



## **Executive**

Date: Wednesday, 28 June 2023

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

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

### **Access to the Antechamber**

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. There is no public access from any other entrance.

### **Filming and broadcast of the meeting**

Meetings of the Executive are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

## **Membership of the Executive**

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### **Councillors**

Craig (Chair), Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson and White

## **Membership of the Consultative Panel**

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### **Councillors**

Ahmed Ali, Butt, Chambers, Douglas, Foley, Johnson, Leech, Lynch and Moran

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.

## Second Supplementary Agenda

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|----|---|-----------------------------|
| 4. | <b>Our Manchester Progress Update</b><br>Report of the Chief Executive attached   | <b>All Wards</b><br>3 - 12  |
| 7. | <b>Implementation of new guidelines for council tax recovery as part of the Council's Anti-Poverty work.</b><br>Report of the Deputy Chief Executive attached | <b>All Wards</b><br>13 - 28 |

## Further Information

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

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This supplementary agenda was issued on Monday 26 June 2023 by the Governance and Scrutiny Support Unit, Manchester City Council, Level 2, Town Hall Extension, Manchester M60 2LA

**Manchester City Council  
Report for Information**

**Report to:** Executive – 28 June 2023  
**Subject:** Our Manchester Progress Update  
**Report of:** The Chief Executive

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**Summary**

The report provides an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which resets Manchester’s priorities for the next five years to ensure we can still achieve the city’s ambition set out in the Our Manchester Strategy 2016 – 2025

**Recommendations**

The Executive is requested to note the update provided in the report.

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**Wards Affected - All**

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

<b>Equality, Diversity and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

<b>Our Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The work to reset the Our Manchester Strategy considered all five of the Strategy’s existing themes to ensure the city achieves its aims. The themes are retained within the final reset Strategy, Forward to 2025.
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, work	
A connected city: world class infrastructure and connectivity to drive growth	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

#### **Financial Consequences – Revenue**

None

#### **Financial Consequences – Capital**

None

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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.

*Executive Report – 17th February 2021 - Our Manchester Strategy – Forward to 2025*

## **1.0 Introduction**

- 1.1 This is the latest in an ongoing series of reports highlighting examples of areas where strong progress is being made against key strategic themes identified in the Our Manchester Strategy.

## **2.0 Homelessness**

- 2.1 Manchester's homelessness figures have improved significantly, with numbers in temporary accommodation (including B&Bs) and sleeping on the streets both falling.
- 2.2 As of 6 June, overall numbers in temporary accommodation had fallen to 2,775 households from a peak of 3,194 at the end of last year – a 13.1% reduction, equating to 419 fewer households.
- 2.3 Reductions have been particularly marked in B&B accommodation. The overall number of households has gone down from 814 at its peak in February this year to 278 – a 65.8% reduction, or 536 households. The number of families in B&Bs has dropped from 227 at its peak in February this year to 46 – a 79.7% reduction. And the number of families in B&B accommodation for six weeks or more has plummeted 93.9% from 131 in February to just 8. This bucks the national trend, which is seeing an increase in temporary accommodation placements, including B&Bs.
- 2.4 Meanwhile the rough sleeper count has also shown a marked decrease, down from a peak of 61 in September 2022 to 37 last month, May 2023.
- 2.5 Significant ongoing challenges remain, not least the cost of living crisis, and there is zero room for complacency but the figures illustrate progress being made through the homelessness service transformation programme.
- 2.6 A key factor in achieving reductions in temporary accommodation use, including the use of B&Bs, has been changes to the Council's social housing allocation policy introduced in February this year.
- 2.7 One change gave people at risk of homelessness the same priority on the Manchester Move waiting list as those already experiencing it – encouraging people to seek support earlier, when more can be done to help them, rather than wait until they have already become homeless. This has had a positive impact on prevention.
- 2.8 Another change has been to allow people to keep the same priority on the waiting list if they move into private rented sector housing rather than temporary accommodation on an interim basis while they are waiting to be re-housed. This has had a positive impact in reducing temporary accommodation, especially B&B, numbers.
- 2.9 The increased emphasis on prevention has also seen more intensive scrutiny of homelessness cases, to identify opportunities for innovative solutions and

the opening of Homelessness Prevention Hubs in Harpurhey and Moss Side (now expanded to also cover Hulme) to offer early help to residents who may be struggling with debt, have had an eviction notice, or experiencing other early indicators of potential homelessness.

- 2.10 There have also been a range of initiatives to increase the amount of suitable temporary and move-on accommodation available. These include:
- Up to 200 family-sized properties being leased by the Council from private providers to provide temporary accommodation as an alternative to B&B accommodation for families.
  - 140 properties for use as longer-term accommodation for either homelessness prevention or for people moving on from temporary accommodation -funded by the Department for Levelling Up, Homes and Communities (DLUHC) via a grant to Greater Manchester Combined Authority.
  - Better retention and management of existing temporary accommodation properties due to an uplift in the rent paid to landlords.
- 2.11 The reduction in number rough sleeping has been brought about through a combination of ‘assertive’ outreach, working with people who have previously declined offers of support and ensuring that help is focused on those who are consistently sleeping rough and do not have other accommodation to go to.
- 2.12 Extra accommodation has also been made available for those moving off the streets:
- Etrop Grange, which opened at the beginning of October 2022, provides 64 single rooms to people who have been sleeping on the streets. To date 184 people have had positive move-ons to supported accommodation, longer term accommodation or been reconnected with friends.
  - 135 properties have been acquired or refurbished by the Council and housing Registered Providers to accommodate people with a history of rough sleeping, with another 53 in the pipeline.
  - The Council will lease up to 50 one-bed self contained properties for people moving on from Etrop Grange, with a funding contribution from DLHUC.
  - Further accommodation for those with higher support will be sourced via funding from the Government’s Single Homelessness Accommodation Programme (SHAP.)
- 2.13 More details can be found in the Update report on the Homelessness Service which went to the Communities and Equalities Scrutiny Committee on Tuesday 20 June 2023.
- 2.14 **Relates to Our Manchester Strategy themes:**
- Progressive and Equitable City
  - Thriving and Sustainable City

### **3.0 Intensive Support Programme**

- 3.1 Unique school plans have been put in place in 10 areas of high deprivation in Manchester to help both pupils and their families.
- 3.2 The new Intensive Support Programme has been brought in to give swift early and intervention to primary school children who need extra support to meet development or social needs. The support does not stop there and is extended to the pupil's family or carers, who may also need help with issues including cost of living support,
- 3.3 The 12-month council-funded programme launched earlier this year. It includes a dedicated intensive support worker at the school as well as regular access to a speech and language therapist and an assistant educational psychologist – also connect pupils, parents and carers straight to the right organisations in a prompt way, before situations become harder to deal with.
- 3.4 The programme is part of the five-year Making Manchester Fairer action plan, which aims to address inequalities in the city which can start early in life and even affect how long people live for, and their opportunities around work and housing. The plan also includes work around tackling cost of living pressures and poverty, which are also integral to improving health and wellbeing.
- 3.5 The Intensive Support Programme sits within a £1m budget dedicated to 10 identified schools in the Clayton and Openshaw, Gorton and Abbey Hey, Hulme, Moss Side and Sharston wards, and also other plans for all the city's primary schools including support for clusters of schools in areas hardest hit by the cost of living crisis, plus a free book and reading pack for children going into reception.
- 3.6 **Relates to Our Manchester Strategy themes:**
- Progressive and Equitable City
  - Highly Skilled City
  - Thriving and Sustainable City

### **4.0 Manchester Aquatics Centre**

- 4.1 Manchester Aquatics Centre reopened its doors to the public last Sunday, 26 June 2023, following a multi-million refurbishment to upgrade facilities and improve its energy efficiency.
- 4.2 The centre has been closed to the public and operating at a reduced capacity since November 2021 while the first phase of works were carried out.
- 4.3 All areas of the building have been upgraded including all of the swimming pools, enhancements to health and fitness facilities (which now feature three new gym spaces all on one level), a new fitness class studio and a new group cycle studio, new café facilities, health suite and changing spaces with new

accessible provision to support disabled people and those with additional needs.

- 4.4 Energy efficiency and decarbonisation have been at the heart of the MAC's refurbishment and the building has been adapted accordingly.
- 4.5 Over £3m in investment was secured for New Green Technologies, funded by the National Public Sector Decarbonisation Scheme. Green energy systems and renewable energy sources have been implemented across the centre to reduce its carbon emissions.
- 4.6 The existing gas heating system has been replaced by high efficiency, Air Source Heat Pumps and 1,006 solar panels have been installed on the roof of the centre, alongside a battery system that will allow the MAC to use solar energy even on cloudier days. In addition to this, a Building Management System, using energy efficient lighting and new air handling units have also been introduced to preserve heat and reduce emissions.
- 4.7 Phase 2 of the refurbishment works will commence in September and will include upgrades to all basement areas, programmed over the next 12-month period.
- 4.8 The centre will host the World Para Swimming Championships in late July.
- 4.9 **Relates to Our Manchester Strategy themes:**
- Progressive and Equitable City
  - Thriving and Sustainable City

## **5.0 Single Use Plastics**

- 5.1 Manchester City Council has pledged to help make single use plastics (SUPs) a thing of the past by helping the city become a Refill destination.
- 5.2 On the 16 June, World Refill Day, the Council made the pledge to support the drive to eliminate the over-consumption of plastic items.
- 5.3 Working in partnership with not-for-profit organisation City to Sea, the Council will use some of its buildings to enable residents to fill up re-useable water bottles for free, and encourage other venues to do so.
- 5.4 Some of the locations where people can fill up include Central Library, Abraham Moss Leisure Centre, Gorton Hub and 10 sites across the city's parks and their cafés. The list of non-council refill sites is also growing all the time.
- 5.5 Residents are encouraged to use City to Sea's Refill app to find out where they can fill up or how to get involved in the wider refill movement.

## 5.6 **Relates to Our Manchester Strategy themes:**

- Liveable and Zero Carbon City
- Thriving and Sustainable City

## 6.0 **Park tennis courts**

6.1 A partnership between the Council, Government and Lawn Tennis Association (LTA) will see almost £500,000 invested in improving the tennis courts in nine parks across the city.

6.2 The park courts which will benefit are at: Blackley Recreation Ground, Chorlton Park, Cringle Park, David Lewis Recreation Ground (Boggart Hole), Debdale Park, Fog Lane Park, Kingswood Park, Ladybarn Park and Platt Fields Park.

6.3 The Council is providing £324,145 of funding with the Government and LTA Tennis Foundation serving up the remaining £158,950. Work is scheduled to complete in August.

6.4 Together with Manchester Active and We Do Tennis, the Council also work with the LTA to deliver a range of tennis activities across park sites including free weekly organised park tennis sessions for Manchester people of all ages, playing levels and experience with equipment provided for those who do not have their own.

6.5 The grassroots tennis boost comes as Manchester prepares to host Davis Cup group fixtures at the AO Arena in September.

## 6.6 **Relates to Our Manchester Strategy themes:**

- Progressive and Equitable City
- Thriving and Sustainable City

## 7.0 **HS2**

7.1 Manchester City Council and Greater Manchester partners have this month made the case in Parliament for the best form of high-speed rail in the city with a new underground Northern Powerhouse Rail (NPR)-HS2 station.

7.2 The Leader gave evidence to the High-Speed (Crewe-Manchester) Bill Select Committee, urging them to call on HS2 to rethink current plans for a surface turnback station, which would squander many of the potential benefits of the infrastructure project.

7.3 Partners have made the case that building the right solution at Piccadilly, with an underground through-station, is pivotal to delivering transformational connectivity north-south and east-west, and unlocking economic growth for generations to come.

- 7.4 Manchester Piccadilly, at the heart of the network, will be central to capturing the opportunities of both HS2 and NPR. Independent analysis commissioned by the Council suggests that an overground station would be at full capacity once NPR services start running, undermining reliability and giving little scope to add more services as populations grow or new opportunities arise.
- 7.5 An underground NPR-HS2 station would also provide a unique opportunity to level up the Piccadilly area, supporting 14,000 jobs, new housing, green space and adding £333m a year more in benefits to the local economy by 2050 than the overground proposal.
- 7.6 By contrast, an overground station would require a huge concrete viaduct, up to six tracks wide, running from Ardwick – where it would emerge from a tunnel – to Piccadilly, cutting a swathe through communities.
- 7.7 The Select Committee will also hear from HS2 representatives, responding to the Manchester case, before making its recommendations on the Piccadilly station issue. It will consider other issues relating to the Manchester section of the line which the Council and others have made representations on, for instance around the location of tunnel ventshafts, in the autumn.

7.8 **Relates to Our Manchester Strategy themes:**

- Connected City
- Thriving and Sustainable City
- Highly Skilled City

**8.0 Active Travel Fund**

- 8.1 Work is getting underway on improvements to the city centre road network to make it safer for pedestrians and cyclists.
- 8.2 Funding for the schemes was secured through the Government's Active Travel Fund and support the Council's City Centre Transport Strategy sets a goal of 90% of all peak morning trips into the city centre being made on foot, by bike or on public transport by 2040.
- 8.3 The improvements being implemented, following public consultation last year, include:
- A new CYCLOPS junction at Peter Street/Quay Street
  - Improved bus stop integration with cycle lanes, allowing cyclists to safely pass buses which have stopped to let passengers off.
  - Better drainage on Whitworth Street West, Old Deansgate and Chester Road using nature-based solutions such as shrubs and rain gardens.
  - Changes to the junction at Great Jackson Street/Chester Road to add a zebra and Belisha beacon crossing and naturally slow vehicles.
  - Additional disabled parking bays to improve accessible access on Deansgate.

#### **8.4 Relates to Our Manchester Strategy themes:**

- Connected City
- Liveable and Zero Carbon City
- Thriving and Sustainable City

#### **9.0 Contributing to a Zero-Carbon City**

9.1 Achieving Manchester's zero carbon target has been reflected throughout the work on the Our Manchester Strategy reset, with sustainability being a key horizontal theme throughout. Forward to 2025 restates Manchester's commitment to achieving our zero carbon ambition by 2038 at the latest.

#### **10.0 Contributing to the Our Manchester Strategy**

10.1 The reset of the Our Manchester Strategy will ensure that the city achieves its vision. The five themes have been retained in the reset Strategy, with the new priorities streamlined under the themes.

#### **11.0 Key Policies and Considerations**

11.1 There are no particular equal opportunities issues, risk management issues, or legal issues that arise from the recommendations in this report.

#### **12.0 Recommendations**

12.1 The Executive is requested to note the update provided in the report.

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**Manchester City Council  
Report for Resolution**

**Report to:** The Executive – 28 June 2023

**Subject:** Implementation of new guidelines for council tax recovery as part of the Council's Anti-Poverty work.

**Report of:** Head of Corporate Revenues

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**Summary**

This report outlines policy suggestions to mitigate the impact of the cost-of-living crisis by making changes to the way we recover Council Tax and related summons costs from residents who do not pay and supports the Council's wider anti-poverty work.

These will include the ability to write off some costs, longer payment arrangements, pausing the recovery of previous years' arrears and the use of discretionary payments to provide support. This will impact on the level of income that can be collected.

**Recommendations**

The Executive is recommended to adopt the policy as set out at appendix 1.

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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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None
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<b>Equality, Diversity and Inclusion</b> - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments
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n/a
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<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS/Contribution to the Strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	By mitigating the impact of Council Tax recovery on residents and removing the burden of historical costs, it makes them more able to play an active role in the city's economy.
A highly skilled city: world class and home-grown talent sustaining the city's economic success	n/a
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	n/a
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

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### **Financial Consequences – Revenue**

As part of the 2023/24 budget process, it was proposed that additional resources were made available to provide support to the most vulnerable residents suffering direct hardship, this was in addition to existing welfare provision schemes and recognised the severity of the current economic climate on our residents. This report sets out the recommended approach. Whilst it is difficult to quantify the exact financial impact of the measures outlined, they will:

- Have a negative impact on the Council's cash/flow as recovery is delayed in affected cases
- Reduce the value of historic summons costs available for recovery, although much of this will have been covered by the Council's bad debt provision.
- Increase the amount paid out under the Discretionary Council Tax Payment Scheme

It is expected that this will be deliverable from within the funding available. The changes will be reviewed within 6 Months to evaluate the financial implications and the impact on residents.

## **Financial Consequences – Capital**

None

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

- Council Tax Recovery during the Cost-of-Living Crisis Policy (attached as appendix 1).
- Corporate Core Budget Report to the Executive Committee on 15 February 2023
- Update from the Revenues and Benefits Unit to the Resources and Governance Scrutiny Committee on 7 March 2023

## 1.0 Introduction

- 1.1 When considering council tax debt our approach in recent years has been to take a holistic approach to recovery, where possible collecting the current year plus an amount towards the arrears. The aim as always been that we engage with residents in the most effective way and build a relationship that avoids costs and escalation wherever possible.
- 1.2 Emphasis is placed on finding a sustainable payment arrangement based on wider household responsibilities (especially property costs and priority debt) with residents who engage with us. Whilst taking this approach recovery levels improved up to the start of the pandemic in March 2020.
- 1.3 Historically we have made plans that extend longer than the financial year and we stack debt into long term affordable arrangements so that council tax is not paid at the expense of other household bills.
- 1.4 Where possible, and based on intelligence about the city over many years, we take a fair and proportionate approach to recovery of the council tax that is due, seeking to engage with residents and agree affordable payment plans. Although the number of properties has been rising year on year and, until last year, the number of Council Tax Support (CTS) claimants reducing, the number of accounts receiving reminders, summons has been incrementally reducing.
- 1.5 The Council has a discretionary scheme to provide financial help on top of CTS to residents who face pressures additional to those on Universal Credit.
- 1.6 The cost-of-living pressures being faced by all of the City's residents require a more flexible approach, while still emphasising the importance of early engagement if residents are struggling and establishing the habit of making their regular monthly instalment.
- 1.7 The Deputy Chief Executive and City Treasurer presented a report to the Resources and Governance Scrutiny Committee on 7 March 2023 which outlined plans to write off summons costs in some circumstances, the suspension of arrears recovery for a period and write off some Council Tax debt where appropriate.
- 1.8 This report outlines proposals to allow staff a wider range of options to mitigate the impact of the cost-of-living crisis on residents while recognising the importance of Council Tax as a revenue stream to the Council.

## **2.0 Background**

### **2.1 Council Tax**

#### **2.1.1 Council Tax Revenue**

Council Tax collection totalled £243.6 million in 2022/23, including £9.6 million collected from previous years. This represents around 30% of the Council's total annual income. The Council has historically taken a robust approach to recovery, while at the same time offering constructive support and advice to residents who engage with us.

#### **2.1.2 Burden on residents**

After housing and utility costs, Council Tax is often the next biggest financial burden faced by residents. The Council does not refer residents on maximum CTS to Enforcement Agents (EAs), and since April 2020 we have not issued summons to this group. In response to the cost-of-living crisis, colleagues who deal with residents have been instructed to take a more pragmatic position when negotiating sustainable arrangements with residents in recognition of the pressures they face.

#### **2.1.3 Use of Enforcement Agents**

Over many years we have steadily reduced the number of cases being passed to EAs from 54,000 accounts per year in 2009/10 to 18,000 in 2019/20. This has been achieved through several measures including:

- Vetting cases where residents have failed to engage to see what intelligence is held on our systems.
- Not referring those residents in receipt of maximum CTS that have a balance to pay.
- Improving the checks on those about to be passed to enforcement agents to identify a more effective and less severe recovery method, for example deduction from benefit or from salary.
- Introducing an additional warning letter before a case is sent to EAs, emphasising the costs that could be incurred and urging the resident to engage.
- Improving the intelligence that is held, including taking part in a trial with HMRC where we received employer details for nearly 1,600 residents with Council Tax arrears. These were used to contact the resident and encourage engagement or apply for an attachment of earnings. The trial will be repeated on a larger scale later this year.

#### **2.1.4 Enforcement Agent Code of Practice**

As well as all fees being covered by legislation, all enforcement agents contracted to the Council must adhere to a strict code of practice which covers:

- The professional standards they must adhere to;
- The procedures they must follow;
- Guidance on how quickly the money should be repaid; and

- When it is inappropriate to take action.

The code also always includes the requirement to operate a body worn camera when dealing with a resident and a robust set of vulnerability criteria that they must adhere to.

Additional requirements were placed on the enforcement agents to minimise costs charged to residents and to monitor behaviour:

- EAs must write and phone at least seven times before an in-person visit is attempted, with costs restricted to £75.
- Where the debt is less than £150, cases are returned without an in-person visit (which would add £235 in costs to the resident's debt).
- There are extensive vulnerability criteria and guidance contained in the Enforcement Agent code of conduct which forms part of the contract with the Council. They are instructed to stop action and return cases to the Council where vulnerability is identified.

### **2.1.5 Manchester Poverty Truth Commission**

Officers and members from the Council were involved in the recent Manchester Poverty Truth Commission that was published earlier last year. This included the commissioner role and to take part in a specific session on how the collection of council tax could be improved.

One of the key areas as part of the commission's work was the approach to the collection of council tax. One of the recommendations which is being taken forward is further work within the community. The Commission suggested piloting a new approach with a different dialogue to find a way that supports early contact and a more supportive and responsive relationship that builds on existing trust, relationships, networks and expertise in our communities. This included the Council working with the resident to:

- Ensure that the amount being paid is correct
- Ensure that there is a health-check on the account, checking that all discounts and exemptions are being claimed and paid
- Provide specific support to people who could be exempt from council tax due to meeting the specific definition of 'severely mentally impaired'
- Examine whether household income is being maximized and if other benefits should be in payment. Based on current income details, discuss the best way to maintain council tax payments and clear any arrears
- Council staff should consider, where appropriate, discretionary support and withdrawal of some costs if this means that repayment plans can be maintained. Agree next steps and build on this with regular contact and links that initially can be set up in the community setting.

These principles have been shared across the service and reinforce the requirements of council staff to support and inform the dialogue that we have with residents. The work at the Oasis Centre in Gorton is a good example of how this work has been taken forward with the Centre having named contacts in the council

tax back office who can directly resolve issues raised by the local community and provided some free training to volunteers at the Oasis Centre to improve their understanding of Council Tax Support and Council Tax exemptions and discounts.

## **2.2 Additional Support to Residents delivered by the Revenues and Benefits Unit**

In response to the cost-of-living crisis and to support the Council's wider anti-poverty strategy, the Revenues and Benefits unit has also delivered a wide range of local and government initiatives and schemes which provide critical financial support to residents, these include: -

### **2.2.1 Discretionary Housing Payment**

The DWP provided £1,396,135 to the Council for Discretionary Housing Payments in 2022/23 with the Council committing a further £1 million. Payments were made to residents with the aim of preventing a further increase in rent arrears to protect tenancies and to maximise the number of households supported and protected. The DWP have provided to the Council a further £1,396,135 for Discretionary Housing Payment in 2023/24 with the Council committing an additional £1.5 million this year. Payments to residents are aimed at providing time-limited support to residents in order to retain suitable accommodation.

### **2.2.2 Welfare Provision Scheme**

The Council paid out £770,073 in 2022/23 to support households moving from temporary homeless accommodation into general needs housing. This was a total of 1741 awards with an average award of £442. A further £301,309 was provided to vulnerable households through the welfare provision scheme.

A budget of £1.9m has been allocated for 2023/24 to help support our most vulnerable residents with cash grants, help with utilities, travel, furniture and white goods. This includes a further £100,000 of support to the Carers Emergency Fund to help support carers this year (2023/24).

### **2.2.3 Support for carers**

The Council paid out £98,621 via the Carers Emergency Fund (CEF) during 2022/23 supporting 873 carers with an average award of £113.

An additional £100,000 has been provided to the CEF from the Welfare Provision Scheme to provide further support to care leavers in 2023/24.

### **2.2.4 Support for Care Leavers**

In 2022/23, 490 Care Leavers benefited from the Council's Care Leavers Council Tax Discount, totaling £347,230.

A total of £98,440 was provided from the Household Support Fund two to support Care leavers with the cost-of-living crisis. This was a payment of £10 per week for a period of 26 weeks for each care leaver.

A total of £169,000 has been allocated to provide support to care leavers in 2023/24 through the delivery of Household Support Fund 4. This is a weekly payment of £8 per week for 52 weeks and it anticipated that 400 care leavers will receive this support.

### **2.2.5 Household Support Fund Two and Three**

Two tranches of £6.453 million were received from the Government for 2022/23 to be allocated to help residents not eligible for other kinds of help or who need additional support. This was initially paid to residents in receipt of CTS, care leavers and those who received the severe mental impairment Council Tax exemption. Following a review in January 2023, payments were made to internal foster parents and those who missed out on Universal cost of living payments. A further £410k was made available to advice agencies to offer direct support to residents.

### **2.2.6 Household Support Fund Four**

A further tranche of funding totaling £12.906 million has been provided by the Government to be paid out during 2023/24. A total of £6.4m is allocated to provide Free School Meals for 40,000 children and an additional £285,000 to provide a Holiday Activity Fund scheme during the Autumn and February half-terms.

Other support provided through this scheme will include: -

- £300 to households receiving Housing Benefit but no other DWP welfare benefit(s) and who did not qualify for a Government Cost of Living payment.
- £250 to households of five or more people, in receipt of Council Tax Support.
- £250 to households where at least one member is in receipt of a disability benefit and where the household size is less than five members, including at least one dependent (a child under 20 where the parent still receives Child Benefit payments for them).
- £150 to households of less than five members where the Council Tax Support claimant, or partner, is above the age to qualify for Pension Credit, but is not eligible due to their income, and where their weekly income is less than £10 above their Applicable Amount (the minimum weekly amount Government says a person needs to cover their living costs).
- £300 to households where the Council Tax Support claimant, or partner, started to receive Pension Credits after the qualifying period for the summer and winter Cost of Living payments during 2023/2024 and therefore were not eligible for those payments.
- £300 to households who received a nil award of Universal Credit (UC) or were not claiming it during the qualifying period for the summer and winter Cost of Living payments during 2023/24 but who received an award of UC shortly after the qualifying period ended and remain on Universal Credit.

£8 per week for 52 weeks to be given to all Care Leavers living in their own tenancies to top up their incomes.

£0.8m will also be provided to work with advice agencies and the third sector in the city. This will also incorporate funding for Care and Repair for the provision of insulation for hot water tanks and fitting draft excluders.

£200,000 has been allocated to the Council's Welfare Provision Scheme to increase its capacity to meet the growing number of requests for support with energy, food and household costs.

£150,000 to the Covid Health Equity Manchester Group (CHEM) to give targeted help to residents and communities experiencing racial inequalities, disabled people and inclusion health groups.

### **2.2.7 Council Tax Energy Rebate**

All residents in properties in Council Tax bands A to D received a £150 grant, funded by the Government. The Government made a further £1.626 million available to the Council to fund a discretionary scheme for those who did not qualify for the initial £150 or those who needed additional support

## **3.0 Main issues**

All of the proposals below look to mitigate the impact of the cost-of-living crisis while encouraging engagement and payment from residents, in particular by maintaining their normal monthly instalments for the current year.

### **3.1 Summons costs**

Summons costs of £79.50 are added to a resident's Council Tax debt when a summons is issued. When the Council subsequently obtains a Liability Order the summons costs are added to the debt covered by that Order and are collected at the same time. Where a resident struggles to pay their Council Tax over successive years, they may be summonsed on multiple occasions, significantly increasing the overall debt.

If adopted, the policy will empower staff to:

- Remove historic summons costs where a resident is in receipt of maximum CTS, reducing their overall debt burden.
- Remove current summons costs where a resident engages, commits to an arrangement and maintains it for six months.

### **3.2 Arrangements**

Where residents only have issues clearing the current year's Council Tax, normally arrangements are made to try and clear the balance by the end of the financial year, cognisant of the fact that they will have a new bill to pay in April 2024.

This policy will give the staff the option to spread the payments into next year, reducing the level of the payments to what may be a more manageable level. For example, someone who owes £1200 in Council Tax who contacts us in August would

normally be offered an arrangement of eight instalments of £150, then they would pay £100 per calendar month (pcm) from April next year. This proposal would allow an arrangement of eight instalments of £120, followed by 12 monthly instalments of £120 from April 2024. They pay the same amount, but at lower, more affordable instalments.

This approach allows residents to prevent their debt from becoming more unmanageable and gives them time to resolve any other financial issues they may have. At the same time, it establishes regular payments so that paying their Council Tax becomes a habit which helps avoid future issues.

### **3.3 Informal breathing space**

The government has introduced a formal breathing space policy giving debtors two months freedom from collection and recovery activities by creditors while they get their finances in order and make an arrangement with all their creditors.

This proposal is designed to mirror the government scheme but makes it easier to access the breathing space. Where a resident is referred to the Council Tax Service by a recognised advice worker, or their ward Councillor, we will offer a moratorium on payment towards their arrears for an agreed period of initially two months with the ability to extend this to the end of the financial year if it can be demonstrated a workable repayment plan can be put in place.

To take advantage of this, they must complete an income/expenditure form and maintain their normal monthly payments during the period of breathing space. In the example above, this would be £100 pcm. Following the moratorium, we will look to make a sustainable arrangement.

### **3.4 Discretionary Council Tax Payments (DCTP)**

The DCTP scheme was introduced in 2013 following the localisation of CTS and the ending of 100% rebates for working age residents. The original aim of DCTP was to help residents who were suffering severe hardship as a result of the changes to CTS. It was never intended to mitigate the effects of the kind of cost-of-living crisis residents are now facing. Payments have been relatively low (216 awards totalling £48.6k in 2022/23) as every award is a direct cost to the Council.

Under these arrangements officers will be given increased flexibility. They will be asked to specifically consider whether a DCTP towards a resident's arrears will make a material difference in their ability to meet their ongoing Council Tax responsibilities without the resident making an application. This consideration will be made alongside all of the above measures.

Although there is no specific budget for this, expenditure on DCTPs will be monitored and reported to the City Treasurer monthly to ensure overall spend is tightly monitored.

#### **4.0 Funding and evaluation**

- 4.1 These proposals only apply to 2023/24 as £1 million funding is only available for this year. From 2024/25 onwards any available funding is likely to be required to meet the costs of the proposal to increase the maximum level of CTS available to working age residents (currently 82.5%).
- 4.2 It is difficult to accurately predict the financial impact of the measures outlined in this report. In some cases the payment plans may actually support a higher ultimate collection rate as well as providing support to residents. It is anticipated that the majority of direct financial impact will be through the increased use of discretionary support and the writing off of costs.
- 4.3 We will monitor the impact of these measures, especially payments of DCTP, and include the findings in the Revenues and Benefits annual update report that is presented to RAGOS in September 2023. It is important to understand if the measures will have a positive impact on supporting residents as well as using the data to more accurately quantify the financial implications and enable corrective action to be taken if required.

#### **5.0 Recommendations**

- 5.1 The Executive Committee is requested to agree the policy set out at appendix 1.

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Appendix 1



MANCHESTER  
CITY COUNCIL

Council Tax Service  
Revenues and Benefits Unit

Cost of living mitigation

## **1. Purpose of document**

Manchester is the sixth most deprived Council in the country and recent increases in the cost of living have put additional significant pressure on household incomes within the city.

After housing and utility costs, Council Tax is often the next largest bill that households face. This policy outlines ways to mitigate that pressure for residents, while at the same time recognising the importance of Council Tax as a revenue stream to the Council's finances.

Key actions outlined in this policy include:

- Establishing arrangements that are paid over a longer period
- A more proactive approach to writing off summons costs
- An informal breathing space arrangement
- Moving towards a more intelligence-based approach to referrals to Enforcement Agents.

Additional detail on how these will work is given below with emphasis being placed on encouraging and rewarding engagement and those who pay their standard monthly instalment.

## **2. Writing off Summons Costs**

Summons costs of £79.50 are added whenever we take someone to court. It is possible to get two or even three summons costs added each year if entitlement to CTS changes. If residents do not pay for multiple years, it is possible to accumulate very significant debt made up of summons costs alone. In the most extreme example, a resident has outstanding arrears of £4,718 of which £2,710 is made up of accrued costs going back to 1995.

### **Historic Summons Costs**

All historic summons costs still outstanding on accounts where the resident is in receipt of Council Tax Support (CTS) will be written off, leaving just the most recent set of costs to be repaid. This recognises that costs and the minimum 17.5% that working age residents on CTS have to pay will not be cleared by 12 months of benefit attachments, meaning that, unless circumstances change, resident's debt will continue to increase. It will reduce the overall debt burden they face and therefore remove a disincentive to return to work.

### **Summons Costs where residents engage**

Residents are encouraged to engage with the Council Tax Service at the earliest opportunity if they are struggling to pay their Council Tax. To further encourage this, residents who make contact with the Council after they receive a summons will be given the option of making an arrangement for their outstanding debt and if they maintain this arrangement for six months, the costs will be written off, reducing the outstanding debt and the length of the arrangement.

### **3. Arrangements**

Staff have been reminded that the increase in the cost of living is reducing resident's disposable income and, therefore, their ability to pay their Council Tax and any arrears that they may have. Because of this they are taking a more pragmatic approach to negotiating arrangements.

To further reduce the pressure on residents who have no arrears but are struggling to pay the current year, staff will set up arrangements that do not clear the current year's Council Tax by March 2024. Any balance left outstanding will be added to 2024/25 Council Tax and a further arrangement made after annual billing in March 2024

### **4. Breathing Space**

Where appropriate, we will offer residents the option of making no payments towards any arrears they have for an agreed period so long as they make the monthly payments set out in their annual bill issued in March 2023 during the agreed period.

To be considered for this scheme resident's must be referred by a recognised advice provider including:

- The CABx,
- Advice workers employed by RSLs,
- The Oasis Centre
- Manchester MIND
- Ward Councillors
- Shelter Manchester
- Cheetham Hill Advice Centre

This list is not exhaustive

In all cases, residents must fully complete the Council's income/expenditure form which will be reviewed by Council Tax Staff.

Residents may be in breathing space up to the end of the financial year as necessary and could be allowed in twice in the year if circumstances are right.

### **5. Discretionary Council Tax Payment (DCTP) Scheme**

DCTP was not designed to protect residents against increases in the cost of living. This should be picked up by the benefits system. However, the DCTP scheme has been modified to include those suffering acute hardship due to high levels of inflation.

Officers will be asked to specifically consider whether a DCTP towards a resident's arrears will make a material difference in their ability to meet their ongoing Council Tax responsibilities. This consideration will be made alongside all of the above measures.

In 2022/23, 216 awards were made amounting to £46,804. These were a direct cost to the Council and it is expected that these figures will rise significantly. Payments will be closely monitored, to ensure expenditure is still controlled.

### **Conclusion**

The scale of the increases in the cost of living are so great that it is financially impossible for the Council to significantly mitigate it's impacts for all of its poorer residents. This policy attempts to encourage early engagement, reward those who maintain agreed payments, get them into the habit of making regular payments and give advice agencies access to better outcomes for people they refer.

### **Reviewing process**

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.