

## Manchester City Council Report for Resolution

**Report to:** Resources and Governance Scrutiny Committee - 30 June 2016

**Subject:** Annual update on performance in the Revenues and Benefits Unit

**Report of:** City Treasurer

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### Summary

This report provides performance data for the 2015/16 financial year for the Council Tax, Benefits and Business Rates Service areas.

This report also provides an update on key areas of work and the welfare reform changes.

### Recommendations

Committee is requested to note the contents of the report.

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### Wards Affected:

The functions and services covered in the report are provided to all wards in the city.

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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.

Council Tax Support Scheme  
[www.manchester.gov.uk/downloads/download/5760/the\\_council\\_tax\\_support\\_scheme\\_-\\_manchester\\_2014-15](http://www.manchester.gov.uk/downloads/download/5760/the_council_tax_support_scheme_-_manchester_2014-15)

Discretionary Housing Payments Policy

[www.manchester.gov.uk/downloads/download/4494/discretionary\\_housing\\_payments\\_-\\_2013\\_council\\_policy](http://www.manchester.gov.uk/downloads/download/4494/discretionary_housing_payments_-_2013_council_policy)

Welfare Provision Scheme Policy -

[www.manchester.gov.uk/downloads/download/5237/welfare\\_provision\\_scheme\\_policy](http://www.manchester.gov.uk/downloads/download/5237/welfare_provision_scheme_policy)

NNDR Areas of Local Discretion Policy

[http://www.manchester.gov.uk/info/200012/business\\_rates](http://www.manchester.gov.uk/info/200012/business_rates)

## **1. Introduction**

The report provides members with the following information.

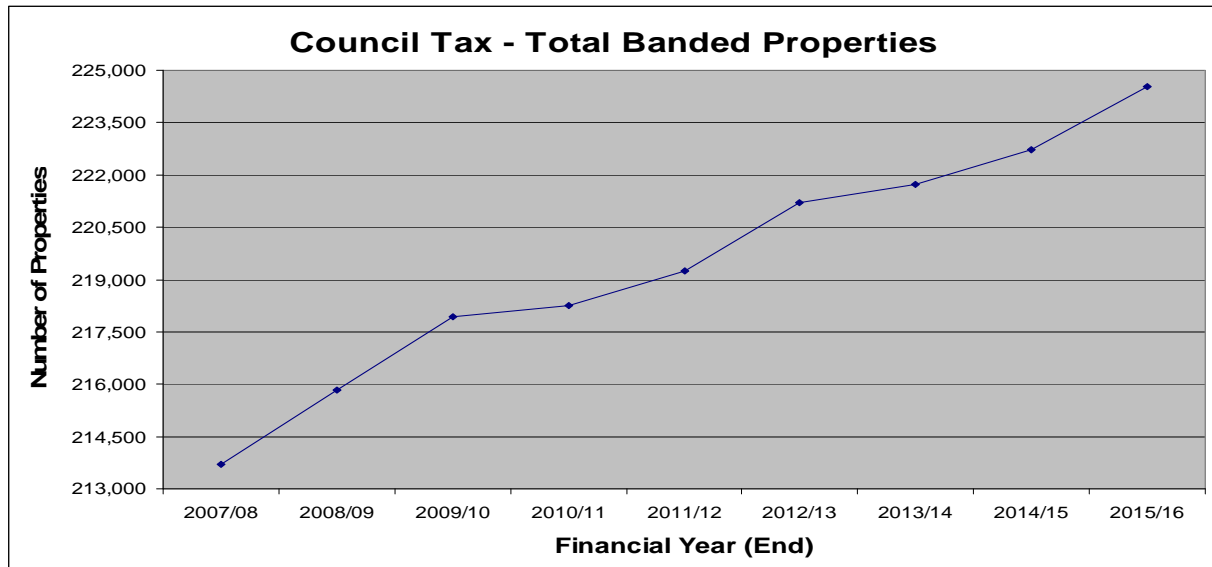
- i. Annual performance results for the Revenues and Benefits Unit and covers the following areas:
  - Council Tax collection;
  - Benefits administration; and
  - Business Rates collection.
- ii. Performance data in respect of areas of discretionary support including:
  - Discretionary Housing Payments (DHP);
  - Discretionary Council Tax Payment Scheme (DCTPS); and
  - Welfare Provision Scheme.
- iii. Summary data on welfare benefit changes including the progress to transfer claims to Universal credit and those areas of welfare reform administered by the Council, including:
  - Spare room subsidy (bedroom tax); and
  - Household benefit cap
- iv. Key issues affecting the Unit and service areas and details the headline performance targets and objectives for the year ahead.

## **2. Performance in the collection of Council Tax**

### **2.1 Background**

Council Tax is essentially a property tax which is levied on the broad capital value of domestic properties. The Valuation Office split all domestic properties into eight bands from A to H, with an amount charged linked to each band. Calculation of the amount payable follows a weighted calculation set by central government. Properties in Band A pay two thirds of the tax levied on Band D properties; those in Band H pay twice the tax levied on band D.

The Council currently has 224,500 domestic properties that are liable for Council Tax. The number of properties within the city has been increasing annually and has increased from 192,500 in 2000 to 224,500 this year (see table below).



Of the approximate 224,500 properties in the city, 58% are in Band A, with 88% being in Bands A-C (inclusive). Less than 1% (880 properties) are in the top two bands of G and H.

A full breakdown of properties split into band and across wards is shown as appendix one.

The 224,500 properties have an associated total debit of £194.5m for the 2015/16 financial year. The amount due to be collected was then reduced by the award of £40.4m in Council Tax Support to eligible accounts leaving an amount of £154.m to be collected. This is an increase in the amount due to be collected last year of around £4.5m.

During 2015/16, of the 224,500 properties, 61,508 claimants received some Council Tax Support towards their bill, of which 41,825 (68%) are working age and 19,683 (32%) are classed as pensioner households.

Of the working age households, 33,387 (79.8%) of these received the maximum amount of Council Tax Support of 85% leaving them with 15% to pay. Of the pensioner households in receipt of CTS, 14,560 (74%) receive maximum benefits, of 100% of the Council Tax bill and 5,123 (26%) received partial benefits.

A full breakdown of working age and pensioner households in receipt of Council Tax Support split by ward is included as appendix two.

The levels of transience within the caseload and the number of people going on and off benefits, along with the high levels of deprivation in the city make the collection of Council Tax challenging and complex.

## 2.2 2015/16 targets

At the beginning of the year the forecasted, Council Tax collection targets were to:

- Collect 92.3% of the 2015/16 Council Tax within the financial year;

- Collect £141.2 million (92.3%) of Council Tax within the financial year, compared to a gross debit of £153 million (£194.2 gross debit - £41.2m CTS); and to
- Collect £6.5 million of Council Tax arrears from previous years.

These targets were set based on estimated and forecasted amount received for Council Tax Support and the number of students etc. The actual amount received by CTS was actually £40.5m so more in cash had to be collected.

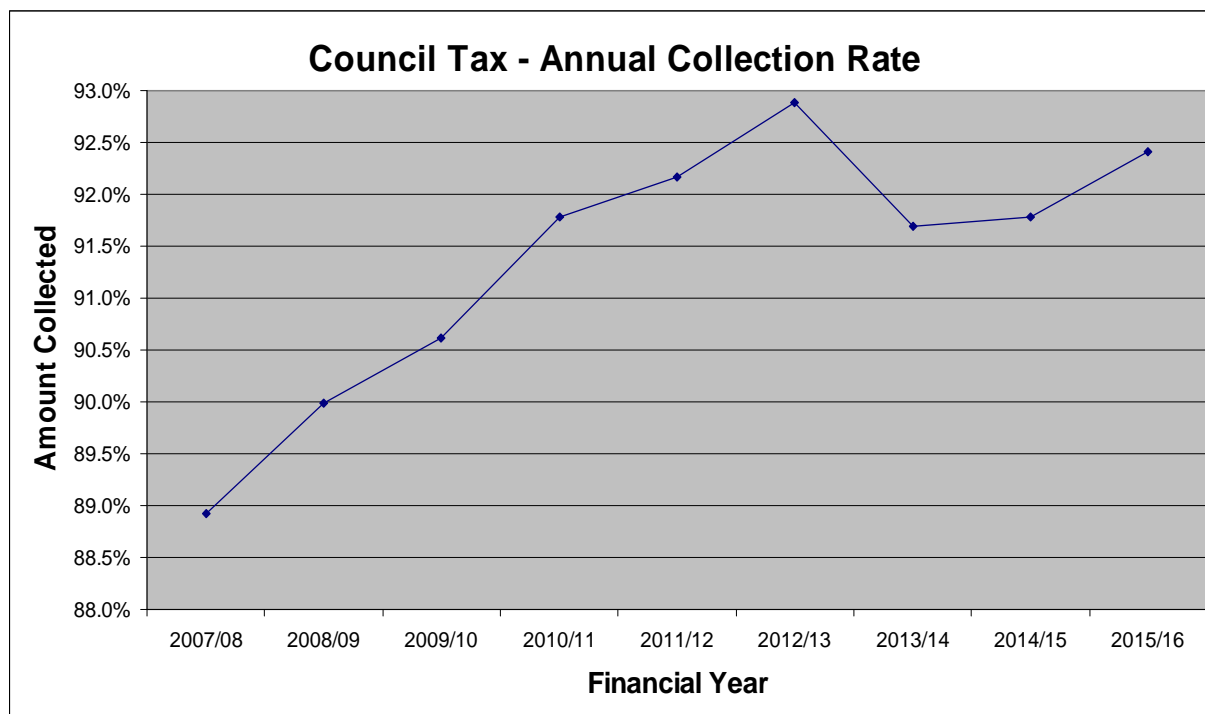
The headline targets were achieved.

### 2.3 2015/16 performance results

The Council Tax collection figures for 2015/16 have now been submitted to central government with publication of the national results due in mid June. The collection rate measures the percentage of Council Tax (after the award of CTS) that was raised and collected in the same financial year (between 1 April and 31 March).

The end of year performance figures show that 92.4% of the amount due had been collected within the financial year. This represents an increase of 0.6% when compared with the end of March 2015 and is 0.1% above the target that was set at the beginning of the year. This figure represents the second best outturn figure that the Council has achieved, with the best figure being achieved in 2012/13. It should be noted that the 2012/13 result was before working age customers on maximum benefit had to make a payment towards their Council Tax and the Council had approximately 36,000 fewer accounts that had a balance to pay.

Council Tax in year collection performance							
2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
90%	90.9%	92.%	92.3%	92.9%	91.7%	91.8%	92.4%
+9%	+9%	+1.1%	+0.3	+0.6%	-1.2%	+0.1%	+0.6%



The following table below shows the gross collection rate when Council Tax Support is included in the calculation as an income stream against the amount due.

<b>Council Tax in year collection performance</b> (including Council Tax Support as part of the calculation)							
2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
91.8%	92.6%	93.4%	94.4%	94.7%	93.6%	93.5%	93.9%
+1.1%	+0.8%	+0.8%	+1%	+0.3%	-1.1%	-0.1%	+0.4%

## 2.4 Arrears Collection

Council Tax collection does not stop at the end of the financial year but continues for as long as it is cost effective. In the long term, collection is expected to be around 97%. However, this takes several years to achieve.

Each financial year the Council collects several million pounds in Council Tax arrears from previous years. Around £800,000 more in arrears payments has been collected during 2015/16 when compared to the previous year. This is a positive result when the in year collection performance is taken into account and recognises the Council's proactive and pragmatic approach to Council Tax recovery, especially when collecting money owed from those households who are in receipt of benefits.

Details are as follows:

<b>Amount of Council Tax arrears and costs collected by year</b>							
2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
£4.7m	£5.3m	£5.5m	£4.4m	£5m	£4.2m	£5.9m	£6.7m

## 2.5 Recovery activity

### 2.5.1 Recovery action

The table below shows how many summons have been issued and how many cases were referred to external enforcement agents (bailiffs) for collection.

					<b>Council tax recovery activity-volumes</b>			
Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
summons	60,000	61,000	54,000	53,000	50,000	84,800	85,800	63,300
Inf Ag.	41,500	54,000	45,500	35,000	33,600	27,000	26,900	22,000

Although the Council has improved the collection level for both current year and arrears, the volumes in terms of recovery activity have significantly reduced, with a reduction in the number of summons issued within the year of 22,500 (a percentage annual decrease of 26% on the previous year) and a reduction in the number of accounts referred for enforcement agent activity of 4,900 (a percentage annual decrease of 18% on the previous year).

The figures show that there was a significant spike in recovery activity during 2013/14 and 2014/15 as a direct result of the changes to Council Tax Support when more than 36,000 residents on low income had to pay something towards their Council Tax for the first time as well as many others that had to pay more. Following this spike, the significant reduction in summons issued, aligned with the increase in collection levels is a positive result and comes as a result of improved communication and where necessary, intervention to avoid debts escalating.

In recent years the Council has taken a more informed approach to the use of enforcement agents and will not send accounts that are not deemed suitable for collection via this route. For example, where possible, recovery from earnings or benefits will be set up as the preferred recovery route, even if it could take some time to clear the debt. The Council has also worked with the Money Advice Trust and has developed and introduced an additional warning letter to encourage residents to get in touch. In the majority of cases an account is sent to the external enforcement agent when we have had no engagement and we have no employer or benefit details.

Where a Council Tax debt is less than £150 when passed to an enforcement agent, the Council has determined that it should not progress to further enforcement activity and the additional costs are therefore limited to the £75 administration fee as covered by legislation.

For the £75 administration fee the enforcement agency will attempt to contact the debtor several times by phone or letter and seek to secure an arrangement. However, they will not visit the property, levy on goods or add further costs. If unsuccessful the debt has to be returned to the Council where the Council will consider alternative recovery methods where appropriate.

## 2.5.2 Attachment of earnings orders

Once a summons has been issued and a Liability Order (LO) has been granted by the Magistrates due to Council Tax arrears, as described above, one of the recovery options is to apply to the debtor's employer for deductions to be made from their wages and paid over to the Council. The debtor and the employer are informed of the application at the same time.

Deductions are made based on the level of earnings with the percentage taken increasing as the wages increase. A council can make two attachments at any given time in respect of separate LOs and if there are more than two LOs further attachments can be 'pended' to start once one of the existing attachments have cleared. Employers are allowed to make a charge of £1 per payment to cover their costs.

Deduction rate	Weekly earnings	Monthly earnings
0%	<£75	<£300
3%	£75-£135	£300-£550
5%	£135-£185	£550-£740
7%	£185-£225	£740-£900
12%	£225-£355	£900-£1,420
17%	£355-£505	£1,420-£2,020

Where the salary is more than £505pw/£2,020pcm, the attachment rate is 17% for the first £505/£2,020 and then 50% of the remainder. A second attachment is calculated by removing the amount of the first attachment from the weekly/monthly earnings then applying the deduction rate appropriate to the reduced earnings.

The table below shows the number of live and 'pended' attachment of earning orders and the amount of money covered by those attachments. This shows an incremental increase in the use of these orders as opposed to enforcement/bailiff activity. An attachment of earnings provides a guaranteed level of payment towards any arrears and avoids an escalating debt position; as if there are debts for other years, they will be pended whilst the attachment(s) are in place.

	2009/10	2010/11	2011/2	2012/3	2013/4	2014/5	2015/16
Live attachments	1,484	1,943	1,934	2,459	2,786	3,187	3,563
Debt covered	£0.58m	£0.8m	£0.79m	£0.93m	£1.02m	£1.29m	£1.366
Pending attachments	1,361	1,710	2,094	3,520	4,208	5,326	5,936
Debt covered	£0.59m	£0.78m	£0.97m	£1.57m	£1.8m	£2.26m	£2.45

Unfortunately it is not possible to separately identify annual performance information in respect of payments as a direct result of an attachment of earnings as they come in as a normal payment albeit via the employer and are just shown with the total figures for either current or arrears collection



One of the major barriers to recovery is a lack of engagement by some debtors that means the level of information held by the Council is limited, thus preventing recovery action by attachment of earning orders. The Council has made representations to central government and has requested access to HMRC data for employer records and also for changes to the Universal Credit rules to allow an attachment of the Tax Credit element of Universal Credit where the claimant is in work and has Council Tax arrears. Although the government has recently consulted on this as a proposal, this is not yet in place.

### 2.5.3 Attachments to Benefits

Another recovery option for the Council, post Liability Order (LO), is to apply to the Department for Work and Pensions (DWP) for deductions to be made from certain benefits the debtor receives and have this money paid direct to the Council to pay off the money owed.

Deductions are at a standard rate (currently £3.70) which is increased annually by around 5pence per year. A Council can only make one attachment for Council Tax arrears at any given time even if there are debts for several different years. Further attachments can be 'pended' to start once the existing attachment to benefits has cleared.

The table below shows the number of live and 'pended' Attachments to Benefits and the increasing amount of money covered by those attachments. The cash collected as an attachment to benefits is then included as part of the total collection figure for either current year or arrears.

	2009/10	2010/11	2011/2	2012/3	2013/4	2014/5	2015/16
Live attachments	5,220	5,251	5,690	6,088	12,169	12,228	10,975
Debt covered	£1.30m	£1.33m	£1.42m	£1.53m	£1.92m	£2.13m	£1.82m
Pending attachments	6,602	6,507	7,832	8,152	11,202	16,196	18,858
Debt covered	£1.92m	£2.03m	£2.47m	£2.62m	£3.11m	£4.11m	£4.563
Cash collected	n/a	n/a	£0.7m	£0.67m	£1.05m	£1.44m	£1.52m

The significant increase between 2012/13 and 2014/15 stems from the requirement of working age residents in receipt of CTS to make a payment for the first time. Although the number of 'live' attachments stabilised during 2015/16, this is still almost double the number of attachments that were in place in 2012/13. In addition there continues to be an increasing number of accounts that are held/pended waiting for an attachment to be in place. Although this is deferring the recovery of money owed to the Council, it is the correct approach as it almost guarantees future recovery as well as preventing unnecessary action and escalating costs to the city's poorest households.

There are several reasons why the Council may not be able to attach to benefits:

1. The debtor is already having other deductions made from their benefit due to other debts putting them below the threshold figure.
2. The liable person is not the benefit claimant.
3. The DWP says the customer is not claiming benefits.
4. The benefit that is being claimed is not suitable for deductions. For example, the Council can not deduct from tax credits.

Over the past few years the council has been in discussion with government to changes to the current approach, including

- To allow attachment benefits without the need for a Liability Order.
- Discussions with DWP aimed at attaching in-work Universal Credit payments (currently called tax credits)

Unfortunately to date this has not been changed.

## 2.6 Direct debit activity

Direct debit is the preferred method of payment for the service and there is a target to increase the number of accounts being paid by direct debit by 5% each year. Out of the overall debit of £94.9 million and the amount collected of £154.5 million (92.4% collection rate); £95.4 million (62% of the money collected) of this was collected by direct debit during 2015/16 compared with £90 million during 2014/15.

The following table shows the number of live direct debits over recent years and the percentage of residents who have something to pay that pay by direct debit. During 2015/16 there were around 194,000 live Council Tax accounts with a balance to pay, 6,000 more than the year before. 100,200 of these were paid by direct debit (51.6%).

Although there has been a year on year increase in the number of residents paying by direct debit, the number shown as a percentage of all those residents with a bill to pay is still lower than at the end of 2013/14. This is due to the introduction of CTS, when there was a significant increase in the number of residents that had a bill to pay.

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
No of props	n/a	n/a	n/a	151,000	153,000	187,000	188,000	194,000
No DD	69,000	70,800	73,900	77,900	82,900	89,600	93,500	100,200
% DD	n/a	n/a	n/a	51.6%	54.2%	47.9%	49.7%	51.6%
% increase	1%	2.6%	4.4%	5.4%	6.4%	8.1%	4.4%	7.2%
Amount by DD	£62m	£66.4m	£69.9m	£72.8m	£76.9m	£84.6m	£90m	95.4m

As well as advertising direct debit on all bills and letters, one of the ways that the Council has been encouraging payment by direct debit is to offer the service of setting up direct debits via the Council's website. In addition, there is also an annual exercise whereby letters explaining the benefits of direct debit along with a mandate are sent to residents who paid their bill in full when they received a summons or went to the enforcement agent and had to pay additional costs.

### 3. Performance in Benefit administration

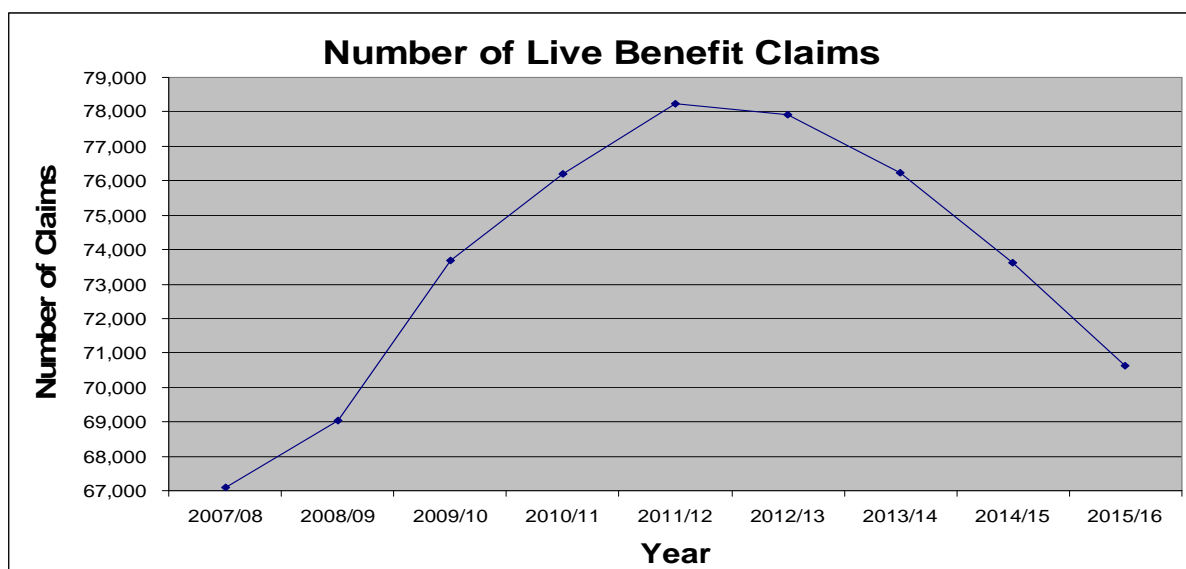
#### 3.1 Background

In March 2016, the Council was paying out benefit to 70,636 households in the city. This includes Housing Benefit and Council Tax Support claims. Manchester has the 4<sup>th</sup> biggest caseload of English authorities. The Council also supports the assessment of entitlement to free school meals that are captured and processed as part of the main HB and CTS claim form so as to maximise take-up.

The caseload increased from around 67,000 in 2008 to its peak of 78,077 in summer 2012. It maintained a plateau through 2012/13 but has been falling very gradually since April 2013. Although falling, the caseload is still higher than it was before the financial crisis in 2008/09 (67,103 in March 2008).

These changes reflect:

- people gaining employment and coming off benefits;
- a drop in CTS claims because all working age people have to pay 15% of their Council Tax; and
- a very moderate reduction in HB claims because Universal Credit began paying housing costs for new, uncomplicated, working age cases from September 2014.

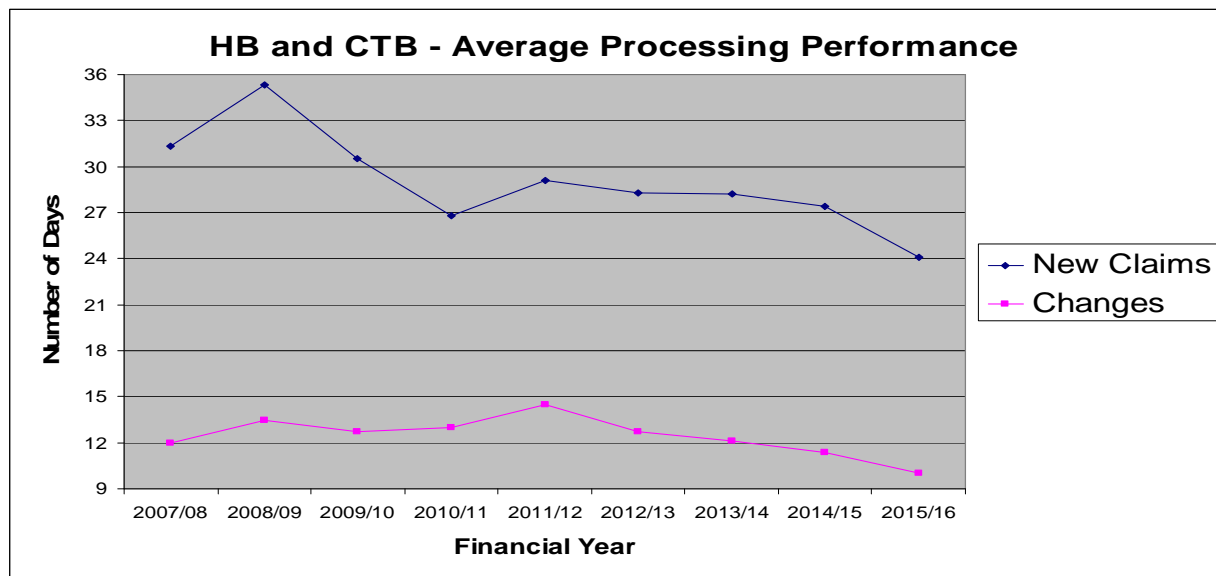


#### 3.2 2015/16 Performance Results

The table below shows headline performance results for benefits administration that are generally shown in processing times.

The performance target for processing new claims and changes of circumstances counts the overall number of days taken to process a claim, including any claim pending time associated with claim follow up or requests for further evidence. There is also an additional measure that calculates the percentage of new claims that are processed within 14 days of the Council receiving all the information necessary to process the claim.

	Processing New Claims	New claims in 14 days	Changes of circumstances
<b>Target</b>	<b>25 days or less</b>	<b>More than 92%</b>	<b>11 days or less</b>
<b>2015/16</b>	24.1 days	94.5%	10 days
<b>2014/15</b>	27.4 days	91%	11.4 days
<b>2013/14</b>	28.2 days	90.9%	12.1 days
<b>2012/13</b>	28.4 days	91%	12.7 days
<b>2011/12</b>	29 days	90%	14.5 days
<b>2010/11</b>	26.8 days	91%	12.95 days
<b>2009/10</b>	30.5 days	87.6%	12.7 days
<b>2008/9</b>	35 days	83.8%	13.5 days
<b>2007/8</b>	31 days	91%	12 days



Overall these figures indicate a demonstrable improvement in service delivery and show real achievement and positive outcomes for benefit claimants, landlords and partners. This is especially noteworthy when viewed in the context of ongoing welfare reform, increased fraud and error activity and an increasingly complex caseload.

### 3.3 Recovery of benefit overpayments

Within the 2015/16 financial year, around £6m was collected from benefit claimants who had been overpaid Housing Benefit. £3.24 million of this was collected at the assessment stage by making deductions from ongoing benefit entitlement.

The Recovery Team collected a further £2.76 million, against an annual target of £2.25 million. This is a positive result, as this type of overpayment is difficult to collect because the people who have been overpaid often leave with no forwarding address, often remain on a low income or other benefits and may also owe Council Tax and other debts (overpaid CTS is taken straight out of the Council Tax account).

#### 4. Performance in the collection of Business Rates

##### 4.1 Background

Business Rates are collected from approximately 25,000 business properties in the city (as at the end of March 2016).

For billing purposes a business rates hereditament can be as small as an ATM, parking or advertising space up to the size of an airport or sports stadium. Each hereditament has a separate bill. The valuation office agency work out the rateable value for a property and the Council calculates and collects the amount due by applying a multiplier that is set by central government and other calculations where appropriate.

The collection rate for Business Rates is calculated in the same way as the Council Tax measure. Accounting for Business rates income is covered separately as part of the Council's budget and financial reporting process.

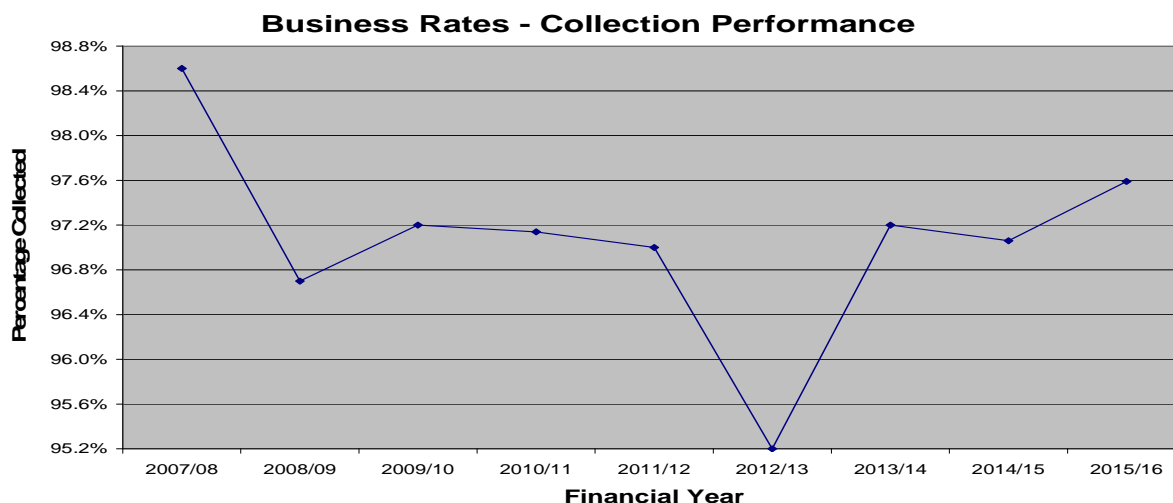
##### 4.2 2015/16 performance results

The amount of Business Rates to be collected within the year, before discounts and exemptions was approximately £404.4m (gross rate debit). After discounts and exemptions the Council had to collect £344.9m (net rate debit) the Council collected £334.8m. This is an increase in the amount of money collected of £10.1m

The following table shows the collection performance in Business Rates by measuring the level of debt that was raised and due within the financial year that was actually collected within the financial year. There will inevitably be some carry forward of amounts due as a result of changes and retrospective billing and extended payment plans.

The table and graph shows that at the end of March 2016, 97.6% of the collectable debit had been collected; this is 0.5% more than at the same time last year. This result is also the best collection figure for eight years and represents positive performance in what are still uncertain economic conditions.

<b>Business Rates in-year collection performance</b> (Debt raised and collected in the financial year)							
2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
96.7%	97.2%	97.1%	97%	95.2%	97.2%	97.1%	97.6%



### 4.3 Business Rates Relief

There are a range of mandatory and discretionary reliefs available to businesses and other organisations. Mandatory reliefs are fully refunded by central government but discretionary reliefs are part funded by the Council. In addition, the Council has the power to award local discounts. The government has also encouraged some local discounts by agreeing to refund all the expenditure. These include new build relief, retail relief and reoccupation relief.

The table below details the range of grants available, the amount awarded and the cost of each relief to the Council. For mandatory reliefs and local business rates discounts there are set criteria which the business must comply with. The figures given are for those claims where the criteria are met.

	Number	Amount	Cost to Council
<b>Mandatory relief awards</b>			
Small Business Rates Relief	5,166	£11,126,875	0
Charitable relief (80%)	826	£24,916,354	0
Comm amateur sports clubs (CASCs) (80%)	11	£110,424	0
<b>Discretionary relief awards</b>			
Charitable relief (20%)	54	£407,749	£203,874
Comm amateur sports clubs (CASCs) (20%)	0	0	0
Not for profit Orgs	43	£2,394,763	£1,197,381
Hardship relief	0	0	0
<b>Local Business Rates Discounts</b>			
New build relief (temp – up to Sept	12	£28,054	0

2016)			
Retail relief (temp - 2014/15 and 2015/16 only)	1,270	£748,365	0
Reoccupation (temp scheme- occupation by 31 March 2016, then payable for 18 months)	70	£178,122	0
Local Discounts	0	0	0
Enterprise Zone relief*	119	£779,166	0
<b>Total</b>	<b>7,571</b>	<b>40,689,872</b>	<b>1,401,255</b>

\*Only payable in Baguley, Brooklands and Woodhouse Park

A full breakdown of Business Rates discounts by ward is attached as appendix three.

## 5. Areas of discretionary spend

The Unit delivers three areas of discretionary policy, spend and budgets:

- Discretionary Housing Payments (DHP) - funded by central government subject agreed threshold level;
- Discretionary Council Tax Payment Scheme (DCTPS) - Council funded; and
- Welfare Provision Scheme - Council funded.

### 5.1 Discretionary Housing Payments (DHP)

#### 5.1.1 Background

The Discretionary Housing Payment scheme provides funding to deal with anomalies and hardship in situations where normal Housing Benefit does not cover all the rent. To qualify for some consideration for assistance under this scheme the resident must already qualify for some Housing Benefit.

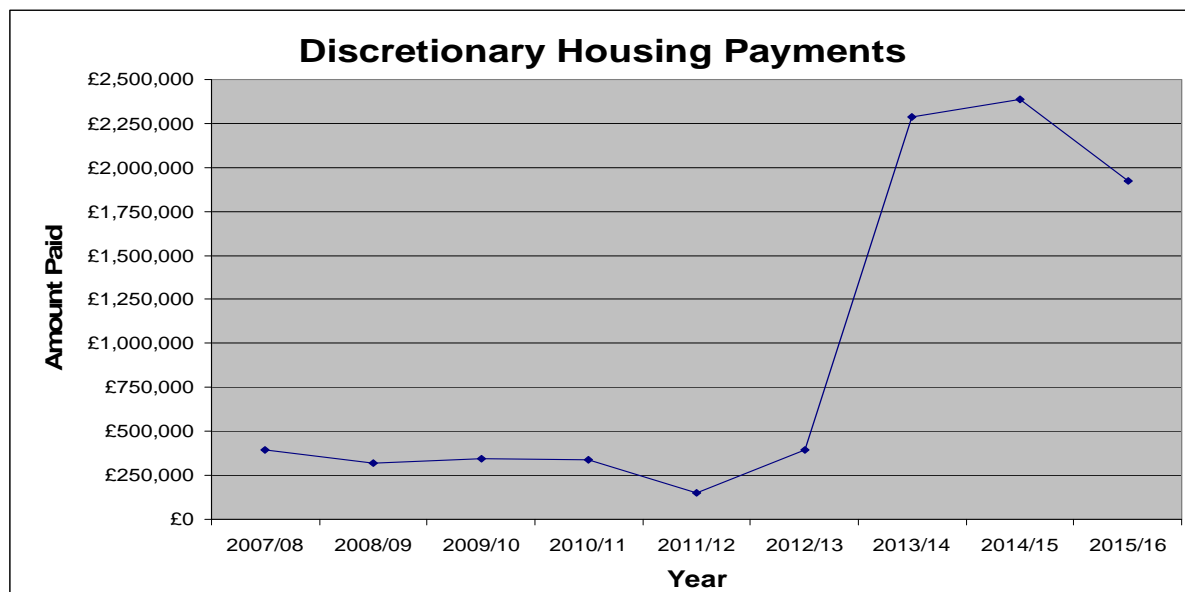
From April 2013 the government provided extra funding to ease the introduction of the household benefit cap but also to meet *continuing* and unavoidable needs resulting from the application of size criteria in the social rented sector rather than catering for these in the Housing Benefit scheme itself.

The government provides councils with a grant amount up to an agreed threshold and any money not spent in the year to which it relates is returned to government as unspent. The Council is able to fund above this amount up to a further threshold but this is funded from the Council's budget.

### 5.1.2 Spend against budget and award summary

Year	Government contribution	Amount spent	Number of awards made	Cost to Council	Amount returned to government
2015/16	£1,874,257	£1,901,789	6,564	£27,532	£0
2014/15	£2,356,068	£2,390,249	6,581	£34,181	£0
2013/14	*£2,222,105	£2,287,046	7,261	£64,941	£0

\*In 2013/14 (the first year of the significant welfare reform changes) the Council submitted two bids for a further £300,000 as part of a time limited grant scheme. This amount is included in the final Government Contribution for 2013/14 above.



In 2015/16, the Council spent £1,901,789, around £27,000 above the amount funded by DWP.

Decisions were made on 3,817 cases and 2,455 were paid. 2,631 of these were under occupancy cases, of which 1,919 were paid. 148 were benefit cap cases, of which 113 were paid.

### 5.1.3 Breakdown of awards by tenure type

The following table shows an analysis of awards by tenure types of the resident. It should be noted that the total figure will differ from the one above because this is based on award rather than spend against budget. Some of the amount analysed won't have been paid out until April 2016 and the 2015/16 spend will also include a significant amount paid retrospectively for 2014/15.

Appendix four provides a full breakdown of awards by ward and tenure type. The following summary analyses awards for periods in 2015/16 rather than amounts paid in that year and therefore differs slightly from expenditure in year.



<b>Council Tenants</b>	£422,233.83
<b>All registered providers</b>	£1,060,389.64
<b>Private landlords</b>	£355,375.02
<b>Grand Total</b>	£1,837,998.50

#### 5.1.4 Breakdown of awards by reason

The following table shows the reason for DHP, the numbers of claimants paid and the percentage of the spend in each category for the past two years since the significant welfare reform changes were introduced.

Reason for DHP	Cases	% of spend	Cases	% of spend	Cases	% of spend
	2013/14		2014/15		2015/16	
Baby due	73	1.1%	71	0.9%	69	1.0%
Benefit Cap	236	16.6%	279	15.8%	187	9.8%
Change of address	2	0.0%	2	0%	1	0.0%
Combination of reforms	14	0.5%	9	0.1%	10	0.2%
Disability - general	65	1.4%	55	0.9%	137	2.3%
Income tapers	58	1.1%	115	2.0%	298	7.2%
LHA reforms - single under 35 rate	118	2.8%	31	0.8%	13	0.3%
LHA Rent restrictions	132	2.7%	203	4.2%	274	5.1%
Non-dependent deduction	13	0.3%	17	0.2%	41	1.2%
Other	247	5.6%	238	3.2%	123	2.0%
Rent deposit	1	0.0%	13	0.3%	13	0.5%
Rent in advance					2	0.0%
Rent on two homes	1	0.0%				
<u>Social sector size criteria categories</u>						
- adaptations	386	8.4%	385	8.3%	367	6.3%
- disability	393	7.9%	386	6.8%	249	4.3%
- fostering	20	0.5%	20	0.4%	20	0.5%
- short term	778	13.9%	815	11.6%	1186	19.2%
- other	1,479	34.1%	2,192	36.8%	1831	27.4%
Total social sector size criteria	3,056	64.8%	3,798	63.9%	3,653	57.7%
Work-related expenses	244	3.0%	627	7.7%	1,011	12.6%
All awards within period	4,256		5,458		5,832	

The section described as other within the social sector size criteria category covers short and longer term awards based on individual needs and circumstances including residents who need to stay where they are due to care and family commitments, access to children, access to work or education, health issues, ability to move and re-settle and bereavement. The Council also looks to protect tenancies and decision making is cognisant of changes in the near future that would negate the impact of the

size criteria, for example children moving over the age threshold, pregnancy and residents becoming over the age where the size criteria applies.

Within the three year period there have been changes in the volumes of support offered within the groups and some of the reasons for the changes include:

- More information about residents' details becoming available eg disability requirements resulting in additional support being offered.
- More people working but on a low income (income tapers) where additional support is provided to low income working households.
- Phased support for some of the original benefit cap cohort where support was provided on a time limited or phased basis where appropriate to aid the transition.

## **5.2 Discretionary Council Tax Payment Scheme (DCTPS)**

### **5.2.1 Background**

The Discretionary Council Tax Payment Scheme provides an amount of Council funding to deal with cases of exceptional hardship arising from the introduction of localised Council Tax Support and changes to Council Tax exemptions and discounts on empty properties.

Awards of Discretionary Council Tax Payments focus on anomalous and complex situations and on enabling people to deal with short term financial crises that mean they are unable to pay their Council Tax. Awards are normally for defined periods following which the resident will be required to resume their normal instalments.

The Council's policy expects that payments are made in unusual or extreme circumstances, where additional help with current Council Tax will have a significant effect in alleviating hardship or alleviating difficulties that may be experienced in the transition from long term benefit dependence into work. Claims can be made alongside requests for Discretionary Housing Payments if the resident is in receipt of Housing Benefit, or as a stand alone claim.

### **5.2.2 Spend against budget**

For 2015/16 the fund had a budget of £100,000 from Council funds. The amount spent was £88,500.

The following table shows the number of applications received and the broad reason for the request:

<b>Application reason</b>	<b>Volumes</b>
Financial difficulties	235
Health problems	12
Vulnerable resident	10
Other/insufficient details to assess	6

The following table shows a breakdown of awards

<b>Number of applications</b>	<b>Number paid</b>	<b>Number paid to current year</b>	<b>Number paid to arrears</b>	<b>Paid to current year and arrears</b>
263	103	68	54	20

Within appendix five there are some real examples of payments made to residents from this scheme.

### **5.3 Welfare Provision Scheme.**

#### **5.3.1 Background**

The Welfare Provision Scheme was introduced in 2013 and considered by the Health Scrutiny Committee.

The Council's Welfare Provision Scheme has been operational since 2 April 2013. The new scheme replaced the DWP's Community Care Grant scheme and Crisis Loan Scheme that were abolished at the end of March 2013.

The Council's scheme was set up and agreed with the intention that it would be reviewed as take up, impact and resident reaction was monitored and evaluated and to take into account funding levels agreed by government (specific funding was provided for two years, 2013/14 and 2014/15).

From 2015/16 the government does not provide any specific grant to fund this activity and state that this is included as part of the Council's overall grant funding. Although not required by law to do so, the Council has continued to provide a scheme from Council resources.

#### **5.3.2 Purpose and objectives of the Council's WPS Scheme**

The Council will provide financial support in the form of grants to Manchester residents who are suffering financial hardship and:

- Have been subject to an emergency or disaster situation, and are at the point of crisis; or
- Have had to move home due to fear of violence, significant health or care needs or as a result of an emergency or disaster, or as part of a supported or emergency rehousing, and their previous furniture is no longer available; or
- Need additional furniture or equipment to enable them to stay within their current home and maintain independent living; or
- Are in a specific vulnerable group and are in extreme fuel poverty in that they are unable to afford immediate heating costs during the winter months or have been disconnected.

The Council will also provide support to residents moving into work but who remain on a low income with the provision of a grant to assist with public transport costs for the first month of employment.

The objectives of the Welfare Provision Scheme are to:

- Support Manchester residents who are vulnerable with their immediate hardship needs, enabling them to live an independent life and to complement (but not replace) other specialist care support provided by the Council;
- Prevent short term, exceptional hardship following a crisis or emergency;
- Prevent homelessness;
- Keep families together;
- Support people to live independently in their own home;
- Encourage and facilitate people to return to work whenever possible;
- Help to alleviate debt and encourage better money management;
- Help those who are trying to help themselves;
- Help people through personal crises and unforeseeable events; and
- Reduce benefit dependency where possible.

### 5.3.3 Scheme Budget and spend

The following table shows the budget and spend to date against this scheme. Money unspent in earlier years (2013/14 and 2014/15) has been used to fund the ongoing scheme and admin costs.

Although the 2015/16 budget was £500,000, the forecasted amount to spend on grants was £400,000. This is because £100,000 was set aside to fund a food poverty exercise working with charities and third sector organisations within communities. This was launched via elected members in June 2016 with £3,000 being made available to each ward in the city.

<b>Funding / Year</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Scheme Budget	£2,721,885	£2,721,885	£500,000
Amount Spent	£1,300,000	£2,080,000	£392,232

### 5.3.4 Scheme eligibility

Eligibility is tested through three qualifying stages:

1. First Stage – which determines whether residents are eligible based on age, income and residency criteria;
2. Second Stage – which determines whether residents are eligible based on their needs and circumstances criteria;
3. Third Stage – which determines whether residents are eligible based on any further exceptions or exclusions criteria.

### 5.3.5 Grant details

The Welfare Provision Scheme offers support to residents accessing the scheme in the form of grants to provide the following:

- Re-housing and resettlement support – Provision of minimum essential furniture items. In most cases this will be limited to the provision of beds (or cot), bedding and linen packs, cooker/microwave, fridge/freezer and kitchen starter pack. In some cases (where health or family circumstances require) the Council will consider the additional provision of a washing machine.  
(A maximum of 1 award per tenancy over a rolling 3 year period); or

- Support to stay within their home – provision of essential furniture or equipment items;  
(A maximum of 1 award per tenancy over a rolling 3 year period); or
- Immediate response to severe fuel poverty – a cash grant of up to £49 that is used to top up the resident's fuel card or utility account.  
(A maximum of one award per individual over a rolling 12-month period although decisions will be based on individual circumstances and presenting need);
- Support following a crisis or emergency – a cash grant of up to £60. (A maximum of one award per individual over a rolling 12-month period although decisions will be based on individual circumstances and presenting need); or
- Travel expenses – a cash grant to support the purchase of a bus/travel pass for the first four weeks of employment.

Depending upon needs and circumstances, it may be possible for a resident to receive more than one type of support.

### 5.3.6 2015/16 awards

The tables below show the number of applications, approval rate and awards made by presented reason for support.

Number of Applications	Approved	Declined	Percentage Approved
4,201	1,736	2,465	41%

Reason for application approval	Number Approved	Value of Awards
Moving Home/Resettlement	990	£335,328
Disaster	569	£45,938
Other Reason	125	£8,655
Travel	44	£1,851
Providing Care for Others	8	£460
<b>Total</b>	<b>1,736</b>	<b>£392,232</b>

Appendix six provides some real case studies of real residents in the city that have received support from this scheme in the last financial year. Further detail on the ward and demographic breakdown of awards is shown as appendix seven.

In summary, of the 1,736 approved applications 1,040 (60%) were paid to people with no children in the household and 447 (26%) were paid to people under the age of 25.

Of the money paid out, £182,265 (46%) was paid to people with no children in the household and £105,842 (27%) was paid to people under the age of 25. £89,512 (24%) was paid to households with one child and £118,736 (30%) paid to households with two or more children.

The following table shows spend across the grant/goods description.

<b>Goods type</b>	<b>Value of Grants approved</b>
White Goods	£199,825
Beds	£105,837
Bedding	£57,332
Cash Grants	£7,260
Utilities	£21,250
Travel	£495
Furniture	£151
other	£80
<b>Total</b>	<b>£392,232</b>

### **5.3.6 Support for people leaving hospital or supported accommodation**

A significant amount of this budget, £335,000 of the £392,000 paid, supports people moving into new homes in the city, some of which were moving from hospitals and supported accommodation eg hostels, supported accommodation.

Of 751 applications from people in supported accommodation 683 were awarded to a cost of £246,049. Of the 638 awards, 28 grant payments were made to residents leaving hospital.

The combined weekly housing benefit cost of the 683 applicants before they moved from supported accommodation was £120,155 and the housing benefit cost after the move was £55,154.

Of the 683 cases; 643 received a decrease in Housing Benefit (weekly reduction of £67,343) after their move from supported accommodation, 5 remained on the same HB and 35 cases received an increased HB (weekly increase of £2,341) after their move (24 of the 35 received no HB before the move).

97% (665 cases) of those resettled are living at the address that they were settled into, 2 % are living at another address and 1% cannot be tracked. Of the 97% who have remained in their tenancy; the additional Housing Benefit costs if they had stayed in supported accommodation from the date they were resettled, would have been £2.1m.

Of 36 applications where people were leaving hospital, 28 were awarded to a cost of £6,039. All 28 cases (100%) remain within their own home.

### **5.3.7 Declined requests**

To be able to manage this finite budget, officers have to carefully appraise awards mindful of the scheme's purpose, eligibility criteria and objectives. All cases are considered on their own merits with officers having discretion to support anomalous situations.

The WPS team take care to avoid making payments where there is an alternative and more suitable source of support and will often refer to other agencies or other parts of the Council. This includes the DWP for households affected by benefit sanctions or the Council's No Recourse to Public Funds (NRPF) team for people or

families who are not entitled to mainstream welfare benefits due to their immigration status.

### 5.3.8 2014/15 Processing Times

90% of applications were assessed and completed with a decision communicated to the applicant within one working day. 99% of applications were processed in seven working days.

## 6. Welfare reform agenda and Housing Benefit administration

### 6.1 Under occupation in the social sector (benefit cap)

From April 2013, Housing Benefit for council tenants and housing association tenants of working age is reduced if they are considered to have more bedrooms than they need. The use of size criteria for underoccupation is widely known as “the bedroom tax” though it is a reduction of benefit rather than a tax that a bill is issued for.

When it was introduced in April 2013 there were 13,177 cases identified. At the end of March 2015 the figure stood at 9,490 causing a reduction of just under £7m in Housing Benefit payments.

The following table shows the numbers of households affected over the course of the 2014/15 and 2015/16 financial year, the financial impact and the number of affected households that have received some Discretionary Housing Payments.

<b>2015/16</b>	<b>1st quarter</b>	<b>2nd quarter</b>	<b>3rd quarter</b>	<b>4th quarter</b>
Cases with reduction for one spare bedroom	7,424	7,215	6,939	6,862
Cases with reduction for two or more spare bedrooms	1,799	1,719	1,690	1,665
All cases affected	9,223	8,934	8,629	8,527
Average reduction	£14.22	£14.23	£14.29	£14.29
Cases with DHP	1,119	1,215	1,273	1,321
<b>2014/15</b>	<b>1st quarter</b>	<b>2nd quarter</b>	<b>3rd quarter</b>	<b>4th quarter</b>
Cases with reduction for one spare bedroom	8,201	8,056	7,783	7,624
Cases with reduction for two or more spare bedrooms	2,015	1,983	1,939	1,866
All cases affected	10,216	10,039	9,721	9,490
Average reduction	£13.91pw	£13.94pw	£13.98pw	£13.96pw
<b>Cases with DHP</b>	<b>2,103</b>	<b>1,752</b>	<b>1,699</b>	<b>1,691</b>

The continuing reduction in the number of cases affected is believed to reflect a combination of people moving to smaller social landlord properties including mutual exchanges and home swaps and to a lesser extent moving to private rented accommodation in conjunction with a decline in the caseload as more people find work. A further summary is attached as appendix eight and provides detail of the split

across landlord and tenure types by reduction type and where DHP has been awarded.

## 6.2 Benefit Cap

From summer 2013, Housing Benefit for some tenants of working age (those claiming out of work benefits as opposed to in work benefits) is reduced if their total income from DWP means-tested benefits, HMRC tax credits and Housing Benefit is more than £500 a week (£350 for single people without children). The benefit cap was first introduced in Manchester across August and September 2013 with a total of 343 cases identified. At the end of March 2015 the number of cases capped has fallen to 266 with an average reduction in Housing Benefit of £55.04 a week. Of the 266 affected households 70 are receiving discretionary housing payments to support the financial shortfall.

The following table shows the numbers of households affected by the changes and tracks both the reduction in the number of households affected and a reduction in DHP awards. The reduction in DHP represents the time limited nature of some of the awards and the transience of the caseload.

Date	Cases capped	Average weekly reduction	Number with DHP
March 2016	253	£57.87	38
December 2015	249	£56.36	42
September 2015	274	£54.91	55
June 2015	265	£58.14	40
March 2015	266	£55.04	70
December 2014	291	£56.09	59
September 2014	296	£60.86	116
June 2014	347	£66.07	89
March 2014	319	£60.08	184
December 2013	340	£62.30	175
September 2013	294	£65.89	157

This table shows the 253 affected households by tenure type and the percentage of these households within the tenure type that are receiving DHP payments.

Tenure	No DHP	DHP	All cases	% on DHP
<b>Council</b>	21	3	24	12.5%
<b>Hostel</b>	6	9	15	60.0%
<b>Private</b>	100	16	116	13.8%
<b>RSL</b>	88	10	98	10.2%
<b>All</b>	215	38	253	15.0%

## 6.3 Transfer to Universal Credit

Universal Credit (UC) was introduced incrementally across Job Centres in Manchester from 22 September 2014, with the first phase of the roll out completed by December 2014.



Single people and couples without complicated circumstances were picked up by UC in the first few months with families included from the start of March 2015.

The Council is delivering the commissioned elements of the UC Delivery Partnership Agreement. This includes:

- Provision of support for the UC Service Centre by providing advice on HB queries and complex cases.
- Operation of an alternative processing system for Council Tax Support claims (a claim for UC does not constitute a claim for CTS).
- Budgeting advice for UC claimants when referred from DWP.
- On line and PC access across the Council estate.
- Supporting the development and delivery of the Local Support Services Framework

The number of UC contacts administered by the Benefits Service continues to rise. Within the period up to the end of March 2016, the Benefits Service received 3,333 Service Centre queries (up from 1,141 for the previous 12 months) and 1,326 notifications for Council Tax Support (up from 184 in the previous 12 months).

We do not yet have a timetable for the introduction of the full “digital service” with claimants using the full on-line facilities and incorporating all types of new claim. Nor do we have a timetable for, or details of the approach to, migration of existing Housing Benefit cases. Nationally the main migration to Universal Credit is now expected to be substantially complete by 2021 (previously 2017, then 2019). Housing Benefit for the elderly and for people in exempt accommodation will remain in place for the foreseeable future. Future developments will need managing carefully to ensure necessary levels of resources are kept during a lengthy transitional period.

## **7. 2016/17 activity, changes and performance targets**

### **7.1 Performance Targets**

The 2016/17 primary targets are to improve across all areas, including:

- Collect current year’s Council Tax of £149m which equates to an in-year collection rate of 93%.
- Collect £6.75 million of Council Tax due from previous years.
- Process new benefit claims in less than 20 days, process changes of circumstance in fewer than 12 days and maintain accuracy levels at around 99%.
- Collect 97.8 % of the 2016/17 Business Rates within the financial year.

There will be detailed service specific, performance and customer service targets that support these objectives and these will be reported quarterly to the City Treasurer and Executive Member for Finance

### **7.2 Changes to discretionary support**

For 2016/17, the following funding has been available to support discretionary schemes.

	<b>2014/15 Budget</b>	<b>2015/16 Budget</b>	<b>2016/17 Budget</b>
Discretionary Housing Payments (funded by central government)	£2,356,068	1,874,257	£2,097,016
Welfare Provision Scheme (funded by the Council)	£2,721,885	£500,000	£500,000

The increase in DHP is a result of additional central government funding so that the Council is able to provide additional discretionary support to those households affected by the benefit cap (see paragraph 7.3).

Although the Council will still consider discretionary support towards Council Tax there will not be a specific budget set aside. Cases will be considered on their own merits in accordance with the Council's policy document and funded from the collection fund.

### **7.3 Further welfare reform changes**

In Autumn 2016 (date to be confirmed by DWP) the maximum amount a household can receive in income on certain out of work benefits will be reduced from the current £26,000 for couples and lone parents and £18,200 for singles, to £20,000 for couples and lone parents and £13,400 for singles (outside Greater London). Initial indications are that the new cap figures will impact around 1,498 households in the city, in receipt of Housing Benefit. We have not yet been able to obtain figures for Universal Credit claimants being affected by the cap.

DWP have sent letters to all households whose current circumstances mean that their benefit income is likely to be capped. This will be followed up in late June by a letter from the Council advising of the forthcoming changes, along with information on local sources of advice and support.

Increased DHP allocations have been provided to Local Authorities to provide support to those affected and who are identified as in need. Residents are to be advised to wait until they have notification that their Housing Benefit or Universal Credit is being reduced before making a claim for DHP.

Individual household data will be shared by the Revenues and Benefits team with Registered Housing Providers to enable them to carry out proactive engagement, and data will be cross referenced with the Early Help Hubs so that family key workers are aware and can discuss implications and options. The Council's commissioned advice service partners will be providing support for residents. The key message is that the best way to avoid the cap will be to move into employment since claimants of Working Tax Credit are exempt from the cap.

DWP have advised that local authorities will receive New Burdens funding which will cover additional costs of budgeting and housing advice for people affected. We are still awaiting information on local allocations and when this is due.

A briefing note is being produced for staff, Councillors and partners which will provide more detailed data on the benefit cap and sources of support for residents. This will be circulated in early July.

## **8. Conclusions**

The overall performance during the 2015/16 financial year across all areas of Revenues and Benefits has been positive. This includes improved collection of Council Tax, Business Rates and Benefit Overpayments; improvements in the speed of processing of benefit claims and a positive performance in all areas of discretionary activity, including locally managed budgets intended to support Manchester's most vulnerable households whilst supporting the Council's objectives, vision and values.

**Carol Culley**  
**City Treasurer**

**Appendix one: Council Tax - number of properties by ward and band**

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
Ancoats and Clayton	5168	1075	1874	1417	239	43	4		9820
Ardwick	5562	1484	520	56	31	4	8	5	7670
Baguley	5022	806	589	196	84	34	2	2	6735
Bradford	4739	1861	1566	232	43	2	1		8444
Brooklands	3285	1568	863	561	255	73	32		6637
Burnage	3812	583	1426	107	6	1		1	5936
City Centre	1346	929	2386	3400	1599	502	130	31	10323
Chorlton	1455	1961	1933	478	317	44	8		6196
Charlestown	4912	1133	412	202	24	1	3		6687
Chorlton Park	3249	1123	1465	701	371	90	25	2	7026
Crumpsall	4325	1681	824	221	51	13	11	3	7129
Cheetham	5645	1466	853	986	93	6	5	1	9055
Didsbury East	1029	589	2439	1208	278	269	167	4	5983
Didsbury West	1717	1181	1069	1103	553	534	267	15	6439
Fallowfield	3046	719	700	432	81	15	11	10	5014
Gorton North	6278	1169	108	27	10	1	3	1	7597
Gorton South	6905	973	386	13	9	1			8287
Harpurhey	7188	1050	158	35	15	2	1	2	8451
Higher Blackley	4894	944	535	146	38	13	4	2	6576
Hulme	4380	2070	1219	613	234	29	26	3	8574
Levenshulme	2582	1422	1627	148	53	8	2		5842
Longsight	3783	1444	386	30	7	5	2	1	5658
Miles Platting & Newton Heath	6354	673	222	30	11	2	5	1	7298
Moston	3710	1906	922	106	27	2	1	1	6675
Moss Side	6611	1037	272	70	48				8038
Northenden	3525	1406	1170	330	170	101	14		6716

Old Moat	3184	867	1010	523	112	29	5	3	5733
Rusholme	3106	584	750	244	53	67	4	8	4816
Sharston	4886	1114	716	341	108	10		2	7177
Woodhouse Park	5343	867	112	92	37	12	16	3	6482
Whalley Range	3099	1072	1464	733	186	44	15	2	6615
Withington	1483	1284	1862	277	260	41	5		5212
Total	131623	38041	31838	15058	5403	1998	777	103	224841

**Appendix Two: Council Tax Support data by ward and claimant**  
**Table one: Working age claimants at 31/3/16 by ward and band**

Ward	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Total
Ancoats and Clayton	1,354	71	41	12				1,478
Ardwick	1,420	169	42	8				1,639
Baguley	1,327	77	19	15	2	1		1,441
Bradford	1,458	277	65	14	1			1,815
Brooklands	837	150	40	10	3	1		1,041
Burnage	1,034	51	112	8				1,205
City Centre	71	43	15	19	12	2	1	163
Chorlton	169	82	55	10	1			317
Charlestown	1,413	86	34	20	1			1,554
Chorlton Park	775	66	31	12	5		1	890
Crumpsall	1,148	284	113	23	1			1,569
Cheetham	1,685	353	109	14	1			2,162
Didsbury East	207	47	70	22	2	1		349
Didsbury West	194	51	29	15	2			291
Fallowfield	782	94	29	25	7	1		938
Gorton North	1,816	179	18	3				2,016
Gorton South	1,901	174	44	1	1			2,121
Harpurhey	2,432	185	12	4	1			2,634
Higher Blackley	1,313	102	37	6	3			1,461
Hulme	1,262	192	30	3				1,487
Levenshulme	557	150	108	7	5	2		829
Longsight	1,106	252	69		2			1,429
Miles Platting & Newton Heath	1,975	98	19	2	2			2,096
Moston	960	101	24	4				1,089
Moss Side	1,984	134	32	6				2,156
Northenden	1,012	163	34	10	5	1		1,225

Old Moat	804	68	88	10	4			974
Rusholme	888	54	68	7	1	3		1,021
Sharston	1,530	94	38	13	8	1		1,684
Woodhouse Park	1,377	132	12	4	1			1,526
Whalley Range	696	146	128	36	7	1	1	1,015
Withington	306	75	129	4	5			519
All Working Age	35,793	4,200	1,694	347	83	14	3	42,134

**Table two: Elderly claimants at 31/3/16 by ward and band**

Ward	Band A	Band B	Band C	Band D	Band E	Band F	Band G	All
Ancoats & Clayton	767	25	5	2				799
Ardwick	603	54	18	2	1			678
Baguley	724	30	33	16	2	1		806
Bradford	656	126	20	5	1			808
Brooklands	466	115	37	20	8	1		647
Burnage	520	62	90	6				678
City Centre	31	79	34	8	5			157
Chorlton	163	79	102	22	10	1		377
Charlestown	685	67	11	7				770
Chorlton Park	379	52	43	15	5	1		495
Crumpsall	456	132	53	17	1			659
Cheetham	656	100	22	11				789
Didsbury East	124	41	102	29	2	2		300
Didsbury West	125	79	34	23	3	7		271
Fallowfield	454	14	12	28	9	1		518
Gorton North	699	68	6	1				774
Gorton South	698	41	20	1	3			763
Harpurhey	865	42	3	2				912
Higher Blackley	701	107	36	11	1			856
Hulme	402	45	5					452
Levenshulme	204	75	112	10	4			405
Longsight	406	146	27	1				580
Miles Platting & Newton Heath	920	37	9	4				970
Moston	417	107	52	3				579
Moss Side	788	38	7					833
Northenden	504	108	44	18	5	5		684



Old Moat	410	44	37	7				498
Rusholme	379	27	64	7	4			481
Sharston	699	42	32	12	1			786
Woodhouse Park	784	23	9	3	3			822
Whalley Range	197	47	103	43	13	5		408
Withington	190	47	108	7	5			357
All	16,072	2,099	1,290	341	86	24		19,912

**Appendix three –page 1 of 3: Table showing Mandatory Business Rates relief types awarded in Manchester broken down by ward**

Ward	Hereditament	Small Business Rates Relief		Charitable Relief (80%)		Comm Amateur Sports Clubs (80%)	
	As at 12/6/15	Awards	Value	Awards	Value	Awards	Value
	Ancoats & Clayton	1548	481	£1,002,882.02	53	£720,069.98	
Ardwick	1167	322	£674,774.56	56	£758,345.62		
Baguley	244	347	£84,671.20	11	£359,221.73		
Bradford	900	229	£337,076.65	8	£839,079.55		
Brooklands	163	35	£74,295.04	16	£176,691.20		
Burnage	296	9	£359,377.47	16	£509,566.09		
Charlestown	8843	201	£176,879.28	11	£396,904.44	1	£2,169.20
Cheetham	374	102	£1,245,530.65	36	£291,632.29		
Chorlton	198	31	£301,638.60	14	£106,599.24	2	£1,471.11
Chorlton Park	350	14	£259,617.44	18	£609,972.25	1	£25,833.20
City Centre	304	143	£1,236,401.50	168	£4,821,311.16		
Crumpsall	1899	50	£187,443.70	15	£124,386.05		
Didsbury East	409	78	£127,532.67	14	£200,848.59	3	£9,643.08
Didsbury West	270	34	£100,076.10	21	£307,593.42	1	£38,256
Fallowfield	170	544	£122,601.89	12	£691,915.64		
Gorton North	423	492	£378,853.84	15	£641,247.85		
Gorton South	309	138	£322,814.92	9	£115,983.18		
Harpurhey	659	69	£457,348.43	22	£618,524.16		
Higher Blackley	173	128	£161,511.55	10	£398,848.48	1	£1,301.52
Hulme	956	69	£292,062.10	90	£8,779,707.14		
Levenshulme	451	644	£501,933.08	16	£130,017.13		
Longsight	508	359	£543,870.22	21	£228,663.26	1	£7,493.60
Miles Platting & Newton Heath	619	95	£400,651.14	23	£177,713.73		

Moss Side	165	40	£343,086.23	38	£298,777.82		
Moston	406	68	£178,640.79	8	£53,105.96		
Northenden	491	43	£279,972.19	25	£582,046.48	1	£24,255.60
Old Moat	245	52	£207,520.60	15	£164,037.42		
Rusholme	384	19	£201,786.22	21	£475,536.38		
Sharston	153	55	£65,258.85	11	£581,992.53		
Whalley Range	1746	11	£159,442.68	10	£119,363.19		
Withington	145	194	£149,911.05	9	£356,568.96		
Woodhouse Park	156	70	£191,412.79	14	£280,083.16		
<b>Total</b>	<b>25124</b>	<b>5166</b>	<b>£11,126,875.45</b>	<b>826</b>	<b>£24,916,354.08</b>	<b>11</b>	<b>£110,424.11</b>

**Appendix three – page 2 of 3 Table showing Discretionary Business Rate relief types in Manchester broken down by ward**

Ward	Hereditament As at 12/6/15	Charitable relief (20%)		CASC's (20%)		Non profit making organisations		Hardship Relief	
		Awards	Value	Awards	Value	Awards	Value	Awards	Value
Ancoats & Clayton	1548	8	£8,800.05			2	£413,255.00		
Ardwick	1167	13	£12,324.47			3	£661,651.25		
Baguley	244								
Bradford	900	3	£719.78			7	£629,818.53		
Brooklands	163								
Burnage	296	2	£15,780.50						
Charlestown	8843								
Cheetham	374	5	£1,142.75						
Chorlton	198	1	£234.38			1	£23,417.50		
Chorlton Park	350					1	£756.00		
City Centre	304	12	£248,280.46			4	£20,964.28		
Crumpsall	1899					2	£69,735.00		
Didsbury East	409	3	£2,218.50						
Didsbury West	270	1	£473.50						
Fallowfield	170								
Gorton North	423	1	£14,691.40			2	£148,146.50		
Gorton South	309					2	£22,849.75		
Harpurhey	659	1	£17,057.80			3	£95,149.00		
Higher Blackley	173	1	£2,760.80						
Hulme	956	2	£64,333.54						
Levenshulme	451					2	£7,248.00		
Longsight	508					2	£438.00		
Miles Platting & Newton Heath	619					3	£31,798.50		

Moss Side	165				4	£75,922.00		
Moston	406							
Northenden	491							
Old Moat	245				2	£117,592.62		
Rusholme	384							
Sharston	153							
Whalley Range	1746							
Withington	145							
Woodhouse Park	156	1	£18,931.20		3	£76,021.75		
<b>Total</b>	25124		<b>£407,749.13</b>	<b>0</b>	<b>0</b>	<b>£2,394,763.68</b>	<b>0</b>	<b>0</b>

**Appendix three- page 3 of 3 Table showing local Business Rates Discounts in Manchester broken down by ward**

Ward	Hereditament As at 12/6/15	Wholly funded by Central Government						50% funded by Government	
		New build relief		Retail relief		Re-occupation relief		Local discounts	
		Awards	Value	Awards	Value	Awards	Value	Awards	Value
Ancoats & Clayton	1548	2	£4,133.93	112	£45,292.39	3	£1,630.47		
Ardwick	1167			51	£29,145.81	2	£2,677.05		
Baguley	244			12	£6,441.15				
Bradford	900			25	£19,661.93				
Brooklands	163			10	£1,372.95				
Burnage	296			59	£23,173.25	1	£814.76		
Charlestown	8843			10	£6,635.46				
Cheetham	374			141	£104,897.55	4	£77,329.57	7	£11,669
Chorlton	198			61	£49,162.88	8	£7,324.11		
Chorlton Park	350			49	£29,321.54	3	£1,189.18*		
City Centre	304	1	£3,985.42	178	£93,901.20	39	£149,793.09		
Crumpsall	1899			11	£8,461.21				
Didsbury East	409			30	£12,963.16				
Didsbury West	270			23	£11,027.59	3	£7,526.46		
Fallowfield	170			25	£15,118.94				
Gorton North	423			36	£22,969.52				
Gorton South	309			17	£11,668.04				
Harpurhey	659			36	£21,307.13				
Higher Blackley	173			10	£6,477.72				
Hulme	956			18	£10,542.42	2	£2,499.18		
Levenshulme	451			42	£36,184.32	1	£3,060.00		
Longsight	508			66	£43,729.45				
Miles Platting & Newton Heath	619			22	£13,416.92				

Moss Side	165			9	£3,269.34				
Moston	406			4	£5,860.87				
Northenden	491			44	£23,366.94	6	£1,177.60		
Old Moat	245	8	£19,935.52	27	£16,545.69	1	£1,278		
Rusholme	384			86	£47,506.18	5	£6,801.15		
Sharston	153			7	£6,748.55				
Whalley Range	1746			16	£7,162.23	3	£6,26.59		
Withington	145			15	£4,903.55	2	£2,735.41		
Woodhouse Park	156			18	£10,129.75				
<b>Total</b>	<b>25124</b>	<b>12</b>	<b>£28,054.87</b>	<b>1,270</b>	<b>£748,365.63</b>	<b>83</b>	<b>££272,055.81</b>	<b>7</b>	<b>£11,699</b>

**Appendix four -Discretionary Housing Payments by tenure type and ward**

The following table provides an analysis of awards for 2015/16 rather than spend in that year. Some of the amount analysed won't have been paid out till April 2016 and the 2015/16 spend will also include a significant amount paid retrospectively for 2014/15.

<b>Ward</b>	<b>Council</b>	<b>Private</b>	<b>RSL</b>	<b>Total</b>
Ancoats & Clayton	£16,610	£11,221	£42,602	£70,433
Ardwick	£21,298	£4,997	£32,283	£58,578
Baguley	£118	£5,749	£63,743	£69,611
Bradford	£9,502	£11,337	£65,722	£86,561
Brooklands	£651	£6,988	£43,081	£50,719
Burnage		£9,573	£61,266	£70,840
Charlestown	£72,594	£8,569	£1,149	£82,312
Cheetham	£29,785	£11,608	£18,056	£59,449
Chorlton		£2,621	£4,938	£7,559
Chorlton Park	£289	£1,761	£48,752	£50,802
City Centre		£1,195	£4,233	£5,428
Crumpsall	£6,058	£12,086	£14,276	£32,420
Didsbury East		£1,022	£12,010	£13,032
Didsbury West		£3,455	£1,558	£5,014
Fallowfield	£345	£4,497	£34,689	£39,531
Gorton North	£18,677	£25,972	£52,737	£97,386
Gorton South	£3,944	£23,585	£67,094	£94,624
Harpurhey	£56,058	£44,178	£12,473	£112,709
Higher Blackley	£55,648	£9,755	£5,338	£70,741
Hulme	£407	£6,305	£55,840	£62,552
Levenshulme	£1,221	£11,886	£7,584	£20,691
Longsight	£4,046	£20,687	£24,420	£49,152
Miles Platting & Newton Heath	£60,501	£18,543	£8,484	£87,528
Moss Side	£5,308	£14,191	£50,781	£70,280
Moston	£32,963	£21,397	£3,758	£58,117
Northenden		£8,773	£61,531	£70,303
Old Moat	£4,846	£5,191	£48,719	£58,756
Rusholme	£2,474	£15,233	£26,451	£44,158
Sharston	£3,189	£10,941	£87,015	£101,145
Whalley Range	£9,826	£11,031	£18,180	£39,036
Withington	£3,886	£3,474	£8,207	£15,566
Woodhouse Park	£1,278	£7,211	£73,421	£81,910
Other	£712	£341		£1,053
All	£422,234	£355,375	£1,060,390	£1,837,998



## **Appendix five – 2015/16 DHP and DCTPS examples**

### **2015/16 Discretionary Housing Payments**

Examples of support that has been provided includes (real examples, names have been changed)

#### **Deposit help**

Sara is a parent with three young children. Her landlord has asked her to leave the property she was renting. She asked us to help her with a deposit for a new property as the new landlord wanted over £1000 and she was unable to afford to pay this herself. We were able to award her with money to cover the deposit the landlord of the new property was asking for, therefore securing a new tenancy for Sara and her family.

#### **Arrears help**

Ruth is living on her in a 3 bedroom house. She was counted as under occupying her home by 2 bedrooms and therefore had a deduction from her HB of 25%. This had led to rent arrears of almost £1600. Ruth recognised she needed to move but she has some mental health problems and therefore wanted to stay close to her support network. The customer had a neighbour with a one bedroom flat and they had agreed to swap, but her landlord's rehousing policy only allowed tenants to swap where arrears are less than £500. Her landlord asked us to make a Discretionary Housing Payment of £1100 to reduce her arrears to a level that we would allow Ruth to move. We agreed to this and she has now moved to a one bedroom flat where she receives full Housing Benefit.

#### **Under occupation**

Gill is a single lady who is classed as under occupying her home by 2 bedrooms, so has a 25% deduction from her Housing Benefit. As a result she owes her landlord over £1200. She has a number of physical and mental health problems and has recently been assisted by her landlord to claim disability benefits. They are very keen for Gill to move but her arrears are preventing her from being rehoused in somewhere smaller and more suitable for her health problems. We awarded Discretionary Housing Payment to cover the 25% deduction and backdated the award to reduce the arrears on her account to a level that will allow her to move.

Rita lives with her daughter and her brother Colin. Her brother has some health problems and she is his carer. They are classed as under occupying their home by one bedroom, which means that they had a deduction from their Housing Benefit of 14% of her eligible rent. Colin is also expected to contribute towards their rent and her Housing Benefit is also reduced by £14.65 each week to reflect this. Unfortunately, he has failed to make the payments he is expected to pay. This has led to arrears of over £1200 and the landlord was taking action to evict them from the property. The homelessness prevention team completed a Discretionary Housing Payment application for her and asked us to make a payment towards the rent arrears in order to prevent her eviction. We agreed to make a payment to reduce

their rent arrears to less than £100. We also made an ongoing award for a further 6 months to cover the 14% under occupation deduction while the customer worked with her landlord to move to a smaller home. Rita and Colin have agreed to manage their budget in order to cover the contribution he is expected to make towards the rent on weekly basis.

### **Ben Cap in homeless accommodation**

Adam lives with his wife and four children, one of whom has significant health problems. They are from Syria and have been granted refugee status. They are living in temporary homeless accommodation and have had their Housing Benefit restricted as a result of the Benefit Cap. They completed a Discretionary Housing Payment application to request help towards their rent. Adam and his wife are attending training courses to learn English and working with their Housing Management Officer to find a long term tenancy. We agreed to make an ongoing award of £33 to cover the shortfall between the Housing Benefit and his rent, with the aim that they will soon be able to move out of temporary homeless accommodation and/ or find a job and therefore no longer be subject to the Benefit Cap.

### **Homeless accommodation and working**

Lisa lives with her Stuart and their son in temporary homeless accommodation. Stuart is working, but the reduction in their Housing Benefit due to his wages has led to very significant rent arrears on their rent account (over £6,000). These arrears are preventing them from being offered alternative accommodation. They applied for Discretionary Housing Payment and we have made an ongoing award to prevent their rent arrears increasing any further. We have also agreed to make a payment off their arrears to allow them to move once they find a long term tenancy. However, this is conditional on Lisa and Stuart making weekly payments of £50 to reduce their arrears.

### **2015/16 Discretionary Council Tax Payment Scheme** **Examples of support offered by the Council's scheme**

#### **Example one**

Samira had to finish work in 2013 due to a stroke which resulted in mental health issues and cerebrovascular disease on which had an impact on her ability to manage finances. Prior to this she had always paid her council tax by DD and had never been issued with summons prior to 2014.

Her DCTP award paid £500 off arrears that had built up due to her illness and she is maintaining an arrangement to pay the remainder (£149) at £10 per month. Her 2016/17 Council Tax is paid in full.

#### **Example two**

Thelma was attacked by a stranger and left with a broken Jaw. She underwent two operations but was left with permanent nerve damage and suffered flashbacks and was unable to return to work.

She was awarded DCTP in 2015 the amount of £403.75. She now has no arrears and is up to date with her 2016/17 instalments.

**Appendix six - 1 of 2**

**Additional data on the Welfare Provision Scheme (based on applications from 1/4/15 to 31/3/16)**

**Awards**

**Age/Gender Statistics**

<b>Age Range</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>	<b>% of Total</b>
25-34	318	214	532	31%
16-24	323	124	447	26%
35-44	214	172	386	22%
45-54	104	169	273	16%
55-64	31	42	73	4%
65-74	10	10	20	1%
75-84	3	1	4	0%
0-15	0	0	0	0%
85+	0	1	1	0%
<b>Total</b>	<b>1003</b>	<b>733</b>	<b>1736</b>	

**Family Make-up Statistics**

<b>Number of Children</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>	<b>% of Total</b>
0	398	642	1040	60%
1	299	30	329	19%
2	186	33	219	13%
3	81	17	98	6%
4	23	8	31	2%
5	10	1	11	1%
6	3	1	4	0%
7	3	0	3	0%
8	0	0	0	0%
9	0	0	0	0%
10	0	1	1	0%
<b>Total</b>	<b>1003</b>	<b>733</b>	<b>1736</b>	

**Appendix six – 2 of 2**

**Welfare Provision Scheme spend and approved application by ward**

Ward	Spend	Approved Applications
Ancoats and Clayton	£13,670	50
Ardwick	£17,027	79
Baguley	£15,323	74
Bradford	£27,584	114
Brooklands	£6,412	37
Burnage	£6,543	26
Charlestown	£20,304	66
Cheetham	£13,757	52
Chorlton	£1,728	16
Chorlton Park	£8,343	23
City Centre	£1,260	9
Crumpsall	£9,718	69
Didsbury East	£1,327	7
Didsbury West	£1,085	5
Fallowfield	£3,935	18
Gorton North	£40,038	140
Gorton South	£18,785	74
Harpurhey	£35,184	157
Higher Blackley	£12,295	42
Hulme	£11,284	50
Levenshulme	£5,137	23
Longsight	£5,335	29
Miles Platting and Newton Heath	£24,394	108
Moss Side	£13,471	76
Moston	£13,844	53
Northenden	£14,423	52
Old Moat	£5,204	40
Rusholme	£4,863	39
Sharston	£17,089	67
Whalley Range	£6,411	47
Withington	£2,482	11
Woodhouse Park	£10,174	56
Total	£392,232	1736

The Council received 166 applications for support from people who were not living in the city.

## **Appendix seven**

### **2015/16 Welfare Provision Scheme** **Examples of Support**

Examples of support that has been provided includes (real examples, names have been changed):

Janet (26 years old) fled domestic violence with her two young children and was supported by MARAC into supported accommodation. The Housing Connect team working with the Family Intervention Project were able to resettle Janet and her two children but the police were only able to secure a certain amount of furniture for their new accommodation which was unfurnished. The Welfare Provision Scheme were able to provide Janet with a three single beds and bedding packages, a fridge freezer, an electric cooker, a kitchen starter pack and a £30 fuel voucher.

Steven (48 years old) is an alcoholic and suffers from depression and anxiety which cause panic attacks and memory loss. Steven receives regular help from the Community Alcohol team and the Mental Health Team. Due to a relapse Steven ended up in hospital and was unable to return his ESA form leading to a cancellation of his benefits. Because of his vulnerable position the registered provider supported Steven with his benefits and completed the Welfare Provision Scheme application form on Steven's behalf requesting a cash voucher. Steven was awarded a £30 cash voucher as he had spent some time in extreme hardship.

Ethan (31 years old) was starting work in Urmston after a long period on Job Seekers' allowance. He was required to travel from Fallowfield to Urmston each day for work but was unable to afford transport for the first four weeks and his new place of work would not give Ethan an advance on his pay. The Welfare Provision Scheme awarded Ethan a £60 voucher to pay for travel to ensure that he was able to start work. Ethan started work in August 2015 and is currently still employed there.

Philip (40 years old) was a hospital in-patient, following major surgery being supported by the MPath team to a tenancy that also provides care due to the Philip's medical conditions. Prior to being admitted into hospital, Philip was accommodated in short stay B&B for a short period. He had been rough sleeping in a tent for 2-3 months, since his property was repossessed. This was due to his benefits being sanctioned and he was unable to cover the cost of the service charge on his property, which eventually resulted in it being repossessed and him becoming homeless. The customer was awarded a double bed due to their medical conditions, kitchen starter pack, and a microwave.

Fred (46 years old) was in supported accommodation as a result of mental health issues and alcohol dependency and was moving into his own accommodation. Fred resided in residential accommodation from January 2015 till June 2015. Since June 2015 he has been in furnished, semi-supported accommodation provided by a registered provider. Fred was diagnosed with of fibromyalgia which prevents him from engaging in 'normal' day to day activities. Too much exertion can lead to pain, fatigue, and insomnia which can result in Fred being bed-bound some days. Fred

was awarded a kitchen starter pack, a washing machine, a microwave, and a fridge freezer to help him settle into his new home.

Ben (42 years old) had been sleeping rough before being housed in a homeless charity project. He was evicted from his previous tenancy after being made redundant from work. The Welfare Provision Scheme awarded a fridge, microwave and kitchen starter pack that enabled the customer to set-up his new independent home. Since Ben set-up his new home he has moved off of Job Seeker's Allowance into work and no longer claims Housing benefit.

Mary (20 years old) was in the care of the Council's Children's services until the age of 18 and was referred by the Leaving Care service to Temporary Accommodation. Mary made an offer on accommodation with People First Housing Association and the Welfare Provision Scheme awarded Mary a single bed, a fridge, a microwave and a kitchen starter pack to help her set up her new independent home. Having set-up the home in April 2015 Mary started a full-time course of education.

**Appendix eight**

**Analysis of underoccupation cases and DHP support split by landlord as at March 2016**

Landlord	One spare bedroom - 14% reduction			More than one spare bedroom – 25% reduction			All cases			% with DHP
	No DHP	DHP	All 14%	No DHP	DHP	All 25%	No DHP	DHP	All	
Adactus Housing Association Ltd	213	39	252	43	13	56	256	52	308	16.9%
Aksa Housing Association	14	1	15	3	3	6	17	4	21	19.0%
Anchor Housing Association	1		1				1		1	0.0%
Arcon Housing Association	30	2	32	4	1	5	34	3	37	8.1%
Arawak Walton Housing Association	77	4	81	15	1	16	92	5	97	5.2%
City South Manchester	345	57	402	96	28	124	441	85	526	16.2%
Contour Homes Ltd	30	4	34	4		4	34	4	38	10.5%
Council Tenants	1,301	229	1,530	323	82	405	1,624	311	1,935	16.1%
Riverside (inc Eng Church & Bowlee Park)	18	1	19	3	1	4	21	2	23	8.7%
Eastlands Homes Partnership	602	143	745	145	56	201	747	199	946	21.0%
Equity Housing Group Ltd	14	3	17	1	5	6	15	8	23	34.8%
Guinness Northern Counties (2 RFW)	15	2	17	3		3	18	2	20	10.0%
Homes For Change Ltd	8	1	9	1		1	9	1	10	10.0%



Landlord	One spare bedroom - 14% reduction			More than one spare bedroom – 25% reduction			All cases			% with DHP
	No DHP	DHP	All 14%	No DHP	DHP	All 25%	No DHP	DHP	All	
Irwell Valley Housing Association Ltd	28	6	34	6		6	34	6	40	15.0%
Johnnie Johnson Housing Association	9	2	11	3		3	12	2	14	14.3%
Mosscare Housing Association Ltd - 50wk	12	5	17	6	1	7	18	6	24	25.0%
Harvest HA (Manchester & District)	55	9	64	6	1	7	61	10	71	14.1%
Great Places Housing Group	125	22	147	19	5	24	144	27	171	15.8%
Mosscare Housing Association Ltd	215	27	242	34	7	41	249	34	283	12.0%
Great Places (2 RFW)	6		6	3	1	4	9	1	10	10.0%
Guinness Northern Counties HA	237	29	266	36	8	44	273	37	310	11.9%
New Longsight Housing Coop	6		6	3	1	4	9	1	10	10.0%
People First Housing Association	21	7	28	5		5	26	7	33	21.2%
Parkway Green Housing Trust	640	79	719	142	28	170	782	107	889	12.0%
Places for People (Homes & Support)	84	13	97	17	6	23	101	19	120	15.8%
St Vincent's Housing Association	17	1	18	4	1	5	21	2	23	8.7%
Southway Housing Trust	552	114	666	175	45	220	727	159	886	17.9%

Landlord	One spare bedroom - 14% reduction			More than one spare bedroom – 25% reduction			All cases			% with DHP
	No DHP	DHP	All 14%	No DHP	DHP	All 25%	No DHP	DHP	All	
Sanctuary Housing Association	8	1	9	2		2	10	1	11	9.1%
Trinity Housing	1	4	5				1	4	5	80.0%
Turning Point	1		1				1		1	0.0%
Tung Sing (Orient) Housing Association	25	5	30	2	1	3	27	6	33	18.2%
Willow Park Housing Trust	1,150	156	1,306	202	56	258	1,352	212	1,564	13.6%
Affinity Sutton HA	33	3	36	7	1	8	40	4	44	9.1%
All cases	5,893	969	6,862	1,313	352	1,665	7,206	1,321	8,527	15.5%