



Executive

Date: Wednesday, 17 March 2021

Time: 2.00 pm

Venue: Virtual Meeting webcast at <https://vimeo.com/519490615>

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

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 ended.

Membership of the Executive

Councillors

Leese (Chair), Akbar, Bridges, Craig, N Murphy, Ollerhead, Rahman, Stogia and Richards

Membership of the Consultative Panel

Councillors

Karney, Leech, M Sharif Mahamed, Sheikh, Midgley, Ilyas, Taylor and S Judge

The Consultative Panel has a standing invitation to attend meetings of the Executive. The Members of the Panel may speak at these meetings but cannot vote on the decisions taken at the meetings.

Supplementary Agenda

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|----|---|-----------------------------|
| 5. | Spring Budget Statement and MCC Revenue Budget Impact
Report of the Deputy Chief Executive and City Treasurer attached | All Wards
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| 6. | Capital Programme Update Report
Report of the Deputy Chief Executive and City Treasurer attached | All Wards
25 - 38 |
| 8. | Places for Everyone - A Proposed Joint Development Plan Document of Nine GM Districts
Report of the Director of Planning, Building Control and Licensing and Director of City Centre Growth and Infrastructure attached | All Wards
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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 12 March 2021 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 Resolution**

Report to: Executive – 17 March 2021

Subject: Spring budget statement and Manchester City Council revenue budget impact

Report of: Deputy Chief Executive and City Treasurer

Purpose of the Report

This report provides

- An overview of the Spring Budget 2021 announcements.
- The position and delegation in relation to the Covid-19 related Discretionary Test and Trace Payment Scheme and the Department for Business, Enterprise and Industrial Strategy (BEIS) business support funding.
- Details of the additional support that has been made available to residents, the status of this funding and proposals for further support in the year ahead.

Recommendations

The Executive is requested to:

- (i) Note the main announcements in the Chancellor's Spring Budget 2021 of 3 March 2021.
- (ii) Delegate the design and allocation of discretionary support to Test and Trace Support Payments and funding for the remainder of 2020/21 and the 2021/22 financial year to the Deputy Chief Executive and City Treasurer in consultation with the Leader of the Council.
- (iii) Agree the proposals for additional discretionary funds in the year ahead within the following areas:
 - Additional support to working age residents in receipt of CTS towards the Council Tax that is due.
 - Free School Meal provision during the school holidays.
 - Additional financial support to carers in the city.
 - Investment into activity to tackle digital exclusion in the city.
- (iv) Delegate the decision to allocate and spend the remaining 2020/21 Covid Outbreak Management Fund (COMF) and new burdens funding and any new allocation for 2021/22 for activities to support the ongoing outbreak management and recovery planning to the Deputy Chief Executive and City Treasurer in consultation with the Chief Executive and Leader of the Council. Any additional funding decisions will be reported to 2 June Executive.

- (v) Delegate the decision to update the Council's Revenue Budget for the discretionary Additional Restrictions Grant funding and the associated decision to spend the funding, to the Deputy Chief Executive and City Treasurer in consultation with the Leader of the Council.
- (vi) Delegate the design and allocation of BEIS Business Support Funding (including the administration of discretionary awards) for the remainder of 2020/21 and the 2021/22 financial year to the Deputy Chief Executive and City Treasurer in consultation with the Leader of the Council.
- (vii) Support the recommendation for the Council to adopt the discretionary business rates scheme and apply the extended Retail Discount and the Nurseries Discount to the appropriate Businesses.
- (viii) Note the introduction of the Breathing Space initiative and the Council's role in the administration and compliance of the scheme.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
<p>The Council's budget reflects the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.</p> <p>It will remain important to have a well-developed pipeline of projects including those already set out in the Climate Change Action Plan and the recently launched Economic Recovery and Investment Plan.</p>

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

A connected city: world class infrastructure and connectivity to drive growth.	
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Implications for:

Equal Opportunities Policy – there are no specific Equal Opportunities implications contained within this report.

Risk Management – as detailed in the report.

Legal Considerations – as detailed in the report.

Financial Consequences – Revenue and Capital

The report sets out the announcements in the Spring Budget that relate to local government funding and the potential impact on Manchester City Council. Whilst there is likely to be some additional revenue funding to support specific government objectives (such as tackling Domestic Violence) the individual Local Authority allocations are not yet available.

Several schemes to provide further support to residents are proposed, the associated financial costs are estimated at a total £6m. It is proposed this is funded from uncommitted Contain Outbreak Management Fund grant.

There were a number of investment funds launched which may have capital financial consequences, these funds all appear to use competitive bidding to distribute funding.

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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.

Budget announcement: <https://www.gov.uk/government/news/budget-2021-sets-path-for-recovery>

Documents: <https://www.gov.uk/government/publications/budget-2021-documents>

Factsheet: <https://www.gov.uk/government/news/budget-2021-what-you-need-to-know>

Levelling Up Fund: <https://www.gov.uk/government/publications/levelling-up-fund-prospectus>

The Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020

<https://www.legislation.gov.uk/ukxi/2020/1311/contents/made>

1. **Introduction**

- 1.1. This report summarises the announcements in the Chancellor's Spring Budget Statement. In addition, it considers the Covid 19 related funding that is likely to be available and any approvals and delegations that will be required.
- 1.2. The report details the areas of temporary funding that are available to support Manchester residents. The document calculates the impact of the support on the Manchester economy and where known what the plans are for the year ahead. The report also makes some proposals for additional support in key areas to support our most vulnerable residents.
- 1.3. In addition, the Spring Budget announced additional support for local businesses. The report is therefore seeking further delegations for the additional business support funding to administer Government schemes as set out in the recommendations.
- 1.4. Finally, the report will provide details of the Breathing Space initiative that will be introduced in May 2021.

2. **Chancellor's Spring Budget Announcements**

- 2.1. On 3 March 2021, the Chancellor of the Exchequer, Rishi Sunak MP, delivered the Spring Budget 2021 to the House of Commons with a focus on addressing the ongoing impact of the pandemic and supporting economic recovery efforts. The Budget was based around three elements:

- Responding to Covid-19;
- Investment-led recovery;
- Strengthening public finances.

- 2.2. The main announcements are summarised in the following paragraphs.

Economic position and national spending plans

- 2.3. The Office for Budget Responsibility (OBR) is now forecasting a swifter and more sustained recovery than was forecast last Autumn. A return to pre-Covid-19 levels of economic activity is now expected by the middle of 2022, six months earlier than thought. Whilst unemployment growth has been slowed by furlough and other employment support measures, over 700,000 people have lost their jobs since the pandemic began. The OBR are predicting unemployment to peak at 6.5% (compared to their 11.9% forecast in July 2020).
- 2.4. This has direct implications for the economy and for Local Government including council tax collection and levels of Local Council Tax Support (LCTS). This is an area the Council will continue to monitor closely.
- 2.5. The economy will be 3% smaller in five years' time. GDP growth will be 4% this year, rising to 7.3% in 2022, and then plateauing at 1.6% - 1.7% for the

following three years. To fund the Covid-19 support measures, the Government borrowed £355bn in 2020/21 - reaching 16.9% of GDP – and it intends to borrow a further £234bn in 2021/22, 10% of GDP. The OBR forecast that the underlying debt as a share of GDP will fall to 2.8% of GDP by 2025/26, in part due to the tabled changes to public finances.

- 2.6. There was little in the Budget regarding the Government's spending plans over the medium term, with no plans provided beyond 2021/22, and no changes in existing spending plans. There is no clarity about the overall fiscal policy that the Chancellor will adopt. Any further detail will be provided in the Spending Review later this year.

Responding to Covid-19

- 2.7. The Chancellor announced the extension of Covid-19 support schemes for both individuals and businesses. It is expected, however, that by September 2021 most support will be removed.
- 2.8. Total **support for business** increased by £5bn to reach £25bn. There will be new restart grants to help businesses relaunch their trading safely in 2021/22 as follows:
- Up to £6k, scaled based on rateable value, for non-essential retail;
 - Up to £18k, scaled based on rateable value for hospitality / accommodation / leisure / personal care and gyms; and
 - £425m nationally for a discretionary scheme for businesses in the above categories that are not eligible as they do not have a rateable value (further top up to Additional Restriction Grant).
 - If this is allocated on a population basis, in line with the previous two tranches, the Council will receive £4.174m (only allocated when the full budget to date has been spent).
- 2.9. Local authorities will be responsible for distributing these grants and will receive funding in April 2021 so they can make payments to businesses as soon as possible. In order to allocate the funding in timely way, a delegation is required to enable the funding to be allocated when it is received rather than delaying until the next Executive Committee in June 2021.
- 2.10. In addition, business rates discounts will continue to be provided to eligible businesses in the Retail, Hospitality and Leisure (RHL) sector, and they will receive:
- 100% business rates relief from 1 April 2021 to 30 June 2021.
 - From 1 July 2021, business rates will then be discounted for the remaining nine months of the year by two-thirds (66%), capped at £2m for those businesses required to close from 5 January and £105k for other eligible businesses.
 - Nurseries will also qualify for relief in the same way as other eligible properties.

2.11. Other government business-related support includes:

- The launch of a new coronavirus business interruption loan scheme to run until the end of the year. Loans can be between £25k and £10m.
- To further support the cashflow of businesses, the government is extending the loss carry back rules worth up to £760k per company.

2.12. There were several announcements aimed at **supporting jobs and individuals** through the pandemic, the most significant are:

- Furlough and self-employed grants have been extended to September, although employers are required to contribute 10% in July and 20% in August and September to the furlough scheme.
- Stamp Duty nil rate holiday has been extended to the end of June for properties £500k and below, then to the end of September for properties valued at £250k and below.
- The weekly additional £20 Universal credit uplift will also continue until September.
- A one-off payment of £500 to eligible Working Tax Credit claimants.
- A new mortgage guarantee scheme will enable all UK homebuyers to secure a mortgage of up to £600k with a 5% deposit.
- Increased incentives to hire apprenticeships with an increased payment of £3k; £7m for a new 'flexi-job' apprenticeship programme and an additional £126m for 40,000 more traineeships in England.

2.13. The other main areas of Covid-19 related support are listed below:

- Sporting, cultural and arts organisations will get £690m to help them reopen including:
 - an additional £300m to support theatres, museums and other cultural organisations in England through the Culture Recovery Fund.
 - £90m funding to support government-sponsored national museums in England due to the financial impact of Covid-19.
 - £300m for major spectator sports, supporting clubs and governing bodies in England as fans begin to return to stadia.
- £19m to tackle domestic abuse in England and Wales, with funding for a network of 'Respite Rooms' to support homeless women and a programme to prevent reoffending.
- Extending £500 Test and Trace Support Payments in England until the summer (please see paragraphs 3.25 - 3.32 for further information and the proposed approach to the discretionary scheme).
- An extra £1.65bn for Covid-19 vaccination roll-out in England.
- £28m to increase the UK's capacity for vaccine testing, support for clinical trials and improve the UK's ability to rapidly acquire samples of new variants of Covid-19.
- £22m for a world-leading study to test the effectiveness of combinations of different Covid-19 vaccines.

- A further £5m on top of a previous £9m investment in clinical-scale mRNA manufacturing, to create a 'library' of vaccines that will work against Covid-19 variants for possible rapid response deployment.

Investment led recovery

- 2.14. The Government provided further information on a number of new and previously announced investment programmes which are set out in the paragraphs below.

Community Ownership Fund

- 2.15. £150m Community Ownership Fund will allow communities across the UK to invest to protect the assets that matter most to them such as pubs, theatres, shops, or local sports clubs. This aims to ensure that important parts of the social fabric can continue to play a central role in towns and villages across the UK. This will form part of the Government's levelling up agenda, helping support recovery and building opportunity. Government will work with local partners throughout 2021 to develop an approach that delivers the infrastructure and regeneration priorities local leaders want to see in their area.

UK Community Renewal Fund over 2021-2022

- 2.16. The UK Government is providing an additional £220m funding through the UK Community Renewal Fund to help local areas prepare for the launch of the UK Shared Prosperity Fund in 2022. This Fund aims to support people and communities most in need across the UK to pilot programmes and new approaches and will invest in skills, community and place, local business, and supporting people into employment. All places across the UK are eligible for pilot funding but to ensure the UK Community Renewal Fund funding reaches the most in need, government have identified 100 priority places based on an index of economic resilience across Great Britain. Manchester is included within the 100, with GMCA as the lead authority.
- 2.17. Government have identified a lead local authority for each place across the country who will invite bids from a range of project applicants, appraise and prioritise a shortlist of projects up to a maximum of £3m per place, and submit a shortlist of projects to UK Government for assessment and approval.
- 2.18. The UK Community Renewal Fund will help inform the design of the UK Shared Prosperity through funding of one-year pilots, but the Funds are distinct regarding design, eligibility and duration.

Levelling Up Fund

- 2.19. The government launched the Levelling Up Fund alongside the Budget. Up to £4.8bn until 2024/25 will be available for the across the UK, delivered through Local Authorities. The fund will invest in local infrastructure that has a visible impact on people and their communities including local transport schemes,

urban regeneration projects and cultural assets. The Fund is jointly managed by HM Treasury (HMT), the Ministry of Housing, Communities and Local Government (MHCLG) and the Department for Transport (DfT). This cross-departmental Fund represents a new approach to local investment and aims to take a more holistic approach and end siloes in Whitehall.

- 2.20. The Fund is open to every local area; however, it is especially aimed towards ex-industrial areas, deprived towns and coastal communities. To ensure that funding reaches the places most in need, the government has identified priority places based on an index of local need to receive capacity funding to help them co-ordinate their applications. Significant need is measured by an index considering the need for economic recovery and growth; need for improved transport connectivity; and need for regeneration. Using this index, places have been placed into category 1, 2, or 3, with category 1 representing places with the highest levels of identified need. Manchester is among 123 UK Local Authorities in category 1.
- 2.21. The prospectus sets out the approach for the first round of the Fund, which will prioritise bids that can demonstrate investment or begin delivery on the ground in 2021/22. All funding provided from the Fund must be spent by 31 March 2024, and, exceptionally, into 2024-25 for larger schemes.
- 2.22. The Fund will focus investment in projects that require up to £20m of funding. However, there is also scope for investing in larger high value transport projects, by exception. Bids above £20m and below £50m will be accepted for transport projects only, such as road schemes, and can be submitted by any bidding local authority. The first round of the Fund will focus on three themes: smaller transport projects that make a genuine difference to local areas; town centre and high street regeneration; and support for maintaining and expanding the UK's world-leading portfolio of cultural and heritage assets.
- 2.23. Capacity funding at a flat £125k will be allocated to local authorities most in need of levelling up in England, (as identified in the index). This will help support the relevant local authorities develop high quality bids for the Fund and ensure that investment is targeted where it is needed most. Further guidance on when funding will be allocated and what it can be used for is expected shortly.

Other planned investment initiatives

- 2.24. Other planned investment initiatives include:
- The £375m UK-wide 'Future Fund: Breakthrough' will invest in highly innovative companies
 - 8 new Freeports have been announced (East Midlands Airport, Felixstowe & Harwich, Humber, Liverpool City Region, Plymouth, Solent, Thames and Teesside) These are special economic zones with different rules to make it easier and cheaper to do business. They will include infrastructure planning, customs and favourable duties and taxes.

- Help to Grow (Management) scheme - a new UK-wide management programme to upskill 30,000 SMEs in the UK over three years.
- Help to grow (digital) scheme – to help 100,000 SMEs save time and money by adopting productivity-enhancing software.
- From 1 April 2021 until 31 March 2023, companies investing in qualifying new plant and machinery assets will benefit from a 130% first-year capital allowance.
- The new UK Infrastructure Bank (based in Leeds) will provide financing support to private sector and local authority infrastructure projects across the UK.
- Green gilt will be launched this Summer, the issuance for 2021/22 will be at least £15bn. Detail to follow on the expenditure to be financed to meet the governments green objectives.

Strengthening public finances

2.25. There were some changes to taxation levels and a number will continue to be held for now. The main items are listed below

- Maintaining the income tax Personal Allowance and higher rate threshold from April 2022 until April 2026.
- No change to inheritance tax until 2026.
- VAT registration threshold to stay at £85k.
- VAT – the 5% reduced rate of VAT will be extended until the end of September. Then it will be gradually increased, at 12.5% for 6 months, before returning to the standard rate from April 2022.
- £100m for new HMRC task force to clamp down on tax evasion and avoidance.
- In 2023 Corporate Tax rate will increase to 25%. Small profits (below £50k) rate will be retained at 19% tapering to 25% for those with profits over £250k.
- Planned fuel and alcohol duty increases cancelled.
- Pension Lifetime allowance maintained at £1,073,100 until April 2026.

3. Impact of additional Covid-19 funds on Manchester

3.1. During 2020/21 financial year, the government provided additional funds to the Council as well as temporary changes to means tested benefits support. The following paragraphs model the financial impact of the changes and how much they have been worth to the Manchester economy.

Universal Credit

3.2. During 2020/21 there was a universal uplift of £20 to all recipients of UC. This was announced as a temporary change by the government to support households during the pandemic. This was due to end at the end of March 2021.

- 3.3. Universal Credit is complex, and the modelling has had to consider the reduced allowance payable to those who are in work, the differing allowances for single individuals and couples and the annual increase due for 2021/22.
- 3.4. Financial Impact: If the uplift to Universal Credit is removed, a decrease in benefits income for Manchester residents of £4.8m per month (c.£1.1m pw) is predicted. This equates to an annual impact on the Manchester economy of £57.6m. This figure is an estimate, but consideration has been given to the presence of single individual claims and joint claims by couples so is as accurate as we can predict based on the data held. The reduction in Universal Credit allowance relating to claimants in paid employment has also been incorporated. The small annual increase to Universal Credit for the 2021/22 financial year has also been included.
- 3.5. The removal of the uplift will have the highest impact on single claimants aged under 65 who would lose around 25% of their monthly Universal Credit payments. There are Manchester residents on 'legacy benefits' who are yet to transfer to Universal Credit. These residents have not had the benefit of the Covid-19 related uplift.
- 3.6. The announcement within the budget that this will be continued for six months until the end of September 2021 is positive and will have a significant impact on households within the city. However, if this is withdrawn at this point it will have a significant detrimental impact on the local economy with a loss of £1.1m per week.

Tax Credits

- 3.7. During 2020/21 there was a universal uplift of £20 to all recipients of tax credits. This was announced as a temporary change by the government to support households during the pandemic. This was due to end at the end of March 2021.
- 3.8. The latest data estimates show that there are 39,500 families in Manchester in receipt of Working Tax Credit.
- 3.9. Financial Impact: If the uplift to tax credits is be removed there will be a decrease in benefits income for Manchester residents of £3.4m per month (c.£790k pw) is predicted. An annual impact on the Manchester economy of £40.8m. This is modelled based on a simple multiplication of total claimants x £20pw (39,500 x £20 = £790,000pw).
- 3.10. The announcement within the budget that this will be continued for six months until the end of September 2021 is positive and will have a significant impact on households within the city. However, if this is withdrawn at this point it will have a significant detrimental impact on the local economy as detailed above.

Local Housing Allowance

- 3.11. **Local Housing Allowance 2020/21**- Local Housing Allowance (LHA) is used to calculate the amount of housing benefit residents living in the private rented sector receive. It is calculated using the 30th percentile of market rents in Broad Rental Market Areas (BRMAs), as set by the Valuation Office Agency (VOA) and linked to travel to work areas.
- 3.12. Manchester is covered by two different BRMAs - the Central GM BRMA which covers all of the city except Wythenshawe, which is covered by the Southern GM BRMA. In April 2021, the LHA rate was increased to reflect changes in rents across various parts of the country.
- 3.13. Financial Impact: It is estimated the increase in LHA has led to Manchester residents receiving up to an extra £3.184m per month. An annual impact on the Manchester economy of £38.2m. However, this information is only available for households still claiming Housing Benefit – therefore the analysis is based on a couple of key assumptions including that all households claim the full allowance of LHA and the proportion of households eligible for each bedroom size is the same for households claiming Housing Benefit and Universal Credit.
- 3.14. **Local Housing Allowance 2021/22** - Whilst there do not appear to be any plans to remove this increase, an Office for Budget Responsibility (OBR) report from November 2020 said the government has decided that LHA rates “will be frozen in cash terms from 2021/22 onwards”. The result is that if rents continue to increase then the proportion of housing accessible to LHA claimants will once again become limited to the city’s most affordable neighbourhoods in certain parts of North & East Manchester. It is worth noting that whilst there is no timetable for future increases included in the report – past freezes have lasted for several years including a four-year freeze from April 2015.

Free School Meals

- 3.15. **Free school meals 2020/21** - The government approach to free school meals support has been fluid and reactive. Although there have been several schemes in operation since April 2020 it is only the most recent scheme funded by the government Winter Support Grant and administered by the Council for the Christmas holidays working directly with schools based on their records, that has had full reach and 100% coverage of all eligible children and families in the city.
- 3.16. The Winter Support Grant has recently been extended and now covers the period up to 16 April 2021. This means that the Council has received budget that has allowed us to set up a scheme that covers the February half-term and the Easter holidays.
- 3.17. Manchester has circa 35,000 children that meet the criteria for free school meals and are aged between 5 and 16. FSM does not include children under five, those young people who are in further education or those that are in families that are classified as no recourse to public funds.

- 3.18. **Free school meals 2021/22** - To date funding for free school provision has not been confirmed beyond the Easter Holiday with confirmation from DWP on 1 March that the Winter Support Grant will be extended to cover the Easter holidays. Manchester's allocation is £897k.
- 3.19. Full, free school meal provision across the city for the remainder of the 2021/22 financial year (based on current numbers of those eligible and an allowance for a 5% increase in FSM eligibility and a £15 per week award per week for the remaining eleven weeks school holiday) is worth £6.93m or £615k per week.

Hardship Payment to Local Authorities

- 3.20. **Hardship Payment Grant 2020/21** - In 2020/21 the Council received a one-off government grant to support hardship payments by the Council. The main condition was that this provided a one-off grant of £150 to all working-age recipients of Council Tax Support within the 2020/21 financial year. The increased churn and caseload have meant that £7m, almost 87%, will be used to support this group (43,000 households), leaving approximately £0.5m of the budget to support other important initiatives. These other initiatives include:
- Digital support to residents
 - Support to the food response hub
 - Additional support to the welfare provision fund
 - Carers support fund
- 3.21. **Hardship payment grant 2021/22** - The Hardship Grant was a one-off grant which will not be repeated in 2021/22. The Council received a non-ringfenced grant of £6.9m as part of the Finance Settlement. This was a non-ringfenced grant which could be used to extend the provision but was predominately to compensate local authorities for the reduction in Council Tax they will receive due to the increase in numbers of those on Council Tax Support. Due to the difficult financial position of the Council and the impact of the increased numbers on CTS (the following table shows the split across working age and non-working age) this funding has been applied to support the budget bottom line.

Date	Working Age UC	Working Age No UC	Working Age All Cases	Pension Age All Cases	Total All Cases
1/4/2020	12,250	22,095	34,345	16,264	50,609
1/3/2021	17,727	19,479	37,206	15,786	52,992

- Between 1/4/19 - 1/3/20 the overall CTS caseload fell by 2.89%
- Between 1/4/20 - 1/2/21 the overall CTS caseload has risen by 4.71%
- Between 1/4/19 - 1/3/20 the working age CTS caseload fell by 2.24%
- Between 1/4/20 - 1/3/21 the working age CTS caseload has risen by 8.33%

Contain Outbreak Management Funding (COMF)

- 3.22. The COMF funding is a non-ringfenced grant to support local authorities in their efforts to contain the spread of Covid-19 and support local public health activities. Initially this was based on the Covid-19 Tier system and provided monthly payments to local authorities facing higher restrictions until the end of the financial year:
- Upper tier local authorities in Tier 3 will be eligible to receive funding of £4 per head of population per month
 - Upper tier local authorities in Tier 2 will be eligible to receive funding of £2 per head of population per month
 - Those authorities in Tier 1 will not be eligible for monthly funding
 - Local authorities that moved into local Covid-19 alert level: Very High prior to the implementation of national restrictions on 5 November were eligible for a top-up payment from the fund, in recognition of the extended time those areas were under higher restrictions.
- 3.23. This funding has now been made available from the end of national restrictions on 2 December until the end of this financial year and was subject to a review in January 2021. Manchester has received £10.2m up to the end of January 2021 and will receive a further £2.2m per month for February and March bringing the 2020/21 total to £14.6m. Much of the capacity required has been provided from within existing resources and to date £4.3m has been committed as follows:
- Resources to support targeted test at scale - £1.2m
 - Increased capacity to respond to local outbreaks of £2.370m, made up of:
 - Compliance and enforcement - £361k
 - Business engagement - £313k
 - Environmental Health - £1.194m
 - Anti-Social Behaviour Action Team (ASBAT) - £145k
 - Covid-19 Marshalls - £357k
 - Reinforce public health messages - £345k
 - Voluntary Community and Social Enterprise (VCSE) support for fundamental health and well-being over winter - £400k
- 3.24. This leaves a balance of funding of £5.843m, rising to £10.280m when the further funding is received for February and March. It has not yet been confirmed what funding will be received to support the COVID-19 roadmap in 2021/22.
- 3.25. Resource planning is underway for 2021/22 linked to the refresh of the Manchester 12-Point Plan and activities to support the Manchester Recovery Plan. However, it is likely that sufficient resources will be released to enable the Council to provide further support to residents who are likely to be facing hardship from the continued lockdown and when the additional support measures in place start to unwind. This is partly because the Council has used the £5.7m grant to support the budget bottom line for 2021/22, taking into account the actual and projected increase in numbers receiving council tax

support. It is also due to the fact that some of additional capacity required to support all of the additional covid activity has been contained within existing capacity and partnership resources. With the budget cuts and ongoing nature of the activity this will not be possible in 2021/22.

Test and Trace Support Payment Funding

- 3.26. Following the introduction of the legal obligation to self-isolate when testing positive for Covid-19 or identified as a contact by NHS Test and Trace, the Government introduced the Test and Trace Support Payment (TTSP) scheme, effective from 28 September 2020, to pay £500 to support employed and self-employed residents on low incomes who cannot work during the self-isolation period and will suffer a loss of income as a result.
- 3.27. There are core and discretionary elements to the scheme. In addition to the criteria indicated above the core scheme applies to people receiving Universal Credit, Working Tax Credit, income-based Employment and Support Allowance, income-based Jobseeker's Allowance, Income Support, Housing Benefit and/or Pension Credit.
- 3.28. The discretionary scheme is for people not in receipt of means tested benefits. An AGMA wide approach to the discretionary scheme was agreed with criteria including income limits and property related costs, including rent/mortgage and Council Tax liability. Residents with no recourse to public funds were also included.
- 3.29. The TTSP scheme was first planned to run to 31 January 2021, then extended to 31 March 2021, and has now been extended to 30 June 2021.
- 3.30. The core element is fully funded by the Government while the discretionary element has restricted funding provided. The Government increased the discretionary pot in January 2021 from £226,671, covering up to 453 awards, to £290,500, covering up to 581 awards. A further increase in the discretionary pot was advised in late February bringing the total to £395,500, covering up to 791 awards.
- 3.31. In late February 2021 the Government announced additional planned changes to the TTSP scheme with the primary aim of including parents and carers who need to take time off to support a child who is isolating. It is understood that this will apply from 8 March 2021 in line with the schools fully reopening. Full details of the eligibility criteria and further additional funding have yet to be confirmed.
- 3.32. Spend against the core and discretionary elements of the scheme are shown in the following table:

TTSP Awards 28/9/20 - 1/3/21		
Core Scheme (fully funded)	Disc Scheme (£395,500 funded)	Total
£735,000 spent	£211,500 spent	£946,500

3.33. Delivery of the TTSP scheme during the first quarter of 2021/22 will be informed by the full details of the eligibility criteria and funding provided by Government. The Council's approach is to maximise the number of awards made in order to deliver the best public health outcomes.

4. Proposals for additional spend in 2021/22 to support vulnerable residents

4.1. In the new financial year, additional funds could be used to support the following priorities.

Additional support to residents in receipt of CTS towards the Council Tax that is due.

4.2. The £150 that was paid to all working age households in receipt of Council Tax Support has been an important initiative for many low-income families in the city. It meant that for a single person in a band A property that they did not have anything to pay and for a couple it left them £50 to pay. This is the difference of an additional £2 or £3 disposable income each week and supports the poorest working age families in the city. In addition, by clearing the amount owed it reduces administration and the potential for further recovery action and costs.

4.3. The following table shows the impact of the grants on 2020/21 and shows what could be offered based on discretionary hardship award of various grant options of £50, £100 and £150.

	Band A	Band B	Band C
20/21			
Full charge			
Annual bill	1,149.80	1,341.43	1,533.08
Amount to pay on full CTS	201.22	234.75	268.29
Balance after £150 hardship	51.22	84.75	118.29
Single person discount			
Annual bill	862.36	1,006.07	1,149.81
Amount to pay on full CTS	150.91	176.06	201.21
Balance after £150 hardship	0.91	26.06	51.21
21/22			
Full charge			
Annual bill	1,203.89	1,404.52	1,605.18
Amount to pay on full CTS	210.68	245.79	280.91
Balance after £150 hardship	60.68	95.79	130.91
Balance after £100 hardship	110.68	145.79	180.91
Balance after £50 hardship	160.68	195.79	230.91
Single person discount			
Annual bill	902.92	1,053.39	1,203.89

Amount to pay on full CTS	158.01	184.34	210.68
Balance after £150 hardship	8.01	34.34	60.68
Balance after £100 hardship	58.01	84.34	110.68
Balance after £50 hardship	108.01	134.34	160.68

4.4. Based on the 2020/21 awards with a 4.99% uplift in the Council Tax due as well as a 10% increase in recipients to take into account further additional CTS claims and churn in the caseload in the year ahead, the indicative* costs would be

- £50 award to all working age households = £2.5m
- £100 award to all working age households = £5m
- £150 award to all working age households = £7.5m

*the withdrawal of the furlough scheme and delays to economic recovery could mean that the number of households in receipt of benefits could be higher than this during the 2021/22 financial year.

4.5. In addition to the standard £150 hardship awarded, the Council has also awarded standard payments of discretionary support amounting to circa £150k for the financial year; and 2-Child Limit discretionary payments amounting to around £77k.

4.6. If possible, a further budget award of £100k would be beneficial to pick up support to households, including those affected by Covid-19 etc. who may not qualify for CTS or means tested benefits as well as continuing to support families.

Free School Meal provision

4.7. Whilst the provision for the Easter holiday starting on 1 April has been confirmed through the extension of the Winter Support Grant payments and £385k specific funding has been made available via the Holiday Activities and Food Programme, there is no funding for provision beyond this. Given the Summer half term is in May there is limited time to establish a new scheme after Easter. It is proposed to use the relevant funding sources to provide 3 weeks of provision at a £15 per week award which will cover the Easter Break and the half term period. It should be noted that some schools have a one-week Easter break and two weeks for half term making it difficult to have an equitable scheme that purely covers the Easter period.

4.8. For the summer holidays, much more detailed consideration is required, considering the Holiday Activities and Food Programme and the fact that play groups and leisure centres will be operational and if any further support is required this will be reported back to Executive in due course.

Continuing the additional welfare support schemes

- 4.9. As outlined above, the Hardship Grant was also used to support digital support to residents and fund the £100k Carers Support Fund.
- 4.10. **Additional support to carers in the city** - As described above funding of £100k was made available to support Carers during the Covid-19 pandemic. It is expected that the full grant will be used. At the end of February 2021 of 698 applications processed, 560 applications (80%) have been approved, awarding 994 items (bed / bedding / cash-grant / travel / utilities / white-goods) to a value of £89,566.
- 4.11. The scheme has been found to provide valuable support and a business case has been produced by the Director of Adult Social Care requesting that this grant scheme is continued in the year ahead at an ongoing cost of £100k per year.
- 4.12. **Tackling Digital Exclusion** - There is a proposal to invest further funding for the delivery of a digital inclusion activities linked to investment from Manchester Health and Community Care's (MHCC) Digital Transformation Group (DTG) and the Community Champions programme. Activities will deliver the objectives of MHCC's Access to Digital Health and Wellbeing and Care Services Workstream Group and the wider Digital Inclusion Action Plan led by the Council.
- 4.13. In addition, increased investment from healthcare partners will support the growth of collaboration around health, wellbeing, and care services - supporting the city's wider inclusion and skills priorities. A full business case has been prepared for a £497k scheme that will deliver this agenda for the city. This has the support of MHCC for £100k funding, MHCLG communities champion funding of £123k and requires £274k funding from the Council to deliver the full scheme.
- 4.14. **Temporary Absence outside Great Britain** - in May 2020 the Department for Work and Pensions issued advice that Housing Benefit (HB) claims for people who are abroad and will be absent from home for more than four weeks should be kept in payment until such time as they are able to return to their home. Executive approved a recommendation for this change to be replicated within the Council's Council Tax Support Scheme in 2020/21 so that residents benefit from the relaxation of this rule. The DWP advice remains in operation and it is proposed that this continues to apply to the Council's Council Tax Support Scheme in 2021/22 for the duration of the DWP recommended approach. The Benefits Service are not aware of any cases where this approach has been triggered and the cost to the Council is likely to be nil.

Summary of additional support to residents proposed

- 4.15. Consideration should be given to utilising some of the additional available funding in 2021/22 to provide:
- Additional Council Tax Support of £100 per resident - £5m
 - Summer half term Free School Meals provision - £673k

- Support with Council Tax- £200k
- Extension to Carers Scheme - £100k
- Digital Champions - £274k

4.16. The estimated total cost of these initiatives is £6.2m. It is proposed this is funded from the uncommitted COMF funding for 2020/21 of £10.3m, leaving a balance of c£4.1m available to support additional resource planning requirements in the remainder of 2020/21 and in 2021/22.

5. **Support to Business**

Business Rates Grants

5.1. The Council will establish a scheme to administer the Business Rates Grants announced in the Spring Budget. The detailed guidance is due to follow in a few weeks which will inform how the scheme is administered. The grants will be:

- Up to £6k, scaled based on rateable value, for non-essential retail;
- Up to £18k, scaled based on rateable value for hospitality / accommodation / leisure / personal care and gyms; and
- £425m nationally for a discretionary scheme for businesses in the above categories that are not eligible as they do not have a rateable value (further top up to Additional Restriction Grant). If this is allocated on a population basis, in line with the previous two tranches, the Council will receive £4.174m.

5.2. For the main restart schemes, where the Council is acting as agent for the Government and passporting the grants on their behalf, these payments will be netted off the grant received and will not be shown gross in the budget. For the discretionary scheme the funding will be added to the Council's budget via the combined authority.

5.3. Funding is due to be received in April 2021. In order to allocate the funding in timely way, a delegation is required to enable the funding to be allocated when it is received rather than delaying until the next Executive Committee in June 2021.

Business Rates reliefs and discounts

5.4. In the budget on 3 March 2020, the Chancellor of the Exchequer announced that the Expanded Retail Discount and Nurseries Discount, introduced in March 2020, would be extended. This section of the report:

- Outlines how the extended discount will work; and
- Seeks approval to continue to award the Expanded Retail Discount in line with the guidance issued by the Government.

Expanded Retail Discount and Nurseries' Discount for 2021/22

- 5.5. Since 2019/20 the government has provided a 100% Business Rates Retail Discount for retail properties which for 2020/21 it expanded to include the leisure and hospitality sectors. There was also a 100% discount for premises occupied by providers on Ofsted's Early Years Register and wholly or mainly used for the provision of the Early Years Foundation Stage and which are subject to business rates in the year 2020/21 (Nurseries Discount).
- 5.6. On 3 March 2021 the government confirmed that the Expanded Retail Discount and the Nurseries Discount would continue to apply in 2021/22 at:
- 100% for three months, from 1 April 2021 to 30 June 2021, and
 - at 66% for the remaining period, from 1 July 2021 to 31 March 2022.
- 5.7. The Government confirmed that there would be no cash cap on the relief received for the period from 1 April 2021 to 30 June 2021. From 1 July 2021, the Expanded Retail Discount will be capped at £105,000 per business, or £2 million per business where the business is in occupation of a property that was required, or would have been required, to close, based on the law and guidance applicable on 5 January 2021.
- 5.8. For nurseries there will be a cash cap of £105,000 for all eligible businesses.
- 5.9. As this is a measure for 2021/22 only, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government will reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief. The Council as a billing authority must adopt a local scheme and determine in each individual case when, having regard to the published guidance, to grant relief under section 47.
- 5.10. As the government will fully reimburse local authorities for the local share of the discretionary relief, using a grant under section 31 of the Local Government Act 2003, there is no financial cost to the Authority of implementing the scheme

Nurseries' Discount

- 5.11. The Government also confirmed that the Nurseries Discount would also continue along the same lines
- Extended for three months, at 100%, uncapped, for the period 1 April 2021 to 30 June 2021.
 - From 1 July 2021 to 31 March 2022 the Nursery Discount would apply at 66% relief for eligible properties, with a cash cap of £105,000.
- 5.12. Executive are asked to support the recommendation for the Council to adopt the discretionary business rates scheme and apply the extended Retail Discount and the Nurseries Discount to the appropriate Businesses.

- 5.13. Local authorities will be compensated for the loss of income as a result of these measures and will receive new burdens funding for administrative and IT costs. However, it should be noted that the administrative and checking processes will be complex for local authorities to administer and at this stage we do not know if the amount awarded in new burdens will completely cover the costs of delivery of the scheme.

6. Breathing Space

- 6.1 Breathing Space is new statutory scheme that will start on 4 May 2021. The scheme provides for a breathing space moratorium and a mental health crisis moratorium. Breathing space aims to help people in problem debt to better manage their finances, seek professional debt advice and reach sustainable solutions.
- 6.2 A standard breathing space moratorium will provide protections for people in problem debt by pausing enforcement action from creditors, and freezing charges, fees and certain interest on qualifying debts for up to 60 days. For people receiving mental health crisis treatment, a mental health crisis moratorium provides further protections and lasts as long as a person's mental health crisis treatment, plus 30 days.
- 6.3 Local authorities may be affected by breathing space in 3 different ways:
- As creditors, in relation to 'qualifying debts' owed to them. Almost all kinds of debts can be included in a moratorium, including council tax, parking charges and sundry debts;
 - Where debt advisers employed by the Local Authority provide debt advice to residents and can offer a moratorium; and
 - Where Approved Mental Health Professionals (AMHPs) employed by the Local Authority provide evidence to a debt adviser certifying someone is receiving mental health crisis treatment in order for the debt adviser to then initiate a mental health crisis moratorium.
- 6.4 Officers from across the Council will be working to deliver the scheme for the implementation date where necessary engaging with partners.

7. Conclusion

- 7.1. Covid-19 continued to dominate the Spring Budget. The Government's extension of current support measures is welcome, but the delayed confirmation will have had an adverse impact on many businesses and organisations. A number of announcements lack detail, with further clarity needed over the coming weeks.
- 7.2. The Chancellor's multi-year Spending Review is expected later this year, this will initially set out the level of funding for the Local Government Sector with individual authority allocations being announced later in the year. This is an area that is creating significant uncertainty for the sector as a whole and will be key to how the local government sector is funded from 2022/23 onwards.

The sector is also awaiting further news as to whether the funding reforms for Local Government and Business Rates will go ahead from April 2022. There was notably no support for social care and no mention of the Social Care Green Paper; this remains a huge gap in the Government's funding provisions and a major concern for local authorities.

- 7.3. There were limited Manchester-specific announcements beyond confirmation of eligibility for the Levelling Up Fund and Community Renewal Fund which demonstrated the Government's continued prioritisation of competitive bidding processes over devolved monies. Whilst investment funding is welcome the Council will need to consider the resources it has available to support bids to be made.

**Manchester City Council
Report for Resolution**

Report to: Executive – 17 March 2021

Subject: Capital Programme Update

Report of: Deputy Chief Executive and City Treasurer

Summary

This report informs members of requests to increase the capital programme, seeks approval for those schemes that can be approved under authority delegated to the Executive and asks the Executive to recommend to the City Council proposals that require specific Council approval.

Recommendations

To recommend that the Council approve the following changes to Manchester City Council's capital programme:

1. Neighbourhoods – Chorlton Library Refurbishment. A capital budget increase of £0.600m is requested, funded by borrowing, and a capital budget virement of £0.105m, funded by Open Libraries Project.
2. Growth and Development – Campfield Redevelopment Acquisition of Castlefield House. A capital budget virement of £3.735m is requested, funded by Sustaining Key Initiatives budget.
3. Growth and Development – Hammerstone Road Additional Funding. A capital budget increase of £4.969m is requested, funded by borrowing.
4. Highways Services - Accident Reduction and Local Community Safety Schemes. A capital budget virement of £2m is requested, funded by Other Improvement Works budget.

Under powers delegated to the Executive, to approve the following changes to the City Council's capital programme:

1. Neighbourhoods – Wythenshawe Cycling Hub. A capital budget increase of £0.500m is requested, funded by External Contribution, and a capital budget virement of £0.599m is requested, funded by Parks Development Programme.
2. Highways Services – Off Street Parking Priority Works. A capital budget increase of £0.606m is requested, funded by Capital Receipts.
3. Growth and Development – Carbon Reduction Programme. A capital budget increase of £1.323m is requested, funded by External Contribution.

4. Children's Services - Schools Capital Maintenance Programme. A capital budget increase of £1.287m is requested, funded by Government Grant.

To note increases to the programme of £1.690m as a result of delegated approvals

To note virements in the programme of £27.338m as a result of virements from approved budgets

Wards Affected: Various

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

All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Contributions to various areas of the economy including investment in ICT services, Housing, and leisure facilities.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Improvements to services delivered to communities and enhanced ICT services.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in cultural and leisure services and housing.
A connected city: world class infrastructure and connectivity to drive growth	Through investment in ICT and the City's infrastructure of road networks and other travel routes.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The recommendations in this report, if approved, will have no impact on the Council's revenue budget.

Financial Consequences – Capital

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £9.285m across the financial years as detailed in Appendix 1.

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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.

- Report to the Executive 12 February 2020 – Capital Strategy and Budget 2019/20 to 2023/24
- Report to the Executive 11 March 2020 - Capital Programme Update
- Report to the Executive 3 June 2020 – Capital Programme Update
- Report to the Executive 3 July 2020 – Capital Programme Update
- Report to the Executive 29 July 2020 - Capital Programme Update and Capital Budget Monitoring 2020/21
- Report to the Executive 9 September 2020 – Capital Programme Update

- Report to the Executive 14 October 2020 - Capital Programme Update and Capital Budget Monitoring 2020/21
- Report to the Executive 11 November 2020 – Capital Programme Update Report
- Report to the Executive 20 January 2021 - Capital Programme Update Report
- Report to the Executive 17 February 2021 – Capital Budget Monitoring 2020/21

1.0 Introduction

- 1.1 This report outlines the requests for changes to the capital budget from 2020/21.

2.0 Background

- 2.1 In February each year the Executive receives a report on the capital budget for the forthcoming five financial years and approves a series of recommendations to the City Council which then constitute the approval of the five-year capital programme. Proposals for the capital budget were presented to the Executive on 12 February 2020.
- 2.2 The capital programme evolves throughout the financial year, and as new projects are developed, they will be reviewed under the current governance framework and recommendations made regarding whether they should be pursued.
- 2.3 The following requests for a change to the programme have been received since the previous report to the Executive on 17 February 2021.
- 2.4 Note that where requests are made in the report to switch funding from capital to revenue and to fund the revenue spend from the Capital Fund, this is a funding switch from within the capital programme and will not have a negative impact on the Fund itself.
- 2.5 For the changes requested below, the profile of the increase, decrease or virement is shown in Appendix 1 for each of the projects.

3.0 City Council's Proposals Requiring Specific Council Approval

- 3.1 The proposals which require Council approval are those which are funded by the use of reserves above a cumulative total of £2.0m, where the use of borrowing is required or a virement exceeds £0.500m. The following proposals require Council approval for changes to the capital programme:
- 3.2 Neighbourhoods - Chorlton Library Refurbishment. Chorlton Library is Manchester's oldest operational branch library having opened in 1914 and is now badly in need of significant repair and maintenance as identified by a recent condition survey. Libraries also want to introduce the Open Plus access system to increase opening hours for the local community. The scheme will remodel the 1970s extension of the building at the rear to introduce another community meeting room, whilst refurbishing the existing meeting room which is very heavily used in an area that has a lack of such space, and thus helping to sustain community activity. A capital budget increase of £0.600m in 2021/22 is requested, funded by borrowing, and a capital budget virement in 2021/22 of £0.105m, funded by Open Libraries Project

- 3.3 Growth and Development – Campfield Redevelopment Acquisition of Castlefield House. It is proposed that the Council acquires Castlefield House from Allied London in order to facilitate the redevelopment of Campfield Yard. The larger project will restore and safeguard two Grade II listed historical market building assets for future public use together with the environmentally sustainable refurbishment of a poor quality 1970's commercial building. Highly adaptable workspace for the media, tech, digital and creative sectors will be provided. A capital budget virement of £3.735m in 2021/22 is requested, funded by Sustaining Key Initiatives budget.
- 3.4 Growth and Development – Hammerstone Road Additional Funding. Following the approval for capital expenditure to refurbish the Hammerstone Road depot and the progression thorough RIBA Stage 3, it was requested that a full review of the requirements of what the Council needs from the depot take place. This review, along with more intrusive surveys, has been carried out with extensive stakeholder engagement. The key changes required from stakeholders include a new security lodge with barrier system and CCTV to protect the valuable vehicles and stores on site; changes to the gritter store to accommodate a new vehicle and to improve security; a larger elections store with an area to prepare ballot boxes and provide a safe, long term store; retention and relocation of the fuel pumps which are still required by service users and additional EV charging points.
- 3.5 In addition to requirements from stakeholders, design development resulting from detailed design and intrusive surveys identified additional works required across the site reflecting the poor condition of the depot. These include new underground drainage and attenuation works to meet the latest UU discharge rates, repair of a collapsed internal surface water drain; the external wall requires extensive repair following Structural Condition report; addition of two fire escapes required to comply with fire regulations, and additional structural works to the roof with additional asbestos removal.
- 3.6 The complex logistics plan to support Biffa remaining operational on the site has now been developed, requiring additional temporary accommodation, and the need to move Biffa teams earlier due to the poor condition of the roof resulting in flooding. Extensive planning has been undertaken with Biffa to ensure the design is fit for purpose for their operation, particularly the inclusion of the enhanced electric vehicle charging required to support the new electric fleet vehicles. There has also been a refresh of the market costs and confirmed contractor pricing has resulted in price increases due to the increased scope and design development, as well as inflation and market conditions. A capital budget increase of £4.969m in 2022/23 is requested, funded by borrowing.
- 3.7 Highways Services - Accident Reduction and Local Community Safety Schemes. The scheme will deliver improved road safety at multiple locations across the city, providing additional protection for all users of the public highway. Funding will be spent delivering accident reduction schemes that have been prioritised using a criteria matrix of accident data and existing safety features as well as those which are the highest priority for local

communities. A capital budget virement of £2m in 2021/22 is requested, funded by Other Improvement Works budget.

4.0 Proposals Not Requiring Specific Council Approval

- 4.1 The proposals which do not require Council approval and only require Executive approval are those which are funded by the use of external resources, use of capital receipts, use of reserves below £2.0m, where the proposal can be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals require Executive approval for changes to the City Council's capital programme:
- 4.2 Neighbourhoods – Wythenshawe Cycling Hub. This proposal will develop the City's first Cycling Hub Facility at Wythenshawe Park, and will address the inactivity levels in South Manchester and support people within the catchment area to access cycling in a traffic free environment within 15 minutes from where people live. Extensive stakeholder input and community consultation has been undertaken to inform the plans for the site and the Council has sought specialist support to test the feasibility and buildability of the scheme to ensure proposed cycling facilities. A capital budget increase of £0.500m in 2021/22 is requested, funded by External Contribution, and a capital budget virement of £0.599m in 2021/22 is requested, funded by Parks Development Programme.
- 4.3 Highways Services – Off Street Parking Priority Works. Following the termination of the joint venture agreement with NCP for the Council's off street car parks the affected car parks are now run on an 'in house' basis. Professional surveyors have identified priority works that should be undertaken in the first 12 months of the car parks being run in house. It is imperative from a public safety perspective that these works are completed to ensure that the car parks remain safe for use by the public. A capital budget increase of £0.606m in 2021/22 is requested, funded by Capital Receipts.
- 4.4 Growth and Development – Carbon Reduction Programme. The Zero Carbon Estate Programme successfully bid for European Regional Development Funding (ERDF) funding as part of the Unlocking Clean Energy in Greater Manchester (UCEGM) Consortium. UCEGM is a pioneering project that will deliver a number of renewable schemes across the city region and create a blueprint that can be replicated in other regions across the UK aiming for Net Zero carbon emissions. Manchester's has secured funding to support the delivery of a large Solar Car Port installation at the National Cycling Centre and a large rooftop Solar PV plus battery storage installation at our Hammerstone Rd Depot. These will deliver 1.6MWp of renewable capacity and save 415 tCO₂ per annum from our direct carbon emissions. The funding is to be match funded from the current Carbon Reduction Programme budget. A capital budget increase of £1.323m in 2021/22 is requested, funded by External Contribution.

4.5 Children's Services - Schools Capital Maintenance Programme. The Council receives grant funding each year from the Department for Education for maintenance to the school estate. In June 2020, the Prime Minister announced additional funding for repairs and upgrades to school buildings, on top of funding already allocated this year. Funding will be used to address condition needs identified in the Council's estate of maintained schools which includes community, voluntary controlled and foundation schools. A capital budget increase of £1.287m in 2021/22 is requested, funded by Government Grant.

5.0 Delegated budget Approvals

5.1 There have been increases to the programme totalling £1.690m as a result of delegated approvals since the previous report to the Executive on 17 February 2021. These are detailed at Appendix 2.

6.0 Virements from Approved Budgets

6.1 Approval has been given for a capital budget virement for Coop Academy Belle Vue - Full Project. This project will deliver a new 1200 place (8 Form Entry) secondary school with associated grounds and infrastructure works on the site of the Showcase Cinema on Hyde Road in readiness for September 2023 opening. The project is funded by £23.474m Unallocated Education Basic Need budget and £3.864m Unallocated Presumption Free School Grant.

7.0 Prudential Performance Indicators

7.1 If the recommendations in this report are approved the General Fund capital budget will increase by £9.285m, across financial years as detailed in Appendix 1.

7.2 This will also result in an increase in the prudential indicator for Capital Expenditure in corresponding years. Monitoring of all prudential indicators is included within the Capital Monitoring Report during the year.

7.3 There is an increase in the requirement for prudential borrowing, however, this has already been assumed within the City Council's revenue budget and therefore there is no impact on the City's Council Tax.

8.0 Contributing to a Zero-Carbon City

8.1 All capital projects are reviewed throughout the approval process with regard to the contribution they can make to Manchester being a Zero-Carbon City. Projects will not receive approval to incur costs unless the contribution to this target is appropriate.

9.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

9.1 Contributions to various areas of the economy including investment in ICT services, housing, and leisure facilities.

(b) A highly skilled city

9.2 Investment provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

(c) A progressive and equitable city

9.3 Improvements to services delivered to communities and enhanced ICT services.

(d) A liveable and low carbon city

9.4 Investment in cultural and leisure services and housing.

(e) A connected city

9.5 Through investment in ICT and the City's infrastructure of road networks and other travel routes.

10.0 Key Policies and Considerations

(a) Equal Opportunities

10.1 None.

(b) Risk Management

10.2 Risk management forms a key part of the governance process for all capital schemes. Risks will be managed on an ongoing and project-by-project basis, with wider programme risks also considered.

(c) Legal Considerations

10.3 None.

11.0 Conclusions

11.1 The Capital budget of the City Council will increase by £9.285m if the recommendations in this report are approved.

11.2 The revenue budget of the City Council will not be impacted, if the recommendations in this report are approved.

12.0 Recommendations

12.1 The recommendations appear at the front of this report.

Appendix 1 - Requests for Adjustments to the Capital Budget Provision

March 2021 EXECUTIVE						
Dept	Scheme	Funding	2020/21	2021/22	2022/23	Total
			£'000	£'000	£'000	£'000
<u>Council Approval Requests</u>						
Neighbourhoods	Chorlton Library Refurbishment	Borrowing		705		705
Neighbourhoods	Open Libraries	Borrowing		-105		-105
Growth & Development	Campfield Redevelopment – Acquisition of Castlefield House	Borrowing	60	3,675		3,735
Growth & Development	Sustaining Key Initiatives	Borrowing	-60	-3,675		-3,735
Growth & Development	Hammerstone Road Additional Funds	Borrowing			4,969	4,969
Highways Services	Accident Reduction and Local Community Safety schemes	Borrowing		2,000		
Highways Services	Other Improvement Works	Borrowing		-2,000		
<u>Total Council Approval Requests</u>			0	600	4,969	5,569

<u>Executive Approval Requests</u>						
Neighbourhoods	Wythenshawe Cycling Hub	External Contribution		500		500
Neighbourhoods	Wythenshawe Cycling Hub	Borrowing		599		599
Neighbourhoods	Parks Development Programme	Borrowing		-599		-599
Highways Services	Off Street Car Park – Priority Works	Capital Receipts		606		606
Growth & Development	Carbon Reduction Programme	External Contribution		1,323		1,323
Children's Services	Schools Capital Maintenance Programme	Government Grant		1,287		1,287
<u>Total Executive Approval Requests</u>			0	3,716	0	3,716
<u>Total Budget Adjustment Approvals</u>			0	4,316	4,969	9,285

Appendix 2 - Approvals under authority delegated to the City Treasurer

March 2021 EXECUTIVE							
Dept	Scheme	Funding	2020/21	2021/22	2022/23	Future	Total
			£'000	£'000	£'000	£'000	£'000
Public Sector Housing	This City Housing Delivery Vehicle	RCCO		400			400
Highways Services	NPIF	External Contribution	350				350
Highways Services	Rochdale Canal Cycling and Walking Scheme	External Contribution	12				12
Highways Services	TfGM (Transport for Greater Manchester) Bus Stop Enhancements	External Contribution	415				415
Neighbourhoods	RFL Project - Beswick Hub Feasibility	Waterfall Funding	282				282
Neighbourhoods	Electric charging points Grimshaw lane	Borrowing on an Invest to Save Basis	70				70
Children's Services	Ghyll Head Additional Costs	Capital Receipts		161			161
Total Delegated Approval Requests			1,129	561	0	0	1,690

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**Manchester City Council
Report for Resolution**

Report to: Executive – 17 March 2021
Council – 31 March 2021

Subject: Places for Everyone - A Proposed Joint Development Plan Document of Nine GM Districts

Report of: Director of Planning, Building Control and Licensing
Director of City Centre Growth and Infrastructure

Summary

On 11 December 2020, following the withdrawal of Stockport Council from the production of the Greater Manchester Plan for Jobs, Homes & the Environment, the Greater Manchester Spatial Framework, the AGMA Executive Board agreed to consider producing a joint Development Plan Document (DPD) of the nine remaining Greater Manchester (GM) districts, and asked for a report on the implications of this. At its meeting on 12 February 2021, the AGMA Executive Board considered the next steps in relation to that joint plan of the nine GM districts, to be known as “Places for Everyone”, including the required decisions by individual Districts to initiate this process.

This report summarises the key elements of the AGMA Executive Board report (12 February 2021) and identifies a number of approvals that are asked of Council and the Executive as a result.

Recommendations

The Executive is recommended to:

1. Approve the making of an agreement with the other 8 Greater Manchester councils [Bolton, Bury, Oldham, Rochdale, Salford, Tameside, Trafford and Wigan] to prepare a joint development plan document to cover strategic policies including housing and employment land requirements and, as appropriate, strategic site allocations and Green Belt boundary amendments and associated infrastructure across the nine districts.
2. Agree the Council’s lead member for the joint committee and a nominated deputy to attend and vote as necessary.
3. Delegate to the joint committee of the nine Greater Manchester councils the formulation and preparation of the joint development plan document to cover housing and employment land requirements including, as appropriate, strategic site allocations and Green Belt boundary amendments and associated infrastructure across the nine Greater Manchester districts insofar as such matters are executive functions.

4. Note that the following are the sole responsibility of full Council:
- Responsibility for giving of instructions to the executive to reconsider the draft plan submitted by the executive for the authority's consideration.
 - The amendment of the draft joint development plan document submitted by the executive for the full Council's consideration.
 - The approval of the joint development plan document for the purposes of submission to the Secretary of State for independent examination.
 - The adoption of the joint development plan document.

Council is recommended to:

1. Note the making of an agreement with the other 8 Greater Manchester councils (Bolton, Bury, Oldham, Rochdale, Salford, Tameside, Trafford, Wigan) to prepare a joint development plan document to cover strategic policies including housing and employment land requirements and, as appropriate, strategic site allocations and Green Belt boundary amendments and associated infrastructure across the nine districts.
2. Note the nomination of the district lead Member for the joint committee and a nominated deputy to attend and vote as necessary.
3. Note that Executive agreed to delegate the formulation and preparation of the draft joint development plan document to a joint committee of the nine GM authorities at their meeting on 17 March 2021.
4. Note that a further report will be brought to full Council seeking approval to submit the joint development plan document to the Secretary of State for independent examination.

Wards Affected: All

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

The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to the zero-carbon target.
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Our Manchester Strategy outcomes	Contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a thriving and sustainable city.

A highly skilled city: world class and home grown talent sustaining the city's economic success	The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to improving the skills base in the city.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a progressive and equitable city.
A liveable and low carbon city: a destination of choice to live, visit, work	The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a liveable and low carbon city.
A connected city: world class infrastructure and connectivity to drive growth	The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a connected city.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

Although there are no revenue costs directly associated with establishing the joint DPD, resources have been earmarked to be drawn down from the planning reserve to fund the development of the Local Plan once the DPD is established and a workplan agreed. This will be retained under review.

Financial Consequences – Capital

No capital costs are involved in this process.

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Background documents (available for public inspection):

Not applicable.

1.0 Introduction

- 1.1 Up until December 2020 a joint development plan document of the ten Greater Manchester local authorities was being prepared, Greater Manchester's Plan for Jobs, Homes & the Environment (known as the "GMSF"). However, the decision at Stockport Council's meeting on 3 December to not submit the GMSF 2020 following the consultation period and the subsequent resolution at its Cabinet meeting on 4 December not to publish the GMSF 2020 for consultation in effect signalled the end of the GMSF as a joint plan of the 10.
- 1.2 Consequently, at its meeting on the 11th December 2020, Members of the AGMA Executive Committee asked for a report to be drafted on the implications and process of producing a joint DPD of the nine remaining Greater Manchester (GM) districts.
- 1.3 The resulting report was considered by the AGMA Executive Board on 12 February 2021. This report sets out the key elements of the AGMA Executive Board report and identifies a number of approvals that are asked of Council and the Executive as a result.

2.0 Places for Everyone - Rationale

- 2.1 The AGMA report identifies that the rationale that stood for producing the GMSF remains with the proposed new joint Development Plan Document (joint DPD) entitled Places for Everyone. This includes the following:
- Underpin Greater Manchester's plan for recovery from Covid.
 - Support delivery of the Greater Manchester Strategy.
 - Provide a framework to manage growth in a sustainable and inclusive way, avoid un-planned development and development by appeal.
 - Align the delivery of development with infrastructure proposals.
 - Meet the requirement for local authorities to have a local plan in place by December 2023 (the Places for Everyone plan would be deemed to form part of the development plan for each of the nine districts alongside any Local Plan produced by each individual council).
 - Meet the Duty to Co-operate in s33A Planning and Compulsory Purchase Act 2004.
- 2.2 Discussions have taken place over the past two months with Manchester and the eight other authorities that indicate there is continued opportunity to work collaboratively to produce a joint plan.

3.0 Process for producing the Places for Everyone Plan

- 3.1 The preparation of the former GMSF was undertaken by the AGMA Executive Board on behalf of the ten GM authorities. The withdrawal of Stockport Council from that process in December 2020 means that it is no longer appropriate for the AGMA Executive Board to continue with the oversight of the new plan.

- 3.2 It therefore requires a new joint committee to be established consisting of the remaining nine local authorities (Manchester, Bolton, Bury, Oldham, Rochdale, Salford, Tameside, Trafford and Wigan).
- 3.3 The purpose of the Joint Committee will be to formulate and prepare the joint DPD. In the event that the draft joint DPD is considered to have substantially the same effect on the nine districts as the GMSF 2020, the next stage would be a consultation on a publication version of the joint DPD (Regulation 19 stage). As with the GMSF, the Executive will be responsible for approving the Regulation 19 version of the plan ahead of a period for representations to be made. Moreover, as before with the GMSF, Council will be responsible for approving the joint plan for submission to the Secretary of State for independent Examination.
- 3.4 The AGMA report highlights that membership of the joint committee is a matter for the individual districts to determine. However, it is suggested, for continuity purposes, that Leaders from each of the nine local authorities form the membership of the committee, with the ability for a nominated deputy to attend as necessary. It will be the responsibility of the joint committee to agree its terms of reference and the operational arrangements, including the appointing of the chair and the voting arrangements.
- 3.5 Once the joint committee is established, there will be a need to update Manchester's Local Development Scheme (LDS) which previously set out the timetable for the production of the GMSF alongside next steps for the City Council's emerging Local Plan. The LDS will be updated at the appropriate time in advance of the next round of consultation on the new joint DPD – Places for Everyone.
- 3.6 The function of scrutiny in the production of the joint DPD will remain with the individual districts as the relevant decisions will rest with the districts, not AGMA or the GMCA.

4.0 Next Steps

- 4.1 The establishment of the joint committee will enable the joint DPD (Places for Everyone) to be approved in a timely manner in preparation for consultation later this year.

6.0 Contributing to a Zero-Carbon City

- 6.1 The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to the zero-carbon target.

7.0 Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 7.1 The establishment of the joint committee will facilitate the delivery of the joint

development plan document, Places for Everyone, which contains policies that will contribute to a thriving and sustainable city.

(b) A highly skilled city

- 7.2 The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to improving the skills base in the city.

(c) A progressive and equitable city

- 7.3 The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a progressive and equitable city.

(d) A liveable and low carbon city

- 7.4 The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a liveable and low carbon city.

(e) A connected city

- 7.5 The establishment of the joint committee will facilitate the delivery of the joint development plan document, Places for Everyone, which contains policies that will contribute to a connected city.

8.0 Key Policies and Considerations

(a) Equal Opportunities

- 8.1 The joint DPD is a statutory plan which seeks to contribute to the achievement of sustainable development, delivering economic, social and environmental benefits together in a mutually reinforcing way. It will be informed by an Integrated Appraisal which includes an Equalities assessment.

(b) Risk Management

- 8.2 The report sets out in the rationale in section 2 that there are benefits to be gained from continuing with a joint DPD for the nine local authorities including Manchester. There are

(c) Legal Considerations

- 8.3 The establishment of the joint committee is a requirement to enable the joint DPD to be agreed across the nine local authorities. As noted in the report, the joint DPD will need to be approved by the Council's Executive prior to any further round of consultation; and by Council prior to its submission for examination.

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