

## **Manchester City Council Report for Resolution**

**Report to:** Health Scrutiny Committee – 5 February 2019  
Executive - 13 February 2019

**Subject:** Manchester Health and Care Commissioning - Adult Social Care  
Business Plan and Pooled Budget contribution 2019/20

**Report of:** Director of Adult Social Care  
Ian Williamson – Chief Accountable Officer, Manchester Health and  
Care Commissioning

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### **Summary**

Manchester Health and Care Commissioning (MHCC) is responsible for commissioning health, adult social care and public health services for the city of Manchester. Building upon its establishment in April 2017, MHCC has operated a single planning, delivery and assurance process since April 2018. This has overseen all of MHCC's commissioning responsibilities and includes single budget arrangements.

This report sets out the priorities for MHCC during the 2019/20 financial year and progress towards the vision set out in the Our Manchester Strategy. The report provides an update on MHCC's financial plan for 2019/20, reflecting the Manchester Health and Care Locality Plan and Adult Social Care Business Plan for the period 2017-2020. The report is a refresh of the Joint Financial Plan for MHCC for 2018-20 in the context of changing resources, challenges and opportunities – with a specific focus on the Adult Social Care and Population Health components of the plan.

The draft business plan which was considered by the committee in December 2018 has been further developed into this report based on the comments received from the committee and the outcome of the local government finance settlement. Sections on the impact of proposed changes on residents, communities, customers and the workforce have been added in addition to a summary of the technological support to deliver change. A full suite of delivery plans can also be found as an appendix including the Finance, Performance, Workforce and Equality Plans and the Risk Register.

Taken together with other Directorate business plans this plan shows how health and social care partners will work with the Council to deliver our Corporate Plan and progress towards the vision set out in the Our Manchester Strategy.

### **Recommendations**

The Executive is invited to review and comment on the Manchester Health and Care Commissioning Business Plan.

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**Wards Affected:** All

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<b>Manchester Strategy Outcomes</b>	<b>Summary of the Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Supporting the City in driving forward the growth agenda with a particular focus on integrated commissioning and delivery which will focus on utilising available resources effectively and developing a diversity of providers including entrepreneurs and social enterprises. This will provide opportunities for local jobs
A highly skilled city: world class and home grown talent sustaining the city's economic success	Integrated commissioning will focus on utilising available resources to connect local people to education and employment opportunities, promoting independence and reducing worklessness. Working with schools to engage and support our communities.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The focus is on changing behaviours to promote independence, early intervention and prevention, the development of evidence-based interventions to inform new delivery models integration with partners where appropriate.
A liveable and low carbon city: a destination of choice to live, visit, work	Development of integrated health and social care models and local commissioning arrangements that connect services and evidence-based interventions to local people and enable families and their workers to influence commissioning decisions aligned to locally identified needs. Schools as community hubs playing an essential role in reaching out to communities and leading early intervention and prevention approaches at a local level
A connected city: world class infrastructure and connectivity to drive growth	N/a

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

- Equal Opportunities
  - Risk Management
  - Legal Considerations
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## **Financial Consequences for the Capital and Revenue Budgets**

The proposals set out in this report forms part of the preparation of the Council's draft revenue and capital budget for 2019/20 and revenue contribution to the Manchester Health and Care Commissioning Pooled Budget for Adult Social Care for approval by the Executive in February 2019.

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### **Contact Officers:**

Name: Bernadette Enright  
Position: Director of Adult Services  
Tel: 0161 234 4994  
bernadette.enright@manchester.gov.uk

Name: Rachel Rosewell  
Position: Head of Finance  
Tel: 0161 234 1070  
E-mail: r.rosewell@manchester.gov.uk

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

Manchester Health and Care Commissioning Pooled Budget 2019/20, including Adult Social Care - Health Scrutiny, 4th December 2018

Adult Social Care Budget and Business Plan 2018-20 and Manchester Health and Care Commissioning Joint Financial Plan 2018 - 2020 - Executive – 7 February 2018

## **1. Manchester Health and Care Commissioning Operational Plan**

1.1 The Locality Plan, 'Our Healthier Manchester', represents the first five years of ambitious, transformational change needed to deliver this vision. The Manchester Health and Care Commissioning (MHCC) Operational Plan for 2019/20 incorporates the plan for adult social care and public health which is set out from paragraph 2 below and includes:

- A description of the service's contribution to delivery of our Corporate Plan priorities
- The service's vision and objectives
- A self-assessment of the key challenges for 2019/20
- The revenue strategy
- The capital strategy/programme
- Impact on Residents Communities and Customers
- Impact on the Workforce
- Technological Support
- An appendix containing the service's delivery plans (Finance Plan, Performance Plan, Workforce Plan, Equality Plan, and the Strategic Risk Assessment and Register)

## **2. Delivering Our Plan**

2.1 A key priority of the Our Manchester Strategy is to radically improve health and care outcomes in the city. Manchester has some of the poorest health outcomes in the country, and there are very significant health inequalities within the city.

2.2 The Locality Plan, 'Our Healthier Manchester', represents the first five years of ambitious, transformational change needed to deliver this vision.

2.3 The Locality Plan is fully aligned with the Our Manchester approach. This will mean supporting more residents to become independent and resilient, and better connected to the assets and networks in places and communities. Services will be reformed so that they are built around citizens and communities, rather than organisational silos.

2.4 The strategic aims of Our Healthier Manchester are to:

- Improve health and well-being in Manchester
- Strengthen the social determinants of health and improve healthy lifestyles
- Ensure services are safe, equitable, and of a high standard, with less variation
- Enable people and communities to be active partners in health and well-being
- Achieve a sustainable system

2.5 The Locality Plan will be the main driver of the priorities within the MCC Corporate Plan regarding healthy, cared-for people, which are:

- Support Mancunians to be healthy, well and safe
- Improve health and reduce demand, by integrating neighbourhood teams that are connected to other services and assets locally, and delivering new models of care

2.6 Strengthening the social determinants of health is central to the Locality Plan, and will be influential in delivering other MCC Corporate Plan priorities, such as:

- Reduce the number of people becoming homeless, and enable better housing and better outcomes for those who are homeless
- Reduce the number of children needing a statutory service
- Support more Manchester children to have the best possible start in life and be ready for school and adulthood
- Support good quality job creation for residents and effective pathways into these jobs
- Balance our budget, including delivering savings, reducing demand through reform, and generating income

2.7 The Manchester Locality Plan describes a clear ambition for a healthier city, underpinned by integration, including the establishment of a 'Single Commissioning Function' in the form of the MHCC Partnership. The Partnership was established on 1 April 2017, enabled by a pooled budget of over £1.1 billion between the City Council and CCG.

2.8 The Partnership is currently planning for its third year of operation as an integrated health and care commissioner; seeking to strengthen MHCC's joint arrangements through improved business and financial planning, to ensure that the pooled budget is directed towards joint priorities that will improve the health and wellbeing of Manchester's residents and wider healthcare population.

2.9 The commissioning and procurement of the Manchester Local Care Organisation (MLCO) for community health remains ongoing to ensure the MLCO contract will be awarded once all of the requirements of the commissioners, providers, and regulators have been met. In the meantime, the development of the MLCO continues to take place with Adult Social Care services continues under a Partnering Agreement.

### **3. Vision and Objectives**

#### **Manchester Health and Care Commissioning**

3.1 The MHCC strategic aims are the same as the Manchester Locality Plan, these are to:

- Improve health and well-being in Manchester
- Strengthen the social determinants of health and improve healthy lifestyles
- Ensure services are safe, equitable, and of a high standard, with less variation

- Enable people and communities to be active partners in health and well-being
  - Achieve a sustainable system
- 3.2 The MHCC Operational Plan for 2019/20 sets out five key priorities for the health and social care system. Delivering these five priorities will drive the strategic aims of the Locality Plan set out above. These are:
1. Key enabling programmes, including – embedding the Our Manchester approach, demonstrating impact through effective evaluation, organisational development, full use of Manchester Care Record
  2. Tackle health inequalities, including – delivering the Population Health Plan, inclusion health, and the wider determinants of health and well-being
  3. Transform community based care, including – delivering health and care in neighbourhoods, embedding new models of care, primary care, residential, nursing and homecare, cancer, mental health, learning disabilities, and children's health transformation
  4. Transform hospital based care – Single Hospital Service, link with GM hospital improvements, and performance improvements
  5. Deliver a transformed health and care system – delivering financial balance, provider change

### **Manchester Local Care Organisation (MLCO)**

- 3.3 MLCO is a Partnership organisation that was established on the 1<sup>st</sup> April 2018. It is a partnership of statutory and voluntary organisations working together to change how health and care is provided in people's homes and communities.
- 3.4 The vision for the MLCO is to bring together NHS community health, mental health services, primary and social care services in the City, to lead local care and improve lives in Manchester. The MLCO has started the journey to integrate health and care in communities, and embed new models of care at a neighbourhood and locality level.
- 3.5 In 2019/20, MLCO will build on its approach in the first year and is in the process of developing the MLCO business plan for 2019/20. This will outline the objectives and priorities for 19/20 and the key actions within MLCO and in work with partners to deliver those objectives. The plans will describe how the LCO will work to:
- Promote healthy living
  - Build on and work within vibrant communities
  - Keep people well in the community
  - Support people in/out of hospital
- 3.6 MLCO is building the plan in partnership with services and staff and will align it to the objectives described within the Locality plan and MHCC operating plan. It will describe how the partnership will work to deliver the requirements of the NHS Long term plan and Local Government green paper once published.

## Adult Social Care Priorities

- 3.7 Adult Social Care is a core part of the integrated set of services in MLCO. It is primarily located within priority number three of the MHCC plan, but has links across all five priorities. The priorities for adult social care in 2019/20 are set out in the following paragraphs.
- 3.8 Continuing to improve the delivery of business as usual – our statutory duties under the Care Act (individual well-being, prevention, integration, information advice and advocacy, care markets, safeguarding, assessment, charging, care planning and personal budgets)
- 3.9 Adult social care improvement work to put the right foundations in place through work to embed streamlined process, effective practice, and an enabled workforce with the right resources in place to manage demand. This work is focused on strengthening our:
- Assessment function including social work and primary assessment team
  - Provider services including our supported accommodation, reablement and supporting independence services
  - Safeguarding and Quality Assurance functions
- 3.10 System-wide work on integration and transformation, through:
- New models of care (i.e complex reablement, assistive technology, extra care housing, Our Manchester homecare, development of new approaches to residential and nursing care)
  - Effectively meeting need - implementing strengths based approaches, expanding shared lives, mental health improvement, transition and crisis need pathways
  - Transformation workstreams (i.e assistive technology, integrated front door, learning disabilities)
  - Integrating adult social care into the MLCO to develop a social model of care (e.g. social work practice and processes within the Integrated Neighbourhood Teams)
- 3.11 Adult social care improvement is a key priority for 2019/20, ensuring the basics are in place for adult social care and to successfully deliver health and social care reform and integration. A programme plan for this work is in place, based on the outcomes of a diagnostic work summarised in section 4. Key areas of focus in the plan include:
- Ensuring that **processes** are streamlined and consistently managed across the service. This work will align responsibility and decision making to effectively meet people's care needs and maximising the opportunities afforded by the new case management system, LiquidLogic. Collectively this work is critical in ensuring delivery of an improved service delivery and value for money.
  - Strengthening the basics of social work **practice** including

- accountability and management support and appropriate supervision
    - Ensuring that appropriate professional standards are in place across the workforce and strengthened **workforce** planning and career pathways
    - Understanding the immediate need for **resources** to stabilise the service, as well as work to design a fit for purpose structure for the future as part of the integrated structure within MLCO. In the short term permanent recruitment to roles is an increasingly key requirement where appropriate to build high quality teams.
- 3.12 The plan requires additional investment for permanent posts to strengthen the structure by increasing capacity in social work, safeguarding, the Citywide Care Homes Team, the Learning Disability service and other specialist services. Greater internal capacity for Best Interest Assessors supporting Deprivation of Liberty Safeguards and making permanent some of the social care capacity to support the prevention of delayed transfers of care from hospital is also included in the plan. These priority areas have been identified in part as a bridging position as further work is progressed on an integrated health and social care service in the partnership with MLCO.
- 3.13 In total it is estimated that this would be the recruitment of an additional permanent circa 100 full time equivalent posts which includes areas of the service where capacity has been met by temporary posts and short term contracts as recurrent funding has not been in place. Further detail on the planned resourcing of this investment is described at section 5.

### **Manchester Population Health Priorities**

- 3.14 The Directorate of Population Health and Wellbeing is an integral part of MHCC and incorporates the statutory functions and mandated responsibilities for Public Health at the City Council. The Director of Public Health retains a reporting and accountability link back to the City Council. The mandated responsibilities include delivery of the Healthy Child Programme and National Child Measurement Programme, Health Protection, NHS Health Checks, Open Access Sexual Health Services.
- 3.15 The MHCC Operational Plan for 2019/20 reflects the five priorities contained in the Manchester Population Health Plan agreed by the Health and Wellbeing Board in March 2018. The implementation of programmes relating to these priorities is led by the Population Health and Wellbeing Team. The priorities are:
- |            |   |
|------------|---|
| Priority 1 | Improving outcomes in the first 1,000 days of a child's life  |
| Priority 2 | Strengthening the positive impact of work on health   |
| Priority 3 | Supporting people, households and communities to be socially connected and make changes that matter to them |
| Priority 4 | Creating an age-friendly city that promotes good health and wellbeing for people in mid & later life        |
| Priority 5 | Taking action on preventable early death  |



### 3.16 Key Successes during 2018/19:

- MLCO went live on 1 April 2018 which created a recognised organisational identity amongst 2700 partnership staff and undertook a city wide leadership event across health and social care
- Supported the flow of patients with long lengths of stay in hospital back into the community with the correct support
- Progress with the Manchester Single Hospital Service (SHS) Programme following the creation of Manchester University NHS Foundation Trust (MFT) in 2017, to establish the new trust and realise benefits for patients
- During 2018 there has been a focus on the arrangements in place for MFT to complete the proposed merger with North Manchester General Hospital
- The Population Health Plan (launched in March 2018) began its implementation
- The latest figures (December 2018) for Healthy Life Expectancy (proportion of life years spent in good health) show a welcome increase both Males and Females in Manchester, from 54.3 and 54.6 years respectively in 2014-2016 to 56.5 and 56.2 years in 2015-2017. This is a statistically significant increase of 2.2 years for Males and an increase of 1.6 years for Females, compared to an increase of 0.1 for Males and a decrease of 0.1 for Females in England. Although Healthy Life Expectancy in England is still higher the gap with England has been narrowed which will support our efforts to reduce health inequalities
- Alcohol related hospital admissions continued to fall from 861/100,000 population in 2014/15 down to 741.2 in 2016/17
- The teenage pregnancy rate continues to fall (32.3/1000 females aged 15-17 in 2014) down to 25.5 (quarter 3, 2017)
- The Be Well Social Prescribing Service became fully operational across the city with the south and central service commencing in November 2018. The service is designed to improve the health and wellbeing of local residents with long term health conditions or whose social circumstances mean that they are at increased risk of poor health.
- MLCO mobilised new care models including High Impact Primary Care, Manchester Community Response, Extra Care, Reablement – expansion of the existing service and a new Discharge to Assess service and Complex Reablement services, Prevention – Community Links for Health service has commenced in Central and South, with the majority of Health Development Coordinators now in place
- A new approach to delivering Homecare – Our Manchester Homecare – is now out to tender, to go live in 2019/20. This is built around the strengths of each person cared for, the outcomes that matter to them, continuity of care, a place-based approach, and with higher pay and increased skills for staff
- Winter resilience planning using funding allocated to the City Council, aligned with other health funding and developed jointly with partners across the health and social care system.

#### **4. Self Assessment of Key Challenges in 2019/20**

##### **4.1 Health and Social Care**

4.1.1 The MHCC priorities for 2019/20 have been informed by an assessment of key information and data, and by engaging partners, the workforces and the Patient and Public Advisory Group. Information sources included:

- Development of evidence to provide consistent processes for how information is collated and utilised by MHCC to generate intelligence and Joint Strategic Needs Assessment
- Engagement with Senior Leadership Team
- Review of progress against the 2018/19 MHCC Operational Plan and assessment of progress made by key workstreams
- Commissioning Intentions
- Review of the requirements for delivering the Locality Plan
- Review of Greater Manchester plans and programmes

4.1.2 MHCC Board receives a monthly report summarising the quality and performance highlights for the whole health and social care system. The report covers key national, regional and local key performance indicators. The November 2018 report is available to read here: [https://www.mhcc.nhs.uk/wp-content/uploads/2018/11/3.1-PQI-One-Report\\_Nov-2018\\_RPdraftv0.3\\_19.11.2018-1.pdf](https://www.mhcc.nhs.uk/wp-content/uploads/2018/11/3.1-PQI-One-Report_Nov-2018_RPdraftv0.3_19.11.2018-1.pdf)

4.1.3 Some of the key measures of quarterly performance across the system and on new models of care are as follows:

- Delayed Transfers of Care increased 1.4% in the first two quarters of the year in comparison with same period in the previous year.
- In the first quarter of 2018/19 there was 8.5% increase in the number of A&E attendances for individuals within the target cohort compared with the same period in the previous year.
- In the first quarter of 2018/19 there was 22.4% increase in the number of non-elective admissions for individuals within the target cohort compared with the same period in the previous year.

##### **4.2 Adult Social Care performance**

4.2.1 Targeted work by the Acting Director of Adult Social Services (DASS) to address performance challenges through the improvement work is described at section 3, which will tackle challenges arising from the diagnostic work including:

- waiting lists for assessments, reassessments and reviews
- increase in safeguarding enquiries
- increase in Deprivation of Liberty Safeguards referrals

4.2.2 Admissions to Nursing Care remained broadly the same in the first 8 months of the year (April to November) in comparison with the same period in the previous year. By contrast, admissions to Residential Care increased by 6.8% or 12 admissions for the same timeframe.

- 4.2.3 Home Care hours saw an overall increase of 9.4% (18,254 hours) between April and November 2018 compared to the same period last year. There was notable increase in the number of Home Care hours in June 2018; 12% increase from June 2017 and a 4% increase between May and June 2018. However, this has now tapered off and there has been a steady decrease month on month between July and November.
- 4.2.4 In the first eight months of financial year, 52% (578 out of 1122 people) left the Reablement Service with no further care commitments, this is under the 54% target, but 3% better than the previous year. 1154 citizens have been accepted into Reablement between April and November 2018, the target for the financial year is 2963 citizens which has impacted on planned reductions in homecare hours and subsequent savings.
- 4.2.5 Eight out of eleven (73%) services provided directly by MCC currently have Good CQC rating and 3 are rated as 'Requires Improvement'. Social care-related quality of life score, based on results of the statutory annual Adult Social Care Survey, decreased from 18.4 in 2017 to 18.3 in 2018.

#### 4.3 Finance and value for money

- 4.3.1 The MHCC Pooled Budget for 2018/19 is £1.1 billion, the financial position at the end of December 2018 is an overspend of £3.2m relating to an overspend on ASC. The overspend on the ASC element of the pooled budget is largely from the delayed implementation of the new care models and other savings schemes. From the net planned savings for 2018/19 of £8.519m, savings of £2.673m are expected to be achieved in 2018/19. Demography funding has been applied to support the budget position based on estimated growth in demand since the start of the year. There is also a budget pressure of c£1m on Agency staff for in-house services which is now part of MLCO. A recovery plan for this pressure is in development by MLCO.
- 4.3.2 The savings schemes approved for the 2018-20 budget remain as planned but the delivery of benefits and cost of models have changed to reflect phasing and mobilisation during 2018/19. A re-assessment of potential savings from new care models and other schemes has taken place during November 2018. Gross savings of £7.909m are projected in 2019/20. Further information on the detail of each savings scheme and the savings schedule is provided in Appendix 3.
- 4.3.3 Financial risk will continue in 2019/20 as the transformation programme is implemented and the delivery of savings from the cost of care are realised. The reported budget position is supported by significant non-recurrent resource from the Adult Social Care grant to support capacity and transformation activity which adds to the risk if the new care models are not able to have expected impact on reducing demand. For 2020/21 the evidence of impact from the new care models on reducing demand and costs will inform the revised medium term financial plan.

#### 4.4 Workforce

- 4.4.1 Enabling the workforce to be resilient, effective, creative, ambitious and innovative through embedding Our Manchester and developing a culture of trust, honesty and empowerment is critical and we are committed to plan for the future workforce. There is a commitment to ensure staff are equipped with the skills and knowledge needed to be able to work in an Our Manchester way. We are supporting our managers through Our Manchester Leadership and Raising the Bar training. There is also a full programme of development for managers and those working within integrated neighbourhood teams.
- 4.4.2 There will be a renewed focus on getting the basics right with the development of a new workforce strategy to underpin improvement activity and address what matters most for the recruitment and retention of quality staff, for example, access to development and progression, career pathways, grow your own schemes, apprenticeships and other development opportunities, and strong management support and professional supervision.
- 4.4.3 It is essential that we continue to embed the Our Manchester approach and behaviours throughout the workforce and in the services approach to delivery. A key enabler in delivering the priorities set out in this plan is enabling staff to understand, buy in to and have tools and techniques to start to work in an Our Manchester strengths based way. A system-wide programme for all staff across all parts of the Manchester system is under development, building on the existing Our Manchester experience and expanding its remit so that it is more reflective of partnership working and that there is a stronger focus on winning hearts and minds and enabling staff to develop practical tools and techniques to apply the approach in their workplace. The programme comprises a range of inter-connected parts including building rapport, Our Manchester context, introduction to strengths, hearts and minds and the Our Manchester behaviours, practical tools and techniques for working in a strengths based way, connecting people and place and moving to activation. The programme has been co-designed with broad input from staff across the system and is subject to testing in December and January before being rolled out from February with an initial priority focus on the MLCO workforce.
- 4.4.4 This Our Manchester approach to the workforce equally applies to our valued, external delivery partners who deliver the day to day care to Manchester residents. Manchester has committed to introduce Unison's Ethical Care Charter and to work with providers to promote and embed strengths-based approaches. The new Our Manchester Homecare service, to be launched in 2019/20, is a key example of this, where Manchester Health and Care Commissioning have co-designed the requirements of the service, emphasising the importance of training and development opportunities for staff, as well as good working conditions, to help ensure that staff are motivated and they have the skills and resources they need to deliver high quality care to Manchester residents. Similarly other new services that will be commencing in 2019/20, such as new housing related support services for people who are homeless, also have explicit requirements around the delivery strengths-based approaches and ensuring providers have the right skills and

experience to deliver these. Over this next year MHCC and MLCO will continue to work with providers to help embed these new ways of working and develop the health and care workforce.

- 4.4.5 It will be important to wrap a programme of business readiness around the roll out of the strengths based development programme, working with different services across the health and social care system to ensure they are being proactive in identifying the conditions for change that need to be in place to enable staff to be practically supported to work in a strength based way. This could include changing systems, processes and governance, building new relationships within neighbourhoods to support a community first approach and changing the relationship between practitioners and commissioners to ensure that as strengths based assessments result in needs being met in different ways, the right services are available for practitioners to draw upon.
- 4.4.6 Significant investment in digital solutions to support residents to be more independent will mean big changes for how the workforce operates and will need to be enabled through a programme of culture change and organisational development. Building the confidence and understanding of staff in the potential impact that digital solutions can have will be key to this along with working through the impact of workforce practices, approaches and deployment.
- 4.4.7 The service will continue to embed the Activator programme which enables staff to get involved in shaping and developing change across Adult Social Care. Building on the success of the two Activator conferences held in 2018 and the four thematic self-managing teams, a further Activator conference will be held in the spring which will extend across the MLCO ensuring health colleagues have the same opportunity to get involved and influence programmes of change.
- 4.4.8 There will be continued implementation of phase 1 of the MLCO operational facing structures which includes completion of the recruitment for the Integrated Neighbourhood Team roles, with supporting induction and development programmes. This phase will include the review of the remaining adult social care structures supported by the improvement plan to respond to the overall resourcing capacity and required reform. Work will also commence to review corporate structures and access to core services. Phase 2 will link into MHCC Phase 2 structural change with a number of services likely to move from MHCC to MLCO.
- 4.4.9 To support the improvement plan, the service is developing a rolling recruitment and advert for social workers and are working with HR to look at creative ways to attract social workers to Manchester. The service is developing a Communication and Engagement strategy to support greater engagement with the deployed and remaining workforce. Actions arising from the latest BHeard survey will be captured as part of the Adult Social Care Improvement plan

- 4.4.10 To underpin the further development of partnerships and integrated working, a number of key HROD processes will be reviewed. This will include, approaches to recruitment and resourcing, governance/assurance, workforce information data management and OD across the partnerships. This work will include support to integrated managers through a series of information briefings/workshops.
- 4.4.11 Through the Workforce Assurance Dashboard and associated action plan, we will continue to monitor and address issues relating to high sickness absence, high agency usage, high of overtime, and support the future workforce planning process. Work will be required to align the metrics to reflect partnership working. Measures that are already in place to address some of these issues are the flexible deployment of staff to cover pressure areas, continued close scrutiny of the staffing rota systems and absence clinics across all service areas.
- 4.4.12 In relation to workforce metrics, the average of 14 days per FTE employee has been lost due to sickness over the last 12 months, 14% decrease in comparison with the previous year and about 2 days higher than MCC average.
- 4.4.13 Adult Social Care saw a 5% improvement in its staff engagement score this year, as measured through the BHeard Survey, and is now firmly in the 'One to Watch' category. Responses in the category related to management showed the biggest increase, with improvements in the 'Personal Growth' factor also. - Strengthening engagement levels across the service senior management cohort and improving wellbeing across Services are two areas of focus identified by the Survey.

#### 4.5 Governance and assurance

- 4.5.1 Manchester's health and social care governance arrangements are led through MHCC's Executive Committee, reporting to the Board. City Council representation includes at least one Executive Member and another position nominated by an Executive Member, currently the City Council Chief Executive, with the City Treasurer in attendance.
- 4.5.2 The City Council has entered into a partnership to formally establish MLCO and to ensure the delivery of integrated health and social care services. The partnership comprises four provider organisations Manchester City Council, Manchester Foundation Trust, Manchester Primary Care Partnership and Greater Manchester Mental Health. Each of the four partners have two places on the LCO Board and one vote. For Manchester the LCO Board is represented by an Executive Member and another position nominated by the Executive Member, currently the Deputy Chief Executive.
- 4.5.3 Manchester City Council and NHS Manchester CCG have agreed a pooled single commissioning budget for health, adult social care and public health from April 2018 with a Section 75 Partnership Agreement and Financial Framework. There is the Manchester Agreement, which sets the overall

financial context for health and social care, including detailed financial and activity assumptions.

## 5. Revenue Strategy

### 5.1 Introduction

5.1.1 This section of the Business Plan sets out the financial context and the proposed budget for 2019/20. The key elements are:

- 2019/20 is the continuation of the three year budget for Adult Social Care and the overall priorities and direction remains unchanged
- There is continued uncertainty around the longer term funding for adult social care (and indeed local authorities) and the fact the Adult Social Green paper is yet to be published.
- The agreement of a longer term joint funding strategy with the CCG which includes an ongoing £4m contribution to the MHCC Pooled Budget (subject to formal agreement by the March 2019 CCG Board)
- Use of the additional one off funding received as part of the Autumn Statement and Local Government Finance Settlement to support a joint ASC improvement programme and system wide resilience – underpinned by a three year funding strategy. This totals £4.225m in 2019/20 of which £1.456m is met from the Resilience Grant and £784k, with the ability to increase to the full **£1.567m** in 2019/20 if recruitment can be accelerated and £1.202m from partnership resources.
- Underwrites the continuation of the **£2.667m** Resilience Grant funding for the three year period. This includes the £1.456m to support the Improvement Plan above and the further £1.2m to support placement costs and other measures agreed in conjunction with partners.
- Updates the budget for the fully year effect of the delays in achieving planned savings and the associated Recovery Plan actions in 2018/19. This has had the impact of reducing the level of gross savings achievable from the delivery of the new care models by **£3.343m**.
- Taken together the above represents additional investment of **£7.6m** over and above the **£3.8m** investment agreed as part of the 2018/19 budget setting process. **A combined total of £11.4m**. It is also in addition to the additional costs of meeting inflation and the costs for implementing the national living wage of £7.9m.
- The underlying assumptions around the costs of demand, implementing the national minimum wage and inflation remain valid and are unchanged.

- Includes Recovery Plan measures as set out in the December Business Plan of £3.543m.

- 5.1.2 The 2018 Autumn Budget at the end of October confirmed the Government's commitment to growth for the NHS of £20.5 billion a year in real terms by 2023/24. In response the NHS has developed a Long Term Plan, in which 2019/20 will be the foundation year which will see significant changes to the architecture of the NHS. Funding has been front loaded into the first year to ensure that NHS Provider organisations return to balance on the proviso that no national reserves are being held centrally to cover unauthorised deficits. The change in architecture includes payment reform, a new financial framework for Providers and CCGs for which guidance is still being issued. Draft organisational level funding has been issued along with detailed deliverables across the whole of the NHS.
- 5.1.3 As part of the 2018 Autumn budget and December 2018 finance settlement the government announced £240m of additional funding for 2018/19 and 2019/20 for councils to spend on adult social care services to help councils alleviate winter pressures on the NHS, getting patients home quicker and freeing up hospital beds across England. The allocation to the City Council, which is based on the Adults Relative Needs Formula, totals £2.67m in each year. The use of the 2018/19 allocation was agreed between partners and at the Council's Executive in December 2018. At that committee it was also agreed to recruit to the associated posts on a permanent basis which in effect commits £1.5m of the 2019/20 allocation. The funding will be smoothed over 2-3 years to support the creation of a sustainable establishment to manage both the homecare mobilisation and the waiting lists to support the health and social care system to manage winter pressures. The proposals for deployment have been aligned with other funding and developed jointly with partners across the health and social care system.
- 5.1.4 The government announced a further £410m which can be applied to both Adult and Children's Social Care, of this Manchester will receive £4.555m in 2019/20. This will be partly used over a number of years to support the programme of improvement work which is underway in adult social care described in section 3 above. The Council is using the additional one off funding it has received across three years to avoid increasing the budget and then having to make significant cuts in 2020/21 when the new Finance Settlement is announced.
- 5.1.5 The Government's Green Paper regarding care and support for older people was expected in 2018 linked to the 10 year NHS plan. It is hoped that the paper will set out plans to improve care and support for older people and tackle the challenge of an ageing population. The Ministry of Housing, Communities and Local Government (MHCLG) has also consulted on proposed changes to the Adult Social Care Relative Needs Formula. The present formula has been in place since 2005/06, with some elements using the 2001 Census information. It is likely that it will be 2020/21 before any changes are now concluded.



## 5.2 Adult Social Care budget 2018/19

5.2.1 The Council's element of the Manchester Health and Care Commissioning (MHCC) Pooled Budget relates to Adult Social Care services, excluding Homelessness, Voluntary and Community Sector grants and the Adults Safeguarding service. Table 1 sets out the base budget for Adult Social Care in 2018/19 of £185.913m of which £4.213m is out of scope of the pooled budget and £181.700m is in the scope of the pooled budget.

**Table 1: 2018/19 Base budget**

Service Area	2018/19 Gross Budget	2018/19 Net Budget	2018/19 Budgeted Posts (FTE)
	£'000	£'000	
Assessment & Support	8,559	6,140	223.86
Care	66,536	41,122	335.59
Commissioning	9,515	8,979	32.20
Business Units	5,444	5,129	468.80
Learning Disability	59,297	51,989	46.65
Mental Health	25,219	23,192	7.00
Public Health	39,428	37,275	44.36
Back Office	14,834	6,692	
Infl & National Living Wage	1,181	1,181	-
<b>MHCC Pooled Budget</b>	<b>230,012</b>	<b>181,700</b>	<b>1,158.46</b>
Asylum	2,911	57	8.00
Commissioning	2,040	1,819	-
Safeguarding	2,544	2,337	40.50
<b>ASC Services Out of Scope</b>	<b>7,495</b>	<b>4,213</b>	<b>48.50</b>
<b>Total</b>	<b>237,507</b>	<b>185,913</b>	<b>1,206.96</b>

5.2.2 The Council's budget for Adult Social Care is currently projecting to overspend by £3.2m. Whilst the underpinning assumptions around increasing demand and inflationary pressures have been within the funding allocated, the delay in the implementation of the new care models has meant that the planned reductions in residential and nursing and home care costs have not been achieved. The 2019/20 budget has re-phased the savings delivery and investment to take this into account and has also added additional investment to ensure that the core social work capacity and skills are in place to deliver. The non-achievement of savings remains the biggest budget risk in 2019/20.

5.2.3 The Council's contribution to the MHCC 2018/19 pooled budget for ASC approved by the Executive in February 2018 was £186.475m. During 2018/19 this budget has been adjusted as per the below to give a revised Pooled Budget position of £185.700m which reflects the ASC budget of £181.700m plus £4m non-recurrent contribution from MHCC agreed last year:

- It has been reduced by £1.265m for inflation which applied to Homelessness which is not within the Pool

- Reduced for £268k corporate savings and other adjustments reported throughout the year
- Reduced for the £1.525m inflation and £383k national living wage funding not required. This has been added to the Adult Social Care Reserve
- Increased for the £2.667m Winter Pressures Funding confirmed in December 2018

### 5.3 2019/20 Adult Social Care Budget

5.3.1 Further to progress made with new care models and saving schemes during 2018/19, the development of the ASC Business Plan priorities for 2019/20 and an assessment of cost pressures, a proposed update to the financial plan for the ASC budget in 2019/20 is set out in the paragraphs to follow.

5.3.2 The overall strategy around the effective integration and reform of health and social care to deliver improved outcomes and financial sustainability remains unchanged. However Adult Social Care is also a service that is dependent on a number of short term funding streams and in order to ensure a high quality social care service and deliver the volume of change required it is important that an adequate and permanent structure is in place. The substantive proposed change to the ASC budget for 2019/20 is to fund the ASC improvement plan described in section 3. This will put in place the right foundations on a sustainable basis to support the transformation and integration with health through embedding streamlined processes, effective practice and an enabled workforce with the right resources in place to effectively manage demand. The estimated total budget requirement for ASC capacity is £4.225m in 2019/20 rising to £4.8m from 2020/21:

- **£1.067m** in 2019/20 rising to **£1.4m** from 2020/21 (c60 fte) for additional capacity in Social Work, Safeguarding, the Citywide Care Homes Team, the Learning Disability service and other specialist services. Greater internal capacity for Best Interest Assessors supporting Deprivation of Liberty Safeguards
- **£0.5m** in 2019/20 rising to **£0.75m** in 2020/21 for proposals in development i.e. social work career pathway and additional team manager capacity for the in-house Learning Disability Accommodation Service
- From the £2.667m ASC grant funding for winter pressures and the temporary capacity agreed by Executive in December 2018, 18 fte posts are proposed to be included in the structure on a permanent basis to enable successful recruitment and retention of staff. This includes 8 posts for the Homelessness Service which will be charged to ASC. This would be a cost of **£1.456m** per annum over a three year period to be met from the grant. It is important that a substantial part of the 2019/20 resilience grant is retained for 2019 winter arrangements and this would leave a balance of £1.210m for 2019/20 and its use will be agreed with partners and reported back through the Health and Wellbeing Board
- Funding of **£0.713m** is required to make permanent 18 fte social workers posts historically funded by the CCG and recruited to temporarily

specifically for social work capacity in hospitals. The permanent funding of this from 2019/20 is being considered by MHCC Executive

- Funding of **£490k** is required for 9 social worker managers for the Integrated Neighbourhood Teams managers to be funded from MCC reserve in 2019/20 for the LCO with funding from 2020/21 to be reflected within the new INT structures in relation to overall ASC capacity the Council would utilise £1m of the Adult Social Care reserve to support the Locality Care Organisation.

5.3.3 As the additional funding allocated in the Autumn Statement for social care is inadequate to cover all of the pressures and there is a need to provide a stable funding base beyond 2019/20, the grant funding has been combined with a number of, largely adult social care related, one off resources to create a reserve to be used over a three year period. During this period it is anticipated that the capacity requirements will change further to reflect transformation of services, further integration with health, improved practice and an overall stabilised and more efficient service, supported by the need for a fully costed MLCO structure during 2019/20. Table below sets out the costs and funding.

**Table 2: Adult Social Care Capacity**

<b>ASC Capacity – costs and funding</b>	<b>2019/20 £'000</b>	<b>2020/21 £'000</b>	<b>2021/22 £'000</b>
New ASC workforce capacity	1,067	1,400	1,400
Other i.e social work career pathway	500	750	750
ASC Seasonal Resilience	1,456	1,456	1,456
Health legacy seasonal resilience	713	713	713
New INT Team Mgr cost (9 fte)	490	490	490
<b>Total</b>	<b>4,225</b>	<b>4,809</b>	<b>4,809</b>
<b>Funded by :</b>			
ASC reserve/social care grant	1,567	2,150	2,150
ASC Seasonal Resilience grant	1,456	1,456	1,456
Health funding (tbc)	713	713	713
LCO INT funding from MCC	490	490	490
<b>Total</b>	<b>4,225</b>	<b>4,809</b>	<b>4,809</b>

5.3.4 To fund the proposals above, in addition to the ASC winter pressures grant of **£2.667m**, the 2019/20 budget will be increased by a further £1.567m for the improvement plan. To reflect the likely timescales for recruitment the sum of £1.567m for 2019/20 will be phased with **£784k** added to the ASC budget and the remaining **£783k** held by the Council in the Adult Social Care Reserve to be drawn down as required in year.

5.3.5 Other main changes to the budget are the review of the new care models and other savings schemes. Whilst the delivery of the new care models and the other savings proposals will continue as planned, the delivery of the associated benefits and implementation costs have changed in line with the revised mobilisation timescales. This has reduced the estimated gross savings by **£3.343m**.

5.3.6 Taken together the £784k ASC Improvement Plan funding and £3.343m reduction in gross savings results in a proposed net increase to the ASC budget of **£4.127m** for 2019/20.

5.3.7 To identify measures to support the budget position in 2019/20 recovery proposals totalling **£3.543m** are proposed:

- A reduction of £1.825m in the cost of the new care models as per the latest assessment
- Application of £1.568m of unspent ASC grant to be carried forward to 2019/20
- Additional savings of £150k from Adult Social Care from the Learning Disability budget from an expansion of the existing Shared Lives programme

5.3.8 The detail of the planned savings and revised phasing is set out in paragraph 4.3 above with Appendix 3 providing more detailed information on the changes in the value of savings and costs and individual schemes.

5.3.9 Table 3 shows the proposed Adult Social Care budget for 2019/20 is £198.263m, this is £194.050m for the MHCC pooled budget and £4.213m for ASC services out of scope of the partnership arrangements.

**Table 3: 2019/20 proposed changes and revised budget**

Service Area	2018/19 Net Budget	Approved savings	Investment and other changes	2019/20 Net Budget	2019/20 Identified pressures	2019/20 Recovery proposals	Proposed 2019/20 Net Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assessment/Support Care	6,140	(37)	(192)	<b>5,911</b>	869	0	6,780
				<b>35,155</b>			
Commissioning	41,122	(3,963)	(2,004)	<b>5</b>	3,258	(2,522)	35,891
Business Units	8,979	0	0	<b>8,979</b>	0	(871)	8,108
Learning Disability	5,129	0	0	<b>5,129</b>	0	0	5,129
				<b>51,029</b>			
	51,989	(375)	(585)	<b>9</b>	0	(150)	50,879
				<b>23,284</b>			
Mental Health	23,192	(125)	217	<b>4</b>	0	0	23,284
				<b>37,285</b>			
Public Health	37,275	10	0	<b>5</b>	0	0	37,285
Back Office	6,692	4,472	4,069	<b>15,233</b>	0	0	15,233
				<b>3</b>			
Infl / Nat Liv Wage	1,181	0	7,944	<b>9,125</b>	0	0	9,125
Demography	-	0	2,335	<b>2,335</b>	0	0	2,335
<b>Pooled Budget</b>	<b>181,700</b>	<b>(18)</b>	<b>11,784</b>	<b>193,466</b>	<b>4,127</b>	<b>(3,543)</b>	<b>194,050</b>
	57	0	0	57	0	0	57

Asylum Commissioning	1,819	0	0	1,819	0	0	1,819
Safeguarding	2,337	0	0	2,337	0	0	2,337
<b>Other ASC</b>	<b>4,213</b>	<b>0</b>	<b>0</b>	<b>4,213</b>	<b>0</b>	<b>0</b>	<b>4,213</b>
<b>Total</b>	<b>(1)185,913</b>	<b>(18)</b>	<b>(2)11,784</b>	<b>197,679</b>	<b>4,127</b>	<b>-3,543</b>	<b>198,263</b>

(1) 2018/19 net budget includes £2.667m ASC Winter Pressures grant for seasonal resilience

(2) MTFP Investment and other changes of £11.784m includes £3.840m<sup>(3)</sup> for investment and £7.944m for the Inflation and National Living Wage

(3) £3.840m 2019/20 investment was agreed as part of 2018/19 budget. This is made up of £15.1m agreed additional investment plus demographic growth of £2.3m. This has then been reduced by £5.7m investment included in 2018/19, £4m MHCC risk share contribution and reduction in ASC grant between in 2019/20 of £3.9m

5.3.10 In total there is new investment in 2019/20 of £11.4m for ASC which represents £3.840m investment agreed in February 2018, Adult Social Care grant for seasonal resilience of £2.667m, identified pressures of £4.127m (para 5.3.6) and funding for ASC Improvement Plan held in Corporate budget of £783k (para 5.3.4)

## 6. Capital Strategy/Programme

6.1 The capital programme for Adult Social Care totals £23.8m over the period 2018/19 -2021/22, this includes the creation of a health hub in Gorton. A summary of the current capital budget is shown in table 4 below, and details of the individual projects can be found in the Capital Strategy and Budget report for Executive in February:

**Table 4: 2018/19 – 2021/22 Capital Budget**

	2018/19 £m's	2019/20 £m's	2020/21 £m's	2021/22 £m's	Total £m's
Gorton Health Hub	1.4	10.2	8.6	2.6	<b>22.8</b>
Other	0.7	0.3			<b>1.0</b>
<b>Total</b>	<b>2.1</b>	<b>10.5</b>	<b>8.6</b>	<b>2.6</b>	<b>23.8</b>

6.2 Work is progressing on the design and tenancy framework for the Health Hub, which will bring together key organisations responsible for tackling worklessness and low skills.

## 7. Impact on Residents, Communities and Customers

7.1 Manchester has a diverse and rapidly changing population and it is important that the Council is able to manage its business priorities with due regard for the wide-

ranging and complex priorities and needs of the City's residents. The business planning process helps the Council to consider and communicate how it will fulfil the requirements of the Public Sector Equality Duty in the development of its business priorities. The Council will continue to use its Equality Impact Assessment framework as an integral tool to ensure that all relevant services have due regard of the effect that their business proposals will have on protected groups within the City.

7.2 The Council is proud of its accreditation as an excellent authority against the Equality Framework for Local Government and is committed to maintaining this standard. Ensuring that Directorates' equality considerations and priorities are clearly articulated through the business planning process is a crucial part of achieving this commitment. The directorate's priorities support the EFLG and its activities will continue to reduce inequalities through effective partnership working in particular those with health, schools, independent providers, other local authorities and the voluntary and community sector.

7.3 Adult Social Care services continue to play a pivotal role around equalities through its work with key cohorts:

- Adults of working age
- Older People
- People with No Recourse to Public Funds
- Homeless people with care and support needs
- Learning and physically disabled people
- People with complex needs, including substance misuse, alcohol dependency and mental health needs
- Individuals with chaotic lifestyles and those who present with increased risk to fulfil the prevention duties in the Care Act

7.4 There are key developments looking ahead that will have an impact on equalities including the integration of health and social care and the health and wellbeing of adults living in communities. There is a significant opportunity to address the following areas:

- Health inequalities and life chances
- Transition to adulthood
- The benefits of health and social care integration
- The reduction in social isolation of older people through the age-friendly work

7.5 All partners involved in delivering the Locality Plan are well aware of the need to undertake EIAs on service changes resulting from transformation. Partners have developed capabilities to do this on an individual and collective basis, driven by the scale and speed of change experienced in both the health and local government sectors over the last five years.

## **8. Impact on the Workforce**

8.1 The role out of the strengths based way of working will impact on all staff across the workforce as they will be required to have a different cultural

approach and behaviours to delivering services. This is supported through a programme of activity that comprises a range of inter-connected parts including building rapport, Our Manchester context, introduction to strengths, hearts and minds and the Our Manchester behaviours, practical tools and techniques for working in a strengths based way, connecting people and place and moving to activation.

- 8.2 It is imperative that there will be fundamental shifts to roles and capacity through the implementation of phases one and two of the MLCO, and phase 2 of MHCC. Whilst this will result in different ways of working and the requirement to develop new skill sets, until this work commences in detail, the full workforce impact will not be known.
- 8.3 In addition the Adult Social Care improvement plan includes work to review the adult social care structure to ensure the establishment is appropriately scaled and located, within MLCO and in particular the INTs. This work will include a consideration of demand, benchmarking with other local authorities, appropriate case holding levels, statutory requirements, role mix and career pathways.
- 8.4 The impact of integrated management structures will also require us to think differently on how day to day management and professional report are delivered. This is part of the Phase 1 considerations.

## **9. Technological Support**

- 9.1 The importance of technology, systems and data should not be underestimated if the City Council is to achieve the aspirations of growth, reform and health and social care integration from both a Council and GM perspective. Additional ICT investment has been agreed as part of the three year budget strategy and a five year capital plan with 2019/20 being the third year of this investment programme.
- 9.2 During 2018/19 ICT investment has been made in the areas listed below. The initiatives are a mixture of systems to underpin departmental transformational agendas, the implementation of fit for purpose systems or to establish compliance in line with the ICT strategy (some initiatives include external investment):
- Liquidlogic implementation: new social care system, better aligning to best practice in Children and Adults social care, supporting Manchester's integration strategy (e.g. system integrated with Health systems). System scheduled to be live in May 2019)
  - Manchester Care Record: technology capability delivered, aggregating data from a number of H&SC systems in a single platform, providing the potential for H&SC teams (inc. ASC) to make more informed decisions.
  - MLCO INT Hubs: enabling the coming together of MDT teams through a common technology solution (tactical solution deployed, subject to further improvements). 50% of the hubs are now live, with the remaining hubs forecast to be live by June 2019.

- DTOC IT Project: Developing MFT Acute systems to expose data to ASC staff, supporting the safe transfer of patients into the community..
- MHCC integration: some technology related change has taken place supporting the integration of CCG and MCC commissioning services, with further work planned.

9.3 From a technology and systems perspective, the focus for Adult Social Care (inc. MLCO & MHCC) in 2019/20 is as follows:

- Implementation of Liquidlogic.
- Manchester Care Record: while the technology capability was delivered in 2018/19, the focus of 2019/20 will be to deploy to the user-base (including ASC and the wider-MLCO and partner organisations such as NWS).
- Manchester Care Record - Citizen/Patient Portal: further explore use of citizens accessing this data.
- MLCO INT Hubs: deploy IT solution to remaining hubs.
- MLCO (including ASC) new models of care, such as: Homecare, Assistive Technology, Control Centre/Front Door, Manchester Community Response, Konnektis ("electronic yellow file") - ICT to work with operational and transformational colleagues to support business case development and deliver projects where approved (with consideration to the wider ICT portfolio taking into account organisation priorities).
- Govroam (WiFi): deployment of Govroam WiFi to MCC infrastructure/services - enabling MCC staff to work from other Govroam locations, and those organisations to work from MCC sites.
- Utilise technological collaboration solutions, such as video conferencing, to work in smart and efficient ways, supporting both operational requirements and cost avoidance.

9.4 Any initiatives requiring ICT support will need to be considered against the broader ICT portfolio, recognising the finite funding and resources available. The ICT Strategic Business Partner will support and advise the service in this regard.

9.5 ICT will work the team in order to identify solutions that comply with the information and ICT design principles and to develop robust business cases to support their development.