

## Greater Manchester Joint Health Scrutiny Committee

Date: 13 March 2024  
Subject: NHS Greater Manchester Financial Recovery  
Report of: Claire Connor, Associate Director of Communications & Engagement,  
NHS Greater Manchester

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### Purpose of Report:

To update the Greater Manchester Joint Health Scrutiny Committee on the plans for public involvement on financial recovery.

### Recommendations:

Members of the Committee are asked to take note the report and to consider in particular:

1. How we have a meaningful conversation with residents and communities about the challenges. that are faced, without creating fear or mistrust.
2. How we can best engage with councillors on these challenges.

### Contact Officer:

Claire Connor, Associate Director of Communications & Engagement

[Claire.Connor@nhs.net](mailto:Claire.Connor@nhs.net)

## **Equalities Impact, Carbon, and Sustainability Assessment:**

Not applicable.

## **Risk Management**

The risks associated with this programme are mainly around public confidence. This risk will be carefully managed, with building trust being a core outcome of the work.

## **Legal Considerations**

NHS Greater Manchester and providers will meet the statutory duties relating to involvement on service redesigns.

## **Financial Consequences – Revenue**

Not applicable.

## **Financial Consequences – Capital**

Not applicable.

## **Number of attachments to the report: 0**

## **Comments/recommendations from Overview & Scrutiny Committee**

To be gained from this report.

## **Background Papers**

Not applicable.

## **Tracking/Process**

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No.

## **Exemption from call in**

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No.

## **Greater Manchester Transport Committee**

Not applicable.

## **Overview and Scrutiny Committee**

Not applicable.

## **1. Introduction/Background**

We want to create an NHS that is fit for the future for all Greater Manchester families, residents, and communities.

Thanks to partnership working, there have been some really positive improvements to population health in the years before the pandemic. However, these improvements were affected by the pandemic, further austerity and the cost-of-living crisis and are at further risk. The latest data shows us that unless we make some changes the health of people across Greater Manchester will get worse over the next five years.

Improving the health of our residents is the biggest priority, but we will need to also improve performance, review services, and make the system financially sustainable.

Throughout, we need to make sure that we are delivering safe services for everyone, that are easy to access, fair across the region, prioritise those most in need and offer a good experience for the people who need them.

We want to work with staff, stakeholders, people, and communities across Greater Manchester to make the right decisions.

This paper focuses on the financial recovery to date, and the approach for the future.

## **2. Financial Recovery**

Our guiding principle for financial recovery is to have a balanced response that prioritises helping people be healthier and therefore reducing demand on the NHS, whilst also reviewing how we work and how our services work to make sure every pound of spend on health and care is used in the best way.

We have an underlying financial challenge of £400 million for this year and £500 million for coming years. This is a Greater Manchester Integrated Partnership wide challenge, with NHS Greater Manchester and all hospital trusts having an agreed savings target.

NHS England has agreed that across all health care, the Greater Manchester Integrated Care Partnership (ICP) must make sure that it has a maximum overspend of £180 million for this financial year (April 2023-March 2024). £34.7 million of this is from NHS Greater Manchester budgets with £145.3 million coming from healthcare providers. This £180 million of agreed overspend for this financial year is not written off but will need to be recovered in future financial years.

This means that this year we need to save £220 million (£400 million financial challenge minus the £180 million agreed overspend). There has been significant progress throughout the year, with £200 million of savings already achieved. We need to save a further £20 million to achieve NHS England's target.

Regular meetings with NHS England and system leaders continue to take place to focus on how they can control costs and reduce waste, whilst ensuring that services improve performance, and remain high quality and safe.

Many of the savings' opportunities that have been identified this year will help improve and support future years' financial planning with an anticipated £500 million challenge across the whole health system.

Examples of some of the specific projects that are currently ongoing, include:

- Reducing the number of people who are in inpatient mental health beds outside of Greater Manchester. Bringing people closer to home and nearer their families will be better for them and save money.
- Reviewing adult Attention Deficit Hyperactivity Disorder (ADHD) services to see how we can reduce waiting times and get help to the people who need the services most more quickly.
- Optimising medicines across Greater Manchester, making sure people are getting the medication that they need, whilst making the most of cheaper, off-brand alternatives.

Despite the progress, increasing numbers of patients needing services across General Practice (GP), hospitals, mental health and all services, and the impact of managing the ongoing industrial action, are making financial recovery more difficult.

### **3. Next steps**

This financial year has predominantly focused on responding to the financial challenges. We now need to shift from focusing on financial recovery, to considering long-term sustainability and creating an NHS that is fit for the future.

For the coming years, there are three key challenges, with the first being the priority:

1. Improving health and tackling inequalities.
2. Reviewing and reshaping services where we can improve quality.
3. Saving £500m and achieving financial balance.

To do this, we are focusing on:

- Implementing the positive and powerful approach set out in our population health analysis, with a focus on reducing inequalities and a subsequent reduction in demand for NHS services.
- Thoroughly reviewing and, where necessary, reshaping our clinical services to improve quality, talking to our residents and our staff about what is most important and effective and putting that in place.
- Development of the commissioning intentions for Greater Manchester to identify the way in which we can ensure the best value for delivering health and care services for our patients, population, and the tax-payer.
- Delivering public engagement around the three challenges of improving health, improving performance, and achieving financial balance.

### **4. Public engagement**

In 2023 we held a Big Conversation, and we asked people across Greater Manchester what would make the biggest difference to their health and wellbeing.

People wanted more action on prevention of ill health, including help with the cost of living, more personalised care that recognised that one size does not fit all, and more partnership working amongst services and the voluntary sector.

There were also two key themes that emerged:

- People were worried about funding and access in all health and care services.
- People were particularly concerned about the difficulties experienced in accessing GP appointments and the waiting times for hospital care.

You can [read more about what people said on the Big Conversation web page](#). All this feedback helped to shape the [Greater Manchester Integrated Care Partnership Strategy](#).

We now need people's help to design an NHS fit for the future.

By working with communities on tackling the three challenges, we aim to foster a shared understanding of the task and start to rebuild trust and confidence in the NHS, which has taken a dip in recent years.

We need to be open about the current public health, performance, and financial situation we find ourselves in and be prepared to collaborate on solving the problem wherever possible.

This approach has been taken by councils across the country over the past decade with regards to budget setting, prioritisation and adult social care, and there are lots of lessons to learn from these experiences.

No other Integrated Care Board or ICP has yet begun to talk to the public about their financial challenges, however, we know from research that we are likely to be the first of quite a few.