

## Manchester City Council Report for Information

**Report to:** Health Scrutiny Committee – 4 December 2024

**Subject:** Public Health Budget 2025-28

**Report of:** Director of Public Health

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### Summary

The Council is forecasting an estimated budget shortfall of £101m in 2025/26, £126m in 2026/27, and £164m by 2027/28. Mitigations approved in previous budget rounds include approved savings of £32m, the use of c£18m smoothing reserves in each of the three years, and a Council Tax increase of 4.99% (c£11m) a year. After these mitigations the gap reduces to £29m in 2025/26, £41m in 2026/7 and £77m by 2027/28.

This report provides a high-level overview of the latest position and officer developed options to contribute to the balancing of the overall Council budget. Final options will be proposed following the announcement of the provisional Local Government Finance Settlement, expected prior to Christmas 2024. Health Scrutiny Committee is invited to consider the current proposed changes which are within its remit and to make recommendations to the Executive. This committee will have the opportunity to review proposals in the context of the financial settlement again in February and make final recommendations to the Executive to consider on 19<sup>th</sup> February 2025 where the final budget decisions will be made.

### Recommendations

The Committee is recommended to consider the content of this report and comment on the proposed budget changes which are relevant to the remit of this scrutiny committee.

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### Wards Affected: All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city	The budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.
<b>Equality, Diversity and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments	Consideration has been given to how the proposed savings could impact on different protected or disadvantaged groups. Where applicable proposals will be subject to completion of an Equality Impact Assessment (EqIA) and an Anti-Poverty Assessment.

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

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

The changes included within this report will, subject to the final Local Government Finance Settlement, Member comments and consultation, to be included in the final 2025/26 revenue budget set by Council on 28th February 2025.

### **Financial Consequences – Capital**

None directly arising from this report.

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**Background documents (available for public inspection):**

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

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

## 1. Introduction and Purpose

1.1 This report sets out an overview of the services within the remit of this scrutiny committee and their key priorities. A draft set of officer proposals to change budget previously agreed last year in the context of the current financial challenges facing the Council is also included.

1.2 For ease of reference the report is structured as follows:

Section 1: Introduction (this section)

Section 2: Service overview and priorities

Section 3: Service Budget and Proposed Budget Changes

Section 4: Commissioning and Procurement Priorities

Section 5: Workforce Implications

Section 6: Equality and Anti-Poverty Impact

Appendix 1 - Officer Developed Options

## 2. Service Overview and Priorities

2.1 The Department of Public health works together with a range of partners to improve the health of the population of Manchester, protect residents from threats to their health; prevent and mitigate risks to support better health outcomes; and create the conditions in society and the environment that lead to better health and narrows health inequalities. This work is done using the best available evidence, data, and insight through a combination of strategic policy and programme development, and the commissioning of services.

2.2 The department is based at Manchester City Council and works closely with the NHS as part of Manchester Integrated Care Partnership. The work of the Public Health Department is divided into five areas of responsibility.

- *Health Improvement and Health Creation*: this includes work to improve the health and wellbeing of individuals of all ages, create the conditions in communities that support good health and wellbeing, and to improve health equity.
- *Health Protection and Healthy Environments*: this includes work to prevent and control infectious diseases, sexual health, emergency preparedness and response planning, addressing inequalities in health protection, environmental hazards and regulatory work.
- *Healthcare Public Health and Prevention*: this includes work to address early detection and prevention of diseases including long term conditions and cancer, health of people with complex & multiple disadvantage, health and care service inequalities, and screening.
- *Population Health Systems and Integration*: drives public and population health improvement and integration across our system partners.
- *Equalities, Inclusion and Engagement*: including community health equity and engagement, inclusion health, and hosting of MCC's equalities and engagement function.

- 2.3 These areas are supported by core functions including knowledge and intelligence, contracts, project management and business support.
- 2.4 Manchester is growing at a rate that is twice the national average, driven in part by a significant rise in net international migration, a strong labour market and continued growth in city centre accommodation. Compared with other parts of England, Manchester has a relatively young population. Around 30% of the population are aged between 20 and 34, significantly higher than the England figure of just under 20%. It is estimated that by 2031 there will be an additional 19,000 people in this age group living in the city (MCCFM W2023). Alongside this is a significant non-demographic growth in demand for health and care services, driving a need to address the wider determinants of health and to focus on prevention and early intervention to support residents to live well.
- 2.5 The City's demographics has implications for both the types of public health services required now and in the future and how these services are delivered.

### **Priorities**

- 2.6 The department has a broad range of public health functions defined in the Health and Social Care Act 2012, with five statutory responsibilities defined in law:
- Helping protect people from the dangers of communicable diseases and environmental threats.
  - Organising and paying for sexual health services.
  - Providing specialist public health advice to primary care services: for example, GPs and community health professionals.
  - Organising and paying for height and weight checks for primary school children.
  - Organising and paying for regular health checks for Manchester people.
- 2.7 Manchester's Public Health Department priorities focus on multiple areas to improve the overall health and wellbeing of its residents. Key priorities in 2024/5 include:
- Drive Making Manchester Fairer including the Anti-Poverty Strategy, Kickstarter schemes and programme co-ordination (see below).
  - Implementation of Age Friendly Manchester Strategy.
  - Children and Young People's public health; infant mortality and maternal health, UNICEF child-friendly health badge, healthy weight, mental wellbeing.
  - Mobilisation of remodelled School Health Service and Contraception & Sexual Health service for young people, review of Health Visitor model.
  - Deliver implementation plan for Manchester's Adverse Childhood Experiences and Trauma Responsive programme (ACES).
  - All-age Mental Wellbeing Strategy development and launch.

- Remodel Integrated Wellbeing Services to strengthen early help and prevention support including health coaching, diet & physical activity, weight management, health/employment support.
- Deliver whole system Tobacco Control Plan.
- Measles incident response and test new MMR vaccination delivery models.
- Strengthen surge capacity to respond to health protection issues and manage outbreak response.
- Develop programme to support health impacts of climate change (air quality, adverse weather, damp and mould).
- Development of a commissioned services performance reporting system and Provider Selection Regime readiness preparation.
- Drive MCC equality and engagement deliverables; inclusive employment and work; effective community involvement & engagement, delivering inclusive and accessible services.

### **Making Manchester Fairer**

2.8 Making Manchester Fairer (MMF) is Manchester City Council's five-year action plan with a long-term ambition to address health inequalities in the city focusing on the social determinants of health. The need to tackle inequalities in the city continues to be a corporate and political priority.

2.9 Investment of up to £2.989m over the 2023/24 and 2024/25 financial years was identified from Public Health reserves. Making Manchester Fairer is a broad and ambitious plan that has taken time to become established. In recognition of that, specific schemes were identified to 'kickstart' delivery of the plan, with a focus on improving health equity and exemplifying the Making Manchester Fairer principles. These are:

- Children and young people (Early Years and Foundation Stage)
- Children and young people (Young People's Mental Health)
- Early Help for Adults experiencing multiple and complex disadvantage
- Work and Health: integrating employment, health and wellbeing services

2.10 Funding for the schemes is due to end in March 2025, except for the Education Kickstarter. This program focuses on young children in Early Years and Key Stage 1, and their families. It particularly supports those impacted by the pandemic, the cost-of-living crisis, and racial inequality. The program follows the school year and will continue into the financial year 2025/26, from April 2025 to August 2025.

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

3.1 Public Health is funded nationally through a specific ringfenced grant. However, the Greater Manchester locality has been part of the governments business rates pilot for a number of years whereby the funding ringfence is removed and an equivalent allocation received as an adjustment to business rates. The 2025/26 uplift to be applied to the grant, if any, is not yet known. This will be provided to the Committee in February 2025. Any pay award or

inflationary pressures are provided for corporately, with this report focusing on the proposed options around changes to key expenditure budgets.

- 3.2 The gross 2024/25 budget detailed in the table below is £58.650m and the net budget of £44.974m. Income of £13.676m includes use of reserves £347k, Better Care Fund £0.960m, contributions from NHS partners £3.192m, from other local authorities £1.305m and grants £7.872m.
- 3.3 Public Health has 63 full time equivalent staff. The Directorate hosts a workforce of public health consultants and specialists alongside programme leads and commissioning managers leading work on the city's public health priorities across the life course. Public health service delivery is primarily via the commissioning of services rather than the council providing services directly.

*Table One: Base budget 2024/25*

Service Area	2024/25 Gross Budget	2024/25 Net Budget	2024/25 Budgeted posts (FTE)
	£'000	£'000	£'000
<b>Children's Public Health Services:</b>			
Health Visitors	11,674	11,674	
Schools Health Service	4,332	4,332	
Other Children's	559	559	
Sub Total	<b>16,565</b>	<b>16,565</b>	-
<b>Wellbeing Services:</b>			
Be Well Service	3,016	1,680	
Weight Management	654	654	
Smoking Prevention	1,749	578	
Falls Service	787	787	
Community Nutrition	1,035	448	
Other Wellbeing	1,904	1,653	
Sub Total	<b>9,145</b>	<b>5,800</b>	-
<b>Drug &amp; Alcohol Services:</b>			
Integrated Treatment & Support Service	14,028	6,766	
In-patient Detox & Residential Rehab	1,039	1,039	
Young People Services	659	659	
Other Drug & Alcohol	801	801	
Sub Total	<b>16,527</b>	<b>9,265</b>	-
<b>Sexual Health Services:</b>			
Sexual Health	8,273	7,262	
HIV	1,070	729	
Other Sexual Health	1,527	1,336	
Sub Total	<b>10,870</b>	<b>9,327</b>	-
<b>Making Manchester Fairer:</b>			
Making Manchester Fairer	347	-	
COVID Health Equity Manchester (CHEM)	410	160	
Sub Total	<b>757</b>	<b>160</b>	-
<b>Other Staffing, Management &amp; Support:</b>			
Core Staffing	3,619	2,690	63

Other	1,167	1,167	
Sub Total	<b>4,786</b>	<b>3,857</b>	63
<b>Total Public Health</b>	<b>58,650</b>	<b>44,974</b>	<b>63.00</b>

3.4 The latest 2024/25 monitoring report to the Executive forecast a balanced budget. Savings of £15k, agreed at previous budget settings processes have been achieved in full.

### **Officer Developed Options - Plan 2025-28**

3.5 Budget options outlined in this paper were informed by the Department priorities outlined in section 2 of this report. The budget approach has been developed by thinking through the way in which the Directorate can meet its statutory duties and maximise benefits to Manchester's residents. In some cases, this is by:

- **Prevention and Early Intervention:** By providing early support to residents, the aim is to prevent issues before they escalate, which can save money for the Council, NHS and other public services.
- **Commissioning:** Ensuring a wide range of services are available to meet the diverse needs of residents.
- **Service Improvement and Efficiencies:** Continuously evaluating the impact of services to improve their effectiveness and efficiency.

3.6 The proposals also consider demographic changes, economic conditions, and the need to build and develop partnerships and collaborations.

3.7 Description, value and risks associated with the proposed officer developed options are detailed in Appendix one.

#### Children's Public Health Services Option

3.8 Councils have been responsible for commissioning public health services for children and young people since 2015. A review of these commissioned services has been conducted and has informed the officer developed options, with statutory provision protected. Of the £16.5 million budget for children and young people's public health, the officer developed proposal is £82,000 within the physical activity on referral service. The approach will be to remodel the service provision to focus on improving outcomes and consider alternative delivery mechanisms.

#### Wellbeing Services Options

3.9 Wellbeing services support individuals to address a range of health behaviours and social circumstances that can lead to ill-health and reduced life expectancy. Of the £9.1 million investment into wellbeing services there is a proposal to release £292k by 2026/7. The cashable officer-developed proposals lead to a direct reduction in the Directorate's budget and are detailed in Appendix one. These proposals may lead to service remodelling of



provision or reduction in level of provision. Alongside the cashable proposal due to uncertainty around funding, grant and partner contributions and growing cost pressures that exceed funding envelope there is a necessity to prioritise Council resources. In order to manage the reduced funding envelope the Directorate is assessing and developing further non-cashable options that focus on areas that do not fall under the Public Health's statutory responsibilities.

#### Drugs and Alcohol Services Option

- 3.10 Additional but time-limited funding for drug and alcohol treatment and smoking services and support has been allocated to Manchester by the Department of Office of Health and Disparities (OHID). The funding is improving physical and mental health outcomes for people with alcohol and substance misuse issues, thereby reducing the demand for adult social care services. The current grant conditions stipulate that Drugs and Alcohol services funded by the grant also needs to be supported and funded by council budget. The officer-developed proposal will require a remodel of the community support to release a 1% saving, which is the maximum viable option given the levels of need and current grant conditions. At this point it is not yet confirmed that the OHID grant will continue beyond 2024/25.

#### Sexual Health Services Option

- 3.11 The officer-developed option proposed is 0.5% of the overall investment in sexual health services. To achieve the saving this service element will be refocused on providers who are achieving intended outcomes in relation to sexually transmitted infection (STI) testing, targeted at our highest-risk communities, and mitigated by an expanded digital service offer available from April 2025.
- 3.12 Provision has been made for inflationary price increases and potential pay awards. This is held corporately and will be allocated to directorate budgets when the details are available and considered together with the funding settlement for Public Health.

*Table two: Budget Overview with Proposed Budget Changes*

	2025/26	2026/27	2027/28	Total
<b>Approved Budget Movements Agreed at previous year's budget setting</b>	44,974	44,903	44,450	
<b>Proposed Budget Movements</b>				
<b>Proposed Officer Developed Options</b>				
Children's - Physical Activity on Referral Service (PARS for under 18's)		-82		-82
Wellbeing – Be Well Health coaching and social prescribing		-146		-146
Wellbeing- Physical Activity Referral Services for Adults (PARS)		-125		-125
Wellbeing – Tier 2 Weight Management	-12			-12
Wellbeing - Community Health Checks	-9			-9

Drugs and Alcohol – Integrated Drug Treatment and Alcohol Support Service		-100		-100
Sexual Health – Enhanced Service	-50			-50
	<b>-71</b>	<b>-453</b>		<b>-524</b>
<b>Total</b>	44,903	44,450	44,450	

#### 4. Commissioning and Procurement Priorities

- 4.1 The Health & Care Act 2012 and the Public Contract Regulations 2015 are crucial laws governing healthcare provision and public sector procurement in the UK. The former outlines healthcare structure and responsibilities while the latter ensures fair competition and transparency in public contracts. Recent amendments aim to enhance transparency, innovation and efficiency.
- 4.2 The Health & Care Act 2022 emphasises collaboration and integration of patient services, with added measures for public health, social care and safety oversight. The Public Contract Regulations 2015 govern fair procurement yet were criticised for fostering competition and private sector influence. To address this, the Provider Selection Regime (PSR) was introduced in 2024, offering a flexible process for healthcare procurement.
- 4.3 PSR applies to relevant authorities like NHS Trusts and local authorities, aiming to foster collaboration and prioritise patient interests. These changes are welcome as it enables commissioners to tailor contracts to local needs.
- 4.4 Reviews of our commissioned services have taken place over the past 12-18 months or are ongoing to ensure that they meet the requirements for PSR.
- 4.5 Five of our high value commissioned services are ‘Gold’ or strategic contracts. These are as follows - Health Visitors Service, School Health Service, Contraception, Sexual Health and HIV Service (Northern), Integrated Drug & Alcohol Treatment & Support Service (CGL Manchester), and Community Nutrition Support Service.
- 4.6 The Health Visitors Service leads the delivery of the Healthy Child Programme (0-5 years) across the city and works in partnership with maternity services, early years services, primary and secondary care, children’s social care and others. The workforce consists of specialist community public health nurses (SCPHN) and teams who provide expert information, assessments and interventions for babies, children, and families including first time mothers and fathers and families with complex needs. Health Visitors help to empower parents to make decisions that affect their family's health and wellbeing, and their role is central to improving the health outcomes of populations and reducing health inequalities. The service is led by Health Visitors and supported by skill mix teams. Additional non-recurrent Family Hubs Grant funding enabled the Infant Feeding Service to be delivered citywide from 2023 - 2025 as previously this was provided in north Manchester only.
- 4.7 The Health Visitors Service was reviewed earlier in 2024 and found comprehensive evidence of compliance with PSR. The service consistently

exceeds the national average in mandated contracts, demonstrating high levels of performance. The service adds value by predominantly conducting face to face contacts and accommodating family's needs with Saturday visits when required.

- 4.8 The School Health Service leads the delivery of the Healthy Child Programme (5-16 years but up to 25 years for Special Education Needs & Disabilities) across the city and works in partnership with wide range of professionals and organisations to support children and families. The Healthy Child Programme is universal and provides an early opportunity to identify children and families that may need additional support or are at risk of poor outcomes. The service has 4 elements including:
- (i) School Nursing which delivers safeguarding and clinical interventions including weighing and measuring children (National Child Measurement Programme), immunisations and outbreak response;
  - (ii) Healthy Weight Team which delivers weight management and safeguarding interventions to children identified as overweight, obese or morbidly obese;
  - (iii) Healthy Schools Programme which delivers health promotion across a curriculum of health-related topics; and
  - (iv) Accident Prevention which delivers health promotion to reduce accidental death and unintentional injury (for example, falls, cuts, burns, drowning) and works with various organisation including several Council Departments including Trading Standards, Neighbourhoods, Highways.
- 4.9 The School Health Service was reviewed in 2023, and a new service specification was implemented from 1 April 2024. The key aim is to deliver a modern School Health Service fit for the future, shaped by the new national Healthy Child Programme.
- 4.10 The Northern Contraception, Sexual Health and HIV Service (for people of all ages) is commissioned to provide routine, intermediate and specialist sexual & reproductive health provision including the testing and treatment of sexually transmitted infections (STIs), all methods of contraception, emergency contraception, condoms, pregnancy tests, abortion information, dedicated services for young people under the age of 25 (FRESH), reproductive health advice and referral, post exposure prophylaxis (PEP) and pre exposure prophylaxis (PrEP.) Specialist services are available including the Chemsex Clinic (known as REACH).
- 4.11 Performance information from The Northern confirms that the service is in very high demand, and collaborative work has taken place with the service over the past year to address service capacity issues and develop service improvement. A service review is ongoing.

- 4.12 The Integrated Drug and Alcohol Treatment and Support Service (CGL Manchester) is commissioned to deliver a single referral, triage and assessment process for all drug and alcohol interventions delivered in a community setting. The service has a number of elements including prevention and self-care including training on drugs and alcohol, engagement and early intervention including harm reduction (including Needle & Syringe Programmes), structured treatment, and recovery support. The service is available citywide and can be accessed digitally and across community settings (for example, in criminal justice settings such as Probation.) A service review is ongoing.
- 4.13 The Community Nutrition Support Service is commissioned to deliver community nutrition (for example, sip feeds to supplement a normal diet in certain groups of residents with poor nutritional intake or status), home enteral feeding, and a prevention of malnutrition programme. There is an intention to discuss future commissioning arrangements with the MLCO (Manchester Local Care Organisation) and the GM Integrated Care Board (ICB) Locality Team.
- 4.14 A tender exercise took place in 2023 for a Contraception & Sexual Health Service for Young People (aged 19 and under). The new service started in April 2024 and meets the routine and intermediate needs of young people through the provision of contraception, and screening for and treatment of common sexually transmitted infections. The service operates a clinic in the city centre and delivers education outreach activities, provide postal STI testing kits to eligible people via a digital service, and develop at least one sexual health prevention and promotion campaign per year.
- 4.15 Procurement is planned via PSR for the provision of Drug and Alcohol In-patient Detoxification and Residential Rehabilitation placements. The In-patient Detoxification Service provides short episodes of drug and alcohol treatment in a hospital or in-patient setting including assessment, stabilisation and assisted withdrawal/treatment where it isn't safe to provide these interventions in the community. The Residential Rehabilitation Service provides placements for residents who have been assessed by the Substance Misuse Social Work Team as requiring residential rehabilitation as part of their treatment and care plan.
- 4.16 A new contract was issued in June 2024 for the provision of a GM Sexual Health Improvement Programme (which is provided by Black Health Agency for Equality, LGBT Foundation and George House Trust who work together as the PaSH (Passionate about Sexual Health) Partnership. The programme delivers STI and HIV prevention and support to residents from populations who are at most risk. GM local authorities worked closely with the PaSH Partnership to confirm the new service specification before the new contract was issued.

## **5. Workforce**

- 5.1 There are no Manchester City Council workforce implications based on what is set out within this report.
- 5.2 Manchester has approximately 63.0 full time equivalent staff, including the Director of Public Health, four Assistant Directors of Public Health, and Head of Health Intelligence. They have a range of Programme Leads/Commissioning Managers leading work on the city's public health priorities across the life course. The team also includes both a Community and a Strategic Health Protection Team. There is a high level of specialist health intelligence, research advice and experience available within the team. The team have a strong track record of academic collaboration e.g. members of the Public Health Team are full co-applicants in the NIHR funded Health Determinants Research Collaboration (HDRC Manchester) and work closely in partnership with academic partners in the University of Manchester and Manchester Metropolitan University.

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

- 6.1 The work of the Public Health Department has promotion of equality, addressing inequalities and tackling inequalities, such as the social determinants of health, like poverty, at its core. The Department leads on Equalities within the Council and all strategic programmes and commissioned services use available data, intelligence and evidence to address inequalities as a routine element of the work.
- 6.2 The scale and reach of public health work will inevitably be affected by any reductions in investment or savings, and an Equalities Impact Assessment has been undertaken for each proposal with mitigation considered. Public health will continue working with system partners on new proposals/opportunities arising from policy changes and looking at alternative models of supporting residents to further mitigate the budget proposals.