



Resources and Governance Scrutiny Committee

Date: Tuesday, 1 December 2020

Time: 10.00 am

Venue: Virtual meeting: Webcast at <https://youtu.be/DUA5A4Zrrlo>

This is a **Supplementary Agenda** containing additional information about the business of the meeting that was not available when the agenda was published

Advice to the Public

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

To attend this meeting it can be watched live as a webcast. The recording of the webcast will also be available for viewing after the meeting has concluded.

Membership of the Resources and Governance Scrutiny Committee

Councillors - Russell (Chair), Ahmed Ali, Andrews, Clay, Davies, Lanchbury, B Priest, Rowles, A Simcock, Stanton, Wheeler and Wright

Supplementary Agenda

7. **Discretionary Housing Payments** 3 - 28
Report of the Deputy Chief Executive and City Treasurer attached

This report provides an update on the officer proposal that Members were considering as part of the 2021/22 budget consultation to remove £1.5m of the £2m additional Council contribution to the Discretionary Housing Payment Scheme Budget.

8. **New Customer Service Centre Delivery Model** 29 - 52
Report of the Deputy Chief Executive and City Treasurer attached

This report outlines the proposed new delivery model for face-to-face services currently delivered by the Customer Service Organisation (CSO).

Further Information

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

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This supplementary agenda was issued on **Wednesday, 25 November 2020** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

Manchester City Council Report for Information

Report to: Resources and Governance Scrutiny Committee - 1 December 2020

Subject: Discretionary Housing Payments

Report of: Deputy Chief Executive and City Treasurer

Summary

This report was requested by members and provides an update on the Council's Discretionary Housing Payment scheme and the potential impact of anticipated budget cuts. The officer proposal that members were considering as part of the budget consultation was to remove £1.5m of the £2m additional Council contribution to the Discretionary Housing Payment Scheme Budget.

The report shows that the Council's contribution has supported the policy objective to sustain tenancies and avoid further intervention and support costs. Taking money out of the system will mean that decisions will have to be carefully managed to ensure that we can continue to support our most vulnerable residents.

The report does show that the Council could if required, reduce the budget and still provide valuable, additional support to residents in the city that need extra support with rent costs with a reduced contribution of between £500,000 and £1m. The impact of which would depend upon what the government does with the, at present, temporary changes to Universal Credit and Local Housing Allowance (subject to what government does with UC and LHA).

Recommendations

Members are requested to note the information provided and consider the officer proposals to reduce the Council's contribution in the context of the Council's wider financial position.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Not applicable within this report.

Our Manchester Strategy outcome	Summary of how this report aligns to the Our Manchester Strategy
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A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Discretionary Housing Payment supports people through difficult periods and allows tenancies to be sustained.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	As above
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	As above
A liveable and low carbon city: a destination of choice to live, visit, work	N/a
A connected city: world class infrastructure and connectivity to drive growth	N/a

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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.

Discretionary Housing Payments Guidance Manual
<https://www.gov.uk/government/publications/discretionary-housing-payments-guidance-manual>

Manchester City Council's Discretionary Housing Payments Policy Document
https://secure.manchester.gov.uk/info/200008/benefits_and_support/1342/discretionary_housing_payments

1.0 Introduction

This report has been requested by members following an officer proposal to reduce the budget as part of the 2021 savings options. This was on the basis that savings of more than £50m had to be found and that this was discretionary spend that the Council has provided in recent years and has the power to withdraw if agreed.

This report provides details of:

- What a Discretionary Housing Payment (DHP) is;
- How it is funded, including the contribution from the government and the Council;
- Spend in recent years and the support it provides;
- Current years spend and what has impacted on this; and
- Further detail on the proposal to remove some of the Council contribution and the impact of this on the scheme and how it will operate during the 2021/22 financial year

2.0 Background

2.1 Government Policy intention and legislative framework

A DHP may be awarded when a local authority considers that a resident requires further financial assistance towards housing costs and is entitled to either Housing Benefit (HB) or UC including the housing cost element towards rental liability. Please note that while the housing costs of the UC award notification may refer to support for mortgage interest payments, owner-occupiers are not eligible to receive DHPs.

The DHP scheme is set out in the DFA regulations (S.I.2001/1167) as amended by the Council Tax Benefit Abolition (Consequential Provisions) Regulations 2013 (S.I. 2013/458), which came into force on 1 April 2013; and the Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013 (S.I. 2013/630), which came into force on 29 April 2013.

Although the regulations give LAs very broad discretion, decisions must be made in accordance with ordinary principles of good decision making i.e. administrative law. In particular, LAs have a duty to act fairly, reasonably and consistently. Each case must be decided on its own merits, and decision making should be consistent.

LAs can use their own funds to top up their Government contribution by an additional 150 per cent in England and Wales. Once an authority's overall cash limit is met, no additional DHPs can be awarded in that tax year. If a Council awards DHP above this limit, it is breaking the law.

Any unspent DHP funding from the Government contribution is returned to the Department for Work & Pensions (DWP) at the end of the financial year.

2.2 Discretionary Housing Payments - the Council's policy and administration

2.2.1 Policy Intention

At Appendix 1 is a copy of the Council's policy document. This was reviewed and updated for 2019/20. The scope and intent of the policy has ensured that it has continued to meet resident need in 2020/21.

Since its inception, the Council has used Discretionary Housing Payment funding primarily to make short term awards to ease transitions and to give residents time to seek resolution of their difficulties.

From April 2013 the government has provided extra DHP funding to ease the introduction of the household benefit cap; and to meet continuing and unavoidable needs resulting from the application of size criteria in the social rented sector. Many people have difficulty paying their rent. Among these are:

- those whose benefit is restricted because their rent is considered too high;
- those whose benefit is restricted because their home is considered too large under the government's size criteria;
- those whose benefit is reduced by deductions for non-dependents who may not contribute adequately to cover those deductions;
- those whose benefit is reduced by the taper for excess income;
- those who because of a change of circumstances during a UC assessment period have a period of rent liability not covered by the UC(HE);
- those who for all sorts of reasons have other calls on their income (additional expenses or outstanding debts) which they prioritise ahead of rent;
- those who have general difficulty managing the income they have, including those residents that are subject to the household benefit cap;
- those who are returning to work after a long period of unemployment who have difficulty in managing finances during the transition from benefit to a stable in-work income; and
- those who are in affordable housing but at risk of becoming homeless due to difficulty in meeting their full rent liability because of severe financial difficulties resulting from the effects of the current economic climate or their attempts to take up paid employment.

The Council's policy sets out that awards of DHP should focus on enabling residents to secure or retain and pay for appropriate and sustainable accommodation through temporary difficulties or in anomalous circumstances not addressed by the benefit system. This is in order to reduce the risk of homelessness and support the stability of families and communities.

Discretionary Housing Payments should not be used to undermine the purpose and nature of the Housing Benefit or UC scheme, nor support irresponsible behaviour, nor should they assist in situations so common that a consistent approach to such payments would involve expenditure above the maximum permissible.

2.2.2 Situations where assistance may be provided by the scheme

Because we have to effectively manage the budget, the Council expects payments to be made in unusual or extreme circumstances where additional help with current rent or provision of a deposit will have a significant effect in alleviating hardship, reducing the risk of homelessness or alleviating difficulties that may be experienced in the transition from long term benefit dependence into work, for example:

Circumstances unusual/exceptional among residents in that tenure;
Costs that are beyond their control and do not arise through the actions or failures of others;

- Housing choices which are forced on or required by the resident because of urgency, care needs or significant health requirements;
- Extreme and temporary situations which make it difficult to move in the short term or where decisions had to be made in an emergency;
- Imminent loss of the home where meeting some or all of the current shortfall between the benefit and eligible rent will prevent the resident from becoming homeless.

However, in considering awards under this provision the Council will have regard to:

- the reasons that the debts arose.
- the involvement of other advisory services engaged in providing assistance to the resident to manage debt in order that any arrangement to accommodate agreements for repayment of debt might be realistically obtained and sustained.
- whether any proposed Discretionary Housing Payment award will have the desired effect of preventing the resident from becoming homeless.
- the consequences of any potential increased demand on the fund in the event that the award was not made (such as having to move from affordable accommodation into highly priced private sector accommodation with reduced security of tenure).
- temporary hardship and difficulties which may arise during the transition for those who are coming off long term benefits into work.

In addition, in the context of national welfare reforms that are reducing levels of Housing Benefit or UC(HE), the Council expects to make payments to mitigate or delay the effects of those changes in cases of particular difficulty to ease the transition. In particular, the Council expects to make payments to mitigate the most severe effects of the household benefit cap where other solutions are not practical in the short term.

The Council may also provide:

- Temporary assistance in the early months of a tenancy where a resident has moved from homelessness provision and additional help is likely to increase the chances that the resident will sustain a stable and secure home.

- Assistance for tenancies taken on by care leavers up to the age of 25 and ex-members of the Armed Forces where additional help is likely to increase the chances that the resident will sustain a stable and secure home.
- Assistance for residents in short-term homelessness accommodation to address rent arrears that may otherwise constrain move on options.

3. Discretionary Housing Payments budget and spend in recent years

3.1 Manchester's contribution to the DHP budget

Table 1. shows the level of DHP expenditure in recent years, including the government grant, the Council's contribution, and the budget the Council set aside to support the scheme:

Year	Government Grant	Total expenditure	Final Council Contribution	Council Set Aside
2020/21	£2,538,308	£3,344,308 (estimate)	£806,000 (estimate)	£2.0m
2019/20	£2,192,166	£3,299,766	£1,107,600	£2.0m
2018/19	£2,432,920	£3,482,577	£1,049,657	£1.4m
2017/18	£2,557,484	£2,941,208	£383,724	£500,000
2016/17	£2,097,016	£2,131,683	£34,667	£0.00
2015/16	£1,874,257	£1,901,789	£27,532	£0.00
2014/15	£2,356,068	£2,390,249	£34,181	£0.00
2013/14	£2,222,105	£2,287,046	£64,941	£0.00
2012/13	£721,216	£395,675	£0.00	£0.00

(Table 1)

The table shows that the Council provided additional support in this area from 2017/18. This was as a result of pressure on the budget due to the impact of the benefit cap and the changes to HB funding for homeless families in dispersed accommodation whereby the level of housing benefit paid did not meet the full rent liability for these households. The service maintains a consistent approach to decision making in accordance with the policy objectives and spend has been well managed within the budget total with the Council maintaining and capturing any underspends

3.2 Awards by tenure type for 2018/19 & 2019/20

Table 2. shows the split in awards by tenure type for 2018/19 & 2019/20

Tenancy type	2018/19 Entitlement*	2018/19 %	2019/20 Entitlement*	2019/20 %
Council	£219,238	7.2	£310,572	11.3
Council (homeless)	£1,524,106	49.9	£1,007,554	36.7
Private Tenant	£566,592	18.5	£606,526	22.1
Registered Provider	£747,592	24.4	£821,126	29.9
Total	£3,057,528		£2,745,782	

(Table 2) *Note – this is based on entitlement rather than in year payments so does not match the DHP spend figures for these years.

This shows that homeless cases for 2019/20 accounted for 36.7% of the budget, down from 49.9% the previous year.

3.3 Council contribution before 2020/21

3.3.1 Homelessness / Temporary Accommodation

The rise in homelessness and the number of households placed in Temporary Accommodation that started to show during 2017/18 resulted in more HB claims. This increased the pressure on the DHP budget to address rent shortfalls for these households. A proportion of the DHP budget and the additional injection of £383,724 in 2017/18 was used to help redress this pressure. Council contributions to increase the DHP budget have remained necessary in the following years.

The two biggest issues were firstly the Benefit Cap (the set rent of £202.68 for short-term leased accommodation resulted in many households being caught by this); and secondly that Temporary Accommodation new claims were paid through Universal Credit until April 2018 applying the standard LHA rate which for most cases caused a large shortfall.

DHP awards were also paid in support of claims with non-dependent deductions, or in receipt of partial HB due to their earned income.

Increased DHP spend is also attributable to DHP awards made for deposits to enable households in Temporary Accommodation to secure new tenancies. In 2019/20 551 dispersed and B&B homeless claims had some 19/20 DHP entitlement, with a total value of £1,007,554.

The pressure on DHP from households in Temporary Accommodation is reducing in the current year as described at section 5.2.

3.3.2 Other areas of focus

In 2019/20, we dealt with 4,099 applications for DHP of which 2,773 (68%) were paid. Of these 4,099 applications, 1,519 were because of the Under Occupation Deduction and 418 were because of the Benefit Cap. 1,130 of the Under Occupation applications were paid and 379 of the Benefit Cap applications were paid.

A high-level breakdown of spend for 2019/20 (collected for DWP reporting) is shown at Table 3.

Purpose of DHP 2019/20					
	Ben Cap	Under-Occ	LHA reform	Multiple Reasons	(e.g. non-dep/partial HB)
	(£)	(£)	(£)	(£)	(£)
Support move to new property (rent deposit)	260,715	321,024	60,153	6,710	749,784
Help with rent shortfall while seeking cheaper property	38,280	55,613	45,236	0	66,228
Help with rent shortfall while seeking employment	153,638	72,165	13,089	6,871	141,030
Help with rent shortfall for disabled person in adapted property	1,658	171,261	1,585	1,200	21,560
Help with rent shortfall for foster carers	0	2,955	0	0	542
Help with rent shortfall -other reasons	450,806	189,370	91,462	513	576,993
Total	905,097	812,388	211,525	15,294	1,556,137

(Table 3)

3.4 Position in other councils

All local authorities are able to 'top up' the government grant by an additional maximum of 150% on top of the grant allocation. Appendix 2 provides a breakdown of grant allocations and Council 'top ups'. Manchester is the only one across Greater Manchester and one of a few Core Cities that have allocated significant additional funds to DHP.

4. Current year's DHP

4.1 Spend to date

This financial year has been exceptional and we have had to assess the impact that the pandemic has had on the housing market, residents' finances and employment status and moving property.

More than ever, the service has been acutely aware of the impact that the DHP award can have on sustaining a tenancy and meeting rent liabilities.

By 11 November 2020 we had spent £1,971,947.36 DHP and committed awards for the rest of the year of £604,543.03. This means that the total DHP spent or committed for the year so far is £2,576,490.39. The government allocation for Manchester this year is £2,538,308 and this has now been exceeded.

We made the decision earlier this year to extend DHP awards that were due to end between April to November. 1,036 cases have been extended by up to six months (Table 4). This was done because many tenants would find it difficult to take the steps they are advised to do when DHP is awarded (for example move, find employment or seek support with debts and budgeting). It is likely that many of these tenants would have reclaimed DHP had their awards not been extended automatically.

Month	Cases already extended	Total costs
April	40	£23,004.00
May	105	£82,183.66
June	92	£72,613.06
July	125	£98,186.92
August	141	£75,430.94
September	149	£121,107.40
October	146	£74,422.04
November	232	£171,670.72
Sub-Total		£718,618.74
Potential spend if December 2020 and January 2021 cases extend to year end		
Month	Cases extended	Total costs
December	177	£61,574.76
January	177	£41,418.00
Sub-Total		£102,992.76
Grand Total		£821,611.50

(Table 4)

4.2 Awards by tenure type

Table 5. showing the 2020/21 DHP awards to date (up to 15 November 2020) across tenure type.

Tenancy type	2020/21 to date Entitlement	2020/21 to date %
Council	£269,877	12.6
Council (homeless)	£449,395	21.2
Private Tenant	£501,045	23.6
Registered Provider	£902,306	42.5
Total	£2,122,622	

(Table 5) * Note – this is based on entitlement rather than in year payments so does not match the DHP spend figures for the year to date.

How does this compare to previous years?

This shows a continuing drop in the support provided to tenants in homeless accommodation, 21.2% of spend so far this year compared to 36.7% last year. Despite the reducing demand on DHP to support households in short-term leased accommodation the service continues to receive regular applications where there are rent arrears of over £500. Longstanding issues with submitting timely HB claims for Temporary Accommodation cases and the high rent levels that apply mean that arrears can develop rapidly. The Council's Rehousing Policy, which Registered Providers follow, prohibits people with rent arrears of over £500 from consideration for social tenancies. This means that a proportion of households are delayed or prevented from moving and remain longer in expensive Temporary Accommodation tenancies.

At the end of September 2020, 195 dispersed and B&B homeless claims have received some 2020/21 DHP entitlement, with a total value of £391,788. Subsequent weekly payments mean that by 11 November 2020, £438,177.13 had been received in DHP. This suggests a final expenditure figure of around £715K, indicating a decrease in 29% in comparison to 2019/20.

5. Other issues affecting residents' benefits, spend this year and reasons for a potential drop in expenditure

5.1 LHA rates

The LHA rates were increased unexpectedly from April 2020 following an announcement by the Chancellor on 20 March 2020 due to Covid 19. The rates now meet the 30th percentile of the rented properties in the LHA area. This increase in the LHA rates resulted in an increase to the Housing Benefit and Universal Credit (Housing Element) awards. As a result, fewer people required DHP to top up their awards to help them pay their rent.

Table 6. below shows the result of the difference between the old and new rates for the two areas we use in Manchester. The majority of people fall within the 'Central' LHA area.

Table showing the LHA rates in Manchester for 2019/20 & 2020/21

Central	Shared	One bed	Two bed	Three bed	Four bed
April 2019	£67.20	£105.04	£123.58	£137.32	£186.47
April 2020	£75.50	£138.08	£149.59	£166.85	£218.63
Weekly increase	£8.30	£33.04	£26.01	£29.53	£32.16
Southern	Shared	One bed	Two bed	Three bed	Four bed
April 2019	£63.21	£105.32	£132.04	£156.33	£206.09
April 2020	£82.82	£120.82	£149.59	£172.60	£253.15

Weekly increase	£19.61	£15.50	£17.55	£16.27	£47.06
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(Table 6)

It is not possible to provide a definitive assessment of the impact that the change to these rates has had on demand for DHP. However, a sample of private tenant DHP cases in payment the week before the updated LHA rates were applied found that of 35 cases sampled, 25 had their DHP either ended or reduced because of the increase in the LHA rates. Looking at the weekly saving on these awards, multiplying this up to an annual figure and then applying it over all the private DHP cases in payment during this week this indicates a possible annual reduction in spend of £182,965.

It is important to note that the government has provided no commitment to retaining the uplift in LHA rates in future years.

5.2 Homeless families dispersed accommodation

2019/20 year saw a decrease of 34% against 2018/19 in the amount of DHP spent supporting people in homeless accommodation (£1,007,554 down from £1,524,106). One reason for this drop is that during 2019/20 the Benefits and Homelessness Services oversaw a process by which 194 short-term leased accommodation tenancies were transferred back to HB from UC. This meant that these cases could be paid at the full HB level instead of being subject to the LHA rate.

The continuing reduction in demand on DHP is also due to the change made by the DWP in April 2018 meaning that any UC award 'passports' tenants in Temporary Accommodation to full HB, regardless of whether they are working or benefit capped. In these cases the only reduction from an HB award for a resident in receipt of UC is where a non-dependent deduction applies.

Table 7. below reflects a downwards trend in the number of households on partial HB, despite the increase in the number of people in homeless accommodation, and there has been a corresponding decrease in the number of cases receiving DHP. It also illustrates that the increase in people in B&B accommodation has had little impact on DHP as 97% of those in B&Bs are in receipt of full HB.

	30/6/19	29/9/19	29/12/19	29/3/20	28/6/20	04/10/20
	19/20 Q1	19/20 Q2	19/20 Q3	19/20 Q4	20/21 Q1	20/21 Q2
Leased HB Cases	1364	1472	1547	1598	1701	1746
202.62 rent	1293	1385	1460	1517	1620	1168
200.00 rent	71	87	87	81	81	78
Full HB	1016	1148	1229	1323	1422	1526
% on Full HB	74.49%	77.99%	79.44%	87.79%	83.60%	87.40%
Partial HB	348	324	318	275	279	220
% on partial HB	25.51%	22.01%	20.56%	17.21%	16.40%	12.60%

UC (All)	731	892	1014	1108	1247	1327
UC (Full HB)	715	862	980	1070	1205	1294
UC (Partial HB)	16	30	34	38	42	33
Benefit Cap	136	118	102	80	69	60
DHP (All)	140	125	136	110	108	95
DHP (Benefit Cap)	84	70	80	52	52	45
% partial HP on DHP	40%	39%	43%	40%	39%	43%
B&L HB Cases	174	182	126	94	247	151
Full HB	160	165	117	85	242	147
% on Full HB	91.95%	90.66%	92.86%	90.43%	97.98%	97.35%
Partial HB	14	17	9	9	5	4
UC	69	87	58	49	162	100
Benefit Cap	1	1	3	2	2	2
DHP (All)	1	1	2	1	2	2
DHP (Benefit Cap)	1	1	1	1	2	2

(Table 7)

5.3 Temporary Increase in UC and other benefits due to Covid

During 2020/21 in a direct response to Covid-19 the government introduced an extra amount of money within a number of core benefits as described below:

- Universal Credit - All the standard rates for single people & couples have been increased by £86.67 a month (£20 a week)
- Equivalent support to low-income households in work and receiving Working Tax Credit (rather than UC) was also provided. The basic rate of Working Tax Credit was increased, meaning that households receive up to £20 extra each week, depending on their circumstances.
- In order for these extra Working Tax Credit payments to be disregarded for Housing Benefit and Council Tax Support the Additional Earnings Disregard was increased from £17.10 to £37.10.

The changes to Working Tax Credit and the additional earnings disregard for Housing Benefit and Council Tax Support apply from 6 April 2020 to 4 April 2021. It is not clear whether the increase for Universal Credit will be permanent or also come to an end. It is difficult to identify the impact on the demand for, or awards of, DHP that these changes have made although they are likely to have been moderate.

6. Options to manage future spend

As a discretionary scheme the Council can choose whether to direct funding to top up the DWP DHP budget. We are unlikely to be told the government contribution until March 2021. It feels reasonable to assume that the 2021/22 budget may be funded to a similar level of the current year, £2.5m, but it is not possible to be certain of this.

As noted most other AGMA and Core Cities authorities do not top up the DWP DHP budget. Also, it is not possible to offer a confident assessment of the impacts that Covid-19 and Brexit may have on landlord behaviour. Financial pressures may cause some to be less accepting of rent arrears while others may find that the rental market changes as a result of fewer people having the means to pay current rent levels.

Taking £1.5m out of the additional £2m that has been allocated in the core budget would still provide a Council contribution of £500,000 to support the main government grant of circa £2.5m (next year's award not yet known).

Taking £1.0m out of the additional £2m that has been allocated would afford a greater level of ongoing flexibility. However, there is no definitive or credible way to assess the impact of choosing one level of reduction over another. While funding is available the service ensures that this is directed as effectively as possible. If this reduces, the same policy principles will be applied but generally award periods will be reduced; residents may need to find other ways of managing the pressures on their household budgets; and landlords may need to adjust their expectations about reasonable rent levels. Whatever decision is made officers would need to carefully manage awards to ensure that priority areas were still maintained. It would also mean that we were less generous in some areas.

The following approach would be taken within these principles:

- Maintain longstanding awards for people in adapted properties.
- Stop extending under-occupation awards and Ben Cap cases
- Award DHP for shorter periods
- Review our approach to reducing rent arrears other than in exceptional circumstances
- Work with the homelessness service to prioritise prevention cases.

7. Conclusions

The Council's DHP budget has been well managed for many years and supports residents with both maintaining tenancies and dealing with short term financial issues that mean that they are unable to meet their full rent liability, in some cases where they find alternative/lower cost housing that meets their needs.

Ultimately, how much we spend on DHP is up to the Council to determine. Since 2013 our award rate has stayed relatively flat at around 66% and we make fairly long awards, taking a generous approach to clearing arrears.

There is no doubt that taking money out of the system will mean that decisions will have to be carefully managed to ensure that we can continue to support our most vulnerable residents.

The Council's budget that was set aside last year did have an underspend and this is expected to be the case in 2020/21 as well, even though we have taken a more generous approach to awards and extended many throughout the Covid pandemic.

However, the nature of the economic situation is that it is impossible to predict the year ahead and future demand for this budget, as so much is outside of the control of the Council including the temporary changes to UC and benefit award levels and the LHA rates in the city.

8. Recommendations on managing DHP spend in the current financial year 2020/21

Members are requested to note the information provided and consider the officer proposals to reduce the Council's contribution in the context of the Council's wider financial position.

Manchester City Council

Discretionary Housing Payments Scheme

Policy Document effective from 1 April 2019

Directorate:	Revenues and Benefits Unit
Date:	April 2019
Version:	2.0

Discretionary Housing Payments 2019/20

1. Purpose

The purpose of this policy is to outline the operating principles of the Council's Discretionary Housing Payments Scheme and to provide guidance on how the scheme will be administered by the Council from 1 April 2019.

2. Objectives of the Scheme

The Discretionary Housing Payment scheme provides an amount of funding to deal with anomalies and hardship in situations where normal Housing Benefit or the Housing Element of Universal Credit (UC(HE)) does not cover all the rent.

3. Key Principles Underpinning the Scheme

To qualify for some consideration for assistance under this scheme the resident must already qualify for Housing Benefit or UC (HE).

Since its inception, the Council has used Discretionary Housing Payment funding primarily to make short term awards to ease transitions and to give residents time to seek resolution of their difficulties. From April 2013 the government has 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.

Many people have difficulty paying their rent. Among these are:

- those whose benefit is restricted because their rent is considered too high;
- those whose benefit is restricted because their home is considered too large under the government's size criteria;
- those whose benefit is reduced by deductions for non-dependants who may not contribute adequately to cover those deductions;
- those whose benefit is reduced by the taper for excess income;
- those who because of a change of circumstances during a UC assessment period have a period of rent liability not covered by the UC(HE);
- those who for all sorts of reasons have other calls on their income (additional expenses or outstanding debts) which they prioritise ahead of rent;
- those who have general difficulty managing the income they have, including those subject to the household benefit cap;
- those who are returning to work after a long period of unemployment who have difficulty in managing finances during the transition from benefit to a stable in-work income; and
- those who are in affordable housing but at risk of becoming homeless due to difficulty in meeting their full rent liability because of severe financial difficulties resulting from the effects of the current economic climate or their attempts to take up paid employment.

Awards of Discretionary Housing Payments should focus on enabling residents to secure or retain and pay for appropriate and sustainable accommodation through

temporary difficulties or in anomalous circumstances not addressed by the benefit system. This is in order to reduce the risk of homelessness and support the stability of families and communities.

Discretionary Housing Payments should not be used to undermine the purpose and nature of the Housing Benefit or UC scheme, nor support irresponsible behaviour, nor should they assist in situations so common that a consistent approach to such payments would involve expenditure above the maximum permissible.

4. Situations where Assistance may be provided by the Scheme

The Council expects payments to be made in unusual or extreme circumstances where additional help with current rent or provision of a deposit will have a significant effect in alleviating hardship, reducing the risk of homelessness or alleviating difficulties that may be experienced in the transition from long term benefit dependence into work, for example:

- Circumstances unusual/exceptional among residents in that tenure;
- Costs that are beyond their control and do not arise through the actions or failures of others;
- Housing choices which are forced on or required by the resident because of urgency, care needs or significant health requirements;
- Extreme and temporary situations which make it difficult to move in the short term or where decisions had to be made in an emergency;
- Imminent loss of the home where meeting some or all of the current shortfall between the benefit and eligible rent will prevent the resident from becoming homeless. However in considering awards under this provision the Council will have regard to:
 - the reasons that the debts arose.
 - the involvement of other advisory services engaged in providing assistance to the resident to manage debt in order that any arrangement to accommodate agreements for repayment of debt might be realistically obtained and sustained.
 - whether any proposed Discretionary Housing Payment award will have the desired effect of preventing the resident from becoming homeless.
 - the consequences of any potential increased demand on the fund in the event that the award was not made (such as having to move from affordable accommodation into highly priced private sector accommodation with reduced security of tenure).
 - temporary hardship and difficulties which may arise during the transition for those who are coming off long term benefits into work.

In addition, in the context of national welfare reforms that are reducing levels of Housing Benefit or UC(HE), the Council expects to make payments to mitigate or delay the effects of those changes in cases of particular difficulty to ease the transition. In particular, the Council expects to make payments to mitigate the most severe effects of the household benefit cap where other solutions are not practical in the short term.

The Council may also provide:

- Temporary assistance in the early months of a tenancy where a resident has moved from homelessness provision and additional help is likely to increase the chances that the resident will sustain a stable and secure home.
- Assistance for tenancies taken on by care leavers up to the age of 25 and ex-members of the Armed Forces where additional help is likely to increase the chances that the resident will sustain a stable and secure home.
- Assistance for residents in short-term homelessness accommodation to address rent arrears that may otherwise constrain move on options.

5. Awards provided by the Scheme

5.1 Considerations of Affordability and Responsibility

Decisions on the level and duration of awards should take account of what is affordable within the agreed budget. In making decisions on discretionary payments, the Council expects also to be mindful of incentives to responsible behaviour, for example in the choice of a home or engagement in activities to address worklessness, debt or parenting skills / life skills.

5.2 Awards to Address a Current Rent Shortfall

Awards are usually made to meet current needs rather than past debts. No significant degree of payment for past periods is anticipated as requests for payment should be made promptly within the benefit period of the main benefit to which they relate and within a reasonable time of knowing the outcome of a claim for the main benefit.

5.3 Awards to Address Arrears

Retrospective payments may be appropriate to reduce rent arrears to avert eviction where there are grounds for confidence that this will enable the resident to deal effectively with their remaining arrears in the longer term; or where payment will enable the resident to meet reasonable social landlord criteria to downsize.

5.4 Timescales

Awards are normally expected to last for a fixed period of between four weeks and up to 52 weeks depending on the individual circumstances. Awards may take into account the need to allow the resident a short future period to adjust or to take into account milestones in the family's life like significant exams or the end of a period of convalescence. Given the finite amount of funding available, awards are expected to be at a modest level other than for very short periods in extreme circumstances. Awards to resident's with high rents will usually be below the maximum possible so that the resident makes some contribution to the shortfall.

The Council recognises that a proportion of awards will need to continue for longer periods, particularly where the current home has been significantly adapted to meet the needs of a family member with substantial and continuing disability.

5.5 Deposits and Advance Rent

The Council is aware of calls for discretionary funding to cover the cost of deposits and advance rent to assist a resident to move to affordable accommodation. Given the limited nature of the funding available and the risk of landlords levying such costs where they may presently waive them, the Council would not normally expect to help with items of this sort, apart from in the following situation –

DHP will be considered for deposits where the need is explicitly linked to preventing or resolving homelessness: this may cover cases where a Section 21 notice has been issued or to support a move from temporary accommodation to a private tenancy (it is important to recognise that Housing Benefit or UC(HE) entitlement must exist at the time a DHP deposit payment is awarded. This means DHP deposits cannot be awarded for residents who do not have a tenancy and a live claim for HB or UC).

5.6 Families with Children

The Council expects to give higher priority to assisting residents (and particularly families with children of school age given the importance of stability in their education) to retain an established home and to relieving temporary difficulties where the arrangement is likely to be sustainable longer term; and low priority to assisting residents who take on housing costs which because of the nature, location or price of the property, are unaffordable and unsustainable from the start.

5.7 Social Sector Tenants and Under-Occupancy

The Council recognises that as a result of the under-occupancy rules there are residents who face a reduction of Housing Benefit or UC(HE) that will be of relatively short duration such that it is unreasonable to expect them to move. This will most commonly be:

- Where a social sector tenant is affected by the size criteria but will shortly reach the age for State Pension Credit and so become exempt from the restriction.
- Where at the start of a size restriction, an imminent birthday of a family member will increase the room requirement under the size criteria.
- Where a single woman or couple expecting their first child live in two-bedroom accommodation suitable for their new family while still assessed on the one-bedroom rate (this would apply where the family were already in social sector accommodation but newly affected by the size criteria).

The Council recognises that some social sector tenants affected by the size criteria will live in properties that have been substantially adapted structurally to meet needs arising from severe and persisting disability or because of such disability will depend on the care and support of relatives and friends in the immediate vicinity. If it is unreasonable to

expect the resident to move in the short to medium term, awards of Discretionary Housing Payment, if appropriate, may be of much longer duration than usually expected.

In addition, where resources allow, the Council may also assist other social sector tenants affected by the size criteria if it would be beneficial for them to stay in the property because of the care and support they provide in, or other recognised contribution to, the immediate community.

Also, some social sector tenants will see a reduction in their Housing Benefit or UC(HE) because of the size criteria because this criteria takes limited account of the accommodation needs of children they foster. The Council recognises that it may need to help with awards of Discretionary Housing Payment for a continuing period.

5.8 Private Tenants and Shared Accommodation / One-Bed LHA Rate

The Council recognises that as a result of the Local Housing Allowance rules there are residents who face a reduction of Housing Benefit or UC(HE) that will be of relatively short duration such that it is unreasonable to expect them to move. This will most commonly be:

- Where a single private tenant in one-bedroom accommodation is restricted to the shared accommodation rate of Local Housing Allowance but will shortly be 35 and thus exempt from it.
- Where a single woman or couple expecting their first child live in two-bedroom accommodation suitable for their new family while still assessed on the shared accommodation or one-bed rate. (This would apply where a single woman or couple have moved to larger accommodation relatively late in the pregnancy).

Foster parents who live in private accommodation may also find that their Housing Benefit or UC (HE) takes only limited account of the accommodation needs of the children they foster. The Council recognises that it may need to help with awards of Discretionary Housing Payment for a continuing period.

5.9 Parents Whose Children Do Not Live With Them

The Council recognises the difficulties faced by parents who regularly look after children normally living with the other parent or who hope to make such arrangements. The benefit system does not provide for this situation. The Council will therefore only rarely be able to assist with discretionary payments, mainly where existing arrangements are threatened by difficulties that are likely to be short-lived.

5.10 Non-Dependants

The Council recognises that the level of non-dependant deductions is likely to cause difficulties for some residents but reaffirms its view that it should normally only make discretionary payments where the non-dependant deduction is anomalous or unreasonable and not where the non-dependant is unwilling to pay or to cooperate in assessing a lower contribution.

5.11 Treatment of Repeat Requests

Where a request for payment has been refused, it is not expected that repeated requests will be considered unless the resident can demonstrate that the situation has worsened significantly or a substantial period of time has elapsed.

5.12 Method of Award

Discretionary Housing Payments are normally credited to rent accounts or paid with a private tenant's rent allowance. For residents in receipt of Universal Credit consideration will be given to where the resident's Housing Element is being paid and how the resident is managing their finances when deciding where payments will be made.

The Council recognises that there will be circumstances in which Discretionary Housing Payments may be made other than as set out above.

Exclusions

Regulations provide that the Council can not make an award of Discretionary Housing Payment if the resident is not in receipt of an award of Housing Benefit or the housing costs element of Universal Credit.

A Discretionary Housing Payment can not be made to accommodate the cost of any services which are not eligible for help under the Housing Benefit scheme such as ineligible service charges, water & sewerage, fuel and heating charges.

It is not normally expected that Discretionary Housing Payment payments will be made because of

- significant overcharging by a landlord;
- the ordinary impact of rent restriction either resulting from a Rent Officer decision or the use of Local Housing Allowance rates;
- the effect of the Rent Officer's local reference rents and Local Housing Allowance rates putting accommodation in parts of the city beyond the means of many residents;
- the preference for a size or type of accommodation or location which is not strictly necessary for the household's needs ;
- the failure of non-dependants to make up the deduction attributable to them when they have the means to do so;
- the inadequacy of benefits for disability to cover the costs of disability towards which they are paid;
- the unwillingness of the resident to use other available resources or to apply for other more appropriate forms of assistance; or
- a move to private rented accommodation where it should be clear to the resident that the property is too large or unaffordable

The Council is aware that it is possible to use Discretionary Housing Payments to help with removal costs and other expenses associated with moving. The limited funding

available makes it unlikely that the Council can afford to help in this way given its priority of assisting residents to remain in existing homes where appropriate but will keep this under review in the context of awards and expenditure, particularly for situations where it would release larger social sector accommodation.

Universal Credit

As Universal Credit replaces Housing Benefit the Council will continue to have powers to make Discretionary Housing Payments to help with housing costs and receives government funding for this. Payments can only be made towards eligible housing costs.

The Council does not expect to use Discretionary Housing Payments as a general supplement to the level of Universal Credit paid but would make payments in line with its present policy where the Universal Credit housing element was restricted below a resident's actual rent or failed to reflect actual liability because of a change during the assessment period (the UC(HE) being based on liability at the end of the assessment period).

Dispute Rights

The discretionary nature of the Discretionary Housing Payments scheme means that there is no right of appeal to an Appeal Tribunal. Instead a locally administered dispute process is operated.

The DHP dispute process has two stages. Both stages offer the opportunity to ask us to look at our decision again. When a request to review a DHP decision is received we will consider why the original decision is believed to be wrong along with any extra information or evidence that is provided. We will write back confirming the outcome and explaining our reasons for our decision.

At Stage One an officer senior to the original decision maker will reconsider and review the case.

At Stage Two a senior manager within the Revenues and Benefits Unit will reconsider and review the case.

Reporting and reviewing process

Discretionary Housing Payment expenditure and associated grant income are recorded in distinct cost elements in a separate cost centre within the cost centre group for benefit expenditure and thus subject to routine budget monitoring.

The City Treasurer, in compliance with the Council's delegated responsibilities, shall review this document periodically, and with the Executive Member for Finance and Human Resources, amend it as appropriate.

Any recommendations for amendment must have due regard for any:

- Changes in legislation;
- Changes to Discretionary Housing Payment funding; and
- Alignment with the Council's strategies and priorities.

Date Policy reviewed: 29 March 2019

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Appendix 2: Core Cities DHP expenditure

LA	2017/18 Spend	Govt Allocation	LA Spend	2018/19 Spend	Govt Allocation	LA Spend	2019/20 Spend	Govt Allocation	LA Spend
Birmingham	£5,283,667	£5,283,667	0	£4,781,876	£4,781,876	0	£4,281,006	£4,281,017	0
Bradford	£1,416,489	£1,416,491	0	£1,367,483	£1,367,497	0	£1,177,094	£1,177,095	0
Bristol	£1,469,543	£1,470,276	0	£1,368,150	£1,372,727	0	£1,158,306	£1,158,306	0
Coventry	£1,186,335	£1,236,832	0	£1,012,456	£1,006,037	£6,419	£1,155,913	£1,154,066	£1,847
Hull	£1,253,507	£1,026,126	£227,381	£1,205,440	£966,879	£238,561	£1,017,851	£801,265	£216,586
Kirklees	£724,058	£753,733	0	£668,035	£723,649	0	£659,151	£656,185	£2,966
Leeds	£2,751,055	£2,337,180	£413,875	£2,601,868	£2,186,047	£415,821	£2,337,486	£1,847,615	£487,871
Leicester	£1,186,024	£1,186,024	0	£1,051,582	£1,051,582	0	£921,272	£869,657	£51,615
Liverpool	£3,034,782	£2,104,859	£929,923	£3,149,375	£1,998,838	£1,150,537	£3,000,072	1,714,181	£1,285,891
Middlesborough	£754,416	£754,596	0	£726,895	£726,903	0	£606,695	£577,412	£29,238
Newcastle	£1,169,857	£1,169,857	0	£1,184,255	£1,167,939	£16,316	£932,043	£932,043	0
Nottingham	£1,535,904	£1,532,896	£3,008	£1,207,893	£1,208,785	0	£995,439	£995,734	
Sheffield	£1,453,341	£1,453,560	0	£1,350,964	£1,351,260	0	£1,141,277	£1,141,374	0
Southampton	£826,194	£884,615	0	£748,951	£751,893	0	£657,759	£671,833	0
Wakefield	£1,061,540	£1,083,279	0	£997,502	£997,585	0	£837,160	£849,842	0

AGMA DHP spend

LA	2017/18 Spend	Govt Allocation	LA Spend	2018/19 Spend	Govt Allocation	LA Spend	2019/20 Spend	Govt Allocation	LA Spend
Bolton	£923,245	£938,809	0	£799,224	£881,396	0	£771,495	£768,884	£2,611
Bury	£385,991	£368,133	£17,858	£348,701	£363,301	0	NO DATA	NO DATA	
Oldham	£680,731	£683,177	0	NO DATA	£654,359		£618,109	£638,046	0
Rochdale	£673,038	£712,983	0	£575,484	£669,657	0	£536,338	£569,568	0
Salford	£971,870	£971,870	0	NO DATA	£952,524		£845,773	£845,773	0
Stockport	£515,031	£515,039	0	£454,381	£459,166	0	£412,630	£404,433	£8,197
Tameside	£527,284	£603,464	0	£658,996	£670,240	0	£490,027	£582,726	0
Trafford	£470,491	£470,475	£16	£436,274	£436,249	£25	£427,041	£427,026	£15
Wigan	£683,164	£685,485	0	£754,457	£724,882	£29,575	£625,033	£625,433	0

**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee - 1 December 2020

Subject: New Customer Service Centre Delivery Model

Report of: Deputy Chief Executive and City Treasurer

Summary

This report outlines the proposed new delivery model for face-to-face services currently delivered by the Customer Service Organisation (CSO).

Recommendations

It is recommended that members note the content of this report and endorse the proposed approach to developing and implementing a new operating model for face-to-face Council Services. This will include the following next steps:

- Strategic timetable
 - Work programme to support move towards the new model
 - Communications and Engagement strategy
-

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Implementing a customer service offer within local hubs such as libraries will reduce the need for residents to travel into the city centre in order to conduct face to face appointments. This reduction in footfall will contribute towards carbon reduction and improved air quality.
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Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Supporting residents and businesses to self-serve or to interact with Council services through the introduction of improved digital access channels alongside more traditional channels.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Council services will be made increasingly accessible and inclusive for our communities through offering a greater range of access options.
A liveable and low carbon city: a destination of choice to live, visit, work	A reduction in unnecessary short journeys into the city in order to conduct face to face interactions
A connected city: world class infrastructure and connectivity to drive growth	The introduction of new access channels using video conferencing technology, allowing residents to connect with Council services using their own technology, or that provided within local hubs.

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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.

Corporate Core Budget Options 2021/22 – Executive 11 November 2020

1. Introduction

This report provides

- An overview of the pre Covid Customer Service Centre (CSC) offer,
- Current arrangements as a result of the pandemic; and
- Further detail on the piece of work to look at what a future operating model could look like and deliver for the Council and our residents.

2. Scope and Terms of Reference

The scope of this review and the new proposed delivery model relates to the offer for services delivered by the Customer Service Organisation (CSO) within the CSC.

To compliment this, engagement with partners and services who also occupy space within the CSC floorplate has taken place. This is to understand and determine any planned changes to their service offer and the impact on support from the CSC staff and space requirements within the CSC floor plate.

This paper sets out the future space requirements for these partners and services as a result of this engagement. It does not provide specific details of their wider service offer and these will be subject to separate papers as part of their' normal business planning.

3. Background

The Customer Service Centre (CSC) has historically provided residents with the ability to access on demand face to face support and assistance across a range of agreed Council services, including signposting to partner organisations and services which also operate from within the CSC floor space based in the town hall extension.

The CSC has been situated on the ground floor of the Town Hall Extension since 2013, following the refurbishment of the Town Hall Extension. The Rates Hall is the principal entrance point for residents who want face to face access to agreed Council and partner services operating from the CSC.

4. Customer Service Centre Offer

4.1 The Offer up to March 2020

Prior to its closure in March 2020, as a result of the Coronavirus pandemic, the CSC was open between 9am to 5pm Monday to Friday, providing the following Council services:

- Reception and meet and greet (signposting and issuing queue tickets for CSC services)
- Council Tax (detailed enquiries and document validation/drop off)
- Housing Benefits (detailed enquiries and document validation/drop off)

- Elections (document drop-off)
- Homelessness triage
- Planning Applications (drop off of documents/samples, plus vault viewing)
- School Admissions (general advice and document validation/drop offs)
- Taxi Licensing (document validation/drop offs)
- Lost Property Returns (Hackney Carriages)

On arrival, residents were greeted by Customer Services staff who would triage the enquiry/reason for visit. If the resident's enquiry was related to a Council Service delivered within the CSC (listed above) staff issued a ticket to the resident who then joined a queue within the CSC to see a member of staff.

Documents related to the services listed above could also be handed in to Customer Services staff who would also provide a receipt and validate and then scan and index the documents to the service area (in the main this related to benefits and council tax activity).

Residents visiting the CSC to access a partner service (listed within section 4.3) were signposted to the appropriate partner service operating within the CSC floor plate.

In addition to the services from the Town Hall Extension, the CSC provided a Customer Service staff presence at Longsight Library every Tuesday, Wednesday and Thursday to provide residents with support with council tax and benefits document drop off and validation and general council tax and benefits enquiries.

In addition to residents dropping in and queuing to see an advisor, residents could also phone or email for an appointment.

4.2 Activity volumes

The number of visits to the CSC has been declining year on year. Throughout 2019/20 the CSC handled 52,384 resident interactions. This compares to 55,980 in 2018/19 and 64,974 in 2017/18.

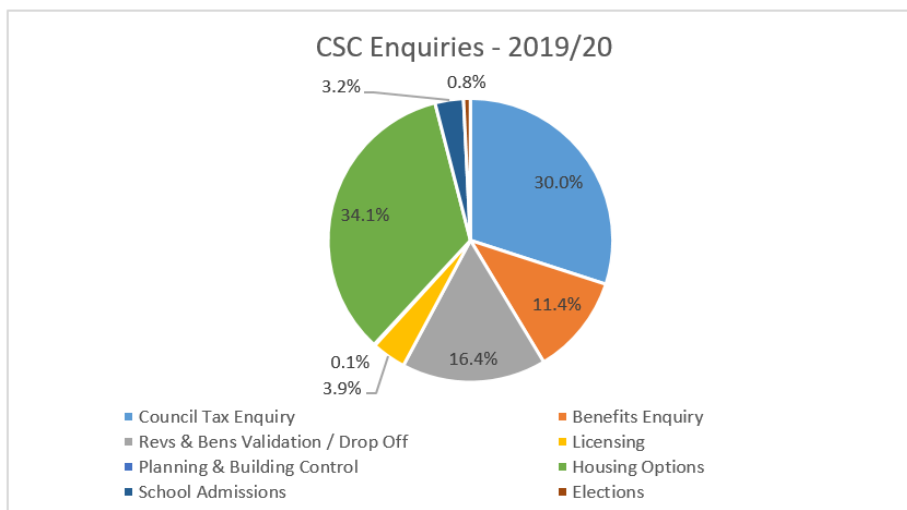
When the volume (52,384 interactions) is compared to other contact methods it represents only 3.65% of enquiries made. This compares to 692,857 telephone calls and 690,702 online transactions through 2019/20.

When the number of enquiries is broken down further it shows that of the 52,385 enquiries made to the CSC in the period, 21,683 were face to face support relating to Council tax and benefits enquiries, with the remainder being simple document drop off and signposting/triage. These 21,683 enquiries represent only 1.51% of resident interactions across the wider CSO.

While the number of CSC interactions only equates to 3.65% of the total across all channels, including the web, telephony, face to face, the cost of the CSC equates to 14.1% of the CSO total operating budget.

It is worth noting that the Council does not hold any qualitative data on why residents who use the CSC choose or need to do so. The ideal situation would be that expensive face to face meetings are provided to those residents that really need them and those that can self-serve and use other more cost-effective access channels do so.

The following chart shows the proportional demand for each service area:



Housing Solutions (homelessness) triage/enquiries generate the greatest demand within the CSC, while the volume of document drop off and validation in relation to Council Tax and Benefits has reduced significantly since 2017/18.

	2017/18	2018/19	2019/20
Council Tax Enquiry	14,010	14,584	15,719
Benefits Enquiry	9,716	7,843	5,964
Revs & Bens Validation / Drop off	20,647	12,806	8,600
Taxi Licensing (document validation/drop offs)	5,519	3,580	2,052
Planning & Building Control (documents/samples drop off, plus vault viewing)	125	104	71
Housing Solutions (homelessness triage)	13,411	15,269	17,877
School Admissions (advice and document validation/drop offs)	1,148	1,564	1,692
Elections (document drop off)	398	230	409

Total	64,974	55,980	52,384
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4.3 Partner Provision within the Customer Service Centre

In addition to those services offered by Customer Services staff, there are a number of services and partner organisations that provide their services from within the Customer Service Centre space, these are:

- Citizens Advice Bureau
- Employer Suite / DWP
- English to speakers of other languages (ESOL)- via Manchester Adult Education Service (MAES)
- Manchester Volunteer Advice Partnership
- Revenues & Benefits Fraud Team used for resident interviews
- Homelessness Outreach/Inreach team (Rough Sleepers)
- Taxi Licensing
- M4 Translations

5. Post Covid activity

On 18 March 2020, the CSC was closed due to the risks associated with offering a face-to-face service during the pandemic. Since the closure, alternative delivery models have been in operation and have been working well. Details follow.

5.1 Council Tax & Benefits

Most resident enquiries are resolved using telephone and online channels. As there has been no facility for document drop off and validation, residents are advised that where they need to provide original documents then these should be posted, with free, pre-paid envelopes sent out with letters. These items are returned to the resident by recorded delivery (for example a passport or birth certificate). Any other original documentation such as bank statements, payslips are sent back by 2nd class post.

Where the resident needs to provide a non-original document then this can be provided by post, or by scanning and sending the image by email (this also includes photographs taken on smartphones). Additionally, scanning facilities are available in most local libraries.

5.2 Taxi Licensing

Currently there is no face-to-face service offer at the town hall and where possible virtual and online meetings are being held and appeals are by letter only. This is an interim arrangement as there is a legal requirement for the service to undertake face to face validation checks.

5.3 Housing Solutions (Homelessness)

The Housing Solution team is conducting all of their interviews by telephone since the closure of their face-to-face service. This is done by appointment following an initial telephone triage. For residents classed as rough sleepers who may not have access to a phone, Housing Solutions and Outreach/Inreach services are actively engaging with them at an earlier stage via partners. The resident is then linked to the service via telephone contact via these agencies.

5.4 School Admissions

Since the closure of the CSC, residents have been advised to submit applications and appeals electronically where possible, or otherwise by post. Any supporting documentation can be scanned and emailed into the service. Residents attending appeals hearings are directed through the Town Hall Facilities Management office.

5.5 Elections

Due to the postponement of elections due in May 2020, there has not been the usual demand in terms of registration and proxy or postal applications. Canvassing has proceeded during this time and residents have been encouraged to use online or postal channels. Where residents have provided original supporting documents by post, such as a passport, these are being collected from the Facilities Management office.

5.6 Planning & Building Control

Most documentation is now electronic and the service will no longer go through an application face to face. Where documentation is not electronic then they will be sent via the post. Exceptions may be where the resident is required to provide a sample of proposed building materials (for example a brick sample), and these have been dropped off at the Facilities Management office since the closure of the CSC. Planning applications can be viewed online, and where the resident wishes to access the microfiche of older files then this will continue to be done through the library.

5.7 Partner Arrangements

- Citizens Advice Bureau have been offering a telephone service and are piloting video conference meetings within SureStart centres.
- The Employer Suite has been closed since March and DWP are piloting a virtual model in Tameside from which feedback will be provided and best practice taken forward.
- A Digital Inclusion working group has been established to support people in developing digital skills. Through a free text number residents can contact 40 digital volunteers and receive a call-back within 48 hours providing assistance.

- Translation services previously occupied a desk within the CSC, and since March they have been conducting telephone translations by appointment. In exceptional circumstances a translator will attend the resident's home.

6. Drivers for Change

It is now the right time to undertake a fundamental review of the Customer Service Centre, its alignment with the rest of the Customer Service Organisation and the digital transformation agenda.

This review will link into the Council's transformation agenda and will align to other projects/programmes of work mainly the Resident and Business Digital Experience Programme and the Council's Digital Inclusion Programme.

The main drivers for change have been:

- Covid - health and safety of both residents and staff.
- The learning from the lockdown phase and how we can use this learning to make improvements.
- A desire to improve and modernise the service/resident service offer.
- Improvements in technology, online support and telephone systems.
- A requirement to review the service based on equal access, digital inclusion and support and financial inclusion and support.
- The roll out of Universal Credit and the positive impact that this has had on the number of residents needing to provide further evidence to the Council.
- The decision to use the DWP UC data as a claim for Council Tax Support meaning that we require less evidence to set up new claims for CTS.
- Acceptance that visiting the city centre is not always the most convenient or cost effective for many residents.
- Feedback has shown that when residents have contacted by phone or email to make an appointment for the CSC, when the advisor has contacted them to arrange the appointment, the vast majority of enquiries were resolved at this point, negating the requirement for a face-to-face visit or appointment. The key thing is the one-to-one time and resource to deal with the enquiry and what is sometimes considered technical and challenging can still be resolved by staff over the phone or email.
- The Council's budget position and a requirement to undertake a review of the service. This is to ensure the most cost-effective delivery model and expectation that where possible, residents should be supported to self-serve due to the Council's financial challenges. Out of all of the access channels, face to face is by far the most expensive per interaction and as such should be provided when required rather than preference or default, ensuring we make best use of our available resources.

7. Considerations

7.1 The Customer Service Organisation New Service Principles

The following overarching service principles were shared and agreed by Future Council working group to support the wider change agenda and

delivery model and will be kept under review. It is anticipated that these principles will be rationalised after year one, however, it is felt these principles are both relevant and required at present to drive and inform the future Customer Service Centre delivery model.

1. We will endeavour to keep our residents and colleagues as safe as possible and follow health and safety advice.
2. We will use our limited resources in the smartest way, so that we are best placed to meet the needs of all our residents and businesses in the city.
3. We will respect all residents and colleagues and the relationship between us will be based on mutual respect, responsibility and accountability.
4. We will provide high quality help and advice across a range of access channels and supported services, that recognise our residents' strengths and needs.
5. If we can't help, we will signpost people to the correct organisation.
6. All of our services will adhere to the Equality Act and we are committed to meeting the needs of residents who have protected characteristics. This will include fair and equitable access to all services.
7. Access channels and support services will be based on the needs of residents, based on their strengths and capacity, recognising that we can all learn new things.
8. We will coach and support each other to learn new skills and fulfil our potential.
9. We will try to provide the most cost-effective service and this means that where they can, residents should self-serve, via our website or by using modern technology.
10. We will aim to provide the best technology and systems that we can to support these principles; recognising that there is more work to be done, including new systems' development.
11. We will listen, and the service we offer will be continually improved to take into account resident needs, feedback and developing technology.
12. We will provide face to face services and home visits, only when absolutely necessary and there isn't another option that meets the needs of the resident.
13. We will avoid unnecessary travel and will work with our partners to support people in our communities where possible.
14. We will only ask residents to provide evidence and documents where this is necessary for us to do our job.
15. We accept that we don't always get things right; when we do make a mistake, we will say that we are sorry, work hard to put things right and learn from it.

7.2 Other important considerations

7.2.1 Equality considerations

As part of the scoping process consideration has been given to each of the protected characteristics as defined by the Equality Act 2010 and how residents may be impacted by the proposed model for the CSC. Members of the Council's Equality team were part of this review.

7.2.2 Digital Inclusion

In undertaking this assessment, we have considered that not all residents have the skills or equipment to access services digitally. We've therefore incorporated within the proposed model a range of support mechanisms which will support and enable digital inclusion such as:

- Providing self-service PCs.
- Supporting residents to self-serve using co-browsing functionality.
- Maintaining existing offline channels eg telephone and face to face appointments.

7.2.3 Financial inclusion

Consideration has been given to residents experiencing financial hardship. This includes people not having to travel great distances, not having digital equipment and phones and not having immediate cash and phone credits.

We've therefore incorporated within the proposed model, support mechanisms which will enable financial inclusion such as:

- Local call rate for contacting us by telephone;
- Call back facility;
- Providing telephones within the new face to face space; and
- Providing a face-to-face offer within localities thus reducing the need for residents to travel into the city centre.

8. Customer Service Centre revised Scope

The new model for the CSC in the Town Hall Extension will be based on the following core functions that are needed to support residents and provide the optimum service.

- Reception, meet & greet and triage.
- Appointments for essential face to face services including partners; and
- The ability for residents to hand in documents (in line with health and safety guidance) related to Council Services

The new service model will not offer a drop-in service for private face to face enquiries.

9. Proposed New Model - Means of access by service and interaction

9.1 Access channels and triage

The new model will be based on providing the most appropriate access channel by understanding residents' strengths to support their needs. Support will be provided across three main access channels (Online, Telephone and Face to Face) with a number of additional support mechanisms in place across these channels to meet a resident's specific needs or circumstances:

9.1.1 Self Service using the Council's website

Supported by:

- Co-browsing of the Council's website with real time online support provided by Customer Service staff.
- Copies and images of documents can be provided by residents to support service requests or applications using technology, including mobile phone or scanned images sent direct to the service areas.
- On-line application and payment processes.
- Sites across the city with free access to computers.

9.1.2 Telephone support

Supported by:

- Local call charges.
- Co-browsing of the Council's website with real time online support provided by Customer Service staff.
- Translation and interpretation services - all community languages provided.
- Call back facility – this can hold a caller's position in the call queue. The caller does not need to stay on hold on the line and will receive a call back when their call reaches the top of the queue (saves caller time and reduces call charges).
- Three-way telephone conversation (third party can join call to provide support to caller/resident for example support worker or family member). These could be pre-arranged or ad hoc.
- SignVideo (three-way conversation).
- Staff will receive further training to identify and support residents with additional needs.

9.1.3 Face to Face support and assistance

This will include (when required):

- Face to face appointment with a fully trained Customer Services member of staff (venue at appropriate location).
- Face to face appointment with a fully trained Customer Services member of staff using video conferencing (either from the resident's home or access at a range of convenient locations).
- Reception / Triage to signpost residents to self-service access channels and direct them to appointments.

Supported by:

- Translation and interpretation services- all community languages provided;
- SignVideo;
- Signing services;
- Hubs in a range of venues across the city; and
- Provision of Covid-safe interview rooms.

10. Service areas and the new model

Service areas where the CSC provided face to face resident interactions, and partner organisations which share the CSC space, have been consulted on the proposed new operating model to ensure that their requirements are captured.

10.1 Services provided by the CSO

The following table shows the range of service areas provided by the CSC and the access channels that will be available to residents for each service:

	Document drop off	Signposting	Simple Enquiry	Complex Enquiry / Interview
Council Tax	<ul style="list-style-type: none"> • Post • Online / Email • Face to Face (appointment) 	<ul style="list-style-type: none"> <input type="checkbox"/> Reception Point <input type="checkbox"/> Online / Email <input type="checkbox"/> Telephone 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone • Face to Face (appointment)
Benefits	<ul style="list-style-type: none"> • Post • Online / Email • Face to Face (appointment) 	<ul style="list-style-type: none"> <input type="checkbox"/> Reception Point <input type="checkbox"/> Online / Email <input type="checkbox"/> Telephone 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone • Face to Face (appointment)
Housing Solutions (Homeless)	<ul style="list-style-type: none"> • Post • Face to Face (appointment) 	<ul style="list-style-type: none"> <input type="checkbox"/> Reception Point <input type="checkbox"/> Online / Email <input type="checkbox"/> Telephone 	<ul style="list-style-type: none"> <input type="checkbox"/> Online / Email <input type="checkbox"/> Telephone <input type="checkbox"/> Face to Face (through partner organisations) 	<ul style="list-style-type: none"> <input type="checkbox"/> Telephone <input type="checkbox"/> Face to Face (appointment)
Taxi Licensing	<ul style="list-style-type: none"> • Post • Online / Email • Face to Face (appointment) 	<ul style="list-style-type: none"> • Reception Point • Online / Email • Telephone 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone • Face to Face (appointment)
School Admissions	<ul style="list-style-type: none"> • Post • Online / Email 	<ul style="list-style-type: none"> • Reception Point • Online / Email • Telephone 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone • Face to Face (appeals only by appointment)
Elections	<ul style="list-style-type: none"> • Reception Point (post box) • Post 	<ul style="list-style-type: none"> • Reception Point • Online / Email 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone

	<ul style="list-style-type: none"> • Online / Email 	<ul style="list-style-type: none"> • Telephone 		
Planning & Building Control	<ul style="list-style-type: none"> • Reception Point (post box) • Post • Online / Email 	<ul style="list-style-type: none"> • Reception Point • Online / Email • Telephone 	<ul style="list-style-type: none"> • Online / Email • Telephone 	<ul style="list-style-type: none"> • Telephone

10.2 Receipt and validation of documents to support a benefit claim (Covid)

One of the major service areas requiring the validation and receipt of documents was the Revenues and Benefits Service. The volumes associated with this activity especially in relation to original documents to provide identity and national insurance number have been dropping annually. The main reason for this is that the proof of NINO and Identity is only required once and the majority of new working age claimants now come into the service via the Universal Credit route which means that the DWP will have already validated original documents. For many of the requests copies of scans can be used.

Since March 2020, the service has moved to a mainly electronic and postal service and where required, residents are provided with a pre-paid envelope to provide documents. This has worked well and in the seven months that we have been operating the new process there have been no issues or complaints about the approach.

Due to Covid and ongoing health and safety requirements, it is proposed that the post and scan service is maintained and is reviewed quarterly based on feedback. This means that staff in the CSC will not be required to provide a receipt and validation service in the main CSC.

If the service is required in the future, current volumes suggest that two staff would be required.

10.3 Partner ask of the new Customer Service Centre Operating Model

Partners are also currently undertaking a review of their service offer in order to ascertain their requirements moving forward. Following consultation with each service area, the space requirements in the new model are set out below.

Organisation / Service	Requirement
Housing Solutions (Homelessness)	Require 4 private interview rooms & access to free self-service telephones to enable initial telephone triage and appointment booking.

Taxi Licensing	Require 2 private interview rooms plus an additional room one day each week to conduct PACE interviews.
Citizens Advice Bureau	Require 2 private interview rooms
Employer Suite	Require continued use of the suite plus access to 2 interview rooms
M Four Translations	Require an interview room for appointments
Elections	Require 2 rooms during the lead up to an election for postal vote reissues and for issuing replacement passes for staff, candidates and agents. 1 room will require a PC.

10.4 Additional Requirements

In addition to the private interview space that will be required within the Town Hall Extension, there will be further additional provision needed to support the new operating model:

- Some elements of Triage/Reception will be required to direct people on arrival to their appointment, or to provide advice on how to access Council services.
- Self-service telephones that will allow residents who may be 'rough sleeping' to contact the homelessness service to conduct an initial triage and to make an appointment with the Homelessness Service where this is required.
- Self-service computers to enable residents to access Council services online and support digital inclusion.
- The facility to allow residents to drop off documents for certain service areas.
- Waiting area for residents waiting for appointments or for document return.
- The CSO would require access to two interview rooms for face-to-face meetings where a video conference is not suitable.

Work is currently being undertaken in conjunction with the Council's Estates Service to define how the new model will operate within the space and what physical changes to the space are required. At this stage the initial plans are suggesting that the new reception point and interview spaces will be based at the Mount Street end of the town hall extension. This will result in the rates hall space being released as part of the Council's wider estates' strategy.

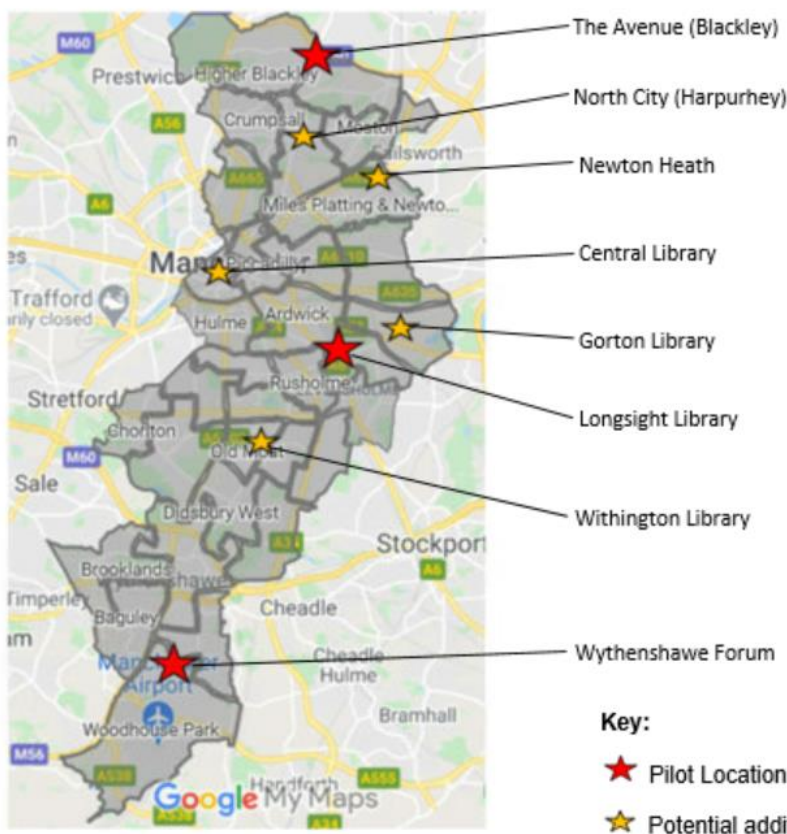
10.5 City-wide video conferencing pilot

Discussions have taken place with Library Services to ascertain whether they are able to support video conferencing from any of the libraries. It is anticipated that video conferencing will be initially piloted in three libraries geographically spread across the city: Blackley, Longsight and Wythenshawe.

There are several additional libraries offering potential space to accommodate further hubs.

Video conferencing facilities within libraries will need to be set up with simple to use video meeting technology.

Library locations for Face to Face Videoconferencing Facilities



11. How the new model will work in practice

Scenario 1, Old model - Young person with learning disability, historically would visit the CSC with family member for help and advice on his benefit claim form.

New model - Appointment with advisor who is fully trained to support residents in this way, for a three-way conversation with resident and family member from their respective homes either by phone or video conference.

Scenario 2, Old model - Person part time working- with limited credit on phone, worried about call charges so calls into the CSC in their lunch hour from work.

New model - Even at busy times can hold place in call queue for call back without the need to stay on the line, does not cost anything other than initial connection charge. No additional cost to Council associated with call back and resident receives call back when their call reaches the front of the call queue and is connected to a fully trained advisor.

Scenario 3, Old model - Resident must come into to the town hall and queue up to provide evidence of a payslip for benefit claim.

New model - Scanned photograph on mobile phone accepted.

Scenario 4, Old model - Resident can use technology but visits the Council as not confident completing a full HB claim form.

New model - Telephone appointment using co-browsing that supports the resident navigating the website and making the claim.

Scenario 5, Old model - Resident comes into the CSC as English not their first language and wants to discuss in community language.

New model - Phone call with advisor who speaks language or supported by language line.

12. Equalities Considerations

The Council's Equality team have been involved in support this work and developing the new model. This includes consideration of the needs of all our residents across the protected characteristics. We also need to consider the city's demographics and our emerging populations and how they may need to access services, including how the digital inclusion agenda will be key to the success of this. A robust Equalities Impact Assessment is being undertaken, working closely with Equalities Specialists for their challenge, support and connection to key equality related groups in the city for engagement.

12.1 Technology:

The proposed technology solutions for the new model will be fully accessible and includes:

- Video conference software;
- Touchscreen equipment;
- Telephone in queue messages must allow for 3-way conversations from any location and allow automated captioning to be enabled;
- Equipment in localities must be easily adjustable and accessible for residents to self-serve or be assisted;
- In queue messages will all contain an accessibility statement which will give the resident the opportunity to tell advisors what support they need to access services (this statement will also be published on the Council website); and
- We will take guidance from Health and Safety as to how we keep all equipment COVID compliant.

12.2 Building/Floor Plate:

- Wayfinding will be supported by accessible and clear signage and clear accessible routes;

- Video conferencing spaces will be wheelchair accessible and sufficient for residents to be accompanied;
- All video conferencing spaces will provide privacy;
- Wired hearing loops will be installed;
- Lighting should be adaptable so as not to become a barrier; and
- All localities chosen must have sufficient external space for drop off and pick up of residents, but we will not presume residents will have support from friends and family.

12.3 Language:

- Advisors will be cognisant of language used when serving residents for example. We will not use the description 'vulnerable' to describe and capture all people who may just need additional support.
- Gender inclusive language will be used.
- Translations services will be accessible and timely when appointments are made.
- Communications, wherever possible, will be in the preferred format of the resident for example braille, large font, first language etc
- Communication will be sent to residents via their preferred route including post, SMS, email etc
- Awareness and refresher training will be provided for staff and the use of Living Libraries and regular input and interaction with the Equalities Team will keep the model and those who deliver services current.

12.4 Consultation:

To develop and realise the model, we will consult with partners and stakeholders including the following partners and activity:

- RNIB;
- Deaf Centre;
- Business Disability Forum;
- Our Manchester Disability Board;
- Age Friendly Manchester Board;
- Equality groups relating to Age, LGBT, race and faith;
- Resident/citizens via focus groups;
- Equality Specialist with leads for each of the protected characteristics;
- Estates;
- Libraries;
- An Access Audit will be commissioned; and
- Development of a detailed equality impact assessment.

13. Budget implications

The proposals deliver annual staffing savings of £500,000 per year.

The new service model will still require a core team of six officers to support the new model linking into the wider Customer Service Organisation.

14. Conclusions

A detailed assessment of the current model including discussions with partners and other service providers has resulted in a proposed approach for a revised target operating model that improves service to residents and provides efficiencies.

The new model recognises improvements in technology and supports residents in a strength-based way in accordance with Our Manchester principles. Accessibility and equality are key to the new model and it means that vulnerable residents and residents that need support can access services in the best way to suit their individual needs and circumstances.

Consultation between the Customer Service and partner organisations & services, including ICT and Estates will ensure that the new operating model delivers first class, fully accessible services to residents, while achieving targeted savings.

The new model for the CSC in the Town Hall Extension will be based on the following functions:

- Reception, meet & greet and triage;
- Appointments for essential face to face services including partners; and
- The ability for residents to hand in documents (in line with health and safety guidance) related to Council Services

The new proposed service model will not offer a drop-in service for face-to-face enquiries.

15. Recommendations

It is recommended that members note the content of this report and endorse the proposed approach to developing and implementing a new operating model for face-to-face Council Services. This will include the following next steps:

- Further engagement and input from members through specific engagement sessions to feedback on the proposed new model and offer, including the establishment of a member task and finish group to support and oversee the transition to the new operating model.
- Strategic timetable.
- Work programme to support move towards the new model.
- Communications and Engagement strategy.

Appendix A - Images of potential video conferencing space within libraries.

Longsight Library:



Wythenshawe Forum



The Avenue – Blackley



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Appendix B - New enhancements to support the model

The following enhancements will be implemented to support the new operating model:

Video Conferencing

In order to maintain face to face resident interactions, a video conferencing provision will be implemented for residents who have been unable to resolve their enquiry via digital or telephony channels. This will be offered by appointment.

Video conferencing will be easily accessed via the resident's own technology. However, where a resident does not have access to this technology then a number of hubs will be installed within local libraries across the city.

Video conferencing will provide a much more accessible service, meaning that residents do not need to travel into the city centre to visit the CSC. The technology will support three-way conversations, enabling the residents to be supported by a third party from another location, for example using translation services.

For those residents wishing to use the local hubs, a full assessment will be undertaken to ensure that the service is fully accessible.

Telephony

With the implementation of the Council's new telephony platform, the Contact Centre is implementing call-back functionality that will support residents who are experiencing financial hardship by offering the option of a call back. This will retain the residents' place in the call queue, while allowing them to hang up, and then call them back once they have reached the front of the queue. This will reduce the instances of residents waiting in a queue at their own cost.

The CSO is also in discussion with our BSL translations partner SignVideo to determine how we can offer an improved service to all our residents across both the telephony and video conferencing channels.

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