,497
Insurance Costs	2,004	2,004
Inflationary Pressures and budgets to be allocated	2,101	17,357
Directorate Budgets	613,553	656,700
<i>Subtotal Directorate Costs</i>	<i>626,155</i>	<i>684,558</i>
Total Resources Required	742,076	810,515
Shortfall / (surplus)	0	0

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

- 2.7 The budget report for 2024/25 also provided details of proposed movements to and from reserves including those being used to support the revenue budget. The detailed updated schedule of reserves is attached at Appendix 3.

3 Setting Council Tax for 2024/25

- 3.1 The Localism Act 2011 abolished council tax capping powers and replaced them with a requirement for an authority to hold a council tax referendum if it increases its council tax by an amount exceeding the limit set out in principles determined by the Secretary of State and approved by the House of Commons.
- 3.2 The final Local Government Finance Settlement on 5 February 2024 confirmed that for 2024/25, local authorities will be able to increase their relevant basic amount of council tax (average Band D council tax, excluding local precepts) by up to 3% without having to hold a referendum.
- 3.3 Local authorities with responsibility for Adult Social Care can increase their council tax by up to 2% on top of the 3% core principle.
- 3.4 The Council Tax bill and the information that accompanies it, must highlight the part of the increase that is being used to fund adult social care. Further information about spending on adult social care must be provided with the demand notice.
- 3.5 This report is prepared on the basis that Manchester's Council Tax will increase by 4.99% in 2024/25; 2.99% attributable to the Council element and

2% for the Adult Social care precept. This equates to a Band D charge of £1,699.00 (an increase of £80.75 from 2023/24).

- 3.6 The Greater Manchester Mayoral General Precept has been confirmed at £112.95 for a Band D property and increase of £5.00 from 2023/24, comprising of £78.48 for functions previously covered by the Fire and Rescue Authority (an increase of 2.99% or £2.28 from 2023/24) and £34.47 for other Mayoral General functions including bus reform (an increase of £2.72 from 2023/24).
- 3.7 The Greater Manchester Mayoral Police and Crime Commissioner Precept will increase by £13.00 to £256.30 for a Band D property which is in line with the flexibility provided by the Government to all Police and Crime Commissioners.
- 3.8 The Council Tax resolution is attached as Appendix 4 and is summarised in the table below.

Council Tax Resolution		HRA	Other	Total
		£	£	£
Expenditure				
Total gross expenditure budget for services the Council delivers	Section 31A (2)(a)	126,254,000	1,713,302,893	1,839,556,893
Contingency allowance	Section 31A (2)(b)	0	600,000	600,000
Budgeted contribution to reserves	Section 31A (2)(c)	0	45,944,000	45,944,000
Total Expenditure		126,254,000	1,759,846,893	1,886,100,893
Income				
Total gross income budget for the Council including grants, contributions, fees and charges	Section 31A (3)(a)	(100,579,000)	(1,043,590,601)	(1,144,169,601)
Budgeted income from business rates	Section 31A (3)(aa)	0	(360,872,631)	(360,872,631)
Council's share of Collection Fund surplus from previous years	Section 31A (3)(b)	0	(24,574,689)	(24,574,689)
Allowance for cost of collection of business rates	Section 31A (3)(c)	0	(1,121,075)	(1,121,075)
Budgeted application of reserves	Section 31A (3)(d)	(25,675,000)	(100,428,000)	(126,103,000)
Total Income		(126,254,000)	(1,530,586,996)	(1,656,840,996)

Net Expenditure / Council Tax Requirement (A)		0	229,259,897	229,259,897
Council Tax Base (B)				134,937.9
Basic Council Tax Band D bill (A ÷ B)				1,699.00

- 3.9 The table shows the Council's gross expenditure budget for the services it delivers, including the children's, adults' and neighbourhood service areas, corporately incurred costs to run the Council and levies payable. It adds an allowance for contingency as set out in the Medium Term Financial Strategy and the budgeted contribution to Council reserves as quoted in Appendix 3: Reserve forecast 2024-27.
- 3.10 The table then shows the gross income budget for the Council including grants, contributions, fees and charges. This includes government grants like social care grant and other grants relating to the adult care provision, new homes bonus, services grant and grants relating to the settlement and business rates, as well as any dividend income.
- 3.11 It adds budgeted business rates income, the surplus on collection of business rates and council tax relating to previous years and the administration cost of collecting rates income as referenced in Appendix 6: Collection Fund Budget 2024/25.
- 3.12 It goes on to add the budgeted application of Council reserves as quoted in Appendix 3: Reserve forecast 2024-27.
- 3.13 The balance of gross expenditure and income determines the council tax requirement, which is then divided by the council tax base, which reflects the number of dwellings. This calculates the basic council tax amount, or Council's share, of a Band D bill for 2024/25 as £1,699.00.

4. Prudential indicators

- 4.1 As part of the Prudential Framework the council is required to prepare a number of financial indicators to show that capital investment and treasury management activity is prudent, affordable and proportionate. The proposed Prudential Indicators for 2024/25 to 2026/27 are shown in Appendix 5.

5. Collection Fund Budget

- 5.1 Attached for approval at Appendix 6 is the proposed collection fund budget for 2024/25. The collection fund budget includes income and expenditure relating to council tax and business rates.

6. Robustness of the Budget

- 6.1 The budget report to Executive set out the Council's legal duties to which members must have regard in formulating the budget and setting Council Tax.

The report referred not only to the need for the Council to continue to meet its statutory duties but also to any remaining requirements for consultation, legal processes and equality impact assessments before a final decision can be taken.

- 6.2 The Deputy Chief Executive and City Treasurer has a duty to report on the robustness of the estimates made for the purposes of the calculation of Council Tax and the adequacy of the financial reserves. The detailed assessment is set out in the S25 Report which forms part of the Medium-Term Financial Strategy. As reported to the Executive the Deputy Chief Executive and City Treasurer remains satisfied that the assumptions on which the budget has been proposed are manageable within the flexibility allowed by the General Fund balance. This and the fact that the Council holds other reserves that can be called on if necessary, means that the Deputy Chief Executive and City Treasurer is confident that overall the budget position of the Council can be sustained within the overall level of resources available. However, to the degree that the budget savings are not achieved in a timely manner and reserves are called on to achieve a balanced position, the future year's savings will be prejudiced, and further savings will need to be identified and implemented, including to replace reserve drawn downs, in order to ensure these are sufficient for future years.

Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 1: Savings Proposals 2024/25 to 2025/26

Summary overview

Service Area	Amount of Saving				Indicative FTE Impact
	2024/25	2025/26	2026/27	Total	
	£'000	£'000	£'000	£'000	
Adults Services	7,855	2,200	0	10,055	0
Public Health	15	0	0	15	0
Childrens Services	6,142	3,394	0	9,536	0
Neighborhoods	4,211	3,104	0	7,315	7
Corporate Core	1,359	1,089	0	2,448	35.5
Growth and Development	1,460	315	0	1,775	1
Cross Cutting	332	0	0	332	0
Total Savings	21,374	10,102	0	31,476	43.5

Adults Services:

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
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		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		100	100	TBC
Provider Services	Transport review - The savings target represents a substantial redesign of the service model and charging basis. Delivery will be through a combination of significant increase in nominal charge, review of access criteria, exploration of alternative transport models and encouraging independence through travel training initiatives	Service Redesign	75	0	75	TBC

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Provider Services	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.	Service Redesign	900	1,250	2,150	TBC
Extracare	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 providers ⁷⁷ 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	Income Generation	50	0	50	None
Directorate	Smoothing via Adult Social Care Reserve	Efficiency	0	(2,275)	(2,275)	None

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
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 £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	Efficiency	0	2,275	2,275	None
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	175	750	925	None
Homecare	Moving and Handling intervention to reduce double cover	Efficiency	1,500		1,500	None
Homecare/ Direct Payments	Reviews aimed at ensuring people have appropriate levels of care without over prescription and a Reablement First approach	Efficiency	800		800	None
Residential	One to One Control – updated business rules. Implemented and working well	Efficiency	300		300	None
Residential	Assessed Need Top Up – price pressure in 2023/24 will be addressed through the increase in framework rates in April 2024	Efficiency	1,200		1,200	None

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Residential	Client numbers and D2A Pathway – Health and Social Care system requirement to ensure a sustainable social care component	Efficiency	1,000		1,000	None
Establishment	Vacancy factor - reflects current vacancy and turnover position. Non recurrent 2024/25	Efficiency	1,100		1,100	None
Income	Billing of client contributions for care in block contract and extra care arrangements	Income Generation	500		500	None
Establishment	Vacancy Target	Efficiency	255		255	TBC
Total		Total	7,855	2,200	10,055	0

Public Health

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Directorate	Reversal of one off saving	Efficiency	(330)	0	(330)	0
Directorate	Headroom in budget set aside for contract uplifts	Efficiency	330	0	330	0
Establishment	Vacancy Target	Efficiency	15		15	0
Total			15	0	15	0

Children's Services

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Children's Safeguarding	Managing Demand – Saving assumes that growth of placement numbers will be at a rate of 78 per annum across Looked After Children and Permanence placements, whereby average cost of placement is £25k.	Efficiency	3,000	2,000	5,000	0
Children's Safeguarding	Mockingbird - Program nurtures the relationships between children, young people and foster families supporting them to build a resilient and caring community of six to ten satellite families called a constellation. The Mockingbird constellation builds links with other families and individuals important to the children's care plans and to resources in the wider community which can provide them with enhanced opportunities to learn, develop and succeed. This model has been applied elsewhere and has led to greater placement stability and carer retention. It is expected that over a three-year period 2 external residential placements and 4 external fostering placements can be avoided.	Efficiency	219	257	476	0
Children's Safeguarding	Use of Reserve – Reversal of one year use of reserves.	Use of Reserves	(500)	0	(500)	0
Children's Safeguarding	Thriving Families - is a whole family, strengths-based approach to child protection. Work is undertaken by children's social workers, adult mental health practitioners, substance misuse and probation officers, working together as one team. Joint knowledge and expertise are used to assess the needs of the whole family, supplying services to meet those needs, and supporting parents to achieve sustained change for themselves and their children. There is empirical evidence that risks to children can reduce, reducing the need for children to come into care and requiring child protection planning. The cost benefit analysis shows that 22 placements can be avoided 2024/25 to 2025/26.	Efficiency	500	500	1,000	0

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Children's Safeguarding	Shared Care - It was found that an edge of care service supporting children who have a learning disability and/or autism is needed. The plan is to support six children, splitting the week between the children to ensure there is only three children at home at any one time. Where needed the service will offer outreach support to children's families. It will promote education, health, and activities. Clothing will be provided by the family, foster carer/guardian etc. Children will be collected dropped off, as well as transported to education on the days children are at the home. The plan is to develop and test this in in 2023/24. The savings proposal assumes cost avoidance of 4.5 external residential placements and a further 1.5 placement external fostering placements.	Efficiency	351	351	702	0
Children's Safeguarding	The Thriving Babies - Confident Parents Project is about promoting the health, wellbeing and safeguarding of children through working differently with their parents during pregnancy to improving outcomes for babies so they can thrive by having safe, stable, permanent homes, still being with their families and communities. The proof of concepts has been trailed and will be rolled out throughout the city. To date the program has worked with 118 cases, 110 babies have remained in the care of their family and 8 have become looked after - to date. The 118 primary care givers had previously 81 children removed from their care prior to working with Thriving Babies showing the complexity of this cohort. Numbers of babies taken into care across the city have reduced since the implementation of Thriving Babies in June 2021. Based on this evaluation and after taking account of savings proposals outlined it is proposed a further £200k savings can be made from the project, this equates to 15 internal foster care placements over the course of the year and a further 4.5 internal foster care placements thereafter.	Efficiency	90	0	90	0

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Education	School Crossing Patrols – There are 90 school crossing patrols. The patrols are rated red, amber, or green in terms of road safety. 21 are rated as red, 36 rated as amber and 33 rated as green. The Council undertook significant capital investment from 2018 to 2022 in total £6.18m. This work has led to eight crossing changing their rating to green. Council policy is that it funds staffing for red and amber locations. If a crossing location is green, or is regarded as green, the school is given the choice to fund the patrols costing £6k per year. Whilst School Crossing Patrols (SCP) are not a statutory service they are a key road safety measure. It is proposed that SCP are financed by the Road Parking and Bus Lane Penalties Reserve instead of Council budget on an on-going basis. In accordance with the reserve's conditions road safety measures can be charged to the reserve. Further capital support will be provided to support the investment in school crossing patrols to reduce the call on future reserves.	Efficiency	100	286	386	0
Children's Safeguarding	Early Help - the service's gross budget is £8.9m, it is funded by grant and Council budget. The grant supporting the service is set to increase by £2m, it will receive additional Family Hub (£1.5m) and Supporting Families grant (£0.5m) next year. This extra targeted investment has allowed services to be reviewed and streamlined to release £0.590m. Following a line-by-line review of the £0.550m of the proposed saving will be achieved through reducing contingencies built into the existing budget. £50k of 2023/24 saving will be achieved through the ending of a contract. This approach will not impact on service delivery or expected outcomes as savings are being made through service efficiencies.	Efficiency	160	0	160	0
Directorate	Workforce Savings	Use of grants and reserves	222		222	0
Childrens Services	External Residential Placements - Review of all external residential placements and development of internal provision will enable the Directorate to achieve 2024/25 Managing Demand saving and reduce spend by a further £2m.	Efficiency	2,000		2,000	0

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Total		Revised Total	6,142	3,394	9,536	0

Neighbourhoods and Homelessness

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Waste and Street Cleaning	Introduce charges for replacement recycling bins	Income Generation	0	400	400	0
Bereavement Services	Bereavement Services - Income charges, increase of 10% on all fees and charges	Income Generation	0	372	372	0
Contract and Commissioning	New advertising hoardings on Chester Road roundabout	Income Generation	100	0	100	0
Commercial and Operations	Increased traffic enforcement – Moving Traffic Offences - new scheme / Bus Lanes - full enforcement of all bus lanes and bus gates	Income Generation	1,000	1,000	2,000	0
Highways	Developer Fee Income - S278's would generate fees for checks, and approvals to designs etc.	Income Generation	35	0	35	0
Highways	Increased income through applying 5% inflationary uplift	Income Generation	184		184	0
Neighbourhoods	Review of Vacant posts	Efficiency	198		198	4
Community Safety	A temporary reduction in the contribution to the security measures for Christmas whilst Albert Square is unavailable, it is proposed that this will be re-introduced once the markets return to Albert Square	Efficiency	40		40	0
Neighbourhoods - Business Units	Review of vacant posts	Efficiency	100		100	0
Neighbourhoods -Advertising	The City Council currently operates two large advertising contracts for sites across the City and work is ongoing to identify further opportunities for new sites.	Income Generation	200		200	0
Neighbourhoods -Advertising	Review of Advertising Contract	Income Generation	152		152	0
Waste	5% Increase in Sales, Fees and Charges	Income Generation	37		37	0

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Compliance	5% Increase in Sales, Fees and Charges	Income Generation	95		95	0
Homelessness and Asylum	Demand reductions in Emergency and Temporary Accommodation Placements	Service Transformation	2,070	1,332	3,402	3
Total			4,211	3,104	7,315	7

Corporate Core

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Customer Services and transactions	ICT investment will make digital access easier and increase no of residents using digital channels rather than traditional channels for contact	Efficiency	0	200	200	6.5
ICT	Due to increased flexible working and access to MS teams, reduce number of telephones (mobiles and landlines) across the council	Efficiency	25	25	50	0
ICT	Rationalise Wi-Fi providers	Efficiency	0	184	184	0
ICT	Due to changes in working arrangements, reduce both the number of printers across the estate and the volume of prints.	Efficiency	25	0	25	0
Finance, Procurement & Commercial Governance	As part of the planned change in ERP system there will be increased efficiency through standardisation of processes, training of budget holders and self-service.	Efficiency	200	200	400	8
HR/OD	Replace existing ATS software to improve recruitment processes and new front Door implementation.	Efficiency	50	65	115	3
Performance Research & Intelligence	Review service operating model with greater emphasis on proactive work to improve our data and develop self-serve capacity and greater prioritisation of requests from services	Efficiency	122	125	247	10
Legal	Increased income through review of fees and charges	Income Generation	50	100	150	0
City Policy	Reduce strategic cultural grant to NFM	Efficiency	50	0	50	0
Communications	Review print and mailroom processes	Efficiency	35	70	105	0
Registrars	Review existing fees and charges to align with other Core Cities	Income Generation	20	0	20	0
Corporate Core	NI and Superannuation savings through introduction of electric car leasing	Efficiency	100	120	220	0

Service	Description of Saving	Type of Saving	Amount of Saving			Indicative FTE Impact
			2024/25	2025/26	Total	
			£'000	£'000	£'000	
Registrars	Review existing fees and charges to align with other Core Cities	Income Generation	80		80	0
Corporate Core	Share of the £1m workforce savings.	Efficiency	286		286	8
Customer Services	Clamping Income	Income generation	50		50	0
HROD	Schools income	Income generation	26		26	0
Communications	Increase in charge	Income generation	52		52	0
Procurement	Increase external charges by 5%	Income generation	4		4	0
Internal Audit	Increase external charges by 5%	Income generation	10		10	0
Commercial Governance	Increase existing external charges	Income generation	15		15	0
Registrars	Realign existing income budgets	Income generation	80		80	0
Capital Programmes	Realign existing income budgets	Income generation	25		25	0
DPE	Realign existing income budgets	Income generation	54		54	0
Total						

Growth and Development

Service	Description of Saving	Impact	Type of Saving	Amount of Saving			Indicative FTE Impact
				2024/25	2025/26	Total	
				£'000	£'000	£'000	
Investment Estate	Recognise annual agreed increase in Manchester Airport Group Rents		Income Generation	170	815	985	0
Service Wide G&D	Delete 1 vacant post in Development		Efficiency	24		24	1
Investment estate	Increased income		Income Generation	1,250	(500)	750	0
Strategic Housing	Inflationary increase on solar panels		Income Generation	16		16	0
Total			Revised Total	1,460	315	1,775	1

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Cross Cutting

Service	Description of Saving	Impact	Type of Saving	Amount of Saving			Indicative FTE Impact
				2024/25	2025/26	Total	
				£'000	£'000	£'000	
Cross Cutting	Sustainable working and reduced travel			225		225	
Cross Cutting	Reduction in non-essential budgets across all directorates			107		107	
Total			Revised Total	332	0	332	0

Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 2: Investment, Pressures and Growth Proposals 2024/25 to 2026/27

Summary overview

Directorate	Amount of Investment			
	2024/25	2025/26	2026/27	Total
	£'000	£'000	£'000	£'000
Adult Social Care	35,628	10,011	8,000	53,639
Public Health	1,765	0	0	1,765
Children's Services	18,819	3,779	3,779	26,377
Neighbourhoods	4,077	4,150	2,309	10,536
Corporate Core	4,277	2,500	2,000	8,777
Growth and Development	0	0	0	0
Total Growth, Pressures, and Investment Proposals	64,566	20,440	16,088	101,094

Adult Social Care

Service	Description	Amount of Pressure / Growth			
		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	Additional 1% Precept funding	2,274			2,274
Long term care	Adult Discharge Fund	2,969			2,969
Long term care	Market Sustainability Fund	3,105			3,105
Long term care	Additional price inflation towards care fees uplift	458	2,011		2,469
Long term care	Additional demographics - Transitions	2,000			2,000
Long term care	Additional price inflation towards care fees uplift	3,500			3,500
Long term care	Additional demographics – update to DAS model	1,735	1,064	764	3,563
Long term care	Reduction in Market sustainability grant (£4.055m to £2.276m)	(1,739)			(1,739)
Long term care	Residential care	6,171			6,171
Long term care	Nursing care	3,406			3,406
Long term care	Homecare (including £1.5m for growth to 31/3/24)	6,662			6,662
Long term care	Supported Accommodation provision (including in-house)	5,808			5,808
Long term care	Direct Payments / Personal Budgets	265			265
Long term care	Increase in Transitions budget from £2m to £3m	1,000			1,000
Long term care	Additional demographics allocation	1,295			1,295
Infrastructure	Investment in Mental Health	1,000			1,000
Infrastructure	Commissioning, Contracting and System Hub	500			500
Grant and contributions	Application and repurposing of funding detailed in the Adult Social Care Scrutiny report	(13,400)			(13,400)

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Total Pressures / Growth		35,628	10,011	8,000	53,639

Public Health

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Grant Funding	Increased Public Health funding	1,765	0	0	1,765
Total Pressures / Growth		1,765	0	0	1,765

Children's Services

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Children's Safeguarding	Budget identified for support for growing population in Children's. The demand has been determined based on the demographic numbers on which the 2020/21 budget was set compared to the current position and potential increase in demand informed by 3% population growth predictions.	2,419	2,479	2,479	7,377
Children's Safeguarding	External Residential Growth - due to shortage of fostering households, coupled with the range of children's needs there has been a shift towards high-cost external residential placements. The cost of high-cost residential placements has increased by 47% since last year.	10,500	0	0	10,500
Children's Safeguarding	Unaccompanied Asylum Seeking Children Grant shortfall - Costs related to supporting this cohort are met from grant rather than Council budget. The presentation of unaccompanied asylum seeking children within Manchester has increased over the past 5 years, UASC children now make up over 0.07% of the total child population, indicating that as a Local Authority we are supporting a higher number of UASC. There is currently a substantial shortfall between the funding local government receives and the actual cost.	2,500	0	0	2,500
Children's Safeguarding	Internal fostering placements – Department of Education (DfE) announced minimum increase in foster care allowances reflected by 6.8% in Dec 23.	1,440	0	0	1,440
Education	Home to School Transport – increase in Education, Health, Care plans has led to increased number of children eligible.	1,300	1,300	1,300	3,900
Education	Home to School Transport - full year effect of Home to School Transport cost September 2023 price increases are estimated to be £560k.	560	0	0	560

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Education	School Condition Surveys - Council is committed to ensuring that children access high quality education in buildings that are fit for purpose and sustainable. There is an ongoing commitment to ensure the suitability of local authority-maintained schools which requires up to date condition surveys to inform prioritisation of works	100	0	0	100
Total Pressures / Growth		18,819	3,779	3,779	26,377

Neighbourhoods

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Waste Disposal Levy	Waste levy increase	1,177	1,250	1,609	4,036
Waste and street cleaning	Demographic increase for waste collection to reflect the stepped increase in population and disposal as well as resources to support enhanced street cleansing and targeting of hotspots	800	800	700	2,300
Waste and street cleaning	To deal with fly tipping and an accumulation of waste on Council land	100	0	0	100
Parking Services and CCTV	Car parking income has reduced post Covid due to lower usage, particularly season ticket sales – The £2.1m is covered through use of reserve for 2023/24 and 2024/25.		2,100		2,100
Business Units	Christmas Markets – temporary adjustment to offset the loss of income to unavailability of Albert Square.	1,000			1,000
Homelessness and Asylum	To support pressures to the Homelessness budget	1,000			1,000
Total Pressures / Growth		4,077	4,150	2,309	10,536

Corporate Core

Service	Description	Amount of Pressure / Growth			
		2024/25	2025/26	2026/27	Total
		£'000	£'000	£'000	£'000
Financial Management	Civica and purchase card rebate	10			10
ICT	Ongoing costs of ICT hardware refresh post roll out of EUD	750			750
HROD&T	Lost school income/CCV	23			23
Operational Property	Operational Property	905			905
ICT	Support the change in funding to implement cloud projects and associated subscription costs.	2,000	2,000	2,000	6,000
ICT	Reduced capacity to capitalise ICT staffing costs, and fund resources to support ICT priorities	1,000	500	0	1,500
Corporate Items	Increased costs of External Audit	290	0	0	290
Corporate Items	AGMA	69	0	0	69
Revenues and Benefits	Realigning of the Council Tax Support Budgets	(770)			(770)
Total Pressures / Growth		4,277	2,500	2,000	8,777

**Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 3: Reserves Forecast 2024-27**

Reserve Forecast 2024-27

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Schools Reserve	16,516	0	0	16,516	16,516	16,516	
General Fund Reserves							
Statutory Reserves	16,058	(14,989)	10,350	11,419	9,261	7,103	
Earmarked Reserves	284,378	(85,439)	32,094	231,033	157,696	107,473	
General Fund Reserve	19,640	0	3,500	23,140	23,140	23,140	
Total General Fund	320,076	(100,428)	45,944	265,592	190,097	137,716	
Housing Revenue Account Reserves:							
Housing Revenue Account General Reserve	44,260	(13,821)	0	30,439	5,145	(0)	
Major Repairs Reserve	11,854	(11,854)	0	0	0	0	
HRA PFI reserve	10,012	0	0	10,012	10,012	10,012	
HRA Residual liabilities fund	24,000	0	0	24,000	24,000	16,641	
Housing Insurance reserve	2,500	0	0	2,500	2,500	2,500	
Total HRA	92,626	(25,675)	0	66,951	41,657	29,153	

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
TOTAL RESERVES	429,218	(126,103)	45,944	349,059	248,270	183,385	
SCHOOLS RESERVE							
LMS Reserve	16,516	0	0	16,516	16,516	16,516	School balances assumed year-end position. These are not Council resources and so cannot be used by MCC.
Sub Total Schools	16,516	0	0	16,516	16,516	16,516	
STATUTORY RESERVES							
Bus Lane Enforcement Reserve	5,071	(5,209)	3,200	3,062	1,053	0	Ring-fenced reserve which can only be applied to specific transport and highways related activity.
On Street Parking	5,103	(9,132)	7,150	3,121	3,085	2,093	Ring-fenced reserve which can only be applied to specific transport, environmental and highways related activity.
Bridge Street Reserve	148	0	0	148	148	148	
Ancoats Square Reserve	2,373	(231)	0	2,142	2,029	1,916	Received from the Homes and Communities Agency to cover the revenue costs of maintaining Ancoats Square for a period of at least 25 years.
Taxi Licensing Reserve	570	0	0	570	570	570	This is a smoothing reserve to equalise the income and expenditure of running the function over financial years. Income ring-fenced by statute.
Spinningfields Commuted Sum	630	(9)	0	621	621	621	Funds received as part of an agreement to cover maintenance costs.
St Johns Gardens Contingency	997	(50)	0	947	947	947	Contribution from St Johns Gardens tenants for maintenance works
New Smithfield Market	327	(327)	0	(0)	(0)	(0)	To contribute towards funding the development plans for the market

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Great Northern Square Maintenance Fund	269	0	0	269	269	269	Set up in accordance with the agreement with the developers of the site. It will be used for upgrading of the square.
Art Fund Reserve	31	(31)	0	0	0	0	For art purchases
Manchester Move Reserve	295	0	0	295	295	295	To managed waiting list for Registered Providers
Manchester Safeguarding	73	0	0	73	73	73	Children's Safeguarding Board activity. The Board is a joint responsibility with MCC and the ICS
West Gorton Park Reserve	170	0	0	170	170	170	For spend on play equipment over the next 10 - 15 years
TOTAL	16,058	(14,989)	10,350	11,419	9,261	7,103	
EARMARKED RESERVES							
BALANCES HELD FOR PFI'S							
Temple PFI	360	(172)	8	196	1	1	Established to fund the requirements of the PFI scheme over 25 years
Wright Robinson PFI Reserve	1,556	(26)	37	1,567	1,453	1,305	PFI Scheme 25 year contract drawdown will be in future years as expenditure exceeds grant.
TOTAL	1,915	(198)	45	1,762	1,453	1,305	
MANAGING ECONOMIC AND COMMERCIAL RISKS							
Business Rates Reserve	11,212	(6,037)	18,425	23,600	7,449	1,412	To mitigate Business Rates income risk due to the uncertainty of future income with a potential reset and the impact of economic uncertainty.
Airport Dividend reserve	13,116	(13,116)	0	(0)	(0)	(0)	The income in the reserve is from the Manchester airport dividend which is then used in arrears to support the Medium Term Financial Plan
Planning Reserve	3,057	(1,909)	0	1,148	371	299	Used to smooth the volatility of planning fee income to avoid budget pressures if fee income reduces

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Investment Estate smoothing reserve	1,443	0	0	1,443	1,443	1,443	To manage budget pressures due to the volatility in investment income.
Land Charges Fees Reserve	107	(50)	0	57	57	57	To smooth the budget impact of peaks and troughs in demand.
TOTAL	28,936	(21,112)	18,425	26,249	9,321	3,212	
INSURANCE FUND							
Insurance Fund	18,479	(500)	0	17,979	17,479	16,979	The insurance fund has been established to fund risks that are self-insured.
RESERVES THAT WILL BE UTILISED TO SUPPORT THE DELIVERY, FINANCING AND RISK OF THE CAPITAL STRATEGY							
Capital Fund Reserve	68,199	(14,117)	0	54,082	37,973	16,272	Contribution to schemes which are supporting employment and growth, future carbon reduction investments and high priority strategic development opportunities in the city. Acts as a buffer for the capital financing reserve if required
Capital Financing Reserve	34,730	0	0	34,730	34,730	34,730	Capital Financing Reserve: Held to fund expected future increases in borrowing costs linked to the Council's capital investment programme and significant level of internal borrowing. The reserve will be used to mitigate the impact on the revenue budget of increased borrowing levels in the future.
Investment Reserve	7,020	(2,047)	0	4,973	3,159	1,282	To deliver priority regeneration projects.
Town Hall Reserve	5,795	(2,917)	0	2,878	199	199	To fund commitments for the Town Hall Complex Programme

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Enterprise zone reserve	2,504	(102)	500	2,902	3,295	3,682	To underwrite the borrowing costs for development in the Oxford Road Corridor
Manchester International Festival	6,343	(1,000)	500	5,843	5,343	4,843	To fund agreed future Factory International grant from the reserve. Grant agreement is aligned to the Arts Council England funding cycle.
Eastlands Reserve	748	(4,050)	5,118	1,816	816	12	This reserve reflects the contribution from Manchester City Football Club and will be used for various projects including English Institute of Sport.
Highways Commuted Sum	5,068	(89)	0	4,979	4,890	4,801	Contributions towards future maintenance
TOTAL	130,406	(24,321)	6,118	112,203	90,405	65,821	
RESERVES HELD TO SUPPORT DELIVERY AND RISK IN THE MTFP							
Budget smoothing reserve	46,433	(6,042)	5,468	45,859	23,228	5,468	Planned use to smooth the impact of budget shortfalls whilst savings are developed and implemented and until investment income returns.
Integration Reserve	2,080	0	0	2,080	2,080	2,080	The reserve is a joint resource used by the Manchester Local Care Organisation to support the infrastructure requirements that underpin the mobilisation of the Locality Plan.
Transformation Reserve	6,068	(1,833)	0	4,235	2,735	2,735	Includes £1.5m a year for three years to fund the revenue costs of the ERP project. A balance is held to support future change programmes and the budget impact of any VER/VS costs.
Supporting Families Reserve	2,219	(1,140)	0	1,079	0	0	To support the Thriving Families initiative, a whole family, strengths-based approach to child protection.

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Clean City	174	(35)	0	139	104	69	To support clean and green initiatives including litter bin installations, park clean ups, knotweed and hogweed clearances and other waste and recycling activities.
Our Manchester reserve	225	(225)	0	(0)	(0)	(0)	Additional investment made available as part of the 2017-2020 budget process to drive forward the delivery of Our Manchester initiatives
Adult Social Care	2,657	(2,449)	0	208	34	34	To support Adult and Social Care Improvement Plan
Homelessness Reserve	1,800	(301)	0	1,499	1,499	1,499	To offset potential increases in need / demand
ICT Investment Reserve	24,368	(16,866)	0	7,502	664	0	To support ICT Digital Strategy
TOTAL	86,024	(28,891)	5,468	62,601	30,344	11,885	
RESERVES HELD FOR ACCOUNTING PURPOSES							
MAES Reserve	1,153	(925)	0	228	228	228	To fund Manchester Adult Education Services (MAES)
Children's Services Reserve	2,910	(2,547)	0	363	156	156	Various Children's grants being used over more than one year
Collection Initiatives Reserve	4,165	(1,505)	0	2,660	2,212	2,099	Small reserves on Corporate Core
Other Grants and Contributions - Neighbourhood Services	659	0	0	659	659	659	Various local Environment scheme and initiatives i.e. 'clean up campaigns'
Fraud Fund	136	(68)	0	68	0	0	Unspent grant received in previous year
Asylum Seekers	829	0	0	829	562	562	This will fund the Local Authority Asylum Support Officer (LAASLO) project.
DFT Grants Reserve	24	(24)	0	0	0	0	Unspent grant received in previous year
TOTAL	9,875	(5,069)	0	4,806	3,816	3,703	
OTHER SPECIFIC RESERVES							

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Making Manchester Fairer	900	(900)	0	0	0	0	Funding for Making Manchester Fairer including kickstarter schemes.
Public Health Reserve	1,373	0	0	1,373	1,373	1,373	
Fleet Maintenance Reserve	28	(25)	25	28	28	28	Reserve created for smoothing the impact of vehicle repair and maintenance costs.
Cleopatra Reserve	120	(120)	0	(0)	(0)	(0)	Balance to support legal costs relating to the CSE review programme
Landlord Licensing Reserve	137	0	100	237	237	237	This reserve holds the funding for investigation into poor property conditions in the private rented sector in Manchester with the purpose of improving housing conditions for tenants by enforcing compliance with statutory regulations and standards.
Selective Licensing reserve	522	0	548	1,070	1,070	1,070	Costs for administering the reputable landlord initiative and ensure compliance
Pension Risk Fund	518	0	0	518	518	518	To fund external pension liabilities
Nuclear Free Zone	33	(5)	0	28	23	18	General reserve/ GM contributions. At the end of the year any surplus/deficit is adjusted in the reserve
Carbon Reduction Reserve	540	(295)	0	245	(0)	(0)	To fund revenue initiatives which support the target for Manchester to become a zero carbon city by 2038 at the latest and specifically, to support the delivery of the Council's 2020-25 Action Plan
End User Device Reserve	420	(900)	1,265	785	500	215	To support ongoing ICT replacement programme.
Graves and Memorials	97	(20)	0	77	57	37	Money held in trust for repair and development costs for gravestones
Trading Standards Reserve	93	(36)	0	57	57	57	Specific grants such as Tobacco control, control of migration etc.
Housing Compliance Reserve (Fixed Penalty Notices)	173	(82)	0	91	91	91	Revenue collected from enforcement activity is ring-fenced to functions related to Housing Compliance.

	Closing Balance Mar-24	Withdrawal	Addition	Closing Balance Mar-25	Closing Balance Mar-26	Closing Balance Mar-27	Purpose
	£000	£000	£000	£000	£000	£000	
Community Safety Reserve	445	(100)	0	345	245	145	A collection of grants the majority of which require spending plans to be agreed with key partner organisations such as GM Police.
Litter Reserve (Fixed Penalty Notices)	190	0	0	190	190	190	Under Government regulations reserve is ringfenced to a small number of specific projects.
Great Ancoats Management Improvement Reserve	180	(20)	0	160	160	160	Specific reserve for use within defined areas within Great Ancoats. Spending plans still under discussion.
Social Value Fund	96	(40)	40	96	136	176	Reserves for Social Funding income from successful tenders
AGMA General Reserve	(0)	(30)	0	(30)	(30)	(30)	District Specialist Trading standards
Angel Meadow Reserve	18	(18)	0	(0)	(0)	(0)	Angel Meadow park
North West Construction Hub Reserve	105	0	60	165	225	285	Reserves for Social Funding income from successful tenders
Old Gorton Library	27	(27)	0	0	0	0	Contribution to Gorton Hub integration manager
Leasing Schemes	2,730	(2,730)	0	0	0	0	Leasing income
TOTAL	8,743	(5,348)	2,038	5,433	4,878	4,568	
TOTAL EARMARKED RESERVES	284,378	(85,439)	32,094	231,033	157,696	107,473	
Grand Total General Fund Reserves	336,592	(100,428)	45,944	282,108	206,613	137,716	

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Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 4: Council Tax Resolution for 2024/25

COUNCIL TAX

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

1. That the estimates prepared by the Executive at its meeting on 14 February 2024 be approved.
2. That it be noted that the Deputy Chief Executive and City Treasurer acting under delegated powers has determined the amount of 134,937.9 as the Council Tax base for Manchester for the year 2024/25 in accordance with Section 31A (3) of the Local Government Finance Act 1992 and regulations 3 to 5 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
3. That the following amounts can be now calculated by the Council for the year 2024/25 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:
 - (a) £1,886,100,893 being the aggregate of the amounts which the Council estimates for the items set out in the Section 31A (2) (a) to (f) of the Act.
 - (b) £1,656,840,996 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act.
 - (c) £229,259,897 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Sections 31A(4) of the Act, as its council tax requirement for the year.
 - (d) £1,699.00 being the amount at 3(c) above divided by the amount at 2 above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.
 - (e) Valuation Bands being the amount given multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings

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

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,132.66	1,321.44	1,510.22	1,699.00	2,076.56	2,454.11	2,831.67	3,398.00

4. That it be noted that for the year 2024/25 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Precepting Valuation bands

Greater Manchester Mayoral Police and Crime Commissioner Precept:

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
170.86	199.34	227.82	256.30	313.25	370.21	427.16	512.60

Greater Manchester Mayoral General Precept (including Fire Services):

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
75.30	87.85	100.40	112.95	138.05	163.15	188.25	225.90

5. That, having calculated the aggregate in each case of the amounts at 3(e) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below.

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,378.82	1,608.63	1,838.44	2,068.25	2,527.86	2,987.47	3,447.08	4,136.50

1. CALCULATING THE COUNCIL TAX REQUIREMENT

Section 31A Calculations

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

1. an estimate of the Council's required gross revenue expenditure - Section 31A(2)
2. an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3)

3. a calculation of the difference between (i) and (ii) above, (i.e. the Council Tax requirement) - Section 31A(4)

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

- **Section 31A(2)(a)** - the estimated revenue account expenditure it will incur during the year in performing its functions.
- **Section 31A(2)(b)** - an appropriate allowance for contingencies for the year, e.g. for unforeseen occurrences such as disasters, storm damage, higher than expected inflation etc.
- **Section 31A(2)(c)** - any raising of financial reserves for future expenditure - examples of this include payments into a redemption fund, internal insurance etc.
- **Section 31A(2)(d)** - any revenue account deficit for a previous financial year which has not yet been provided for.
- **Section 31A(2)(da)** - any amount estimated to be transferred from the general fund to the collection fund in accordance with regulations by reference to sums received by the authority in respect of business rates.
- **Section 31A(2)(e)** - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund deficit.
- **Section 31A(2)(f)** - any amounts estimated to be transferred from the General Fund to the Collection Fund by direction of the Secretary of State under Section 98(5) of the Local Government Finance Act 1988 - including an estimate of the shortfall in the collection of Non-domestic Rates in excess of the allowance.

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

- **Section 31A(3)(a)** - estimated income from fees, charges, and government grants plus other sums payable into the general fund (but excluding council tax).
- **Section 31A(3)(aa)** – any amount estimated to be transferred from the collection fund to the general fund in accordance with regulations by reference to sums received by the authority in respect of business rates.
- **Section 31A(3)(b)** - any amount estimated to be transferred from the Collection Fund to the General Fund in accordance with Section 97(3) of

the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund surplus.

- **Section 31A(3)(c)** - sums to be transferred from the Collection Fund to the General Fund pursuant to a direction of the Secretary of State under Section 98(4) of the Local Government Finance Act 1988 - including allowances for costs of collection of business rates.
- **Section 31A(3)(d)** - the amount of financial reserves/balances which the authority intends to use towards meeting its revenue expenditure.

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

	HRA £	Other £	Total £
Expenditure			
Section 31A (2)(a)	126,254,000	1,713,302,893	1,839,556,893
Section 31A (2)(b)	0	600,000	600,000
Section 31A (2)(c)	0	45,944,000	45,944,000
Section 31A (2)(d)	0	0	0
Section 31A (2)(da)	0	0	0
Section 31A (2)(e)	0	0	0
Section 31A (2)(f)	0	0	0
Total Expenditure	126,254,000	1,759,846,893	1,886,100,893
Income			
Section 31A (3)(a)	(100,579,000)	(1,043,590,601)	(1,144,169,601)
Section 31A (3)(aa)	0	(360,872,631)	(360,872,631)
Section 31A (3)(b)	0	(24,574,689)	(24,574,689)
Section 31A (3)(c)	0	(1,121,075)	(1,121,075)
Section 31A (3)(d)	(25,675,000)	(100,428,000)	(126,103,000)
Total Income	(126,254,000)	(1,530,586,996)	(1,656,840,996)

1.5 Council Tax Requirement under Section 31A(4) being the amount by which the aggregate under Section 31A(2) exceeds the aggregate under Section 31A(3) is £229,259,897.

2. CALCULATING THE BASIC AMOUNT OF COUNCIL TAX

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

2.2 This calculated by applying the following formula:

$$R \div T$$

Where:

R: is the Council Tax requirement, and

T: is the approved Council Tax base

2.3 Calculating the Basic Amount of Council Tax

Council Tax Requirement	£229,259,897
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Divided by:

Council Tax Base	134,937.9
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Band D Basic Amount of Council Tax is:	£1,699.00
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Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 5: Prudential and Treasury Indicators 2024/25 to 2026/27

Prudential and Treasury Indicators 2024/25 to 2026/27

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

	Treasury Management Indicators	2024-25	2025-26	2026-27
		%	%	%
1	Estimated Financing Costs to Net Revenue Stream⁵	5.42	5.45	5.33
2	Estimated Net Income from Commercial and Service Investments to Net Revenue Stream	9.9	8.1	7.7
		£m	£m	£m
3	Authorised Limit - external debt			
	Borrowing	2,180.6 (1,811.9)	2,185.6 (1,811.9)	2,185.6
	Other long-term liabilities	190.0 (190.0)	190.0 (190.0)	190.0
	TOTAL	2,370.6 (2,001.9)	2,375.6 (2,001.9)	2,375.6
4	Operational Boundary - external debt			
	Borrowing	1,828.1 (1,726.3)	1,981.4 (1,728.1)	2,088.1
	Other long-term liabilities	190.0 (190.0)	190.0 (190.0)	190.0
	TOTAL	2,018.1 (1,916.3)	2,171.4 (1,918.1)	2,278.1
5	Estimated external debt	1,623.8 (1,611.0)	1,826.6 (1,613.3)	1,968.9

6	Upper limit for total principal sums invested for over 364 days	0	(0)	0	(0)	0
7	Estimated Capital Expenditure					
	Non - HRA	396.9	(155.7)	127.9	(22.5)	37.8
	HRA	66.8	(43.7)	45.9	(11.6)	25.1
	TOTAL	463.7	(199.4)	173.8	(34.1)	62.9
8	Estimated Capital Financing Requirement (as at 31 March)					
	Non – HRA	1,883.6	(1,893.7)	2,007.1	(1,845.4)	1,960.3
	HRA	302.5	(322.5)	303.9	(323.9)	305.5
	TOTAL	2,186.1	(2,216.2)	2,311.0	(2,169.3)	2,265.8

9	Maturity structure of borrowing during 2024-25	Upper Limit		Lower limit	
	under 12 months	70%	(70%)	0%	(0%)
	12 months and within 24 months	60%	(60%)	0%	(0%)
	24 months and within 5 years	60%	(40%)	0%	(0%)
	5 years and within 10 years	40%	(50%)	0%	(0%)
	10 years and above	70%	(80%)	30%	(30%)
10	Has the Authority adopted the CIPFA Treasury Management Code?	Yes			

The status of the indicators will be included in Treasury Management reporting during 2024/25. They will also be included in the Council's Capital Budget monitoring reports during 2024/25

Definitions and Purpose of the Treasury Management Indicators noted above

Estimated Financing Costs to Net Revenue Stream

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

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

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

Estimated Capital Expenditure

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

Estimates Capital Financing Requirement

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

Authorised Limit - external debt

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

Operational Boundary - external debt

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

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

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

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

Estimated external debt

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

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

Upper limit for total principal sums invested for over 364 days

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

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

Maturity structure of new borrowing

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

Liability Benchmark

The liability benchmark is a projection of the amount of loan debt outstanding that the authority needs each year into the future to fund its existing debt liabilities, planned

prudential borrowing and other cash flows. The benchmark shows the gap between the authority's outstanding loans at future points in time and the authority's need to for borrowing (the benchmark). It can be used to identify the debt maturities needed for new borrowing in order to match to future liabilities.

Local Prudential Indicators

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

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Council 1 March 2024
Council Tax Resolution for 2024/25
Appendix 6: Collection Fund Budget 2024/25

COLLECTION FUND BUDGET 2024/25	2024/25 Budget Estimate £'000
<u>EXPENDITURE</u>	
<u>COUNCIL TAX</u> (Surplus) / Deficit B/fwd	(2,159)
<u>Precepts:</u>	
• Mayoral General (including Fire Services)	15,241
• Mayoral Police & Crime Commissioner	34,585
• City of Manchester	229,259
Total Precepts	279,085
Council Tax Total Expenditure	276,926
<u>BUSINESS RATES</u> (Surplus) / Deficit B/fwd	(23,031)
<u>Payments/Transfers:</u>	
• Mayoral General (including Fire Services)	3,645
• City of Manchester	360,873
Total Payments/transfers	364,518
Business Rates Total Expenditure	341,487
Collection Fund Total Expenditure	618,413
<u>INCOME</u>	
<u>COUNCIL TAX</u>	
Council Tax Income	289,208
Write Off of uncollectable amounts	(1,144)
Allowance for Impairment	(8,978)
Council tax receivable	279,085
<u>Contribution of Council Tax (surplus) / deficit:</u>	
• Mayoral General (including Fire Services)	(118)
• Mayoral Police & Crime Commissioner	(267)
• City of Manchester	(1,774)
<i>(Includes one third of 2020/21 in year deficit)</i>	
Total Contribution to Council Tax (surplus) / deficit	(2,159)
Council Tax Total Income	276,926
<u>BUSINESS RATES</u>	
Non Domestic Business Rates Income	398,356

Enterprise Zone growth above baseline	(1,971)
Cost of Collection Allowance	(1,121)
Losses in Collection	(9,742)
Increase in Provision for Appeals	(21,004)
Business rates receivable	364,518
<u>Contribution of Business Rates (surplus) / deficit:</u>	
• Mayoral General (including Fire Services)	(230)
• City of Manchester	(22,801)
Total Contribution to Business Rates (surplus) / deficit	(23,031)
Business Rates Total Income	341,487
Collection Fund Total Income	618,413
MOVEMENT ON FUND BALANCE	
Council Tax (Surplus) / Deficit C/fwd	0
Business Rates (Surplus) / Deficit C/fwd	0
Collection Fund (Surplus) / Deficit	0