



## **Economy Scrutiny Committee**

Date: Wednesday, 6 March 2019

Time: 2.00 pm

Venue: Council Antechamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

**There will be a private meeting for Members only at 1.30pm in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension**

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## **Membership of the Economy Scrutiny Committee**

**Councillors** - H Priest (Chair), Connolly, Davies, Douglas, Green, Hacking, Johns, Newman, Noor, Paul, Raikes, Razaq, Shilton Godwin, A Simcock and K Simcock

## Agenda

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**1. Urgent Business**

To consider any items which the Chair has agreed to have submitted as urgent.

**2. Appeals**

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

**3. Interests**

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

**4. Minutes**

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To approve as a correct record the minutes of the meeting held on 6 February 2019.

**5. [14:05 – 14:30] Family Poverty Strategy update**

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Report of the Head of Work and Skills

This report sets out the progress that has been made since the Manchester Family Poverty Strategy 2017-2022 was adopted by the Council's Executive in September 2017. It provides a summary of the governance structure that has been put in place, the priorities for each of the workstreams and some of their achievements and added value.

**6. [14:30 – 15:00] The Impact of Welfare Reform and Universal Credit on the Manchester Economy**

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Report of the Head of Work and Skills

This report provides an update on the implementation of welfare reform in Manchester. It analyses the impacts of welfare reforms on the city so far, specifically Universal Credit and the anticipated impact from the continued roll out. It summarises the City Council's response to the reforms and where the City Council and partners have opportunities to focus efforts to mitigate some of the impacts in the future.

- 7. [15:00 – 15:25] The impact of low skills on residents ability to enter the labour market and sustain quality work**

Report of the Head of Work and Skills.

This report explores the issues that affect a high proportion of the city's working age population who have no or very low qualifications and outlines the emerging Adult Education and Skills Plan, which will aim to address the skills challenges faced in the city by residents, employers and the skills providers.

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- 8. [15:25 – 15:50] The Impact of Procurement Policies on Small and Medium Businesses**

Report of the City Treasurer

This report provides an update on the impact of the Council's procurement policies on small and medium businesses in the City and to consider challenges and what more can be done in the future to enable SMEs in the City to compete for City Council contracts and commissioned services.

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- 9. [15:50 – 16:05] Economy Dashboard - Quarter 3 2018/19**

Report of the Core Performance and Intelligence Team

This is the Quarterly Economy Dashboard for 2018/19 Quarter 3. Thematically it focuses on economic development, skills and jobs, the visitor economy and housing. Data on Manchester's economy is presented, where possible, with comparison to show the outturn in context. This is typically in relation to Greater Manchester, the regions of England or within national and international contexts

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- 10. [16:05 – 16:15] Overview Report**

Report of the Governance and Scrutiny Support Unit

This report provides the Committee with details of key decisions that fall within the Committee's remit and an update on actions resulting from the Committee's recommendations. The report also includes the Committee's work programme, which the Committee is asked to amend as appropriate and agree.

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## Information about the Committee

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Scrutiny Committees represent the interests of local people about important issues that affect them. They look at how the decisions, policies and services of the Council and other key public agencies impact on the city and its residents. Scrutiny Committees do not take decisions but can make recommendations to decision-makers about how they are delivering the Manchester Strategy, an agreed vision for a better Manchester that is shared by public agencies across the city.

The Economy Scrutiny Committee has responsibility for looking at how the city's economy is growing and how Manchester people are benefiting from the growth.

The Council wants to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair. If you have a special interest in an item on the agenda and want to speak, tell the Committee Officer, who will pass on your request to the Chair. Groups of people will usually be asked to nominate a spokesperson. The Council wants its meetings to be as open as possible but occasionally there will be some confidential business. Brief reasons for confidentiality will be shown on the agenda sheet.

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Smoking is not allowed in Council buildings.

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## Further Information

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This agenda was issued on **Tuesday, 26 February 2019** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA



## **Economy Scrutiny Committee**

### **Minutes of the meeting held on Wednesday, 6 February 2019**

#### **Present:**

Councillor H Priest (Chair) – in the Chair  
Councillors Connolly, Davies, Douglas, Green, Hacking, Johns, Newman, Paul, Raikes, Razaq, Shilton Godwin and A Simcock

#### **Also present:**

Councillor Leese - Leader  
Councillor Ollerhead - Executive Member for Finance and Human Resources  
Councillor Richards - Executive Member for Housing and Regeneration  
Councillor Stogia - Executive member for Highways, Planning and Transport

**Apologies:** Councillor K Simcock

#### **ESC/19/8 Minutes**

In relation to Minute ESC/19/1, Councillor Newman requested that the amendment he requested to the minutes of the meeting on 5 December 2018, be further amended to read as follows:-

- Why was the Local Housing Allowance lower in Wythenshawe in comparison to the rest of the city as this was proving problematic for Wythenshawe residents who were on low incomes.

#### **Decision**

The Committee:-

- (1) Approve the minutes of the meeting held on 9 January 2019 as a correct record; and
- (2) Requests that Minute ESC/18/56 be further amended as detailed above.

#### **ESC/19/9 Northern Gateway Strategic Regeneration Framework Update**

The Committee considered a report of the Strategic Director (Development), which provided an update of the outcome of the public consultation exercise carried out with local residents, businesses, landowners and key stakeholders, throughout August and September 2018, on the draft Strategic Regeneration Framework (SRF) for the Northern Gateway.

The Executive Member for Housing and Regeneration referred to the main points and themes in the report which included:-

- Details of the SRF consultation process and communication methods used;

- A synopsis of the comments received via the consultation questionnaire and community representations, the majority of which were generally supportive of the proposals, and covered the following areas-
  - Housing and density
  - Community and social facilities
  - Accessibility and connectivity;
  - Green spaces and public realm;
  - Neighbourhood management
  - History and heritage of the Northern Gateway area;
- Comments from landowners and businesses received via written representation;
- An overview of statutory agency/stakeholder responses received via written representations; and
- Outcomes from a health stakeholder workshop which focussed specifically on the population health and care impacts of the draft SRF.

The Committee had been invited to comment on the report prior to its submission to the Executive on 13 February 2019.

Some of the key points that arose from the Committees discussions were:-

- It was not felt appropriate for a news bulletin to have been released advising of the Council's intentions in regards to the Northern Gateway prior to these proposals having been through the Scrutiny and Executive processes;
- When would local Ward Councillors be consulted on the content of the proposed consultation;
- Assurance was sought that communities and local councillors would be fully involved in the proposed creation of new communities with their views taken into account;
- Was the low response rate to the consultation considered satisfactory on proposals of this scale;
- The emphasis on the green and blue space within the proposals was welcomed;
- It was pleasing to see proposals for district centres which would be aligned with public facilities;
- Whilst the investment and vision was welcomed, a commitment was sought that the rehousing of any residents would be handled in an appropriate and sympathetic manner;
- Was there any more information on the consultation comments in relation to revenue considerations; and
- Had any conversations started with communities in regards to the development plans.

The Executive Member for Housing and Regeneration affirmed her position that she did value the scrutiny process and apologised that the recent press release had not reflected that the proposals would be considered by Scrutiny to allow the Executive to take into consideration any recommendations prior to a decisions being made. She also commented that there had been a number of one to one consultations with each Ward, which took place before Christmas 2018., and the proposals had not changed

since then. It was acknowledged that the communities needed to be at the heart of these proposals, and there had been good attendance at the drop in session that had taken place. Strong feedback had been received from residents around the facilities and support needed, which would be incorporated into how the vision would be developed. A commitment was made to continue to consult with residents as proposals developed.

In terms of the response level to the consultation process, it was reported that a lot of the geography the proposals covered were unpopulated or had a low residential base. In comparison to consultations on other proposals of a similar size, the level of responses that had been received were similar and considered satisfactory. Furthermore, the Committee was advised that the Council had not started any detailed consultations yet on the proposals, what had taken place so far was based on the high level strategic framework, and what was needed next was consulting with residents on detailed phasing plans following Executive approval of phase one.

The Committee was advised that in relation to revenue considerations, it was reported that a place management plan would be critical to address these considerations in order to increase enforcement and tackle issues that were prevalent in the area.

## **Decision**

The Committee:-

- (1) Requests that the Executive ensure that there is continued conversations with local residents and ward councillors on the proposals;
- (2) Endorses the recommendations contained within the report that the Executive:-
  - Note the comments received on the draft SRF and the response to these comments;
  - Note the changes made to the SRF as set out within appendix 4; and
  - Approve the Northern Gateway SRF with the intention that it will become a material consideration in the Council's decision making process as Local Planning Authority.

[Councillor Johns declared a disclosable pecuniary interest in this item as his employer undertook the social economic vision for the Far East Consortium and left the meeting during consideration of this item].

## **ESC/19/10 Northern Gateway: Implementation and Delivery**

The Committee considered a report of the Strategic Director (Development), which set out details of the Phase 1 Implementation Strategy for the Northern Gateway.

The Executive Member for Housing and Regeneration referred to the main points and themes within the report which included:-

- Governance arrangements for the Northern Gateway;

- Phase 1 development activity in years 1 to 5, which included Red Bank and New Town and development in Collyhurst;
- Tenure and typology mix and affordability of new housing;
- The infrastructure and funding required to deliver the Northern Gateway;
- Place management arrangements;
- The required land assembly to deliver Phase 1; and
- Emerging policy context.

The Committee had been invited to comment on the report prior to its submission to the Executive on 13 February 2019.

Some of the key points that arose from the Committees discussions were:-

- Consideration needed to be given as to how the city centre travel plan would impact on the Northern Gateway proposals;
- What role would Rochdale Road have in the proposals as there was a concern that within the Northern Gateway proposals, it was being referenced as an urban avenue but in the Transport Strategy 2040 it was referred to as an express bus corridor and what impact would the Bury and Rochdale allocations in the GMSF have in terms of the use of this road;
- Further details were requested on what were the other mechanisms being explored for the management of open spaces; and
- How was the Strategic Business Plan going to be scrutinised.

The Leader advised that to deliver the targets within the GMSF, there was a large dependence on central Manchester to achieve this and the number of housing units in this plan would be key to deliver these targets. A lot of the work taking place with TFGM at present was to see how a road system could be designed to accommodate public transport, cycling and walking whilst being liveable for those who lived on this route.

The Committee was advised that in terms of the mechanisms to manage open space, this would be dependent on how public open space was to be managed, whether it would be adopted or in some instances, part of private realm. What was recognised would be the need for a clear integrated strategy to place management.

The Leader advised that if this Committee was minded to, it could scrutinise the Strategic Business Plan, but added the caveat that this would need to be undertaken under a Part B item.

Councillors Karney and Flanagan were then invited to address the Committee with their views in regards to the proposals within the Northern Gateway. Both Councillors welcomed the development and regeneration proposals within the Framework. A request was made for Officers to provide more detail to local councillors on the outcome of the consultation that had taken place with local residents.

## **Decision**

The Committee:-

- (1) Requests that the Executive take into account the comments made by the Committee;
- (2) Requests that the outcome of the consultation with local residents is shared with local Councillors on a ward by ward basis; and
- (3) Endorses the recommendations contained within the report that the Executive:-
  - Note the contents of the report and the progress being made to establish appropriate governance and implementation arrangements to secure the delivery of the Northern Gateway initiative;
  - Note that the City Council has submitted an Expression of Interest for the Northern Gateway to be designated for inclusion within the Government's Garden Communities Programme and request that a further report is brought back to a future meeting once the outcome of this submission is known;
  - Note the update provided in relation to the progress being made in developing an application for Housing Infrastructure Fund to support the delivery of the Northern Gateway initiative and to delegate authority to the Deputy Chief Executive and City Treasurer and the Strategic Director, Development to finalise and submit the application to the Ministry of Housing, Communities and Local Government by the deadline of 22 March 2019 and to request that a further report on the outcome of this bid is brought to a future meeting of the Executive, together with any proposals for the investment of any funding that is secured;
  - Note the intention to deliver an early phase of development within Collyhurst as well as on the edge of the City Centre and to delegate authority to the Strategic Director, Development in consultation with the Executive Member for Housing and Regeneration and local elected members to identify appropriate locations for the delivery of up to 530 new homes, including up to 130 new Council Houses, within the Collyhurst neighbourhood so that detailed consultations can be undertaken with the local community to draw up proposals for a detailed funding and delivery plan, for consideration by a future meeting of the Executive;
  - Note the intention to prepare a costed schedule of placemaking interventions for the Phase 1 development area which will be used by the Local Planning Authority as the basis for negotiating Section 106 developer contributions. All developments will be expected to provide Section 106 contributions towards the provision of identified placemaking activities;
  - Note the progress being made in assembling land to deliver the objectives of the Northern Gateway programme and to delegate authority to the Deputy Chief Executive and City Treasurer and the City Solicitor, in consultation with the Executive Member for Finance and Human Resources to agree and finalise the terms of a commercial loan between the Council and Far East Consortium (FEC) to support land acquisition as part of the Joint Venture programme. Note that approval of the loan would be subject to approval of full Council, requiring a Part B report at the appropriate time and

- Delegate authority to the City Solicitor to enter into and complete all documents or agreements necessary to give effect to the recommendations in this report.

[Councillor Johns declared a disclosable pecuniary interest in this item as his employer undertook the social economic vision for the Far East Consortium and left the meeting during consideration of this item].

### **ESC/19/11 Consultation on the draft Greater Manchester Spatial Framework (GMSF) and Manchester Local Plan Review - Update**

The Committee considered a report of the Strategic Director (Development), which provided an update on the progress that had been made with the Greater Manchester Spatial Framework (GMSF) Consultation and how this Framework would provide a context for the preparation by individual authorities of updated Local Plans.

The Head of City Policy referred to the main points and themes within the report which included:-

- The GMSF was currently being prepared as a document jointly 'owned' by the ten Greater Manchester districts;
- The intention was that in the future the GMSF would become the GM Mayor's Plan, called a Spatial Development Strategy (SDS);
- The Spatial Development Strategy would still need support from the leaders of all ten districts and the GM Mayor;
- Each Council Leader had indicated that they would seek the support of their council before giving their endorsement to the GMSF;
- Details of the 2019 Draft Greater Manchester Spatial Framework, which included:-
  - Overall Development Targets;
  - Key Policy Proposals; and
  - Development Proposals for Manchester
- The relationship between the GMSF and Manchester's Local Plan; and
- A timetable of next steps to be taken.

Some of the key points that arose from the Committees discussions were:-

- Was the Council convinced that the city's housing needs would be met within the housing targets;
- What would happen if unanimity across the 10 GM Councils was not achieved;
- What was the current status of the Council's housing vision;
- Were council houses or social housing included within the GMSF housing targets;
- Assurance was sought that the creation and implementation of a GMSF was not the start of centralisation of planning call to a GM regional level; and
- How was the different type of housing demands taken into consideration as part of the GMSF.

The Leader advised that the GMSF would set out the vision for housing across Greater Manchester but would not be a formal planning document and as such, would not permit the GMCA to dictate what the Council could agree to build. He added that the next draft of the GMSF was due in Summer 2019, which would allow for each local authority to comment on the current proposals or make suggested amendments. If the 10 Greater Manchester Councils did not unanimously support the final proposals a fall back option would be to establish a joint development plan which would be created between two or more local authorities.

The Committee was assured that the creation and implementation of the GMSF would not provide any facility for Greater Manchester to take over development control arrangements that currently rested within each local authority

The Leader advised that the total housing figure within the GMSF was an aggregated figure for all 10 GM local authorities, based on an assessment of need and the subsequent land allocation had been identified taking the level of need for each local authority into account. He added that the amount of housing need for Manchester had not altered from the first incarnation of the GMSF in comparison to other GM local authorities.

## **Decision**

The Committee notes the report.

### **ESC/19/12 Greater Manchester Transport Strategy 2040: Draft Delivery Plan (2020-2025)**

The Committee considered a report of the Strategic Director, Development and Deputy Chief Executive, which presented the Greater Manchester Transport Strategy 2040 Draft Delivery Plan (2020-2025). The Plan had been developed in conjunction with the Greater Manchester Spatial Framework (GMSF) and was an important document in demonstrating how it was intended to effectively integrate new and existing development with future transport investments.

The Head of City Policy referred to the main points and themes within the report, which included:-

- The purpose of the draft Delivery Plan;
- A summary of other GMSF supporting documents that had been prepared to support the proposals within the draft Delivery Plan;
- The content of the draft Delivery Plan;
- Implications for Manchester;
- Details of a proposed light touch consultation on the document which was being undertaken in parallel with the GMSF consultation; and
- Next steps and timescales

Some of the key points that arose from the Committees discussions were:-

- Members were keen to understand how the relationship of this strategy and the Greater Manchester Spatial Framework (GMSF) would develop;

- Had there been any discussions with government around further devolution as referenced in the delivery plan;
- How developed were the proposals for a Metrolink tunnel for the city centre;
- Was there any plans to bring back into use redundant train lines for new tram train provision proposals;
- Had there been any progress with the need to bring about suitable changes to rail capacity to reflect the increased demand in services;
- Did the capacity of the Metrolink provision need reviewing;
- In terms of making improvements to public transport, consideration needed to be given to comfort, safety and cost;
- Members welcomed the emphasis on active travel within the strategy;
- It was felt that critical to the success of the strategy would be the need to reform bus services in Manchester and across the region;
- What happened to the proposed West Wythenshawe Metrolink loop; and
- There was concern that there was barrier to engagement with the proposed consultation as not many people would be aware of the link of the Delivery Plan to the GMSF and it was suggested that consultation on this Delivery Plan should be undertaken alongside the consultation on the GMSF, rather than as a subset of it.

The Leader advised that one of the main aims of tram trains was to relieve congestion on the heavy rail network as it was about increasing Metrolink provision and would only work where there was a discreet railway line that could be taken out of the current rail network to operate exclusively in this way. He added that the Secretary of State for Transport and Department for Transport were in support for developing tram train options.

The Head of City Policy supported the views of Members of the need to deepen the relationships between land use and transport planning through this process. With this delivery plan and the GMSF, Greater Manchester had a holistic plan which enabled the region to demonstrate the need for more transport investment to support growth. He added that to deliver the scale of ambition within the Plan, a recommitment by government to a transport fund for Greater Manchester was needed. In terms of a proposed Metrolink tunnel, he advised that this was still at a conceptual stage.

The Executive Member for Highways, Planning and Transport reinforced the need for investment from government in order to deliver the ambitions within the Plan and committed to work with local councillors to identify innovative ideas for city centre transport.

In relation to railway capacity, the Leader advised that the outcome of a comprehensive review by Network Rail was expected in March 2019, which would fit into the next expenditure round. He advised that it was anticipated that the review would identify the continued need for platforms 13 and 14 at Piccadilly station and that the platforms at Deansgate station required extending. He added that the fundamental problems that existed on the rail network within the city centre where at either ends of the Castlefield corridor, which would need some form of substantial interventions. In terms of capacity on the Metrolink service and intensification of the network, he advised that viable routes were required and following completion of the



Trafford Park line, there would be no capacity to add additional on street services within the city centre on the current network.

Safety and security of public transport users was taken seriously by the Council and TFGM and the Head of City Policy agreed to provide Members with more details on this.

The Leader concluded by advising the Committee that the West Wythenshawe loop had been renamed as the Davenport Green extension and was being considered in conjunction with HS2 proposals.

## **Decision**

The Committee:-

- (1) Endorses the Draft Delivery Plan, particularly in terms of its implications for the city and plans to deliver an effective, inclusive and sustainable transport system;
- (2) Notes the timetable set out in the report for agreeing a final version of the Delivery Plan later in 2019; and
- (3) Requests that Officers relay the views of the Committee back to the GMCA.

## **ESC/19/13 City Centre Transport Strategy - Feedback from the Responses to the Conversation held in Autumn 2018**

The Committee considered a report of the Strategic Director (Development) and Deputy Chief Executive, which set out the responses to a conversation and engagement exercise to support the development of a refreshed City Centre Transport Strategy. The report also described the proposed next steps in developing an updated transport strategy for the City Centre taking account of the plans for growth.

The Head of City Policy referred to the main points and themes within the report, which included:-

- The rationale as to why it was necessary to review the City Centre Transport Strategy;
- Highlights from the responses to the engagement exercise which included, but was not limited to:-
  - A total of 3700 responses had been received;
  - 90% of respondents identified air quality as an important issue;
  - 80% agreed that improving cycling, walking and public transport infrastructure would be the best way to improve air quality;
  - Congestion and traffic was identified as one of the biggest problems when travelling into and around the city centre;
  - Expanding the public transport network, cheaper and discounted travel and more frequent and reliable services were highlighted as being needed to encourage more people to use public transport to access the city centre;
  - Deansgate was highlighted as the main street in the city centre that had too little space for pedestrians; and

- Next steps, which involved the production of a draft strategy document for consultation that drew on the responses and identified specific schemes that would be needed to support future growth.

Some of the key points that arose from the Committees discussions were:-

- How representative were the findings of the engagement exercise in terms of the demographics of the city;
- A Member felt that the issue with the space available on Deansgate was more to do with the volume of pedestrians rather than the physical width of the pavements;
- There was concern about proposals to take traffic out of the city centre and the impact this could have on Wards on the periphery of the city centre;
- There was concern that the pedestrianisation of roads could lead to increase in ground rents on local businesses;
- There was concern that proposed alterations to networks were not being built with cyclists being taken into account;
- How robust was the data collected from the survey of daily trips into the city centre in morning peak periods and did this data take into account journeys of those people who already lived in the city centre
- A Ward by Ward breakdown of the consultation was requested for Committee Members; and
- How was this strategy going to align with other emerging strategies;

The Leader acknowledged the need to consider the impact in areas surrounding the city centre and referenced that the report had identified that it would be important to consider the complementary measures required in areas surrounding the centre to ensure that any transport impacts that arose from the continuing growth of the city centre were effectively managed. The Executive Member for Highways, Planning and Transport added that the Council was reviewing parking within the city centre and the impact of parking on the periphery of the city centre and agreed to share the findings of this with Members.

The Committee was advised that the main differences of the sample used in the engagement exercise compared to the representative of the city was a slight gender in-balance of responses from men compared to women and respondents aged 25-54 were overrepresented whereas respondents over 65 were underrepresented. Aside from this, the representation of the responses to the engagement exercise was expected.

The Leader commented that rent levels tended to sit alongside the economic success of the city and there was evidence that if undertaken in the right way, pedestrianisation often improved access to businesses. He also added that over the next planning period the dominant form of transport in the city centre should be walking.

The Head of City Policy advised that the survey of daily trips into the city centre in morning peak periods had been undertaken for a number of years now and was a consistent data set, which looked at all the crossing points of the inner ring road. He added that this strategy was seen as a sub strategy of the 2040 Transport Strategy,

which the Council was working alongside TFGM and Salford City Council on its development. The next stage would be to develop specific schemes and proposals.

## **Decision**

The Committee:-

- (1) Notes the report and in particular the responses received to the City Centre Transport Strategy conversation and the proposed next steps in the development of a draft strategy document;
- (2) Welcomes the offer from the Executive Member for Highways, Planning and Transport to share the findings of the review of parking within the city centre and the impact of parking on the periphery of the city centre with Committee Members;
- (3) Requests that Officers provide a ward breakdown of the consultation responses with the relevant Ward Members; and
- (4) Agrees to receive a further report prior to the draft document for consultation being considered by the Executive.

## **ESC/19/14 Updated Financial Strategy and Directorate Business Plans 2019-20**

Further to Minute ESC/18/55, the Committee considered a report of the Chief Executive and the City Treasurer which provided a further update on the Council's financial position and set out the next steps in the budget process.

The Committee was invited to consider and make recommendations on the budget proposals which were within the remit of the Committee and to comment on the Directorate Business Plans, prior to their submission to the Executive on 13 February 2019.

The Executive Member for Housing and Regeneration and the Executive Member for Finance and Human Resources outlined the context of the reports, in particular the challenges presented by funding reductions from the national government.

Some of the key points that arose from the Committees discussions were:-

- It was felt that there needed to be more detail within Business Plan as to how the Council's living wage policy was being developed and enforced through contracts;
- The Committee welcomed the investment in Adult Social Care which would hopefully help older resident stay in employment longer; and
- The Committee welcomed the increased budget for compliance on private landlords and waste management.

The Leader agreed that more detail would be included in the Business Plan in regards to the Council's living wage policy and how this was being applied within contracts. He also commented that the Council would be developing an action plan as to how the quality of life for those aged 50 to 64 could be improved.

The Executive Member for Housing and Regeneration commented that there was also other areas of focus taking place in regards to the private sector rental market, which would include a review and extend the selective licensing schemes and also an increase in the team that deals with HMO licensing.

### **Decision**

The Committee:-

- (1) Notes that this is the final year of a three year budget; and
- (2) Requests that the Executive take into account the comments made by the Committee.

### **ESC/19/15 Overview Report**

The Committee considered a report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

A Member requested that as part of next years work programme setting, consideration undertaking some work around the Greater Manchester Pankhurst Forces Scorecard as a number of areas related specifically to the economy.

A Member also suggested that the Committee also looked at housing wealth and ownership within the city, in order to consider if the wealth being generated through the rental of properties is remaining within the city

### **Decision**

The Committee:-

- (1) notes the report; and
- (2) agrees that if any Members have suggestions for inclusion in next year's work programme, they are to notify the Chair accordingly.

## Manchester City Council Report for Information

**Report to:** Economy Scrutiny Committee - 6 March 2019

**Subject:** Manchester Family Poverty Strategy 2017-2022 implementation update with a particular focus on work undertaken to build resilience of families living in poverty and the role of anchor institutions in tackling poverty.

**Report of:** Head of Work and Skills

### Summary

This report sets out the progress that has been made since the Manchester Family Poverty Strategy 2017-2022 was adopted by the Council's Executive in September 2017. It provides a summary of the governance structure that has been put in place, the priorities for each of the workstreams and some of their achievements and added value.

### Recommendations

Economy Scrutiny Committee are invited to consider the progress that has been made in delivering the Family Poverty Strategy.

**Wards Affected:** All

### Alignment to the Our Manchester Strategy Outcomes (if applicable):

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	
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	The Family Poverty Strategy seeks to reduce the number of children living in poverty in the city. It also aims to support young people to be more resilient and to ensure they are supported to take advantage of the economic opportunities in the city.
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	

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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.

Manchester Family Poverty Strategy 2017-2022. Economy Scrutiny Committee June 2017, Executive September 2017

Draft Family Poverty Strategy, Economy Scrutiny Committee 7 December 2016

## 1.0 Background and Introduction

- 1.1 The Manchester Family Poverty Strategy 2017-2022 was approved by Manchester City Council's Executive in September 2017 and was officially launched on 4 October 2017 at the Manchester Financial Inclusion Conference. The Strategy was developed for a number of reasons, one of the key factors being that Manchester has one of the highest rates of child poverty in the country by local authority area with over one in three children under 16 living in poverty.
- 1.2 A mixed methods approach was used to develop Strategy. This included a working group comprising of Council officers and partners, an analysis of national and local data as well as an analysis of strength based conversations with children and families in low income areas of the city, making the strategy one of the first to fully adopt the principles of the Our Manchester approach.
- 1.3 The Strategy set out to add value by identifying a small number of key priorities which would have the biggest impact on children and their families. It sets out three clear themes with 10 priorities which are listed below in Table 1.

**Table 1: Summary of the themes and priorities of the Strategy**

<b>Sustainable work as a route out of poverty</b>
1. Affordable childcare for parents
2. The role of anchor institutions
<b>Focus on the basics - raising and protecting family incomes</b>
3. Mitigating the impact of welfare reform on families with children
4. Tackling the poverty premium
5. Food and fuel
6. Improving children's health
<b>Boosting resilience and building on strengths</b>
7. Strength based approach in communities (Belonging)
8. Improving the identification and signposting of families in poverty (Coping)
9. Poverty proofing services (Coping)
10. Embedding careers advice and aspiration in schools (Learning)

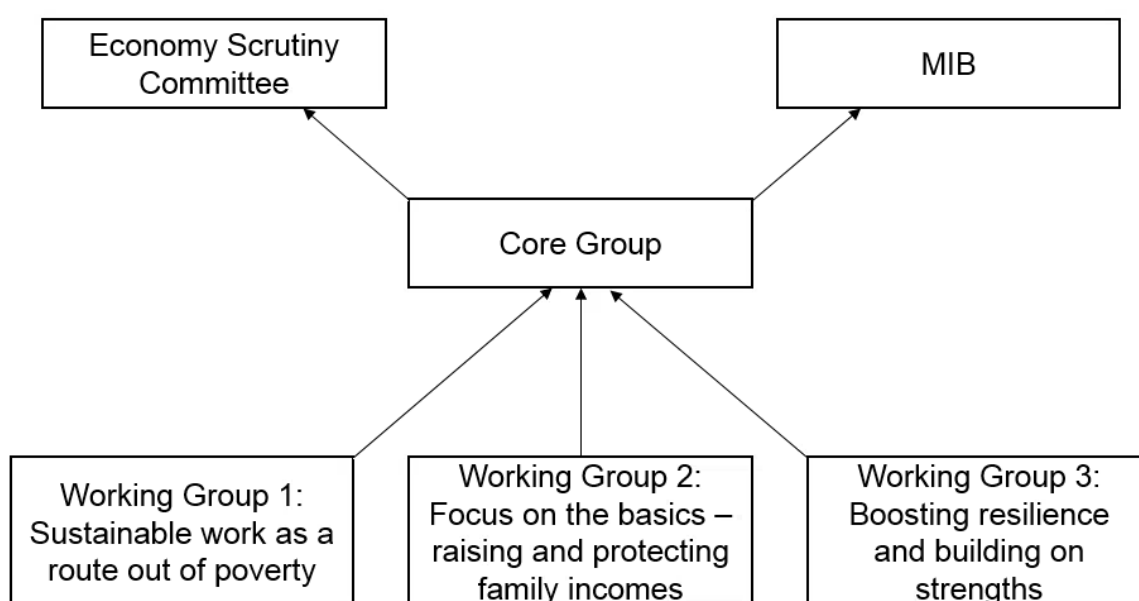
- 1.4 A significant amount of progress has been made since the Strategy's adoption. As well as establishing a governance structure to implement and oversee the strategy, work has started to deliver on some of the major

priorities identified in the Strategy. This report provides a progress update together with a particular focus on how this work is contributing to building the resilience of families living in poverty. The report will also look at the role anchor institutions are playing in tackling poverty.

## 2.0 Governance Structure

- 2.1 The governance comprises of a Core Group which oversees the delivery of the Strategy and is currently chaired by the Council's Head of Work and Skills. Other members include the Deputy Leader of the Council Councillor Sue Murphy, Greater Manchester Poverty Action, the Inclusive Growth Analysis Unit, Northwards Housing, Save the Children, Oxfam and Manchester Health and Care Commissioning. As well as accountability to the Committee, the group also reports to the Our Manchester Investment Board on a biannual basis. The Core Group is underpinned by three working groups which are aligned to three themes of the Strategy as set out in Figure 1 below. The chairs of each of the working groups report into the Core Group which has overall responsibility for monitoring progress and addressing any blockages.

**Figure 1: Family Poverty Strategy governance structure**



- 2.2 The Core Group identified the following priorities for the first 12-18 months:

- To work with the Inclusive Growth Analysis Unit and Greater Manchester Poverty Action to develop a better measure of poverty which accurately reflects the cost of living in Manchester/Greater Manchester. This could be a version of the Minimum Income Standard or Households Below Average Income measure and should include a projection for poverty levels in the future;
- To drive forward the work with Anchor Institutions in partnership with the Our Manchester Forum;



- To take on the role of influencer in the city, ensuring that the Strategy is fully embedded across Manchester;
  - To take forward proposals from the Working Groups by sourcing funding opportunities and addressing issues and blockages.
- 2.3 To support the successful delivery of the Strategy, a 12 month work programme for each the working groups together with milestones was developed. This work helped to provide structure and clarity and has subsequently been used to develop Logic Models for the Strategy and the three working groups. An example Logic Model for the whole of the Strategy is attached as an example in Appendix 1.
- 2.4 A summary of the priorities for each of the working groups, progress against the respective work programmes (with a particular focus on how the priorities have supported building resilience in families living poverty) together with key challenges is set out below.

### **Working Group 1: Sustainable work as a route out of poverty**

- 2.5 The priorities for the first 12-18 months are:
- Assessing the childcare offer in the city in terms of its quality and affordability, but also its fit with modern flexible employment patterns;
  - Involving people with experience of using childcare providers whilst working or trying to find work;
  - Engaging providers of childcare to better understand their barriers and challenges;
  - Using the learning to inform changes to future tenders for childcare.
- 2.6 The group is chaired by the Council's Access and Sufficiency Manager and includes broad representation from schools, childcare providers, residents with lived experience of poverty, as well as a number of statutory organisations including Job Centre Plus. The group has focussed on understanding and analysing some of the challenges for working parents.
- 2.7 Early analysis has indicated that childcare providers in Manchester haven't fully responded to the shift towards more flexible working patterns. A survey of employers on flexible working practices has been drafted and the group are piloting this with employers in Wythenshawe.
- 2.8 The group has undertaken a consultation with parents, carers and employers as part of the Childcare Sufficiency Assessment 2018 which has generated 450 responses. A full analysis of the survey responses is currently underway. It is anticipated that these research pieces will provide the group with a better understanding of the flexibility required by families to secure sustainable work and the volume of suitable provision in order to better support families to access employment opportunities.
- 2.9 Childcare providers themselves are facing a number of challenges which inevitably impact on their business and ultimately their childcare offer.

Providers have highlighted the cost of business rates as an issue and the group have responded by undertaking research to look at how business rates impact on the childcare offer nationally and what work, if any, is happening to mitigate this. The Chair of the working group recently met with the Head of Revenues and Benefits to look at potential options to support childcare providers.

- 2.10 To promote much needed flexibility around childcare, the group have identified local childcare providers who are able to provide flexible childcare. They are examining how these models work with a view to promoting and sharing good practice with other providers in Manchester. Again, it is hoped that this will help boost access to job opportunities to those families who are unable to access work due to the lack of flexibility in childcare.

### **Working Group 2: Focus on the basics - raising and protecting family incomes**

- 2.11 The priorities for the first 12-18 months are:
- Developing an evidence base to demonstrate the positive impact on health and income of fuel poverty/energy efficiency programmes. This will also include other resilience factors such as the positive impact of a warm home on children's ability to learn;
  - Focusing on financial inclusion to maximise household incomes;
  - Promoting sustainable food help solutions including food cooperatives;
  - Improving children's health.
- 2.12 The group is currently chaired by the Council's Head of Housing and includes a diverse range of partners who have practical experience in the areas of food and fuel poverty including FareShare/Emerge, One Manchester Housing and the Citizens Advice Bureau (CAB). More recently, The Bread and Butter Thing, a community led charity who provide quality food supplies for low income families, have joined the group with Gateway M40, a charity who provide free debt and welfare advice. It is anticipated that this will enhance the focus on food poverty and financial inclusion which will help to build the resilience of families living in poverty.
- 2.13 The group commissioned National Energy Action (the national governing body for fuel poverty) to provide free training and advice to front line workers and schools to raise awareness of fuel poverty, its impact and the support available to residents. National Energy Action delivered the City and Guilds Level 3 Award in Energy Awareness to frontline workers including representatives from the CAB and Registered Housing Providers over three days in mid October 2018. In addition, as part of their offer, they have provided training to Early Help Hub Managers focusing on the 'Home Life' section of the assessment which includes housing, money, and health and well-being. Both training courses were positively received. They are currently liaising with the Yes Project to raise awareness of fuel poverty and its impact.

- 2.14 There is a growing recognition that the poverty premium (the extra cost that people on lower incomes pay for goods and services as they are less able to bulk buy and access the best deals) impacts disproportionately on families living in poverty. To help counter this, the group have been in discussions with a large online white goods retailer who have made a proposal to offer washing machines at £2 per week. The deal (if implemented) will help with the heavy financial penalty people on low incomes often have to pay for the purchase of large white goods via rent-to-own models.
- 2.15 The group has also begun to focus on financial inclusion and work is underway with Barclays and Lloyds to promote their offer of bank accounts to homelessness people and to expand this over to other residents on low incomes.
- 2.16 Food poverty is increasingly recognised as a major issue for people living in poverty having gained a much greater local and national profile in the last 12 months. The group has undertaken a small scale mapping exercise which helped to identify a number of models of food help such as food pantries and food co-operatives. In addition, the group has supported the expansion of The Bread and Butter Thing into two new locations in north Manchester to further support families struggling with basics in key areas of deprivation in the city. A case study on this model of food help is provided later in this report.
- 2.17 Holiday hunger has also been identified as a particularly issue for children living in poverty during school holidays when, in the absence of free school meals, children are not getting at least once good quality healthy meal per day. Young Manchester in partnership with Manchester City Council and Northwards Housing have jointly submitted a funding application to the Department of Education to fund the provision of healthy meals and enriching activities for children in some of the more deprived areas of the city. The result of this application should be known in mid March 2019.

### **Working Group 3: Boosting resilience and building on strengths**

- 2.18 The key priorities for this Working Group for the next 12 months are:
- Improved communications of existing schemes to residents and front line staff;
  - exploring ways to expand schemes and support available for residents;
  - workforce development to improve understanding and impact of poverty;
  - Developing a poverty proofing toolkit which services and organisations across the city can implement to improve the way in which they support service users who are in poverty;
  - Developing a better understanding of who to target with this work.
- 2.19 The group is chaired by the Council's Head of Reform and Innovation and includes a range of partner organisations from across Manchester including Cedar Mount Academy, Wythenshawe Community Housing Group and The Place at Platt Lane. Since January 2018, the group have met regularly in a

variety of community settings to encourage participation from residents and have focused on communications and poverty proofing. Progress has been made across a number of areas.

- 2.20 The group is supporting a large scale communications programme centred on Family Poverty, the Homelessness Reduction Act and Universal Credit which is currently being developed for roll-out in March of this year. This is being led by the Council's Communications Team with input from all working group members. The group also supported a Social Media campaign at Christmas, including sign-posting to support agencies via Facebook messages and Tweets.
- 2.21 The group has mapped the different communications tools available to residents and frontline workers where and how they can access different types of support such as libraries, early help hubs, job centres and community venues. They have also engaged with Manchester Public Information Group (MPIG), which is looking at resources and service mapping across the city and includes representation from Manchester Health and Care Commissioning, Manchester Local Care Organisation, Buzz, Manchester Metropolitan University and the Voluntary Community and Social Enterprise sector. The ambition of this group is to create a single shared resource which would be managed by individual agencies to ensure that current, up-to-date information is shared by all services and residents, and that this resource is available both online and via print. In addition, Communications and Help and Support Manchester (HSM) have come together via this group to discuss short-term solutions to ensure that the HSM resource is being used more effectively by services and residents.
- 2.22 The group have reviewed a number of poverty proofing toolkits which have been produced by national agencies or other local authorities. Following this exercise, Children North East (CNE) were engaged as they are well regarded nationally for undertaking audits which mitigate the effects of poverty on young people. The CNE model is currently being completed at Cedar Mount Academy and their report will be discussed at the next meeting of the group. The process is resource intensive but is extremely thorough and it is hoped that the learning from this audit can be shared across the city's schools.
- 2.23 As well as the stigma of poverty in schools, the group has also recognised that people experience the same stigma when accessing other services. In response to this, the poverty proofing work will now be expanded to include the workforce of the Council and partner organisations to ensure that workforces are equipped to recognise the signs of poverty and how to signpost to appropriate support.
- 2.24 The group has also tested the application of the Logic Models mentioned earlier in this report. This involves tracking the 'activities' of each workstream through to outputs, outcomes and milestones, demonstrating how these specific pieces of work could ultimately start to impact on different dimensions of poverty across the city.

- 2.25 Despite the progress over the past year, the group have also identified a number of challenges. The first challenge is identifying which cohorts in the city to target and the most effective method of doing so. The second challenge is being able to consistently connect the work to the real lived experience of people experiencing poverty. This is currently achieved via individual organisations who are members of the group and specific engagement exercises, however, there is a collective recognition that much broader engagement with residents is required.

### 3.0 Added value

- 3.1 As well as the work being delivered via the individual working groups, there are a number of other activities and events which have supported the resilience of families and children living in poverty. These are highlighted below.

#### **Anchors - Breakfast Event 4 October 2018 and 5 March 2019**

- 3.2 As set out in the Strategy, anchor institutions have a key role to play in supporting families out of poverty. As well as being key stakeholders in the economy, they create and sustain a significant number of jobs; procure billions of pounds worth of contracts through their procurement processes and are rooted in the city.
- 3.4 In order to harness the role of anchor institutions in tackling poverty, Councillor Sue Murphy hosted a breakfast round table for key anchor institutions in Manchester. The event was well attended with 17 representatives from a broad range of sectors including; construction, finance, legal, culture, transport, health and higher education. Some of the key headlines from the discussion were as follows:

- **Change the narrative around poverty** - there needs to be a recognition that poverty isn't the fault of the poor and people living in poverty have a huge amount to offer. The current narrative which is primarily concerned with seeing poverty as an issue means that quite often the contribution the city's residents can make to Manchester is missed.
- **More focussed Corporate Social Responsibility (CSR)** - it is important that CSR is meaningful and long lasting so it has a tangible impact long term. A number of organisations at the roundtable are engaged in CSR. Going forward, this needs to be co-ordinated centrally so that there is clarity in terms of what the city has available in relation to CSR.
- **Development of a toolkit around poverty** - the toolkit should set out what support is available for residents living in poverty based on what support different organisations in the city can offer. This can be used to rewrite the narrative in relation to poverty and in doing so, tackle some of the stigma associated with it.
- **Focus on young people and promote social mobility** - The University of Manchester is undertaking work with primary schools to support

children living in poverty. Save the Children are also working with families through their Families Programme to help build resilience in children and support families to foster an environment at home which is conducive to learning and boosts self esteem. These initiatives should be better connected so that organisations can share learning and good practice.

- **Leadership role for the Council** - the Council has a leadership and convening role and should act as a conduit between partners. A possible suggestion is for the Council to identify the top 100 employers in the city and the activities that are most effective in tackling poverty.
- **Employment as a key route out of poverty** - employers should consider providing more consistency in terms of the pay and terms of employment including paying the Real Living Wage. This would help residents to support themselves and their families through meaningful employment. This practice should also be embedded throughout employers supply chains.
- **Travel as an enabler** – Transport for Greater Manchester have launched a scheme in partnership with Jobcentre Plus which subsidises travel for people who have started new jobs for the first four to five months of their new employment. This represents an improvement on the previous offer but more promotion of this offer is required.
- **Support for business start-ups** - some Registered Housing Providers are supporting people with business start-ups including mentoring. There is an opportunity to create a more coherent network which promotes the available support.

- 3.5 A second breakfast roundtable event with anchor institutions who attended the first event is being planned for 5 March 2019. Specific proposals are being developed for anchors to discuss and consider.

### **Single point of Access**

- 3.6 As discussed above, anchor institutions were passionate about the need for a single point of contact to support businesses to engage with the agenda in the most efficient way. In their feedback, businesses reported that there were a number of tools aimed at residents, however, they were difficult to navigate and therefore it was difficult for businesses to identify where help was most needed. Anchors suggested that there was a need for a single point of access or website which would identify where support was needed and would enable them to design their offer based on the needs of people living in poverty. In response to this feedback, a mapping exercise and an analysis of the different tools has been undertaken and a paper is currently being prepared and will be reviewed by the Our Manchester Investment Board.

### **Manchester Poverty Truth Commission**

- 3.7 A Manchester Poverty Truth Commission is expected to be launched during spring 2019. The Poverty Truth Commission was originally developed in Glasgow six years ago and more recently, was successfully launched in Salford. It engages people with lived experience of poverty directly with key

civic and business leaders to influence and inform policy change. A start up group comprising of representatives from the statutory and voluntary sector in Manchester including Council officers, CAB and Manchester Alliance for Community Care has been established to support the development of the Commission.

- 3.8 The start up group have identified a facilitator and civic and business leaders as well as high profile individuals from the entertainment industry who may be able to raise the profile of the commission and better engage young people in the poverty agenda. The group are now in the process of identifying suitable grass roots commissioners and have secured at least half of the £65k funding needed to establish the commission.
- 3.9 It is intended that the work of the Manchester Poverty Truth Commission will complement the implementation of the Family Poverty Strategy and will support, inform and influence the work of the Core Group and the three working groups, as well as the Council, Manchester Health and Care Commissioning and Manchester Local Care Organisation.

### **Case Study - 'The Bread and Butter Thing'**

- 3.10 One of the added benefits of the work around poverty is that this has resulted in an increased awareness of community projects and best practice models enhancing Manchester's offer around family poverty and subsequently boosting the resilience of families. The Bread and Butter Thing (TBBT) is one such example and is a community led charity that provides quality food supplies to low income families at a heavily discounted rate with food and goods coming from retailers and manufacturers who have surplus stock.
- 3.11 The project which is administered via a membership scheme, started out in south Manchester in 2016. Food and goods are delivered to community hubs which include independent foods banks, housing associations and community centres. A team of volunteers from the local community packs the food into food bags which are then distributed to members attending the hubs. Last year, TBBT were successful in receiving grant funding from the Council to purchase a van to expand their offer and deliver in the north of the City. With the help and support of the Our Manchester Team and Northwards Housing, TBBT have identified and launched their first hub in October 2018 in the north of the city and are looking to feed approximately 600 families by summer 2019.
- 3.12 To date, TBBT have delivered to 13 hubs, having provided over 500,000 meals to over 5,000 people. Some key statistics include:
- 87% of members stated that because of TBBT they can now feed their families;
  - 8 out of 10 families are cooking healthier meals;
  - 1/3 of members savings have been spent directly on children;
  - families are making an average annual saving of £1,440;

- 97% of members have indicated that TBBT has been good for the community.

3.13 TBBT are looking to extend their food offer to include financial advice as well as other household goods such as sanitary products to provide a more holistic offer for their members.

#### **4.0 Poverty Measurement**

4.1 As well as having developing a Logic Model to track the local impact of activities from each workstream, the Council also continues to monitor national measures of poverty. However, release dates are lagged - sometimes by a considerable amount of time - therefore changes can only be seen on a longer timescale. There are several measures which the Council tracks which give a citywide percentage estimate of poverty, but each have limitations and there are no single nationally agreed measure at local authority level.

4.2 The HMRC Children in Low-Income Families statistics are one official measure of relative poverty at a local authority level, showing the number of children living in families in receipt of out-of-work (means-tested) benefits or in receipt of tax credits where their reported income is less than 60% of UK median income for that year as a proportion of the total number of children in the area. This has been used for a number of years by Manchester and was a baseline statistic for the Family Poverty Strategy. However, the robustness of different measures can change over time due to external factors. Two such factors which meant that it was prudent to re-evaluate what measure to use in the future were;

- The HMRC statistic does not account for Universal Credit, which affects the figure more substantially as roll out continues;
- It is known to under-estimate in-work poverty, and the trend has been for this type of poverty to become more prevalent both in Manchester and nationally.

4.3 The Council's Performance, Research and Intelligence team undertook a desktop review of a range of poverty measures and recommended that the End Child Poverty statistic is now used as the corporate measure at this time. It is defined as "an estimate of the true level of child poverty (defined as below 60% of median income)". The full methodology used to calculate the statistic is available on the End Child Poverty website. The statistic is used by key partners such as GMPA (Greater Manchester Poverty Action). The main advantages of the measure are as follows;

- The estimate uses more recent regional Labour Market Survey data on trends in the number of children in out of work households to adjust figures for both in-work and out-of-work child poverty;
- It adjusts for housing costs.

4.4 The latest available End Child Poverty estimate for Manchester (2017) is that there is a 43.6% level of child poverty in the city. This is the highest of the



eight Core Cities, and only Tower Hamlets has a higher percentage nationally across local authorities (53.4%).

### ***Additional Measures***

- 4.5 The conclusion of the desktop review was that to get a rounded picture of the local and regional picture - along with projections - that it is sensible to continue to monitor four main measures. These are summarised in the table below. The three additional measures are therefore supplemental to the End Child Poverty being used as the primary measure.

**Table 2: Four measures of child poverty**

<b>No.</b>	<b>Measure</b>	<b>Source</b>	<b>Lowest Geography</b>	<b>Manchester LA Data</b>	<b>Latest Year</b>	<b>Latest Result (Manchester unless stated otherwise)</b>
1	Number and % of children living in low income families	HMRC	LSOA	Yes	2016	27.1%
2	End Child Poverty Estimates	Loughborough University, Centre for Research in Social Policy	Ward	Yes	2017	43.6%
3	IFS 2020 projections for Child poverty, After Housing Costs	Institute for Fiscal Studies(IFS)	Regional	No	Projection to 2019-21	NW Region, Absolute rate: 33.1% / Most deprived decile of LA, Absolute rate: 42.3%
4	HBAI - Children in Households Below Average Income	DWP / Family Resources Survey	Regional	No	Three year average 2013/14 - 2015/16	NW Region: 21% before housing costs, 30% after housing costs

## **5.0 Welfare Reform**

- 5.1 Welfare Reform changes are a factor influencing family poverty, with widespread evidence of negative impacts. For example, high levels of rent arrears are accumulating for some tenants receiving Universal Credit. A separate report “The Impact of Welfare Reform and Universal Credit on the Manchester Economy” to this Committee explains these impacts in detail, and also what actions the Council is taking with partners to help affected residents mitigate negative impacts where possible.

## **6.0 Next Steps**

- 6.1 **Strengthen the membership of the Core and working groups**

It has been a challenge for both the Core and working groups to fully represent the diversity of Manchester and to ensure that the voices of residents is integral to decision making. Both the Core and working groups are continually striving to achieve these objectives and are reviewing the composition of their working groups. In addition, where feasible, the Core and working groups are meeting in community venues to make their meeting more accessible to the city's diverse residents.

## **7.0 Conclusion and recommendations**

- 7.1 The Committee are asked to note the content of the report and the progress that has been made in implementing the Family Poverty Strategy.

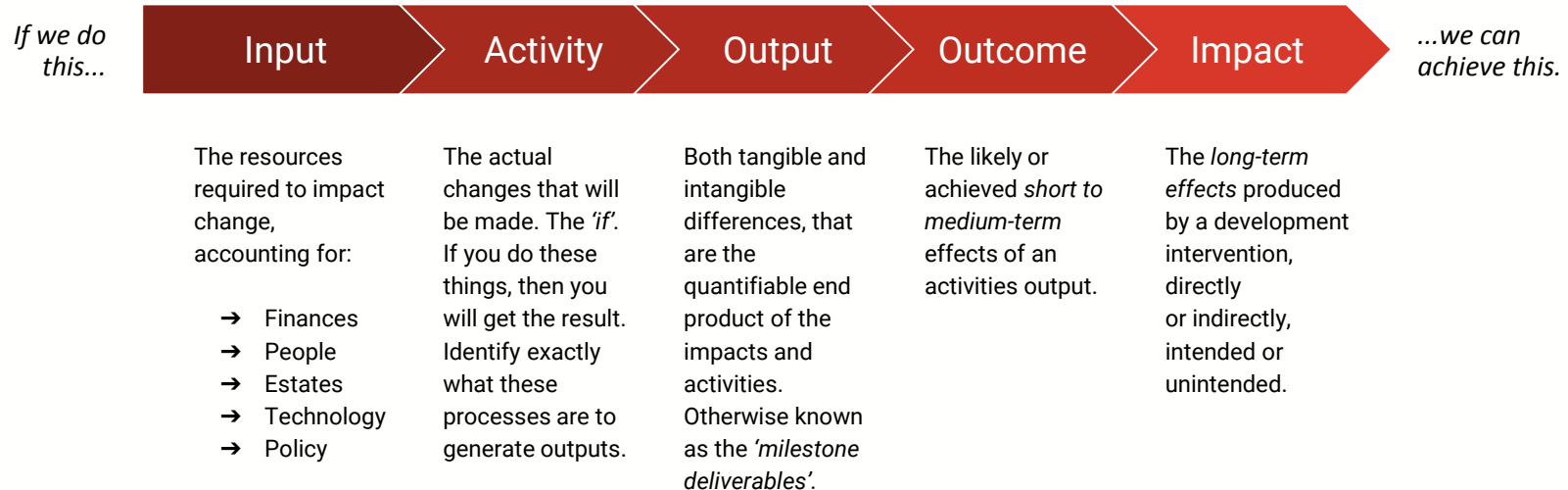
# Appendix 1: Family Poverty Strategy - Logic Model Series

- *What is a Logic Model?*
- *What is the Purpose of a Logic Model?*
- *FPS Logic Model Structure*
- *Headline Logic Model Example*



## FPS Logic Model: What is a Logic Model?

*"A logic model is a graphic display or map of the **relationship between a programme's resources, activities and intended results**, which also identifies the programme's underlying theory and assumptions" - Kaplan and Garrett, 2005*



## FPS Logic Model: What is the Purpose of a Logic Model?

*Amongst many other things...*

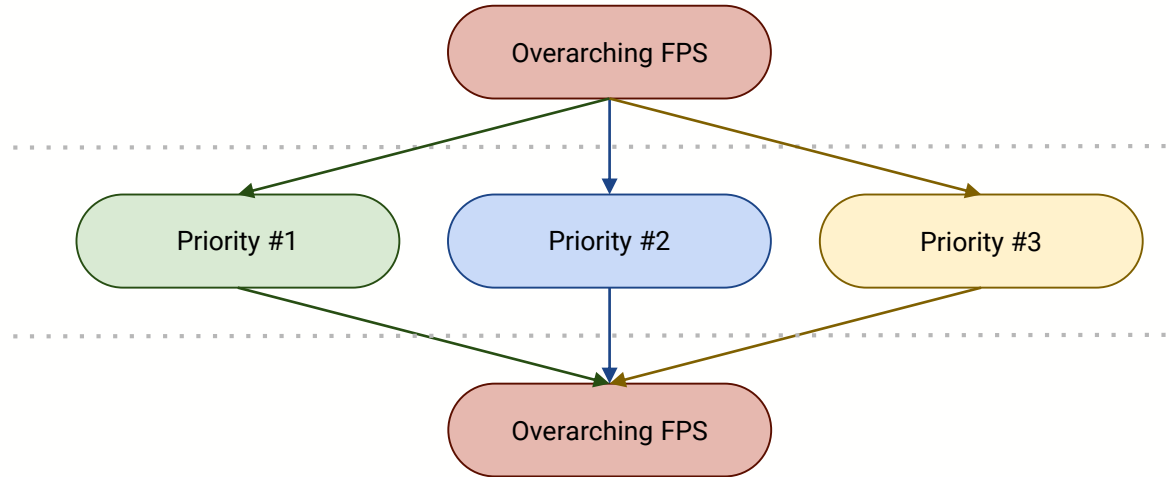


## FPS Logic Model: FPS Logic Structure

**Inputs**

**Activities,  
Outputs,  
Outcomes**

**Impacts**



- Understanding the activities that each group intends to explore.
- Connecting activities to outputs and outcomes within priority areas.
- Feed all priority areas into the wider indented impacts and a unified goal.

# Family Poverty Strategy Logic Model: Headline Logic Model

**Context** - Collaboration of place based working has been successful in key areas across Manchester to **keep the basics on track, prevent more problems down the line and tackle deep-set deprivation.**

## Sustainable Route out of Poverty

## Focus on the Basics

## Boosting Resilience

### Collective Inputs



**Family Poverty Strategy Core Group** - Coordinating three priority groups to bring strategies and people together (involving voices with lived experience) to support families in boosting resilience.



**Workforce Development** - Professionals and organisations to change the way they work, particularly in line with Our Manchester, to allow them to better communicate whilst recognising the strengths of a child or their family.



**Digital Resource** - Using technology where it makes sense, in the place, to equip families and practitioners with the tools they need to support the route out of poverty.



**Pilot Test Sites** - Committed test-bed locations, with specific attached resource, that are working towards developing a template of a poverty buffering organisation. With the intention to lift the example and replicate in wider remits.

Act.



- **Robust Childcare Provision** - Refine the awareness of childcare provision and share with the public.
- **Employment Opportunity Intelligence** - Identify the specific 'vulnerable groups' and offer route into work.
- **Employer Awareness** - Liaise with anchor institutions and the public to facilitate working conditions that enable superior flexibility in working conditions.



- **Fuel Poverty** - Connect with communities through various mediums; to offer support to those experiencing fuel poverty.
- **Tackling the Poverty Premium** - Developing awareness raising campaigns and new provision of bespoke support.
- **Food Poverty** - Developing targeted resources, like food bank expansions, in identified deserts of food provision.



- **Poverty Proofing** - Supporting the work done in piloting poverty proof structures, like Cedar Mount Academy.
- **Mapping and Communications** - Developing communication campaigns and operational asset mapping tools.
- **Intelligence and Targeting** - Engage with residents to understand need, as well as analysis into where support should be delivered.

Outp.



- **Robust Childcare Provision** - A raised awareness of the child care funding available across all ages.
- **Employment Opportunity Intelligence** - Improved identification of and engagement with vulnerable groups to support their entry into work.
- **Employer Awareness** - Reduction in 'failed' recruitment drives, staff turnover, and time spent recruiting.



- **Fuel Poverty** - Increase in FP dialogue; improving landlord and resident engagement, knowledge and access rates for support.
- **Tackling the Poverty Premium** - Increase in accessing newly structured support, such as bank accounts and washing machines.
- **Food Poverty** - Increased amount and uptake of a variety of food provision mechanisms, especially in areas of particular need.



- **Poverty Proofing** - Increase in positive stories, pupil premium, attainment, attendance of 'proofed' organisations.
- **Mapping and Communications** - Increase in resident engagement and hit rate on asset mapping tool.
- **Intelligence and Targeting** - Increase in geographic availability of key assets, supporting residents experiencing poverty.

Outc.



- **Robust Childcare Provision** - Raised resilience of childcare sector through increased flexibility/appetite.
- **Employment Opportunity Intelligence** - A reduction in the blockages that prevent vulnerable individuals and families from getting work.
- **Employer Awareness** - A better relationship between employer and workforce, improving flexibility/productivity.



- **Fuel Poverty** - More low income families living in energy efficient homes with improved health outcomes.
- **Tackling the Poverty Premium** - An increase in poverty premium reducing resources being available and accessed by residents in areas of need.
- **Food Poverty** - Wider access to nutritional food, encouraging more individuals to eat healthier food; improving their health outcomes.



- **Poverty Proofing** - Establishing an accepted universal approach to a poverty proof organisation.
- **Mapping and Communication** - Understanding what assets exist and connecting them to the residents/practitioners.
- **Intelligence and Targeting** - Identification of areas of need and consequential streamlining of services to these hotspots.

Appendix 1  
Item 6

### Collective Impacts



Improved Quality of Life Indicators

Increased Life Expectancy

Reduction in Hospital Admissions

Improved Mental Health Indicators

More Empowered Families

Reduction in Preventable Diseases

Less Deprivation, More Equality

Improved Community Relationships

Reduction in Family Poverty

Reduction in Social Care Referrals

Reduction in LAC Children

Improved School Readiness

Reduction in Homelessness

Reduction in ASB and Crime

Increase in Employment and Skills

Reduced Skills Gap in Key Sectors

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## Manchester City Council Report for Information

**Report to:** Economy Scrutiny Committee – 6 March 2019

**Subject:** The Impact of Welfare Reform and Universal Credit on the Manchester Economy

**Report of:** Head of Work and Skills

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### Summary

This report provides an update on the implementation of welfare reform in Manchester. It analyses the impacts of welfare reforms on the city so far, specifically Universal Credit and the anticipated impact from the continued roll out. It summarises the City Council's response to the reforms and where the City Council and partners have opportunities to focus efforts to mitigate some of the impacts in the future.

### Recommendations

The Committee is invited to note and comment on the report.

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**Wards Affected:** All

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### Alignment to the Our Manchester Strategy Outcomes (if applicable):

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Focus on sustainable work as a route out of poverty.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Monitoring the impact of welfare reform on Manchester's workforce.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Monitoring the impact of welfare reform on residents including opportunities available, support into work or progression, the ability to provide for their children and levels of homelessness.
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	Focus on improving basic skills including digital skills to help residents negotiate the digital city and move into work.

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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.

**Reports to Economy Scrutiny Committee:**

- 6 February 2013 - The Impact of Welfare Reform
- 4 September 2013 - Special meeting on Welfare Reform and impacts
- 24 September 2014 - Universal Credit
- 28 October 2015 - Cumulative Impact of Welfare Reform
- 20 July 2016 - Cumulative Impact of Welfare Reform
- 3 January 2018 - Universal Credit roll out

**Reports to Resources and Governance Scrutiny Committee:**

- 9 November 2017 - The Roll out of Universal Credit Full Service in Manchester
- 7 February 2019 - The impact of welfare reform agenda on the Council's finances in its ability to provide support to residents of Manchester

**Reports to GMCA Economy, Business Growth & Skills Overview & Scrutiny Committee:**

- 13 July 2018 - Welfare Reform and Universal Credit in Greater Manchester

## **1.0 Introduction**

- 1.1 The Welfare Reform Act 2012 saw the start of significant reform to welfare provision in Britain, which was in part to deliver budget savings for Central Government of £12bn. Central Government has continued this reform programme with the implementation of the Welfare Reform and Work Act 2016.
- 1.2 The purpose of this paper is to provide an update on previous reports, presented to this committee in July 2016 on welfare reform and January 2018 on Universal Credit. This paper focuses on the implementation of welfare reform including the roll-out of Universal Credit across the city and the impact on Manchester's residents.

## **2.0 Economic Context**

- 2.1 As of May 2018 there were 45,394 people claiming out of work benefits in Manchester. The worklessness levels in Manchester fell steadily between February 2012 and November 2017, from 64,230 to 44,720, and have only risen slightly since then. This is one of the lowest claimant count for decades. Out of work benefits include Jobseeker's Allowance (JSA), Employment Support Allowance (ESA), Income Support (IS) and Universal Credit (UC) (where the claimant does not work). This figure includes some claimants who may not currently be actively seeking employment, for example those in the support group of Employment Support Allowance but not those who are working low numbers of hours, who would previously have been recorded within out of work benefit claimant numbers undertaking 'permitted work'.
- 2.2 Jobseeker's Allowance and Universal Credit data is available more frequently than total out of work benefit figures. A proxy figure for the number of residents who are actively seeking employment can be created by combining UC claimants (out of work) with the JSA figure. As of July 2018, there were 12,420 claimants in this category. As of November 2018, there were 24,325 Universal Credit claimants in Manchester, of whom 8,348 (34.3%) are in some employment (note: these claimants could still be subject to conditionality to seek more work) and 15,979 (65.7%) are out of work. It is worth noting that not everyone who is out of work claims an out of work benefit and the number of residents who are out of work is likely to be much higher, particularly in the 18 to 24 year age group.
- 2.3 Macro economic conditions have a significant impact on levels of employment. Manchester has continued to experience high levels of economic growth over the past few years. Manchester's GVA grew by 5% in 2013, 4.8% in 2014 and 6.4% between 2015 and 2016. It is therefore a positive outcome that the out of work benefit claimant number has fallen in this time, evidence that local residents are taking advantage of economic growth in the city, although the caveats around who is recorded as out of work since the introduction of Universal Credit should be noted.

*At 11.9%, the out-of-work benefits claim rate remains higher than the national rate for those aged 16 and over, but over the past ten years the gap between the City's claimant count and national average, has reduced from 7.1 to 3.1 percentage points (November 2017). In the context of rapid working-age population growth, maintaining a rate of reduction on a par with national comparators suggests that the city's increased population growth is not coming at the expense of increased benefit dependency. (State of the City Report 2018)*

- 2.4 It is important that as people move into work, the employment that they secure is sustainable and pays a wage that they can live on. A large proportion of Manchester residents rely on in-work benefits to top up their income. Data from HM Revenues and Customs shows that in 2015/16 there was an average of about 33,400 families/individuals who were in work and claiming Tax Credits in Manchester. Of these, 21,900 families claimed Working Tax Credit (WTC) and Child Tax Credit (CTC), 5,600 families claimed CTC only, and 5,900 claimed WTC only. Universal Credit will gradually replace tax credits. Universal Credit is currently only for new claimants and claimants who have had a change in circumstances.

### **3.0 Welfare Reforms**

#### **3.1 Overview**

- 3.1.1 Welfare Reform encompasses fundamental changes that have been implemented since 2012 (see February 2019 RAGOS report for a summary of these). Outside of Universal Credit, there have been limited changes to other welfare measures since 2016 when a report on welfare reform was last brought to this committee. However, we see in the City the cumulative impact of welfare reforms, which is significant for Manchester residents dependent on benefits for some or all of their income. Unsurprisingly the effect is disproportionate in some of the City's poorer neighbourhoods.
- 3.1.2 The Manchester Welfare Reform Board whose members include relevant departments across Manchester City Council, advice agencies, Registered providers and the DWP, continues to monitor the impact of a wide range of welfare reforms, agreeing on actions to mitigate negative impacts where possible. The welfare reform monitoring report pulls together data from a range of sources at city wide and neighbourhood level. This, along with anecdotal information and research gathered from stakeholders both locally and nationally, provides a strong evidence base. See Appendix 1 for a glossary of the welfare reforms.

#### **The Benefit Cap**

- 3.1.3 In June 2017, the High Court decided that the Benefit Cap was unlawful when applied to lone parents with children aged under two, because of its discriminatory impact upon those children. However, in March 2018, the Court of Appeal decided that the Benefit Cap could be imposed on lone parents with children under the age of two. The welfare reform monitoring report includes

data on the Benefit Cap and its impact on Manchester's residents, please see section 5.2.

### **Disability Living Allowance to Personal Independence Payments**

- 3.1.4 Disability Living Allowance (DLA), a benefit to help with the extra costs of living with a disability, is being replaced by Personal Independence Payments (PIP) that has different, stricter, qualifying conditions. The original timetable for invitations for claimants to make a new claim for PIP has been extended, with full roll out now expected to be complete by the end of 2019. By May 2018, there were 20,655 PIP claimants in Manchester.

### **Freeze on Cost of Living Increase**

- 3.1.5 The policy not to increase working age benefits in line with inflation continues until the end of 2019/20 effectively reducing incomes, as inflation is currently at 2% (December 2018).

### **Housing Benefit**

- 3.1.6 The Government announced on 9 August 2018 that housing benefit will be kept in place for all those living in supported housing. The Government committed to working with stakeholders to develop a robust regime to ensure quality and value for money across the whole of the supported housing sector and to a further review of housing related support "to better understand how housing and support currently fit together".
- 3.1.7 From June 2017, the additional earnings disregard can be applied where a claimant, or their partner, is in work for at least 16 hours per week and one of them is entitled to a disability premium, the support component in ESA, or is a member of the work related activity group.

### **Under-occupancy**

- 3.1.8 From April 2017, an extra bedroom can be awarded to disabled couples who cannot share a room and to disabled children or non-dependents who need an overnight carer. Apart from this change the under-occupancy rules, known more widely as the "bedroom tax" continue to apply.

### **Tax Credits**

- 3.1.9 From July 2019, anyone on tax credits, who moves onto Universal Credit through managed migration will not have the capital limit of £16,000 applied for the first year of their UC claim. After one year, if they have capital over £16,000 their UC will stop.

## 3.2 Council Tax Support

### Background

- 3.2.1 In April 2013, the Council Tax Benefits (CTB) system transferred from DWP to Local Authorities and Manchester introduced the Council Tax Support scheme (CTS) requiring all working age claimants to contribute to their net Council Tax liability (ranging from 8.5% in 2013/14 to 17.5% in 2018/19). The City Council has mitigated some of the negative impact of this reform by not increasing the contribution from our residents and protecting the budget, even though it has been reduced by Central Government. Further detail is available in the February 2019 RAGOS report.

### Manchester's current CTS scheme, 2017/18 to present

- 3.2.2 CTS is based on a maximum of 82.5% of the amount due meaning that all working age claimants have to pay at least 17.5% of their liability. It should be noted that non-working age residents (pensioners) are protected by government and are entitled to support for up to 100% of their Council Tax liability.

### Manchester's proposed CTS scheme for 2019/20

- 3.2.3 There has been a consultation process and recommendations will be brought to RAGOS and Executive, which mean that Manchester City Council will treat UC claimants as CTS claimants from day 1. Support will be banded, so that anyone with a weekly income of no more than £25, will have their Council Tax reduced by 70%; between £75 and £80 weekly income, it will be reduced by 12% and over £80 no reduction.
- 3.2.4 In addition the Council's Discretionary Council Tax Payment Scheme will be used to mitigate the impact of the banded scheme on those hardest hit by:
- ensuring that those residents on Universal Credit who lose more than £1 per week in CTS as a result of moving onto the banded scheme in April 2019 have the additional shortfall over £1 per week covered by DCTP during 2019/20 up to the maximum level of 82.5% of their full Council Tax liability, and;
  - providing support to families in 2019/20 who are impacted by the two child limit. The Benefits Service will identify families in receipt of CTS who are impacted and DCTP used to cover any loss above a de minimis amount of £1 per week.

The DCTP scheme will also be used to address individual cases where residents make an application for support.

## **4.0 Universal Credit**

### **4.1 Implementation**

Manchester's Jobcentres went to Universal Credit (UC) Full Service for new claimants and those who had changes to their circumstances between October 2017 and July 2018, with other Greater Manchester local authorities doing the same from April 2017 (Oldham) through to November 2018 (Stockport). Nationally, full service was rolled out by the end of December 2018. It is no longer possible to become a UC Live Service claimant and Live Service is to be decommissioned in March 2019. UC Live Service was the original version of UC, was not fully digital unlike Full Service and if a claimant moved into full time employment and no longer received any payment, they remained a UC claimant for six months and would automatically receive benefits if their income reduced.

### **4.2 Managed Migration**

Managed migration is the process of moving all 'legacy' benefit claimants, whose circumstances have not already changed, across to UC. In November 2018, the Social Security Advisory Committee made twelve recommendations to support a smooth managed migration to UC and the DWP accepted eleven. Following an announcement by the new minister for Work and Pensions in January 2019, the timeline for migrating legacy benefit claimants across to UC has been delayed, with a pilot of 10,000 claimants planned from July 2019 and full migration from November 2020 with completion end date of 2023. The pilots will look at different ways of migrating claimants and these methods will be co-designed with partners. £3.1bn has been identified for transitional protection for 1.3m claimants. The plans for the full migration will be put to Government to agree following the pilots.

### **4.3 UC System Changes**

4.3.1 The Department for Work and Pensions (DWP) are continually updating the UC system, taking account of recommendations and legal challenges, and the following changes have occurred since January 2018:

4.3.2 As announced in March 2018, from December 2018 the restrictions on accessing the housing element of UC for 18 to 21 year olds was removed.

4.3.3 2018 Autumn Budget:

- A £1,000 annual increase in the Work Allowances from April 2019. If you are employed, UC reduces as you earn above a certain level, so for every £1 you earn, UC reduces by 63p. However, if you or your partner are responsible for a child, or are living with a disability or condition that affects your ability to work, you are eligible for a work allowance, a set amount you can earn before your UC reduces. This increase could mean an extra £630 to families, who are affected.

- A reduction in the cap for deductions from 40% to 30% to soften the burden of repayment of debts. Additionally, from October 2021, advances can be repaid over 16 months.
- The introduction of a one year start-up (grace) period before the Minimum Income Floor applies for self employed people joining UC giving them time to grow their business.
- The introduction of a two week run on of Employment Support Allowance Income Related (ESA IR), Jobseekers Allowance Income Based (JSA IB) and Income Support (IS), provides an extra two weeks of benefits for people moving onto UC from these benefits. This is to help them manage in the period up to their first monthly UC payment. This extra financial support will not need to be repaid.
- An extension in the surplus earnings disregard exception for up to £2,500 for another year from 2019 to 2020.
- From January 2019, claimants receiving Severe Disability Premium will be prevented from naturally migrating to UC, prior to the managed migration process and will receive financial protection when they do. There is also financial protection for those who have already moved over.

#### 4.3.4 In November 2018, it was announced that:

- From February 2019, claims for UC would be accepted from all families regardless of the number of children. If it is a new claim with no transitional protection from legacy benefits, only 2 children will be included in the award unless exceptions apply. If there is protection due to moving from tax credits, then only third or subsequent children born on or after 6 April 2017 are excluded.
- The exceptions, to the two child limit for children who are adopted or in kinship care, will apply regardless of the order of children in the family. Prior to this the exceptions only apply if the adopted child or the child in kinship care joined the household as the third child, so when the claimant already had two children.

#### 4.3.5 In January 2019, Government announced:

- Changes to the rules where one member of a couple of pension age and one is working age. From May 2019, these couples will have to claim Universal Credit rather than Pension Credit. This change only applies to new claims, existing claimants are not affected.
- That they will seek to make UC payments to women if they are the household's main carer; bring in a new online system for private landlords to request direct payments for tenants who have problems managing money; and changes to pay childcare costs in advance if needed, although no dates were set for these changes to be introduced.

#### 4.3.6 As these changes are being introduced at staggered points through to October 2021, in some cases it will be a substantial length of time before it can be ascertained what effect the changes will have on UC claimants. A timeline graphic is updated each quarter in the Welfare Reform Monitoring Report which provides a clear visual overview for stakeholders of key changes which



have taken place since 2014, and are due to take place by 2023. This shows both national policy changes, and the Manchester roll out.

#### 4.4 Universal Support

The DWP originally entered into a Delivery Partnership Agreement with the City Council to deliver Personal Budgeting Support (PBS) and On-line Supported Access. Manchester City Council used this funding to commission the PBS from Shelter and the ADS from a partnership of Citizens Advice Manchester and Cheetham Hill Advice Centre.

##### Current Provision

- 4.4.1 The take up of the ADS and PBS services has slowly grown alongside the roll out of UC Full Service across Manchester, see the table below. The 2018/19, ADS provision is consistently achieving greater numbers than predicted by the DWP. However, the PBS provision is facing issues with engaging residents, including a low number of referrals.

2018/19			Q1	Q2	Q3	Q4	Annual Total	Guaranteed 50% upfront
		No. of clients						
<b>Assisted Digital Support</b>	£53.55	Estimated	330	494	564	540	1928	964
	102 mins	Provider Reported	355	532	659			
		DWP Actual	361	519			880	
			109.39%	105.06%	0.00%	0.00%	45.64%	
<b>Personal Budgeting Support</b>	£63.00	Estimated	548	820	939	899	3206	1603
	120 mins	Provider Reported	428	338	521			
		DWP Actual	342	328			670	
			62.41%	40.00%	0.00%	0.00%	20.90%	

- 4.4.2 As these services are working directly with residents, they are recording the many issues raised, particularly regarding UC and providers are working with the Council and DWP to identify ways to improve the support offered.

##### Future Provision

- 4.4.3 A review of the ADS/PBS by the DWP, showed poor take-up of the provision. In October 2018, DWP announced a new national contract for Universal Support to be delivered by the Citizens Advice Bureau (CAB) from April 2019.

This new service is designed to be more holistic. It will triage and signpost claimants to subject experts, get claimants to the end of their first assessment period and help them to receive a full payment. It will not include personal budgeting support. CAB have a 12 month grant agreement with National Government for £12m to set up and then £39m to deliver the Universal Support. There will be a review after 6 months and DWP will then decide what they will commission for 2020/21. MCC's Work and Skills Team is working with CAB, Advice commissioning colleagues and the DWP to ensure a smooth transition into the new service and that it is aligned with the City's wider commissioning of advice services.

## **5.0 Impact on Residents**

### **5.1 National research**

During the roll out of welfare reform and UC across the country, there have been several different pieces of research into the impact on residents. The following is a summary from:

- House of Lords, 1 November 2018, Welfare Changes: Impact on Family Life
- DWP, June 2018, Universal Credit Full Service Survey
- Gateshead Council, November 2018, The impact of the roll out of Universal Credit in two North East England localities: a qualitative study
- DWP, September 2017, Understanding how Universal Credit influences employment behaviour
- National Audit Office (NAO), 15 June 2018, Rolling out Universal Credit

5.1.1 The roll out of UC has not been smooth with claimants describing the process as complicated, difficult and demeaning, and the system as dysfunctional, prone to administrative errors and difficult to navigate. Digital literacy, lack of computer access, bank account and/or email address and problems verifying identification online added to the difficulties. 98% claimed online; 54% unassisted and 21% with help. However, 30% found the process of verifying their ID online very difficult; 43% said they needed more support registering their claim and 31% said they need more ongoing support with using their UC digital account.

5.1.2 There is some evidence of positive employment outcomes for UC claimants with 23% in paid employment when first making their claim, rising to 33% after three months and 40% at eight months. UC can encourage a broadening of employment behaviours and willingness to take on a wider range of work. Meaningful changes in behaviour were brought about by coupling compliance elements with a strong understanding of the more 'enabling' elements of UC.

5.1.3 Evidence shows some households in England are being pushed into more precarious circumstances as result of the cumulative impact of welfare reform, and this is felt most severely among vulnerable households. Forty % were experiencing difficulties keeping up with bills eight months into their claim and over a third were experiencing housing payment arrears. Consequences of

waiting for their first payment pushed many into debt, rent arrears and serious hardship, including going without food and utilities. However, few were offered alternative payment arrangements. Non-judgemental individually tailored advice and support by DWP staff was appreciated where this occurred, but this was not always apparent.

- 5.1.4 Research identified the risk of welfare reforms pushing additional unmet costs on to local authorities and partners including voluntary and community sector (VCS) organisations, as they manage both the administrative and wider policy consequences of welfare reform creating significant workload pressures. Councils are uniquely placed to support families to adjust to changes brought about by wider welfare reforms. Low income households can, potentially, mitigate the impact of reductions in benefits income by increasing earnings and reducing outgoings. In practice this may entail a complex range of solutions including housing, employment, social care and financial inclusion. Councils are best placed to understand family circumstances and bring services together with improved partnership working. It is vital that they are given the flexibility and resources to do this work.
- 5.1.5 There is scope to improve knowledge of UC, improved messaging and explanation, particularly of the earnings taper may help to address negative perceptions of UC stemming from comparison to legacy systems such as tax credits. Emphasising the removal of the 16-hour rule may also be particularly important to increasing the belief that you can be better off in work under UC compared with JSA and therefore driving employment behaviour. However, to influence behaviour, UC needs to be administered smoothly and supported by positive Work Coach interactions.
- 5.1.6 The NAO report examined the impact of UC on individuals and third parties, and the extent to which UC is meeting its stated long term aims. The NAO's view is that the DWP does not have a realistic choice but to continue to roll out UC because of the system changes and practices that have become embedded in delivery.

## **5.2 Welfare Reform Monitoring Report**

### **Development and purpose of the report**

- 5.2.1 As described in section 3, the welfare reform monitoring report - produced by Performance, Research and Intelligence, and attached in Appendix 2 - is a quarterly report, developed in 2012 to enable the Council and partner organisations to track and measure the impacts of Welfare Reform as they have taken effect. This has included:
- Statistics showing the number of households in Manchester affected by welfare reform legislation, for example under-occupancy and the benefit cap.
  - Statistics monitoring measures where effects may be felt, but where the extent might not be known - for example homelessness, and demand for advice services.

- An assessment of the variations of the number of affected households and impacts at place level, using maps for example

5.2.2 The report has been adapted over time to ensure it remains an effective tool for stakeholders, for example by:

- Consolidating indicators to focus on a small set of key measures.
- Regularly engaging with stakeholders at the Board to ascertain their needs.
- Developing the report to include analysis of new information when it becomes available, for example more detailed Universal Credit (UC) statistics.
- Improving the clarity of visual presentation and the concise communication of key trends, policy changes and challenges.

### **What the report shows**

5.2.3 Variation in impacts by place:

The report illustrates that certain parts of the city are disproportionately affected by different aspects of welfare reform. For example, at Q2 2018/19 Wythenshawe had 1,911 social housing tenants affected by under-occupancy legislation. This presents 30.2% of the citywide affected total of 6,331 tenants. Despite the number of affected tenants steadily falling, the area remains the most affected area by a substantial margin. However, there is a narrower gap from that which existed three years ago with South and Central, which remain the least affected areas. The type of housing stock in Wythenshawe, with a high percentage of larger family homes, means the area is likely to remain most affected. A significant proportion of DHP payments continue to be allocated to support tenants affected by under-occupancy legislation.

5.2.4 Enables change over time to be measured:

The report allows trends to be tracked over time across a number of measures. This can illustrate and assess a number of things, for example:

- Showing the change in the number of affected residents when there is change in government policy, such as the reduction in the benefit cap threshold.
- To track changes in demand - where reform may be a driving factor - for example for demand for advice services.
- Evidencing impacts, such as increased social housing tenant arrears associated with the Universal Credit roll out.

5.2.5 In the example of the Benefit Cap, the chart in the report (on page 9) illustrates how the number of affected residents increased steeply in Q1 2016/17 to 1,385 from 248 in the previous quarter following the reduction in the cap to £20,000 per household outside of London. When first introduced, the Benefit Cap had been £23k outside of London. It then shows how

subsequently the number reduced significantly initially, and then more gradually, to leave 779 households remaining affected at Q2 2018/19.

#### 5.2.6 Highlights key areas of concern to stakeholders:

The report starts with a commentary and analysis section which acts as an executive summary, highlighting key messages. At the moment this focuses on major government policy changes (as the UC system continues to be amended over time), the pace of reform roll out, and impacts which are evidenced by data in the report.

#### 5.2.7 Manchester's main registered housing provider partners share statistics with the Council on the level of housing arrears for Housing Benefit (HB) and UC claimants. This has provided a robust evidence base from which to assess whether and how much the levels of arrears differ between tenants receiving housing support from the legacy HB system, compared with UC.

#### 5.2.8 One of the current key areas of concern highlighted by the report is the disparity shown in the figures between the levels of arrears for tenants on UC, which are much higher than tenants on HB. As the UC caseload is rising rapidly, this has led to a corresponding increase in the arrears caseload. Key evidence from the data in the quarterly survey of registered providers shows this as being a growing concern:

- The average arrears for registered provider tenants in receipt of UC at Q2 2018/19 was £786, which is £293 higher than registered provider tenants overall.
- The total amount of arrears owed by UC social tenants across the five providers is £3.35 million, an increase of 31.7% in one quarter alone.
- Only 13% of the registered provider housing support caseload currently consists of UC tenants, with the other 87% still receiving HB. However, because on average each tenant on UC has higher arrears, a disproportionate amount of the total arrears owed across providers - 27% - are attributed to UC tenants.

#### 5.2.9 It should be noted that it is likely that UC tenants in the private rented sector are also experiencing equivalent challenges with arrears but data is not available to fully assess and evidence this. This is particularly concerning as the robust level of support available to tenants in arrears in the social rented sector provided by their housing provider does not exist in the private rented sector. City Council commissioning of CAB services has attempted to address this by prioritising support for private rented tenants.

### **Focusing on, and investigating key areas**

#### 5.2.10 As a result of concerns around the levels of registered provider housing arrears for tenants in receipt of UC, the City Council has recently worked with Northwards to look at the impact in more detail at a place level. To investigate the detailed area picture four maps were produced at sub-ward Lower Super Output Area (LSOA) level. These compared and contrasted:

- Number of Northwards tenants in over £500 of arrears.
- The average arrears for all Northwards tenants.
- Number of Northwards *Universal Credit* tenants in over £500 of arrears.
- The average arrears of Northwards *Universal Credit* tenants.

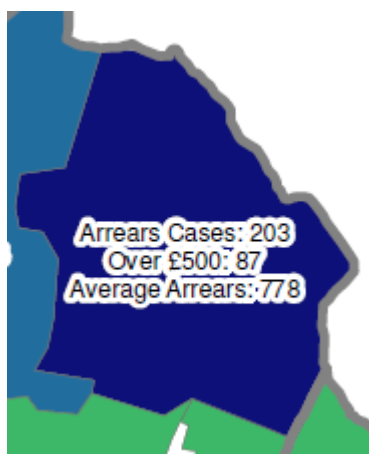
5.2.11 The key messages from this analysis were:

- In the majority of the small areas assessed, the average arrears were higher for UC tenants than for tenants overall, sometimes by a considerable margin.
- The number of UC arrears cases with £500+ owed is cause for concern.
- There was a great deal of variety in the average amount of arrears across LSOA areas both across wards and within each ward, showing a complex picture at sub-ward level.

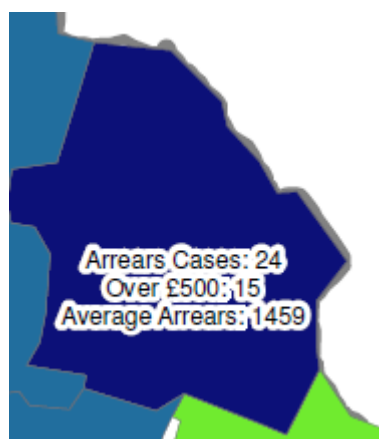
5.2.12 Extracts from two of the maps are shown below as an example to illustrate this. The map extracts show a small area in the North East of Higher Blackley ward. This shows that in this small sample area:

- There are much higher average arrears of £1,459 for UC tenants, compared to £778 for tenants overall.
- 62.5% UC tenants with over £500 of arrears, compared to 42.9% overall tenants.
- That average arrears across the ward vary considerably, as a different small area in the South West of the ward has a much lower average UC tenant arrears figure of £569.

Arrears for all social tenants:



Arrears for UC tenants:



5.2.13 Important points to note are as follows:

- Clearly, as the figures are averages, some tenants in the area will have both much higher, and much lower amounts of arrears. 34 Northwards tenants on UC each had over £3,000 of arrears, approximately 4% of Northwards UC arrears caseload numbers.

- Some tenants will have historic arrears which they accrued before they started claiming UC, and which will show up in the UC arrears total. However, the maps still clearly show a considerable disparity between UC tenant arrears, and arrears for tenants overall across many areas.

### **5.3 Manchester Resident Impact Analysis**

#### **Survey**

- 5.3.1 In October 2018, the Work and Skills Team developed a survey for residents claiming UC to find out more about the impact of Universal Credit on the residents of Manchester. The City Council's Communications and Policy, Research and Intelligence Teams helped to shape the survey. This was promoted through social media, partners and advice support providers as well as other community groups and venues. Where possible, support was provided to complete the survey with paper copies available as well as the online version. The survey was open from 25 October - 14 December 2018.

#### **Focus Groups**

- 5.3.2 In order to gain a more in depth understanding of the impact of Universal Credit on residents, three focus groups were arranged with residents, enabling them to talk more freely about their experiences. The focus groups were held in different parts of the City and at different times of the day to enable as many residents to attend as possible.

#### **Results**

- 5.3.3 The survey received 104 responses from a range of residents and there were 11 focus group participants with a further 5 telephone interviews for residents, who were keen to be involved but unable to attend the focus groups. Overall the feedback had some practical solutions regarding issues and challenges that the residents have faced or are facing whilst going through the Universal Credit process. The results are described in Appendix 3.

#### **Analysis and recommendations**

- 5.3.4 The survey, focus group and in-depth interview results have provided a much greater understanding of how UC is impacting Manchester's residents. They show similar findings to the national research described in section 5.1, with the majority of respondents/ participants having a negative experience and a few recognising positive elements to UC.
- 5.3.5 The research offers constructive comments and possible solutions, with many already being addressed either locally or nationally. The following are some recommendations that have come from the research and will be discussed at the next Welfare Reform Board:
- Increase awareness of the support services available to residents to help with UC and the advantages of seeking support.

- Increase awareness of the need to claim CTS separately from the Council.
- Increase awareness of the need to pay your own rent if you receive UC.
- Increase awareness of the process of applying sanctions, recovering debt etc through UC payments.
- Ensure all support agencies/workers (MCC and partners) are trained with up-to-date information on UC, can support the application process and know where to and how to refer residents for further support:
  - to maintain their UC claim, particularly digital skills
  - for budgeting and debt advice
  - for careers advice and ways to get back into work/progress in work
- Promote positive welfare reform and UC news stories.
- Provide more support to local 'grassroot' organisations who are providing much needed support to residents.

#### 5.3.6 These recommendations are more specifically for DWP and Jobcentre Plus:

- Further increase the length of time that advance payments can be repaid over to at least 24 months.
- Consideration should be taken when applying sanctions, ensuring they are fair and proportionate, and are not counter productive to those claimants making progress towards employment.
- Address how UC takes into account the fluctuating income of claimants returning to work as currently fluctuating UC payments deter rather than encourage.

### 5.4 Homelessness

5.4.1 A driving factor of the increase in homelessness nationally has been attributed to welfare reform. The capping and freezing of Local Housing Allowance (LHA) has had a significant impact. This has been compounded by other welfare reforms such as the 'bedroom tax', the benefit cap, application of the shared room rate to single households under 35 years, and stricter sanction regimes. In Manchester, there has been an 89% increase in larger families presenting with 3 or more children from 117 in 2015/16 to 221 in 2017/18. Although the causes of homelessness are complex, it welfare reform changes, such as the benefit cap are likely to be a large contributory factor. Of the families recorded as living in temporary accommodation, the largest proportion are single mothers (70% in 2017/18). This is a group that has experienced multiple and cumulative changes to their benefits.

5.4.2 Alongside this, PRS rents have increased three times faster than wages nationally: homes in this tenure are increasingly unaffordable for families on low incomes, particularly to households in receipt of LHA. In Manchester our success in sustaining economic growth has led to supply failing to keep pace with demand and as a consequence, increases in average rents in the private sector. The loss of a private rented tenancy has recently become the prime reason for people being owed a statutory homelessness duty in Manchester. The National Audit Office reports a similar picture nationally.



- 5.4.3 There has, and will continue to be, a significant increase in demand. Figures for the first three quarters of 2018/19, since the Homelessness Reduction Act came into force, show that a total of 5,846 households presented as homeless, a 24% increase compared with the same period in the previous year. In the same period, 2,991 statutory homeless applications were taken, a 34% increase when compared with the same two quarters in the previous financial year.
- 5.4.4 Anecdotally, many people state that sanctions have contributed to their debt and difficulties in coping with accommodation or living expenses. This is exacerbated by the delays in payments, which often results in people applying for the government loan; this leads to people's payments being reduced on a monthly basis going forward, subsequently impacting on people's ability to afford to live. Living under financial pressure has led to family breakdown, and therefore increased presentations.
- 5.4.5 Eligibility criteria for the Shared Accommodation Rate has changed to include anyone under the age of 35 (increased from 25), and the way in which the Shared Accommodation Rate is calculated and uprated has changed as well. This has led to increased challenges for young people in finding, and maintaining, affordable accommodation. Since April 2018 there has been a 30% increase in homelessness presentations from young people under 25 years old.

## **5.5 Demand for Discretionary Housing Payments**

- 5.5.1 The Discretionary Housing Payment scheme provides funding to deal with anomalies and hardship in situations where normal Housing Benefit or the housing element of UC does not cover all of a resident's rent liability. The government provides councils with a grant and the Council can fund above this amount up to a threshold, from the Council's budget.
- 5.5.2 In 2016/17, the total spend was £2,131,683 rising to £2,941,208 in 2017/18. For 2018/19, £3,432,920 was originally allocated but by mid-January 2019 92.39% had already been spent with around 53.83% relating to homelessness cases mainly due to the benefit cap and rent shortfall. More details are available in the February 2019 RAGOS report.

## **5.6 Demand for Crisis Support Services**

- 5.6.1 The City Council's Welfare Provision Scheme (WPS) provides support for vulnerable residents who are experiencing extreme hardship to live an independent life, and residents who have experienced a crisis or are at risk of homelessness. The scheme also helps people to return to work and can provide financial support for travel costs. Support to those in hardship consists of essential household goods and/or small cash grants.
- 5.6.2 As at the end of December 2018, WPS had seen an increase in spend of almost £50,000 when compared to the same point last year and an increase in applications by more than 500. In December 2018, 3,349 applications had

been received of which 1,342 were approved. Again, further information is available in the February 2019 RAGOS report.

- 5.6.3 Nationally and regionally there is evidence of an increase in the usage of food banks, although data is not currently available locally. The Trussell Trust has published mid-year statistics showing a national increase in provision of three-day emergency food supplies from 586,907 between April-September 2017 to 658,048 for April-September 2018. In the North West the demand was 96,101. The primary reason for referral is low income (30.71%) followed by benefit delays (21.66%) and benefit changes (17.10%). The Trussell Trust say that although UC isn't the only benefit people at food banks are experiencing problems with, the proportion of benefit delay referrals made due to issues with moving onto the new system rose to 31% from 16% the previous year.

## **5.7 Demand for Advice Services**

- 5.7.1 Since the first roll out of full service began in 2018 the Universal Assisted Digital Service has been able to help support over 2000 people in Manchester to make their initial claim. However, a further 2,100 people have had to seek additional help from Citizens Advice Manchester and its City Wide Advice partners with over 6000 issues related to UC. Digital exclusion continues to be a big hurdle for a number of these people, with the complex verifying process, limited access to internet, language, literacy limitations all being highlighted as key issues. Although there is support in making the initial claim there is still an ongoing need for digital skills support in maintaining their claim.
- 5.7.2 Many clients seem unaware of how the housing element in UC functions and this is leading to incorrect calculations with the housing element not being paid until UC receive the rent agreement. This in turn then frustrates private landlords by causing delay in payment. The Advice providers are also seeing a number of vulnerable clients who have failed the medical for ESA and are told to claim UC, even if disadvantaged. They however have not then been informed about waiting periods before being paid which is then creating undue hardship. The 'agile' nature of UC as it continually evolves and adapts has compounded many of these issues as people are misinformed by those who have not been made aware of any recent changes.
- 5.7.3 In recent years there has been a significant increase in the number of households approaching the Council for a homeless service because they have lost their private rented sector tenancy. In 2012/13 only 12% of acceptances were linked to loss of a private rented sector tenancy but for the first time in 2016/17 more households were accepted as being owed a full homeless duty because they had lost a Private Rented Sector (PRS) tenancy than any other reason. Specialist housing advice has traditionally been restricted to people who are at crisis point and at serious risk of losing their home. Recognising the need for early intervention the City Council commissioned the city-wide advice providers to deliver a PRS Advice Service, funded through monies identified through the city centre review. The service provides general advice and casework in social welfare law, including welfare benefits, debt and housing, as part of an early intervention approach to

preventing homelessness. This service has now been included in the wider city-wide advice contract, which is due to commence in April 2019.

- 5.7.4 Many registered providers offer financial and welfare advice to their own tenants along with regular engagement and support to those affected by welfare reforms. In addition, voluntary and community organisations provide a considerable network of advice provision at various levels.

## **5.8 Engaging local communities**

- 5.8.1 Across Manchester there are many communities who will be greatly affected by the roll out of UC, some of whom have more contact with mainstream services than others. The Orthodox Jewish community in North Manchester and the community in Wythenshawe are examples of how the City Council needs to work differently with different communities.

### **North Manchester Orthodox Jewish Community**

- 5.8.2 A Cross-Authority Working Group was set up between Manchester, Salford and Bury to look at the unique challenge due to welfare reform faced by the Orthodox Jewish community in and around North Manchester, specifically how to engage with this section of the community and to help effect behaviour change. A significant number of households in this demographic have very large families, with those who work often in part-time, low paid employment or self employed and therefore UC is likely to have a huge impact on their income. There is also the expectation that all claimants go into the Jobcentre.
- 5.8.3 As Salford and Bury have a larger proportion of this community in their local authority areas, they are leading on developing engagement activities and have commissioned an organisation called Jewel, a 3rd sector Jewish recruitment organisation. Jewell is organising two events in spring 2019 with a job and business focus, including a mini jobs fair, to subtly pass on the messages about UC. Manchester is contributing a small amount towards this event from the UC Management Fee and the Work & Skills team has an ongoing relationship with Jewell.

### **Wythenshawe**

- 5.8.4 In response to concerns around the level of debt and the impact of UC on Wythenshawe residents, several community based events took place in July and August 2018, as UC Full Service was rolled out at the Wythenshawe Jobcentre.. These events were staffed by DWP early help employment advisers and the Street Advice partners. Sessions took place at Wythenshawe Community Housing Group (WCHG) offices, Wythenshawe Games, Benchill Children's Centre, Tree of Life, the Forum and the Lifestyle Centre. Despite advanced publicity and promotion, take up was low. However, those who attended were given advice and signposting to other support services.

## **6.0 MCC and Partner Response**

- 6.1 Given the number of residents affected, the Government's programme of welfare reform presents significant challenges for a city like Manchester. As referenced in section 3.1, the Welfare Reform Board oversees all of the following areas and continues to focus support on moving residents into work wherever possible.

## **6.2 Communications**

- 6.2.1 An information leaflet was printed and disseminated to residents via libraries, Job Centres, the Work & Skills Team, and support providers across the city. The leaflet explained what UC is, how to make an application, where to go to get help and support and included a list of locations across the City where residents could go to access a PC. The leaflet also included advice on managing money and contact information for personal budgeting support.
- 6.2.2 Messages around debt management, advice and support were sent out on all MCC social media accounts before and after Christmas to encourage residents struggling with money to access help early. The messages also signposted to free events and activities for children over the festive period, food banks and warned people against borrowing from loan sharks signposting to Credit Unions.
- 6.2.3 A three strand debt management campaign is currently being planned following workshops and engagement with a variety of partners and frontline staff. The campaign will target specific messages at those people claiming UC, more universal debt advice messages for all residents to nudge people to get help and support and a media narrative around UC and family poverty.

## **6.3 Adult Education**

- 6.3.1 Manchester Adult Education Service (MAES) offer budgeting courses and a range of digital skills programmes that have been targeted for UC claimants. The service has partnered with the Citizens Advice Bureau (CAB) so that claimants can progress to MAES courses once they have completed their initial CAB session. This approach is being piloted in Wythenshawe and will develop as CAB activity gains traction. However, previous attempts have encountered low take up from residents.
- 6.3.2 MAES have also recently introduced a new programme for UC claimants which is entitled Boost Your Skills. It is an intensive 2 week course which culminates in a mini jobs fair. Again this has been piloted in Wythenshawe and to date two cohorts have completed the programme (16 individuals) and 7 individuals have since secured employment.

## **6.4 Greater Manchester**

Priority 3 of the Greater Manchester Strategy is to 'create an integrated GM approach to welfare reform that delivers progression and addresses low pay',

in recognition that any activity to improve GM residents' employment outcomes is delivered in the context of a changing welfare landscape. In order to deliver this priority, the Greater Manchester Combined Authority (GMCA) has established a GM Welfare Reform and UC Working Group, developed an action plan to address priority areas and a GM Welfare Reform Dashboard. See the July 2018 GMCA report for further details. More recently, GMCA undertaken analysis of the local welfare provision schemes and discretionary housing payments. They have also established a Programme Board tasked to agree the aims and objectives, and work that can be done to reduce the impact of welfare reform on the residents of Greater Manchester.

## **6.5 Training**

In order to provide opportunities for Manchester City Council and partner staff to be trained and kept up-to-date on the developments of UC and Welfare Reform, part of the UC Management Fee has been used to fund:

- A subscription to the Housing Systems website which contains the latest information on UC and Welfare Reform.
- Face-to-face training for frontline staff delivered in either half day or full day sessions by Escalla, a training provider. This training begins in February 2019.
- Well-being and Benefit Showcases in early March 2019 specifically to raise awareness of Council staff who may be affected by UC themselves to inform them of the support available and what UC might mean for them.
- An eLearning module which is yet to be commissioned. This module will be aimed at raising awareness of all Council staff about UC, targeting those who do not need to have face-to-face training.

## **6.6 Conclusion**

6.6.1 The scale, breadth and pace of welfare reform is affecting the same residents numerous times. The City Council is mitigating the impact where we can, working closely with partners including DWP locally, Registered Providers, advice service providers and VCS organisations.

6.6.2 The Welfare Reform Board will continue to monitor the impact on Manchester via the welfare reform monitoring report and other data and intelligence including resident feedback, reviewing policy changes and agreeing actions to mitigate against negative impacts where possible.

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## Appendix 1 - Glossary of Welfare Reforms

Welfare reform	The collective name for changes to the social security system, i.e. money paid to individuals and families by the government to provide a minimum income and additional income for specific purposes/needs.
Universal Credit (UC)	The benefit system that replaces six means tested benefits with a single payment. Live Service = Original version of UC which closed to new claimants on 1 January 2018. Full Service = Full digital service. Claimant has an online account to manage their claim.
Employment Support Allowance (ESA)	A benefit for those who can't work due to illness or disability. The 'Support Group' has no work related requirements. The 'Work Related Activity Group' are expected to undertake actions to move them closer to the labour market like work experience and interviews with their Work Coach. Contributions-based ESA (now called 'new style') is based on income and is now being absorbed into UC.
Job Seekers Allowance (JSA)	A benefit for unemployed people who are looking for work. Contributions-based JSA (now called 'new style') is based on a person's National Insurance contributions, can last for up to 182 days and can be claimed alongside UC (although the JSA amount will be deducted from the UC claim). Income-based JSA is based on income and is now being absorbed into UC.
Disability Living Allowance (DLA)	Benefit to help with the extra costs of living with a disability. Now being replaced with PIP. Includes a care component and a mobility component.
Personal Independence Payment (PIP)	Replacing DLA but has different qualifying conditions which are stricter and reduce the financial award levels from three to two. Includes a daily living component and a mobility component. In 2018 the DWP announced that they were reviewing all 1.6 million claims for PIP following a court ruling which stated that the PIP assessments of mental illness and its effects were discriminatory.
Legacy benefits	The benefits to be replaced by UC: Job Seekers Allowance (income-based), Employment Support Allowance (income-based), Income Support, Housing Benefit, Working Tax Credit and Child Tax Credit.
Benefit cap	A limit on the total amount of benefit that working age

	people can get. Currently, £20,000 for families/couples and £13,400 for single people (outside of London). Some benefits are exempt e.g. ESA Support Group, Working Tax Credit, DLA/PIP.
Housing Benefit	Benefit to help pay rent for claimants who are unemployed, on a low income or claiming benefits. It is being replaced by UC.
Under-occupancy	Since April 2013, there has been a limit on the number of bedrooms that working age social housing tenants can claim for through Housing Benefit. Dependent on the number and age of children and other requirements such as carers required to stay overnight, claimants have seen a reduction in their Housing Benefit to a level which will cover the bedrooms they are deemed to require.
Tax credits	Includes child tax credits for those with children, and working tax credits for those on low incomes. From April 2017, there has been 2 child limit on tax credit support. Additionally, the family element of tax credits was removed on the same date. Lastly, the remaining elements of the tax credits system are being absorbed by UC.





# **Welfare Reform Monitoring Report Quarter Two 2018/19**

Performance, Research and Intelligence

## Introduction

This report includes a set of indicators which enables the progress and impacts of Welfare Reform to be measured. Some indicators show change and impacts from benefit changes directly, such as the Universal Credit roll out, whilst others monitor related data where an impact may be felt such as advice service demand, and homelessness. Data is compiled from a number of sources, including public government statistics, data drawn directly from the Council's own performance data and business systems, along with stakeholder data - for example Social Landlords. The report will continue to be adapted to show indicators which will ensure the most relevant information is available to stakeholders.

### Universal Credit

Universal Credit (UC) is the government's flagship welfare scheme which aims to simplify the benefits system for working age people by bringing together out of work and in work benefits, improve the transition to employment, and make work pay by removing disincentives to work. UC is one of a number of reforms to the welfare system since the Welfare Reform Act of 2012, which includes the under-occupancy rules for social housing (known as the bedroom tax), the Benefit Cap, reform of Local Housing Allowance for private rented properties, changes to Disability Living Allowance (Introduction of Personal Independence Payments) and Employment Support Allowance, and limiting benefit claims to two children.

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7	HOUSING: Social Housing Notices and Evictions
8	HOUSING: Homelessness
9	CLAIMANTS AFFECTED BY LEGISLATION: Benefit Cap and Under-occupation
10	ADVICE SERVICES: Debt, Housing, Benefit Enquiries and Outcomes
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13	MAP - Universal Credit: Households receiving Housing Element
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## Commentary and Analysis

### Universal Credit Statistics: other sources of information

In addition to this report Performance, Research and Intelligence provide further Universal Credit statistics for stakeholders;

\* **Universal Credit Bulletin:** detailed quarterly statistical bulletin using public DWP data, which compares Manchester with NW Region and National.

\* **Intelligence Hub:** online tool for stakeholders to access the most up to date statistics for indicators and geographical areas of interest, including interactive maps.

[http://www.manchester.gov.uk/info/200088/statistics\\_and\\_intelligence/7611/intelligence\\_hub](http://www.manchester.gov.uk/info/200088/statistics_and_intelligence/7611/intelligence_hub)

### Commentary for 2018/19 Quarter 2

This section sets the context - for example explaining policy changes relating to Universal Credit - and summarises key messages arising from analysis of the data presented within the report.

### Universal Credit Policy Changes

An implementation timeline on the following page shows an overview of both national policy changes, and milestones for the roll out specific to Manchester.

A number of further policy changes to the way UC operates were announced in the Autumn 2018 Budget. These provide additional funding for the system, but it should be noted that they do not represent a full restoration of the funding level seen before the cuts introduced by the Chancellor at the time in 2015. Key points to note are;

- Work Allowance will be increased by £1,000.
- The maximum amount of debt deductions will be reduced from 40% to 30%, recovered over a longer period of 16 months.
- An extension of 12 month grace period before Minimum Income Floor applies for self-employed people.
- Those already on income related JSA, ESA and IS will additional 2 week's support during 1st month of UC claim (a measure already in place for those transferring from Housing Benefit to UC).
- The projected end date for full transfer of all legacy benefit claimants to UC has been further delayed, and is now estimated as "end of 2023".

However, these changes are being introduced at staggered points through to October 2021, as shown on the timeline. Therefore, in some cases it will be a substantial amount of time before it can be ascertained what affect the changes will have on claimants.

### Pace of Universal Credit Roll-Out

As the overall pace of roll out is monitored elsewhere, this report focuses on the housing element which is a key area of concern in the context of rental arrears. With Full Service having now been fully in place for new claims in Manchester since July, the pace of on-flow of claimants has increased. At August 2018, 10,284 households were in receipt of the Housing Element of UC across both the private and social rented sectors combined. This accounts for 17% of all households receiving housing payment support via either UC or HB. This represents a substantial rise on the previous quarter, with the private rented cohort rising at a faster rate.

## Commentary and Analysis - Continued

### Impacts of Universal Credit

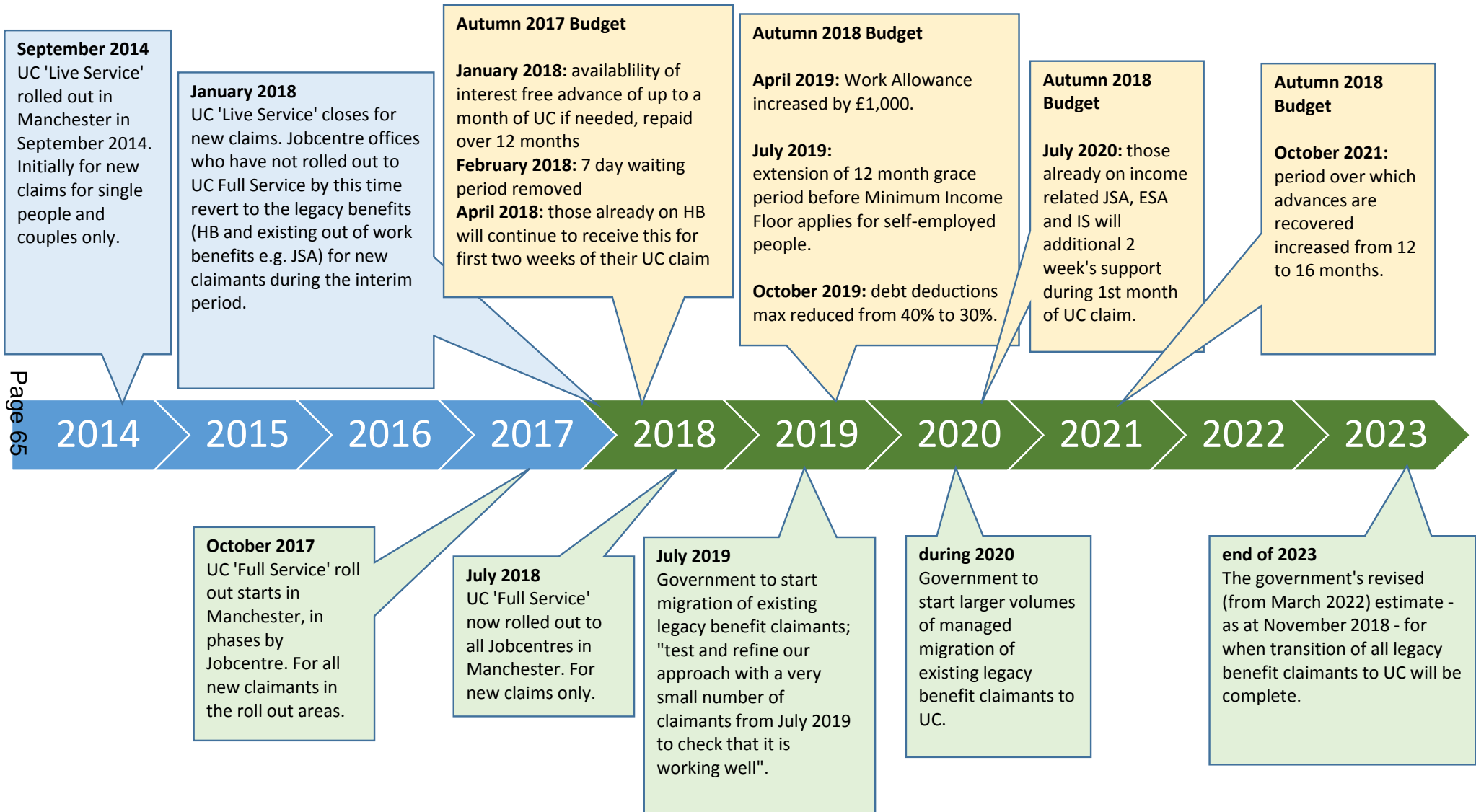
A survey of five main Manchester Social Housing Providers shows average rental arrears for UC tenants has risen for a second successive quarter. This now stands at £786, which is £293 higher than social tenants overall. The rapid increase in the Housing Element caseload has led to a corresponding sharp rise in the arrears caseload by 26.3% to 4,266 cases. Combined with the high average arrears per tenant figure, this has also led to a sharp increase in the total amount of arrears owed across the five providers which stands at £3.35 million, an increase of 31.7% in one quarter.

A disproportionate amount of overall social housing arrears - 27% - are attributed to UC tenants. This is illustrated by the fact that only 13% of the social housing housing support caseload actually consists of UC tenants, with the other 87% still receiving housing benefit.

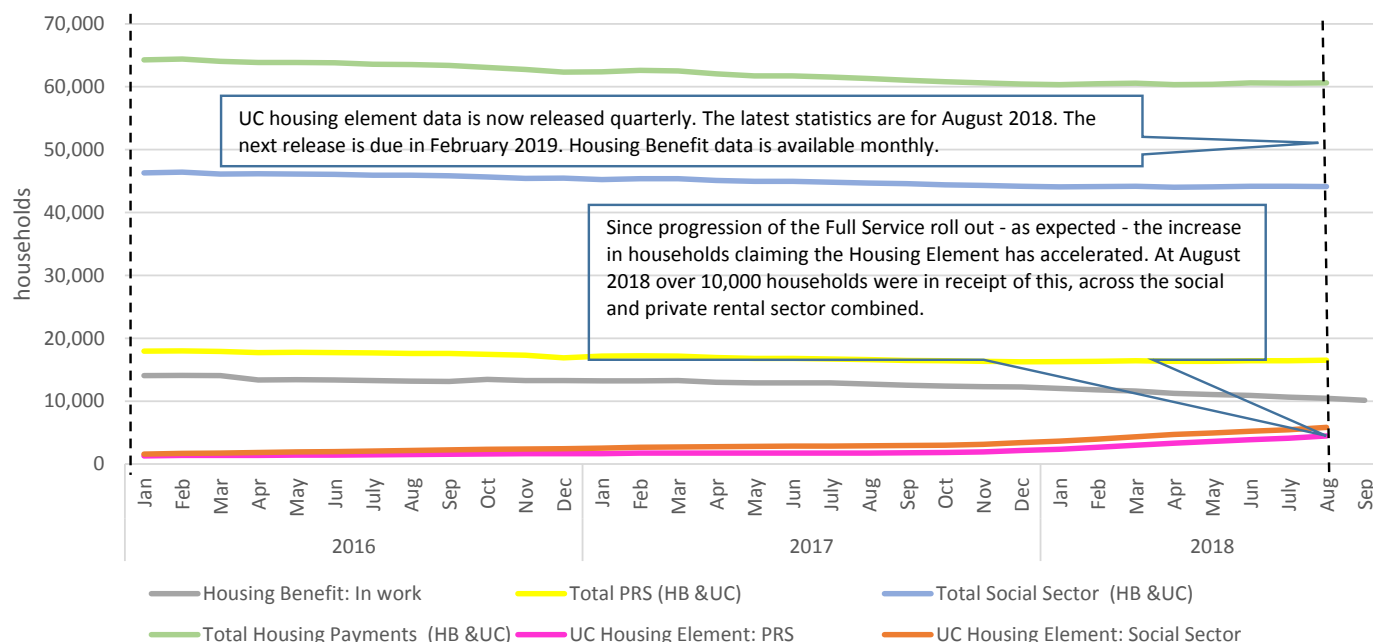
This implies that, on average, the UC process changes which came into force following the Autumn 2017 Budget still do not yet appear to have translated into any significant positive impact on arrears. Also, as noted above, due to the staged introduction of the changes from the Autumn 2018 Budget no positive impacts will be seen from these changes either in the short term. Whether the additional changes from the recent Budget have any significant positive impact in the longer term will only be known at a future point when data becomes available to assess this.

To provide additional intelligence to the Board alongside the citywide arrears averages, the Council is working with partners to analyse and understand the arrears picture at a detailed area level.

## Universal Credit - Implementation Timeline



# 1: HOUSING: Housing Benefit and Universal Credit Housing Element



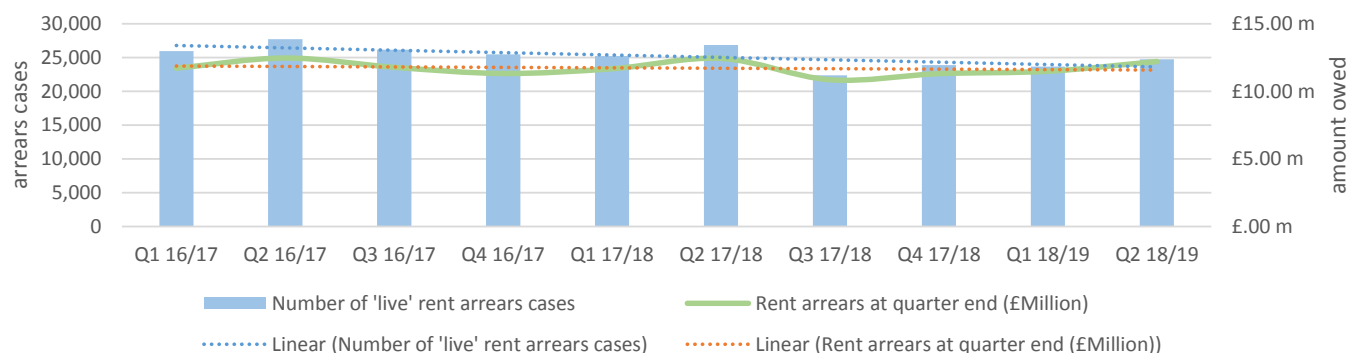
\* data sources: Department for Work and Pensions, and Council Revenues and Benefits Service

Latest		Households - Latest Quarter	Quarterly Change		Annual Change	
			number	%	number	%
Q2 18/19	Housing Benefit: PRS	11673	-863	-6.9%	-2995	-20.4%
Q2 18/19	Housing Benefit: Social Sector	37849	-1123	-2.9%	-3789	-9.1%
Q2 18/19	Housing Benefit: In work	10132	-776	-7.1%	-2398	-19.1%
Q2 18/19	Housing Benefit: Total claimants	49522	-1986	-3.9%	-6784	-12.0%
Aug-18	UC Housing Element: PRS	4458	583	15.0%	2662	148.2%
Aug-18	UC Housing Element: Social Sector	5826	606	11.6%	2894	98.7%
Aug-18	Total PRS (HB & UC)	16496	85	0.5%	32	0.2%
Aug-18	Total Social Sector (HB & UC)	44110	-82	-0.2%	-460	-1.0%
Aug-18	Total Housing Payments (HB & UC)	60606	3	0.0%	-428	-0.7%

The graphic and table show the overall context of the volume of Manchester households claiming housing support payments for different tenures and cohorts as Universal Credit gradually replaces Housing Benefit. At August 2018, as take up of UC accelerated, 10,284 households were in receipt of the Housing Element of UC across both the private and social rented sectors combined. This accounts for 17% of all households receiving housing payment support via either UC or HB. The private rented sector cohort is increasing at a faster rate than the social sector cohort. There are a number of factors which may influence this trend including population increases and flows, the growth of the cheaper end of the PRS market, contrasted with a fairly stable amount of social sector home supply.

A further caseload increase acceleration is expected as Full Service UC has been available across all Manchester JobCentres since July 2018, and the statistics currently are only available up to August. Public household level UC statistics are now available on a quarterly, rather than the previous bi-annual basis. There is still a lag in the month reported - to ensure reasonable accuracy in the published figures - and the release frequency is also still less than internal housing benefit statistics, which are available monthly. There remain gaps in what intelligence is available for UC Housing Element compared to HB. For example it is not currently possible to obtain totals of in-work and out of work households claiming Housing Element. This makes it more challenging than under the HB system to analyse the changing proportion of these different cohorts receiving either one of the payment types. Economic hierarchy data at household level is information which local authorities have requested be made available in future DWP UC statistics; i.e. statistics on working, non-working households, and where there is a mixture of working and non-working household members.

## 2: HOUSING: Social Housing Rent Arrears

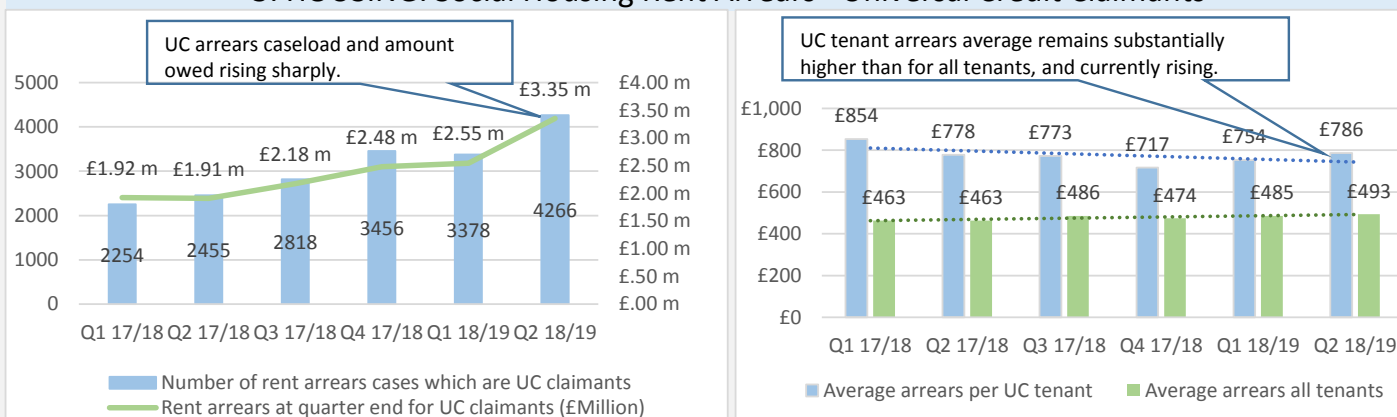


	End Q2 18/19	Change Q1- Q2		Annual Change	
		number	%	number	%
Number of arrears cases	24749	1073	4.5%	-2092	-7.8%
Amount of arrears at quarter end	£12.21 m	£0.18m	6.3%	-£0.19m	-1.8%

The overall amount of arrears for social tenants from the surveyed providers (whether in receipt of HB or UC) has been rising for the last three quarters. The long term trend has been of a slight reduction. It should be noted that there can be substantial fluctuations in the arrears levels for each Provider within quarters. The Housing Benefit and UC payment cycles do not align. The switch to UC Full Service has also meant a change to the way that payments are received from DWP for accounts in arrears - e.g. via APAs; which are paid in arrears.

\* data source: Survey of Registered Providers

## 3: HOUSING: Social Housing Rent Arrears - Universal Credit Claimants

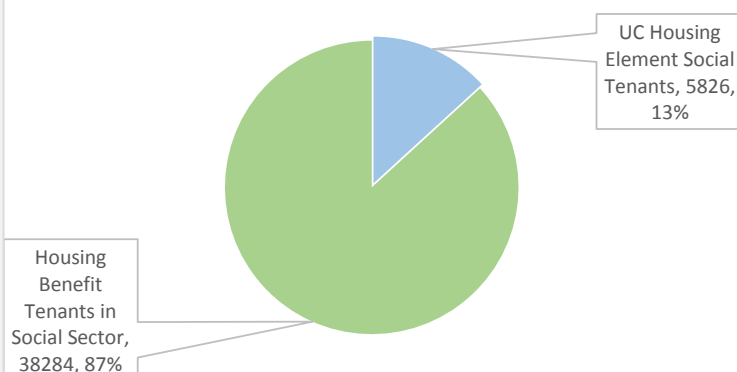


	End Q2 18/19	Change Q1 - Q2		Annual Change	
		number	%	number	%
Number of UC rent arrears cases	4266	888	26.3%	1811	73.8%
Rent arrears for UC tenants	£3.35 m	806695	31.7%	£1.44 m	75.6%
Average arrears per UC tenant	£785.92	£32.21	4.3%	£8.05	1.0%
Average arrears all tenants	£493.25	£8.10	1.7%	£29.92	6.5%

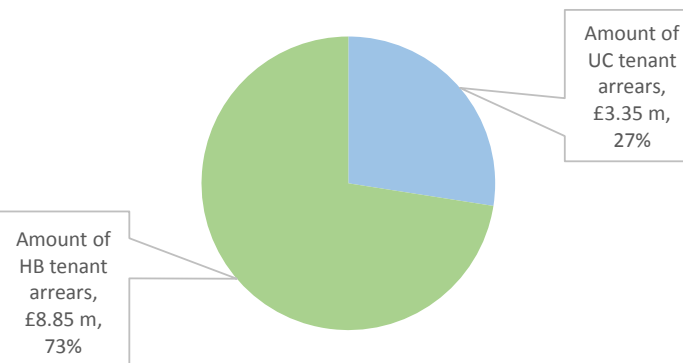
The rise in the number of UC arrears cases has accelerated, which is to be expected as the overall UC housing element caseload increase has accelerated. This follows from full coverage of Full Service being available across all job centres since July 2018. Since April, all of the process changes announced by government in the Autumn 2017 budget have been in effect, which were intended to have a mitigating effect on arrears. From the average arrears figures, there is currently no evidence of a substantial positive impact - average arrears have in fact been rising for the last two quarters. Further changes were announced in the government's Autumn 2018 budget, however none of the changes will come into effect until April 2019 at the earliest. More detail on this is given in the Commentary and Universal Credit Timeline sections on pages 2 to 4.

#### 4: HOUSING: Social Housing Rent Arrears - Universal Credit Claimants (continued)

*Proportion of social tenants in receipt of UC Housing Element at August 2018 has risen*



*A disproportionate amount of overall arrears are attributed to tenants on UC*

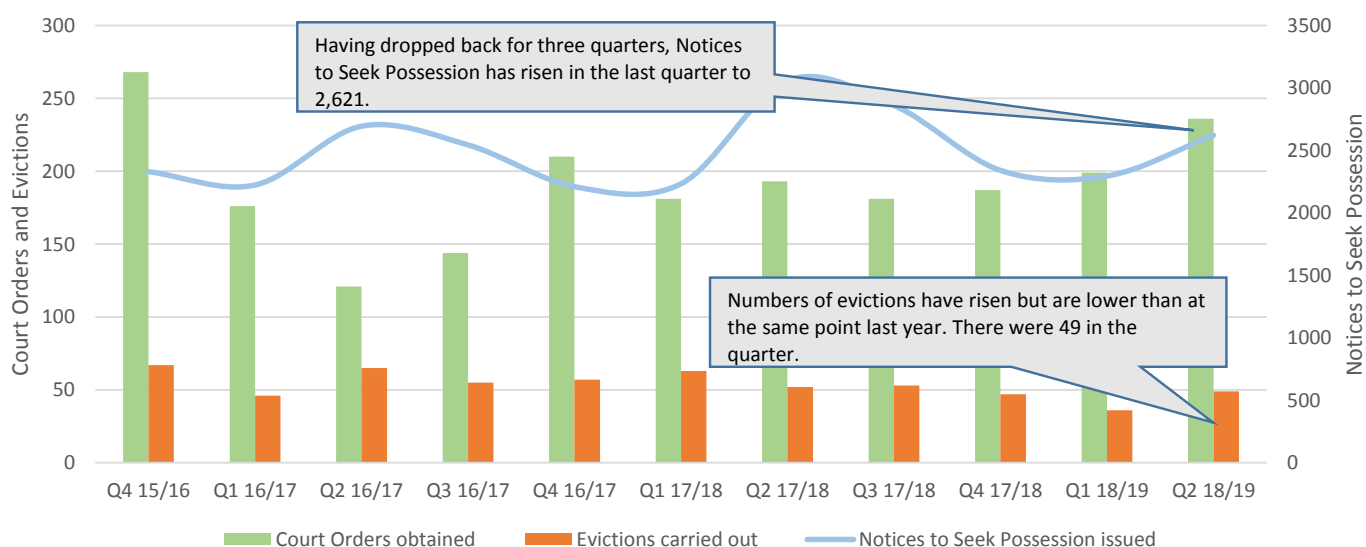


The chart on the left shows that at August 2018 the proportion of social housing tenants who receive their payment via UC remained is now more substantial, having risen five percentage points since December 2017.

The chart on the right shows that this UC cohort accounts for a disproportionately high amount of the amount of the total arrears owed by social tenants, and the position has worsened. This is because the average amount of arrears owed by these tenants is higher and currently increasing, and the volume of UC arrears cases is also rising rapidly.

\* NB: the arrears figures are for the Registered Providers surveyed only, not for the whole social housing caseload.

#### 5: HOUSING: Social Housing Notices and Evictions



\* data source: Survey of Registered Providers

	End Q1 18/19	Change Q4 - Q1		Annual Change	
		number	%	number	%
Notices to Seek Possession issued	2621	326	14.2%	-440	-14.4%
Court Orders obtained	236	37	18.6%	43	22.3%
Evictions carried out	49	13	36.1%	-3	-5.8%



## HOUSING: Social Housing Notices and Evictions (continued)

The number of notices to seek possession had been reducing reducing from the peak reached at Q3 2017/18, however in the last quarter they have risen again.

Court orders obtained are fluctuating without a notable upward or downward trend over the last year.

Evictions had been falling, but this quarter have risen slightly

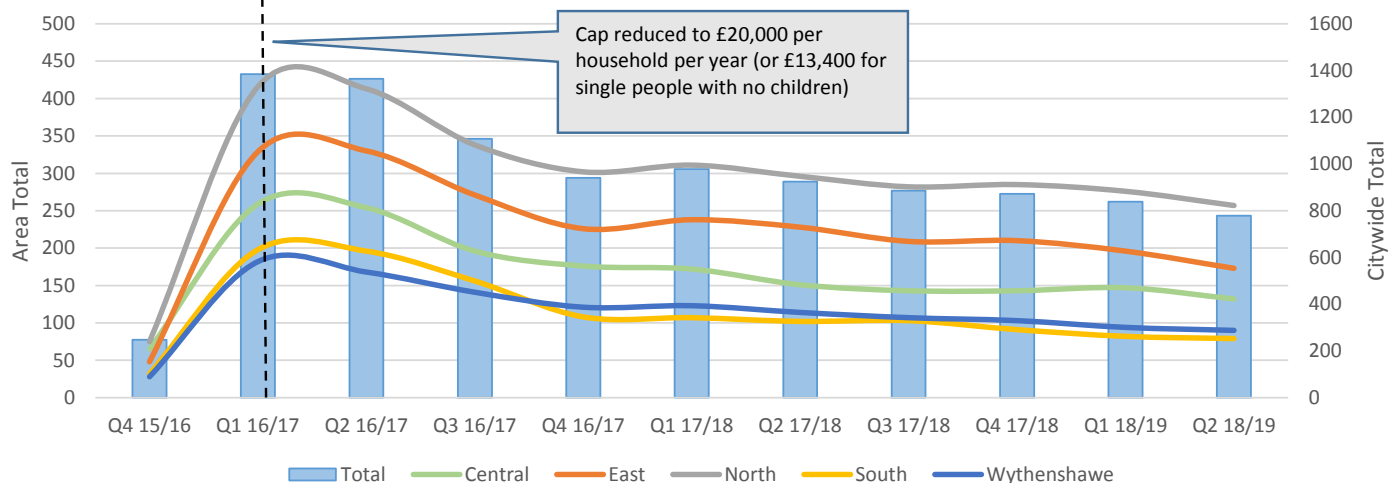
## 6: HOMELESSNESS: Homelessness Presentations

The Homelessness Reduction Act has significantly changed the way that homelessness services need to operate. As well as a new piece of legislation, there is also a new statutory returns specification. The Homelessness Service record information and report performance via the H-CLIC (Homelessness Case Level Information Collection) providing real time case level information, rather than a monthly snapshot as previously.

H-CLIC will be able to provide the housing tenure where the presenting reason is "eviction/possession". Therefore once validated data is available a new measure should be able to be developed to measure the extent of private rented sector evictions. This will replace the "Private Landlord Possessions and Claims" measure which used Ministry of Justice data, and has been discontinued as it was not thought to provide a full picture of the possible extent of private sector tenancy evictions.

A separate briefing note on Welfare Reform related Homelessness Analysis will be provided to the Board. If deemed necessary - in addition to other Homelessness reporting - new measures can then be developed and added to this report.

## 7: CLAIMANTS AFFECTED BY LEGISLATION: Benefit Cap



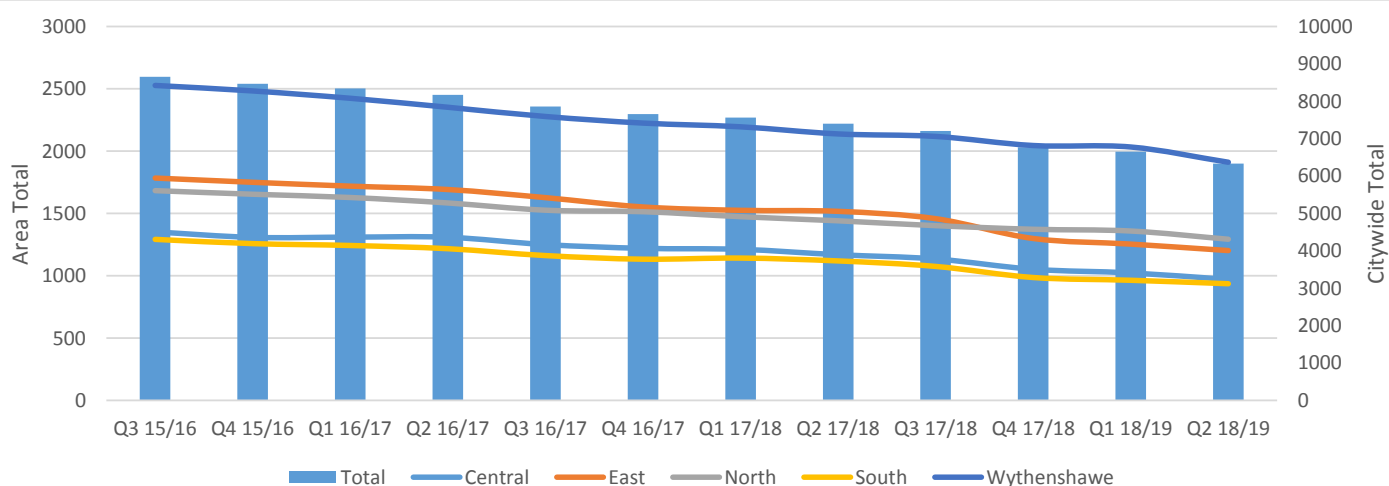
\* data source: Council Revenues and Benefits Service

	End Q2 18/19	Change Q1 - Q2		Annual Change	
		number	%	number	%
Central	132	-15	-10.2%	-19	-12.6%
East	173	-23	-11.7%	-55	-24.1%
North	257	-19	-6.9%	-39	-13.2%
South	79	-3	-3.7%	-23	-22.5%
Wythenshawe	90	-4	-4.3%	-24	-21.1%
Total	779	-60	-7.2%	-145	-15.7%

The reduction in numbers of affected households continues to be relatively small on a quarterly basis. A number of factors will drive the net figure, leading to different cohort sizes and rates of change across distinct areas;

- \* On flow of new claimants
- \* Off flow of claimants due to circumstances meaning cap no longer applies
- \* Cohorts that may find it more challenging, or be unable to make changes to their situation to remove the application of the cap.
- \* Number of children in households. In Manchester, the majority of claimants have either three children (41%) or four children (27%) (source: DWP Stat Xplor August 2018)

## CLAIMANTS AFFECTED BY LEGISLATION: Working age social housing tenants in under-occupation



## CLAIMANTS AFFECTED BY LEGISLATION: Working age social housing tenants in under-occupation

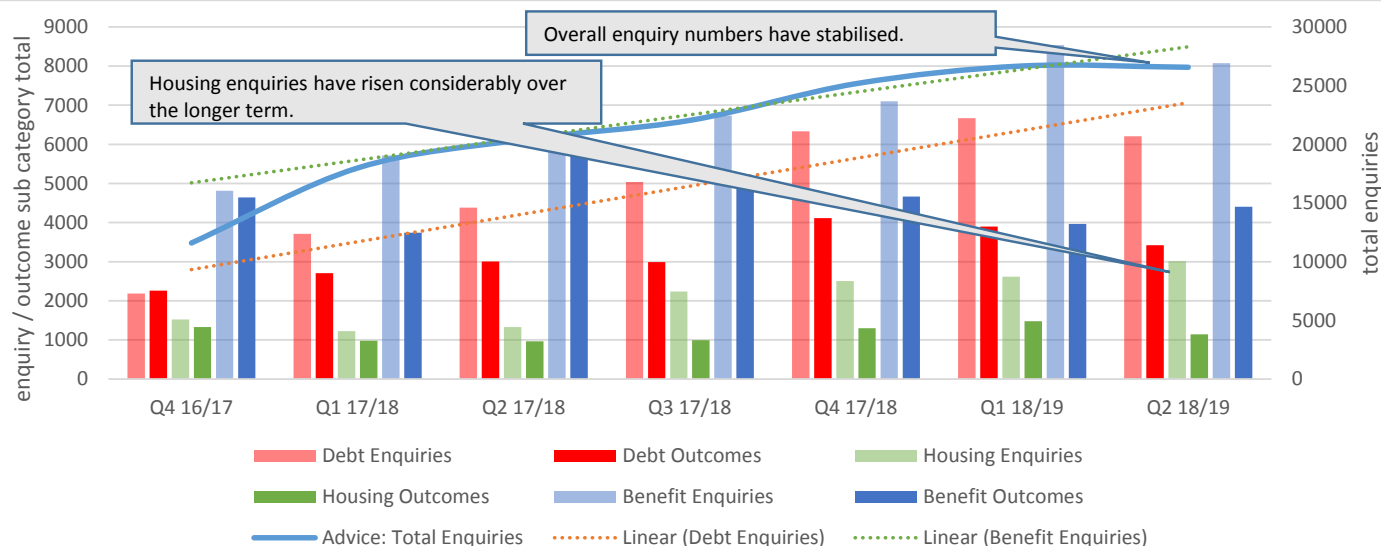
\* data source: Council Revenues and Benefits Service

	End Q1 18/19	Change Q4 - Q1		Annual Change	
		number	%	number	%
Central	970	-53	-5.2%	-199	-17.0%
East	1202	-52	-4.1%	-315	-20.8%
North	1293	-66	-4.9%	-148	-10.3%
South	936	-28	-2.9%	-183	-16.4%
Wythenshawe	1911	-122	-6.0%	-227	-10.6%
Total	6331	-318	-4.8%	-1069	-14.4%

A significant proportion of DHP payments continue to be allocated to mitigate tenants affected by under-occupancy legislation.

Over the longer term Wythenshawe has shown the largest reduction in affected tenants. The area remains the most affected area by a substantial margin, but with a narrower gap from that which existed three years ago with South and Central, which remain the least affected areas. The type of housing stock in Wythenshawe, with a high percentage of larger family homes, means the area is likely to remain most affected.

## 9: ADVICE SERVICES: Debt, Housing, Benefit Enquiries and Outcomes



\* data source: Citizen's Advice

	End Q3 17/18	Change Q2 - Q3		Annual Change	
		number	%	number	%
Advice: Total Enquiries	26565	-107	-0.4%	6149	30.1%
Debt Enquiries	6203	-461	-5.9%	1820	41.5%
Debt Outcomes	3424	-473	-12.1%	423	14.1%
Housing Enquiries	3009	392	15.0%	1682	126.8%
Housing Outcomes	1144	-334	-22.6%	179	18.5%
Benefit Enquiries	8075	-464	-5.4%	1770	28.1%
Benefit Outcomes	4406	441	11.1%	-1375	-23.8%

## ADVICE SERVICES: Debt, Housing, Benefit Enquiries and Outcomes (continued)

Overall the total number of enquiries - the demand for advice services - has stabilised, but remains high. After rising steeply for some time, debt and benefit enquiries have dropped back slightly but are still at high volume.

The most noticeable trend is that housing enquiries continue to rise, and have more than doubled in a year.

There were 1,447 UC enquiries, a 15% increase on the previous quarter.

## PLACED BASED ANALYSIS

### Access to additional Benefit related Maps

A set of maps is provided on the following pages which indicate place based demand across a number of indicators which are not mapped elsewhere. Additional up to date maps for a number of measures are available to self-serve from the Intelligence Hub; these are therefore not duplicated in this report. These include; Universal Credit caseload, Universal Credit Sanctions, People on Universal Credit by employment status.

The Intelligence Hub can be accessed via the webpage below:

[http://www.manchester.gov.uk/info/200088/statistics\\_and\\_intelligence/7611/intelligence\\_hub](http://www.manchester.gov.uk/info/200088/statistics_and_intelligence/7611/intelligence_hub)

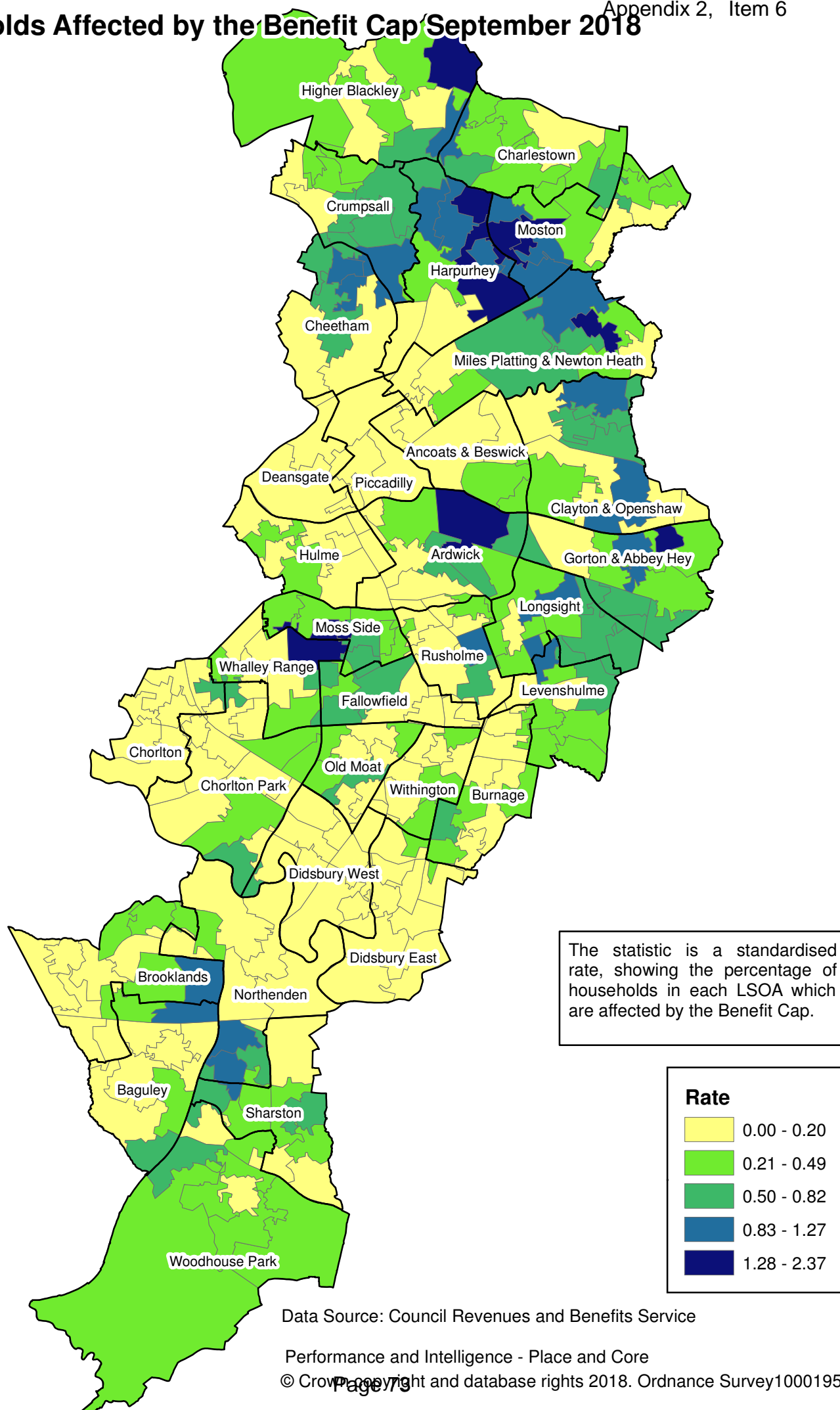
### Analysis of the Q2 2018/19 Maps

**Households affected by the benefit cap:** Hotspots of affected areas continue to be predominantly to the North and East. Notable small areas are affected in Moss Side, Ardwick, Harpurhey and Moston. In the most affected small areas, up to 2.4% of households are affected. These will correlate with areas where there are a large number of households with 3 or 4 children.

**Households in receipt of the Housing Element of Universal Credit:** The Housing Element caseload has increased substantially since December 2017, and stood at 10,284 households in August 2018. The areas where this cohort has increased the most include Moss Side, and a large area to the east of the city from Miles Platting, running south to Longsight. In the small areas with the highest proportion of claimants, up to 13% of all households in the area claim this element of the UC.

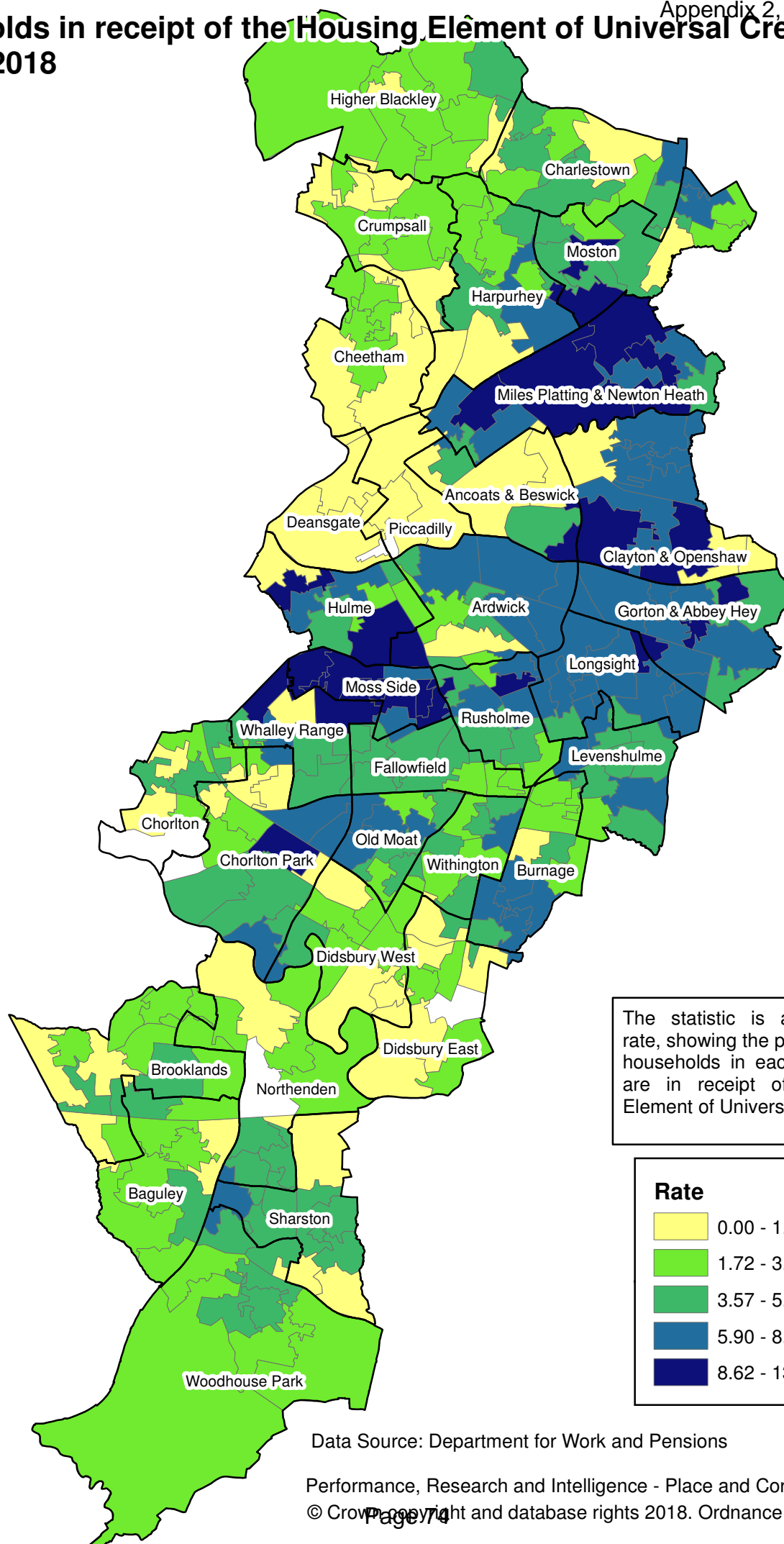
**Discretionary Housing Benefit Awards:** 4,386 awards are recorded at Q2, which includes future awards. Clusters of a high proportion of awards by households in the area are seen in Harpurhey, Sharston, and Longsight. The highest percentage rate of awards by households in a small area is 8.9%.

**Local Welfare Provision Scheme Applications:** Cumulatively there were 2,025 applications up to Q2. Small clusters continue to show around supported accommodation addresses. Wider areas are affected across several Wards across the city. The highest percentage rate of applications by households in a small area is 6.2%.

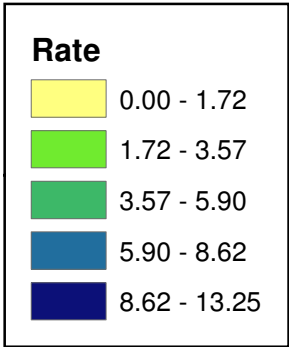


# Households in receipt of the Housing Element of Universal Credit, August 2018

Appendix 2, Item 6



The statistic is a standardised rate, showing the percentage of all households in each LSOA which are in receipt of the Housing Element of Universal Credit.

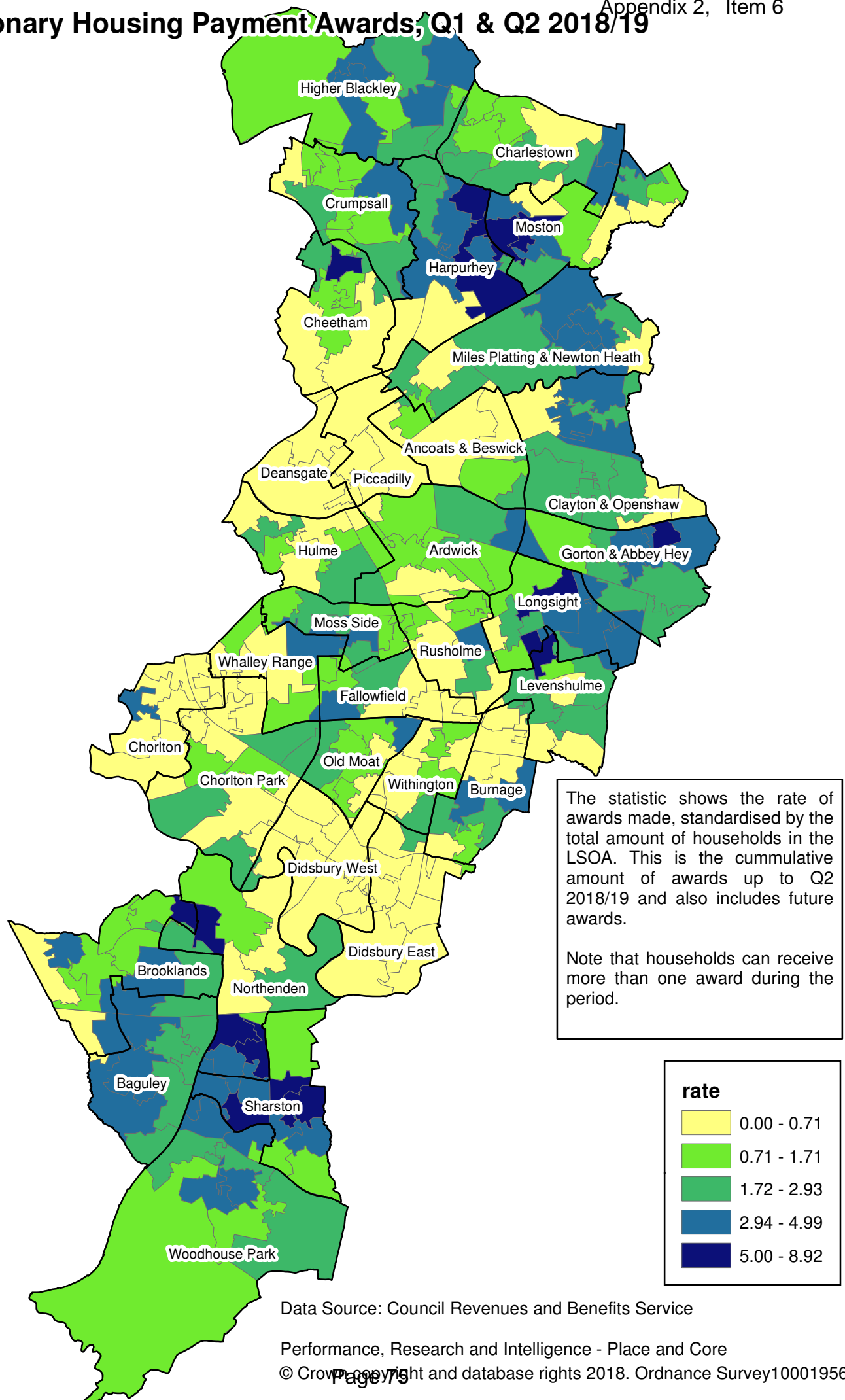


Data Source: Department for Work and Pensions

Performance, Research and Intelligence - Place and Core

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# Discretionary Housing Payment Awards, Q1 & Q2 2018/19



Data Source: Council Revenues and Benefits Service

Performance, Research and Intelligence - Place and Core

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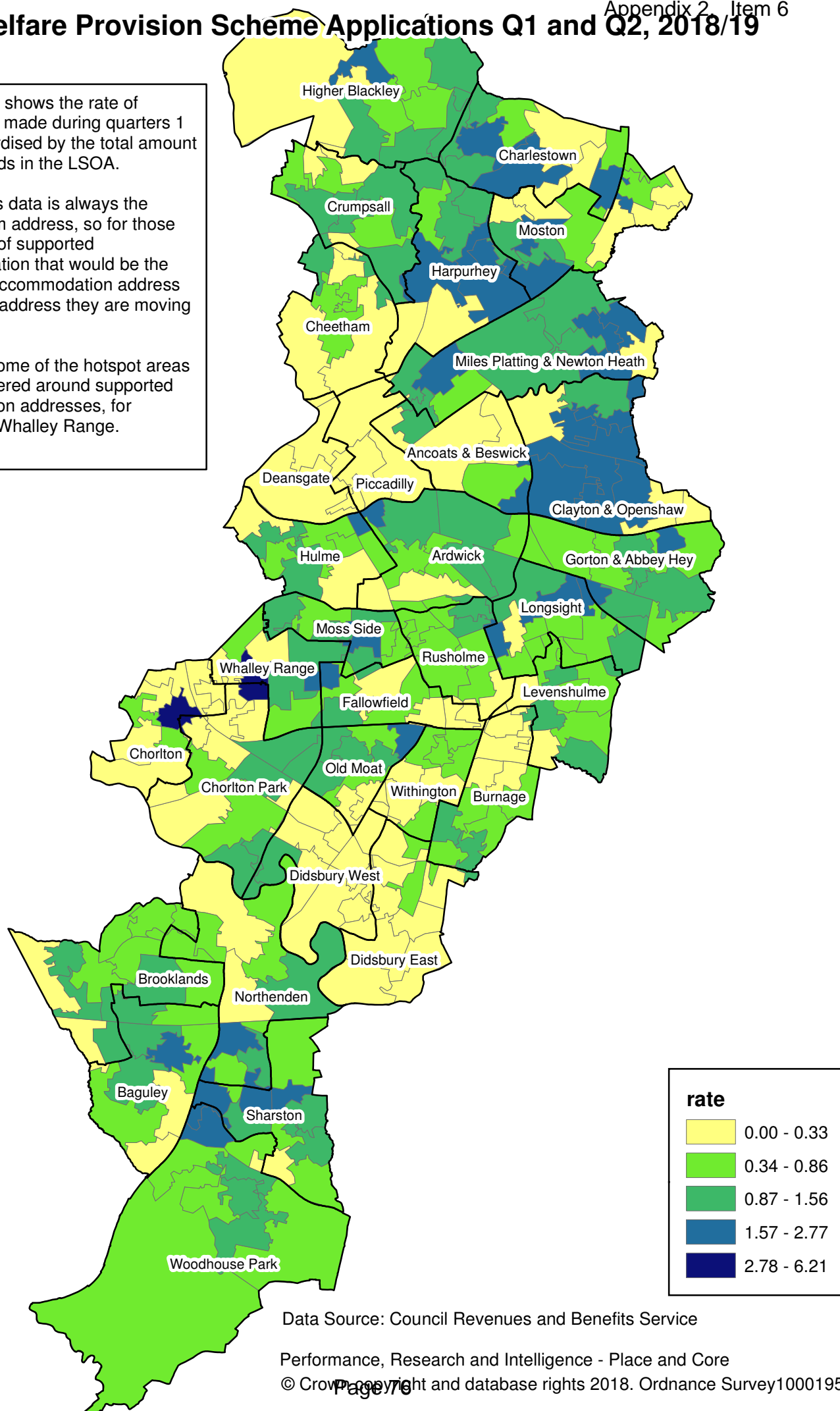
# Local Welfare Provision Scheme Applications Q1 and Q2, 2018/19

Appendix 2, Item 6

The statistic shows the rate of applications made during quarters 1 & 2, standardised by the total amount of households in the LSOA.

The address data is always the claimed from address, so for those moving out of supported accommodation that would be the supported accommodation address and not the address they are moving to.

Therefore some of the hotspot areas will be clustered around supported accommodation addresses, for example in Whalley Range.





## MEASURE DEFINITIONS

Measure	Definition	Data Source
1. HOUSING: Housing Benefit and Universal Credit Housing Element	Count of Households receiving either Housing Benefit or Universal Credit Housing Element. A split by tenure is provided, and a combined total of Housing Benefit and UC Housing Element to show overall caseload.	Department for Work and Pensions, and Council Revenues and Benefits Service
2. HOUSING: Social Housing Rent Arrears	Number of social housing arrears cases and total amount owed at quarter end. Coverage is of total citywide for main six providers (Adactus, Northwards, One Manchester, Southway, Wythenshawe Community Housing)	Survey of Registered Providers
3: HOUSING: Social Housing Rent Arrears - Universal Credit Claimants	LEFTHAND CHART: Number of social housing arrears cases and total amount owed at quarter end for UC claimants. Coverage is of total citywide for main six providers (Adactus, Northwards, One Manchester, Southway, Wythenshawe Community Housing)	Survey of Registered Providers
	RIGHTHAND CHART: Comparison of average social housing arrears per tenant for UC claimants in contrast with social tenants overall (on HB or UC). Coverage is of total citywide for main six providers (Adactus, Northwards, One Manchester, Southway, Wythenshawe Community Housing)	Survey of Registered Providers
4: HOUSING: Social Housing Rent Arrears - Universal Credit Claimants (continued)	LEFTHAND PIECHART: Total number and proportion of social tenants who are on either HB or UC. Coverage is of whole citywide social tenant caseload.	Department for Work and Pensions, and Council Revenues and Benefits Service
	RIGHTHAND PIECHART: Total arrears amount and proportion owed citywide for social tenants on UC compared to HB. Coverage is of total citywide for main six providers (Adactus, Northwards, One Manchester, Southway, Wythenshawe Community Housing)	Survey of Registered Providers
5: HOUSING: Social Housing Notices and Evictions	Total Number of Notices to Seek Possession, Court Orders and Evictions for social tenants per quarter. Coverage is of total citywide for main six providers (Adactus, Northwards, One Manchester, Southway, Wythenshawe Community Housing)	Survey of Registered Providers
6: HOMELESSNESS: Homelessness Presentations	The number of presentations, owed full duty, and in temporary accommodation at quarter end.	Department for Communities and Local Government
7: CLAIMANTS AFFECTED BY LEGISLATION: Benefit Cap	The number of working age households affected by the benefit cap as their total benefits exceeded the thresholds. The threshold is £20,000 per household per year, or £13,400 for single people with no children.	Council Revenues and Benefits Service

## MEASURE DEFINITIONS (CONTINUED)

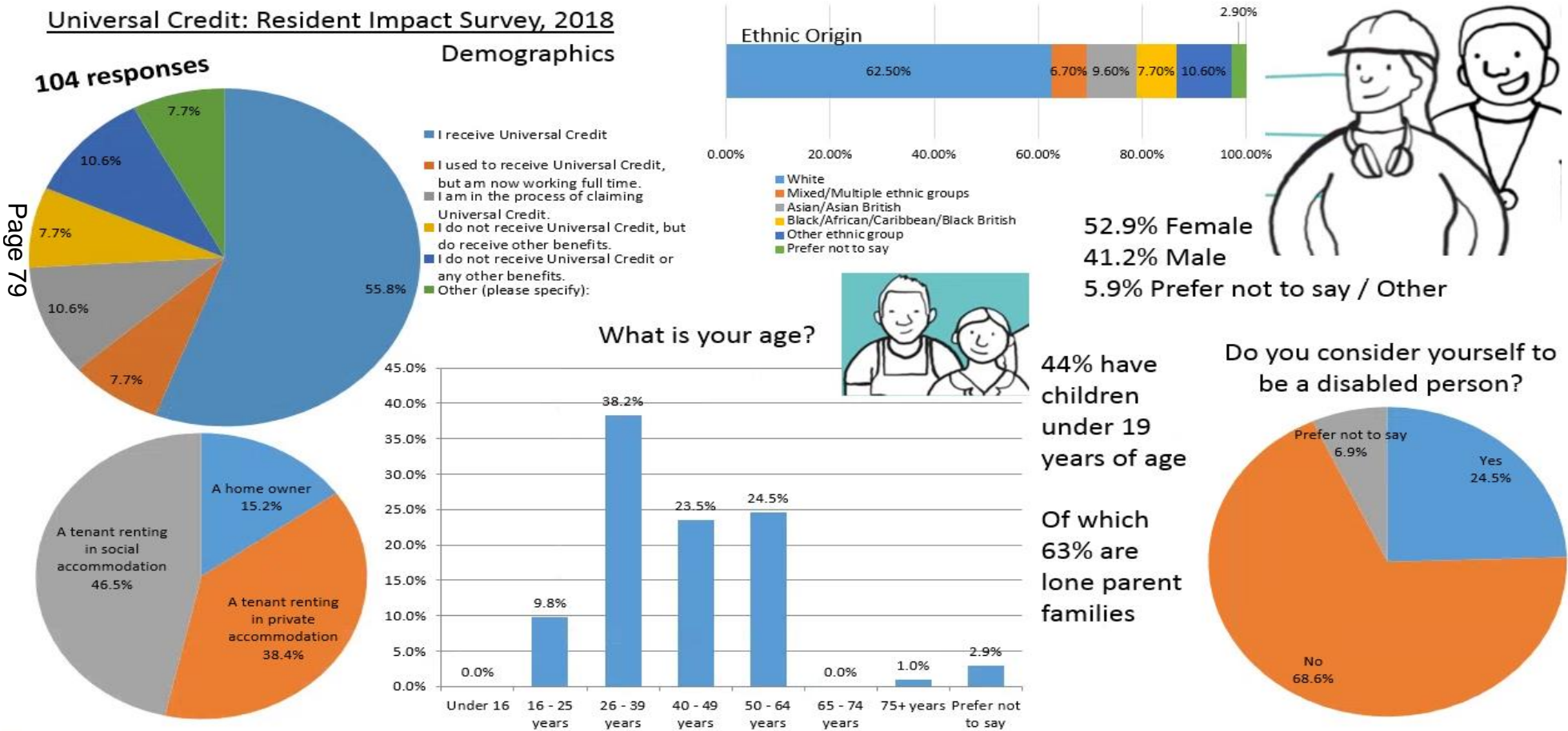
Measure	Definition	Data Source
8: CLAIMANTS AFFECTED BY LEGISLATION: Working age social housing tenants in under-occupation	The number of households of working age, where the household is under-occupied according to the Bedroom Standard (this determines how many bedrooms the household is entitled to based on the number of couples, single adults, children aged 10-16 and children under 10). Households with 1 surplus room have their housing benefit reduced by 14% and households with 2 surplus rooms reduce by 25%.	Council Revenues and Benefits Service
9: Benefit Cap Rate Map by LSOA	The statistic is a standardised rate, showing the percentage of households in each LSOA which are affected by the benefit cap. NUMERATOR: number of households in LSOA affected by the benefit cap. DENOMINATOR: total number of occupied houses in LSOA from Council Tax records.	Council Revenues and Benefits Service, Council Tax
10: Households in receipt of the Housing Element of Universal Credit Map by LSOA	The statistic is a standardised rate, showing the percentage of all households in each LSOA which are in receipt of the Housing Element of Universal Credit. NUMERATOR: number of households in LSOA in receipt of the Housing Element of Universal Credit. DENOMINATOR: total number of occupied houses in LSOA from Council Tax records.	Department for Work and Pensions, Council Tax
11: Discretionary Housing Payment Awards by LSOA	The statistic shows the rate of awards made during the quarter, standardises by the total amount of households in the LSOA. NUMERATOR: DHP awards by LSOA. DENOMINATOR: total number of occupied houses in LSOA from Council Tax records.	Council Revenues and Benefits Service, Council Tax
12: Local Welfare Provision Scheme Applications	The statistic shows the rate of applications made during the quarter, standardised by the total amount of households in the LSOA.. NUMERATOR: number of applications by LSOA. DENOMINATOR: total number of occupied houses in LSOA from Council Tax records.	Council Revenues and Benefits Service, Council Tax

Appendix 3 - Results from the resident impact analysis survey and focus groups

1. Survey

The survey received 104 responses from a range of residents whose demographics are described in the data below.

74% either received UC, had previously received UC or were in the process of making their claim. Several people who support residents to make their UC claim also completed the survey.

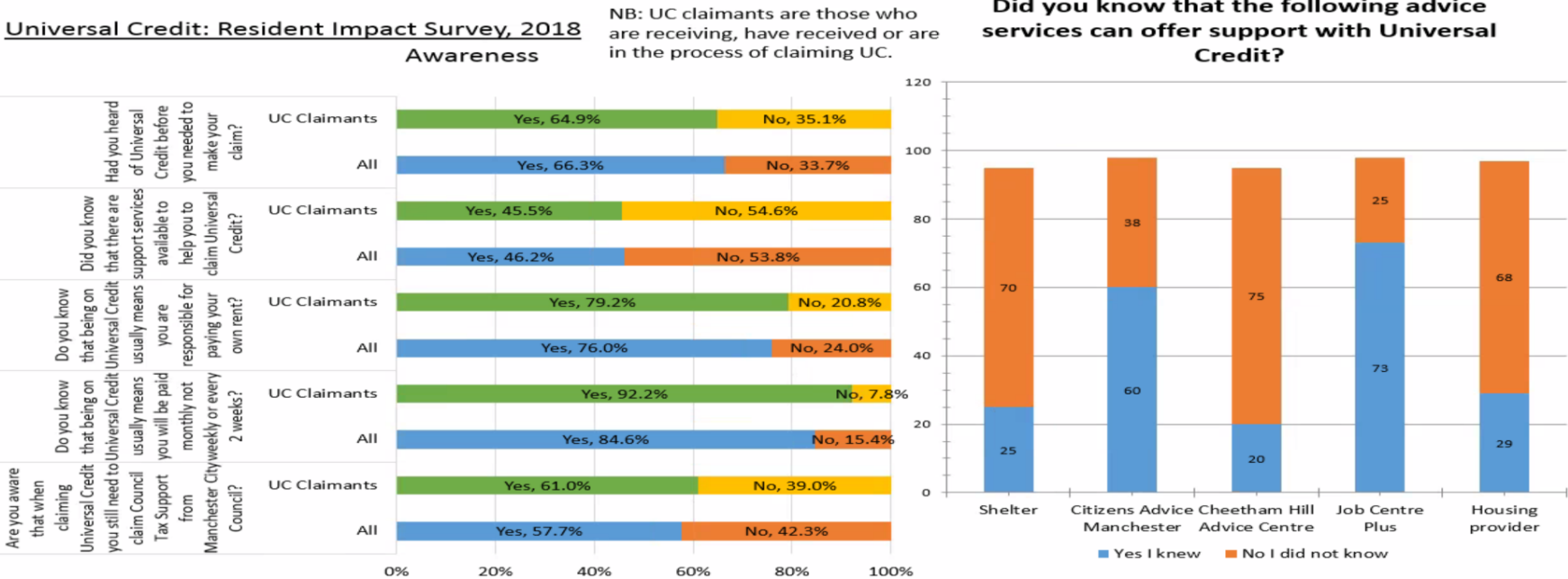


1.1 Awareness

66.3% had heard of UC before making their claim. However, only 46.2% knew that there were support services available to help them to claim UC. 74.5% knew the Jobcentre and 61.2% knew Citizens Advice Manchester offered support with less aware that their housing provider, Shelter and Cheetham Hill Advice Centre offer support as well.

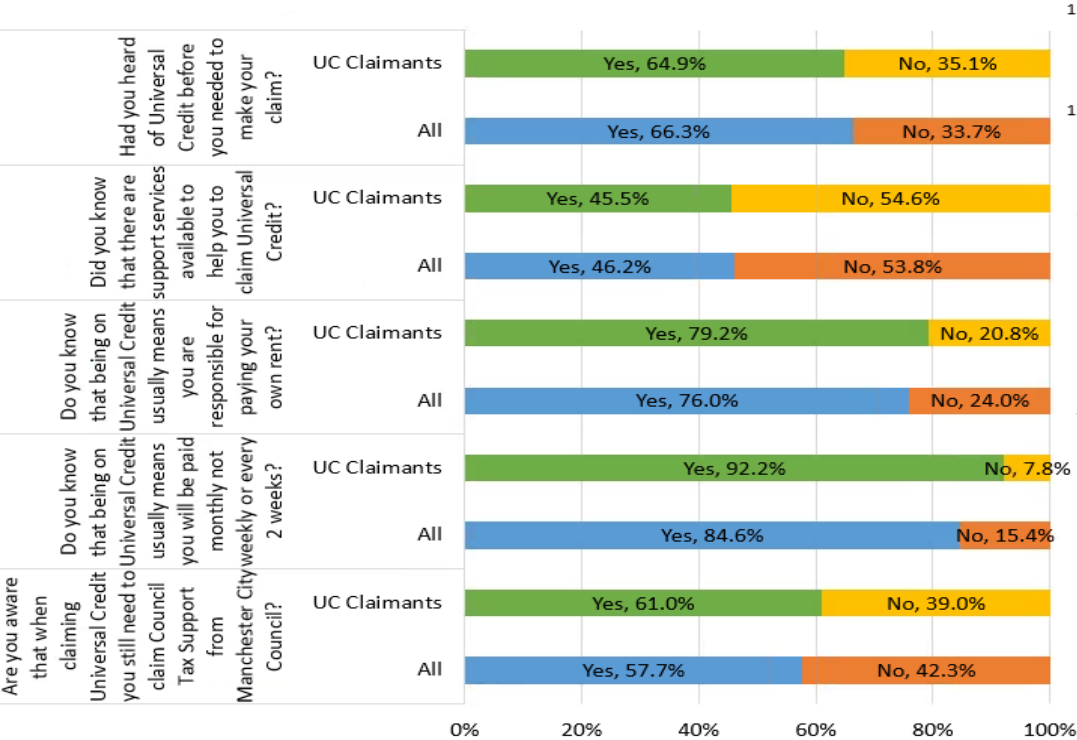
76% knew they would be responsible for paying their own rent and 84.6% knew they would be paid monthly. However, only 57.7% knew they needed to claim Council Tax Support separately from the Council.

Of the 24% who did not know they would have to pay their own rent, only 28% knew there are support services available to help with their UC claim, and of the 42.3% who did not know they had to claim CTS separately, only 27.27% knew about the support services.

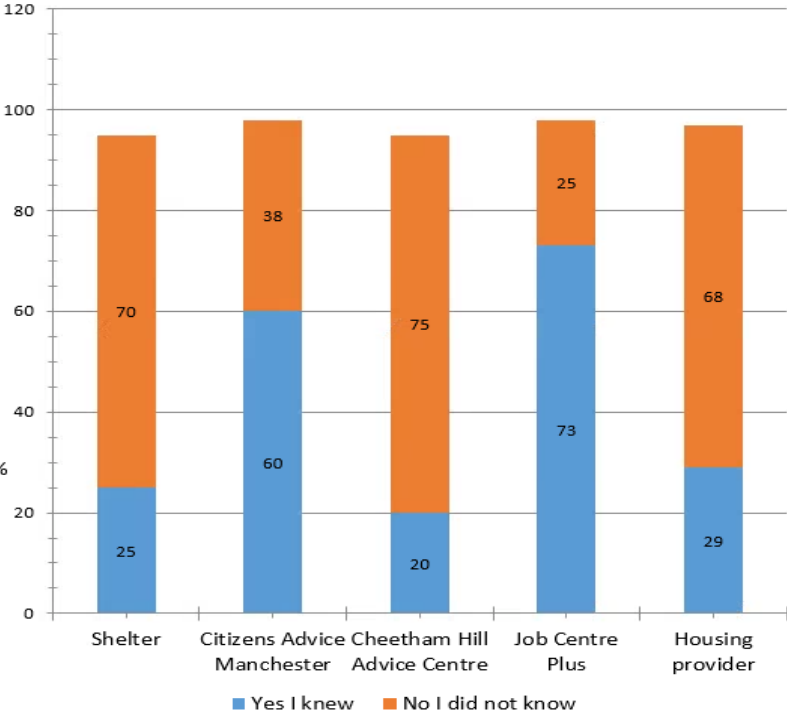


Universal Credit: Resident Impact Survey, 2018  
Awareness

NB: UC claimants are those who are receiving, have received or are in the process of claiming UC.



Did you know that the following advice services can offer support with Universal Credit?



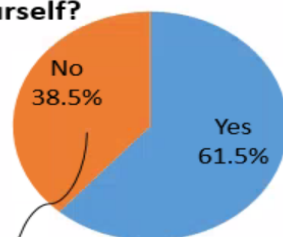
1.2 Completing and maintaining a claim

61.5% completed the UC form themselves and 38.5% did not. Those who did not complete their form had help from a variety of different sources with 50% selecting other as they had the help of a different support worker or the question was not relevant to their situation.

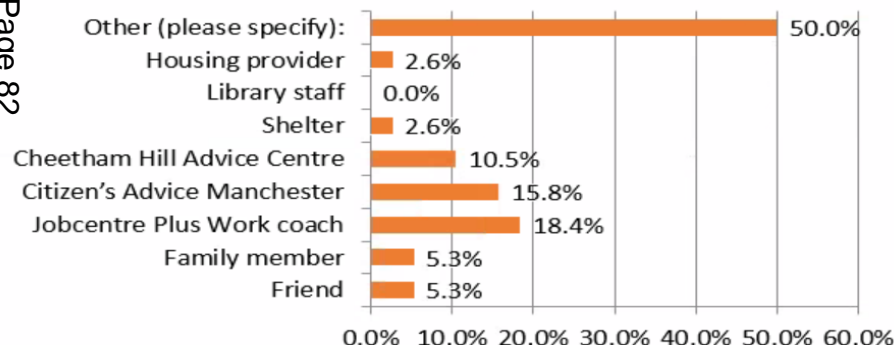
## Universal Credit: Resident Impact Survey, 2018

### Completing and Maintaining a Claim

Did you fill in the Universal Credit claim form yourself?

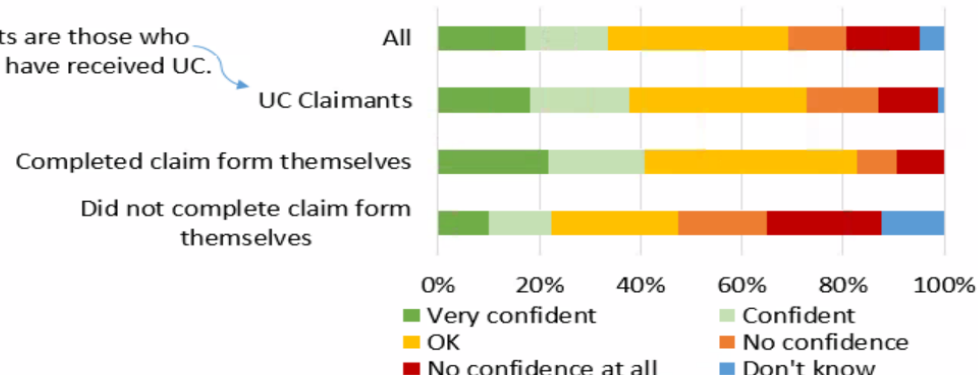


Who helped you fill in your claim (please tick all that apply)

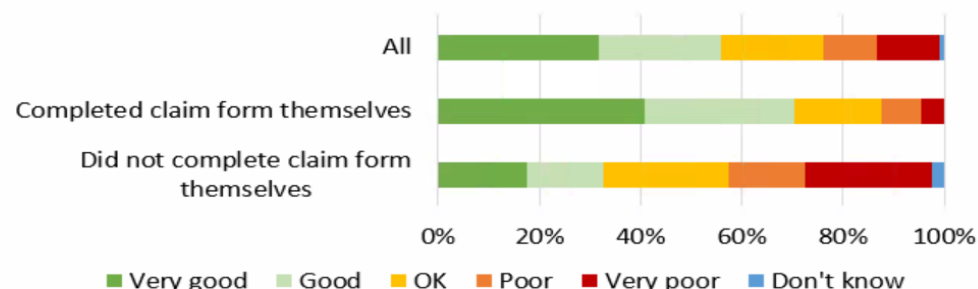


NB: UC claimants are those who are receiving or have received UC.

How confident do you feel that you have the skills to keep up with your Universal Credit claim?



How do you rate your digital skills e.g. use of a computer, laptop, tablet etc?



33.7% of respondents were confident or very confident that they have the skills to keep up with their UC claim, 35.6% were OK and 26% had no confidence or no confidence at all. However, 40% of those who did not complete the UC claim themselves had no confidence or no confidence at all in their skills to maintain their claim compared with 17.19% of those who did complete the UC form themselves.

In terms of their digital skills, the majority of respondents (55.8%) rated their own as good or very good, with 23.1% saying poor or very poor. 40% of those who did not complete their own UC claim rated their digital skills as poor or very poor, compared to 12.5% of those who completed their own UC claim.



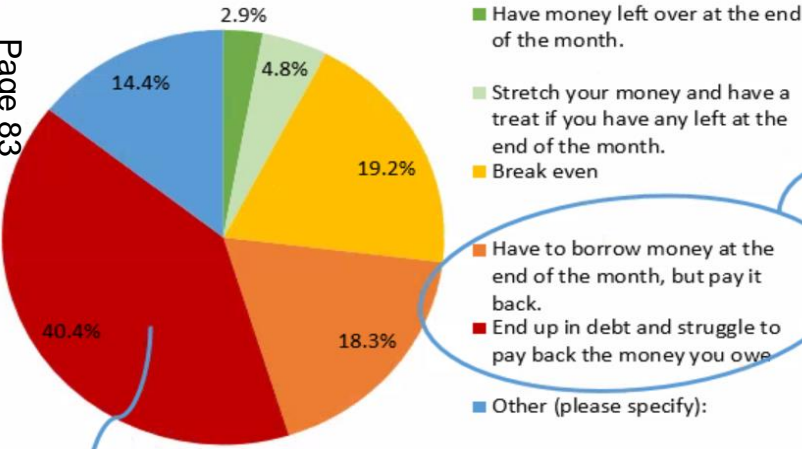
The male respondents were less confident in their digital skills (62.5% poor/very poor) and ability to maintain their claim (53.85% no confidence/no confidence at all) than the female respondents (37.5% and 42.31% respectively).

Of those who thought their digital skills were good/very good 48.21% were 26-39 years old compared to 41.67% of those who thought their digital skills were poor/very poor were 40-49 years old.

Universal Credit: Resident Impact Survey, 2018

Financial Situation

Select the statement that is the closest to your financial situation at the end of each month.



This increases to 51.52% for current or previous UC claimants.

- Of those respondents having to borrow or in debt:
- 61.67% are female
  - 50% have children under 19 years and
  - 67.74% are lone parents

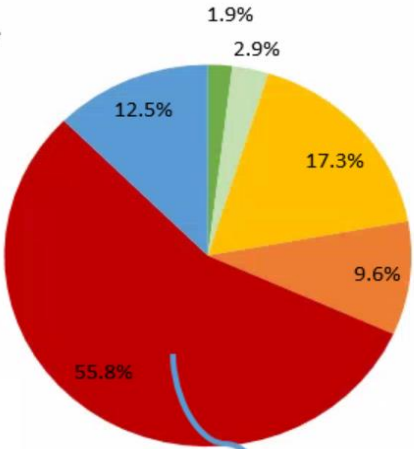


Do you think you are better or worse off now you are claiming Universal Credit?

- Better off
- Slightly better off
- About the same
- Slightly worse off
- Worse off
- Don't know

- Of those respondents who are slightly or better off:
- 75% are male
  - 60% have children under 19 years

- Of those respondents who are slightly or worse off:
- 57.35% are female
  - 50.77% have children under 19 years and
  - 74.29% are lone parents



This increases to 62.12% for current or previous UC claimants.



Only 16.7% who stated they were better off claiming UC are saving for the future.

### 1.3 Financial situation

At the end of the month, 58.7% of respondents said they end up in debt with only 7.7% having money left over. Of those respondents who were or have previously received UC 51.52% end up in debt and struggle to pay it back.

A higher proportion of those borrowing money and in debt are female, have children under 19 years of age or are lone parents compared to those who have money left over or manage to stretch their money to the end of the month.

55.8% of respondents said they are worse off now they are claiming UC, rising to 62.12% for existing or previous UC claimants.

Again, a higher proportion of those who are worse off or slightly worse off now they are claiming UC are female or are lone parents compared to those who feel they are better off, slightly better off or about the same.

Only 16.7% of those stating they are better off are saving money for the future.



## Universal Credit: Resident Impact Survey, 2018

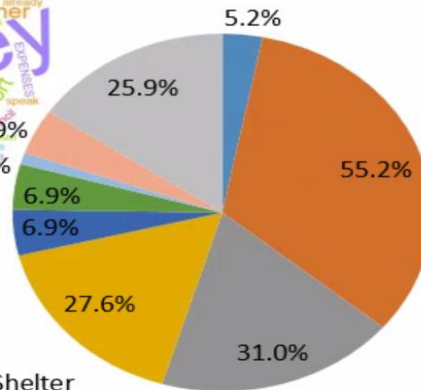
### Help and Support, UC Overall

If you were struggling to manage your money, where would you go/what would you do to get help and support?



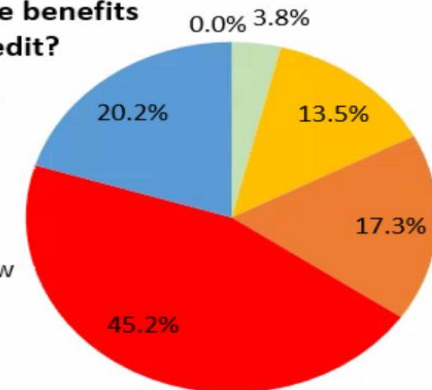
- Community grocers
- Food banks
- Payday loans
- Emergency loans
- Budgeting advice from Shelter
- Housing providers
- Schools
- Manchester City Council website
- Other (please specify):

As you are worse off, have you used any of the following services to help you manage your finances or support yourself/your family?

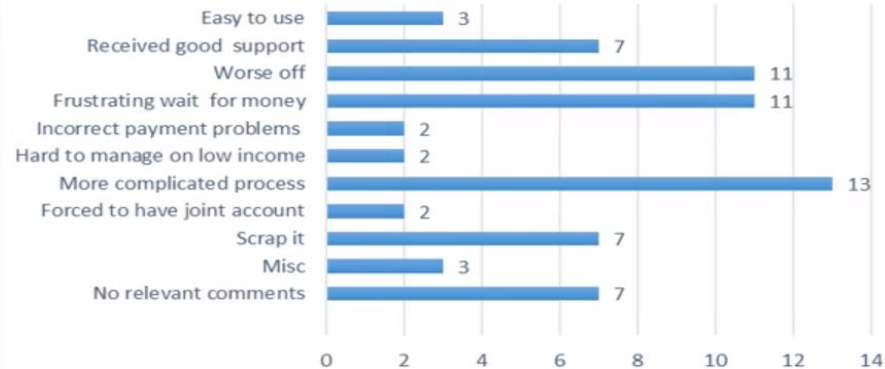


Overall, how do you rate your experience of moving from claiming separate benefits to claiming Universal Credit?

- Very good
- Good
- OK
- Poor
- Very poor
- Don't know



### Comments about Universal Credit



### 1.4 Help and support

When asked where they would go and what they would do for help and support, 41.25% said they would borrow from friends or family members followed by a range of options including credit cards, food banks, Citizens Advice, the Jobcentre. Worryingly, 17.5% said they would not go anywhere to ask for help or support.

Over half (55.2%) of respondents who feel worse off claiming UC have turned to food banks, 31% have taken payday loans and 27.6% emergency loans.

### 1.5 Overall

Overall, 65.4% of respondents said their transfer to UC was poor or very poor with only 3.8% rating it as good.

When asked for any other comments on UC, 60 respondents gave a range of answers from positives about the system being easy to use (3) and that they received good support (7) through to negatives about it being more complicated (13), they are worse off (11), it is frustrating waiting for money (11), incorrect payments (2), forced to have a joint account (2) and that it should be scrapped (7).

## 2. Focus Groups

There were 11 focus group participants with a further 5 telephone interviews for residents who were keen to be involved but unable to attend the focus groups. Overall the feedback had some practical solutions regarding issues and challenges that the residents have faced or are facing whilst going through the Universal Credit process. The issues highlighted were:

### 2.1 Awareness and communication

Most participants commented that they had heard negative things about UC before they were transferred across to it, from friends, family or news stories.

*All I knew about UC was what was on TV; news, documentaries. All negative. The emphasis was all negative.*  
Female, focus group

Participants criticised the general lack of information about how UC works, what recipients of UC are responsible for e.g. paying their own rent, applying for CTS separately. They said they had not been told this and spent the money on other things, causing problems with rent and council tax arrears.

Some participants highlighted difficulty dealing with staff about UC (both customer service centre and work coaches) as they received contradicting information, documents/information had been lost or the injustice that when staff made mistakes nothing was done to correct this, but if the claimant made a mistake they were sanctioned and lost some of their UC payment. Some also said staff were slow to respond in their journal and they did not always get a reply, although others said the journal was very useful.

### 2.2 The application process

Most participants complained about the difficulty of the application process, that the information required was not clear, with some being asked for information several weeks later delaying the whole process.

*The application process was a real nightmare...It wasn't an easy process...I've heard about a few people that have stopped the application process completely. They just gave up.*

The most common complaint about the process was that it was online. Some participants found this difficult as they did not have access to a computer, or had limited or no experience of using computers or the internet. Some participants suggested that there should be the option for people to complete the application over the telephone or in person if they struggled using computers.

*I've got to say that having an application online, I've found it really good, as there's better and quicker contact with your advisor.*

Some participants found the process beneficial, particularly when comparing it to the process of applying for benefits before UC, as there is only one department to deal with and communication can be done through the online journal.

### 2.3 Payments

Some participants had to wait up to eight weeks for their first payment, causing significant stress and leading to many having to take loans to help pay their bills. Some also had to turn to food banks. Participants wanted applications to be processed more quickly to reduce the time to their first payment.

*I had to wait six weeks before I received my first payment. I had to take a loan out to cover my rent and Council Tax payment. So I got into debt.*

Female, depth interview

*It's good that they give you a loan, but not many people know this. It's a long time to wait for the first payment, so the loan is good.*

Participants had mixed opinions about advance payments. Some thought the loan was a good idea. However, many found it just added to their overall debt which then caused significant problems when paying it back. Participants were also unhappy that UC could reduce their payments if they had been overpaid, a sanction had been applied or they were

repaying debt because it caused problems with paying bills, going overdrawn and led to having to borrow more money.

Participants criticised the process of applying sanctions for small errors and being deducted large amounts of money because of it.

### 2.4 Employment behaviours

Many participants spoke about wanting to get back into work, but are finding that UC does not support this. Participants said that they just have to look and apply for work to avoid sanctions, with quality and outcome not being an issue. Some said they were sent for job interviews that were not realistic. Others talked about problems with fluctuating incomes and UC not being able to account for this resulting in some participants not wanting to take on temporary work or zero hour contracts in case their payments stopped or changed significantly.

### 2.5 Emotional impact

All participants spoke about a negative impact that going onto UC has had on them, their partners, immediate and extended family. Some spoke about how depressed they were during the application process and how it affects them once they are receiving payments. One person talked about how they tried to commit suicide twice and another spoke that she knew some had self-harmed because of the impact the process had on them. Another participant said he and his partner had nearly split up over it.

*I just keep borrowing off family. I tried committing suicide twice this year.*

Female, depth interview

*I was so depressed when we first started on UC as we didn't have any money for anything. We were really struggling..*

## **Manchester City Council Report for Information**

**Report to:** Economy Scrutiny Committee – 6 March 2019

**Subject:** The impact of low skills on resident's ability to enter the labour market and sustain quality work

**Report of:** Head of Work and Skills

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### **Summary**

Manchester's working age population is now better qualified than ever before. Improved school performance means that a higher proportion of young people have the skills they need to sustain work whilst high levels of university graduates staying in the city for employment mean that the city has a pipeline of highly skilled residents.

Manchester's economy is also a success and has seen rapid growth over the last two decades which is set to continue into the future with substantial numbers of new jobs being created that will benefit residents and those that commute to work in the city.

However, Manchester still has a high proportion of its working age population who have no or very low qualifications over half of whom are not in work. Having no qualifications is an indicator of social exclusion, as is poor health, and there is a strong correlation between these two factors. Of the working age population 50 - 64 year olds are most acutely affected by this, presenting a big challenge for the city's inclusive growth agenda.

Those who work in Manchester, benefit more from the City's success than those who live in it and there is work to do to close the skills and earnings gaps between Manchester residents and those who work but don't live in the City. Adult Education has a part to play in this and the Manchester College and MAES deliver programmes for adult learners, which result in multiple positive outcomes for the learners they engage.

This paper explores these issues in more depth before outlining the emerging Adult Education and Skills Plan, which will aim to address the skills challenges faced in the city by residents, employers and the skills providers.

### **Recommendations**

The Committee is requested to note and comment on the report and in particular provide input into the emerging Adult Skills & Education Plan.

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**Wards Affected: All**

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### Alignment to the Our Manchester Strategy Outcomes (if applicable)

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	It explores the nature of the jobs that have been created in the city in recent years.
A highly skilled city: world class and home grown talent sustaining the city's economic success	It identifies some of the barriers that residents face in accessing employment opportunities in Manchester and outlines how the Manchester College and the Manchester Adult Education Service are enabling residents to develop their skills. It also outlines the emerging Adult Skills and Education Plan which will help to address skills challenges in Manchester and capitalise on forthcoming opportunities, including those which will be brought about by the devolution of the AEB to GM.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	It recognises that adult skills and educations have a key part to play in social integration, as well as with preparing residents for employment.
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	

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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.

- Manchester Work and Skills Strategy 2015-2020
- Manchester Adult ESOL Strategy 2016
- Manchester Adult English for Speakers of Other Languages (ESOL) Strategy - update 2018
- The adult skills gap: is falling investment in UK adults stalling social mobility? - Social Mobility Commission 2019

## **0 Introduction**

- 1.1 Manchester is now a global city which offers world class opportunities for those who choose to live and work in it. Many sectors are thriving and unemployment is at its lowest since the mid-1970s. However, many Manchester residents continue to find themselves excluded from the labour market or unable to find secure and stable work.
- 1.2 This paper outlines the link between low level skills and employment in Manchester before looking at the changing nature of the city's labour market and the impact that having low qualifications has on being successful within it.
- 1.3 The paper goes on to discuss the extent to which adult education can enable people to be socially mobile and secure better quality employment than they otherwise would have. It highlights the works that the Manchester College and MAES are doing in this regard. Finally, the paper outlines the emerging Adult Skills and Education plan that will build on the effectiveness of adult education in the city.

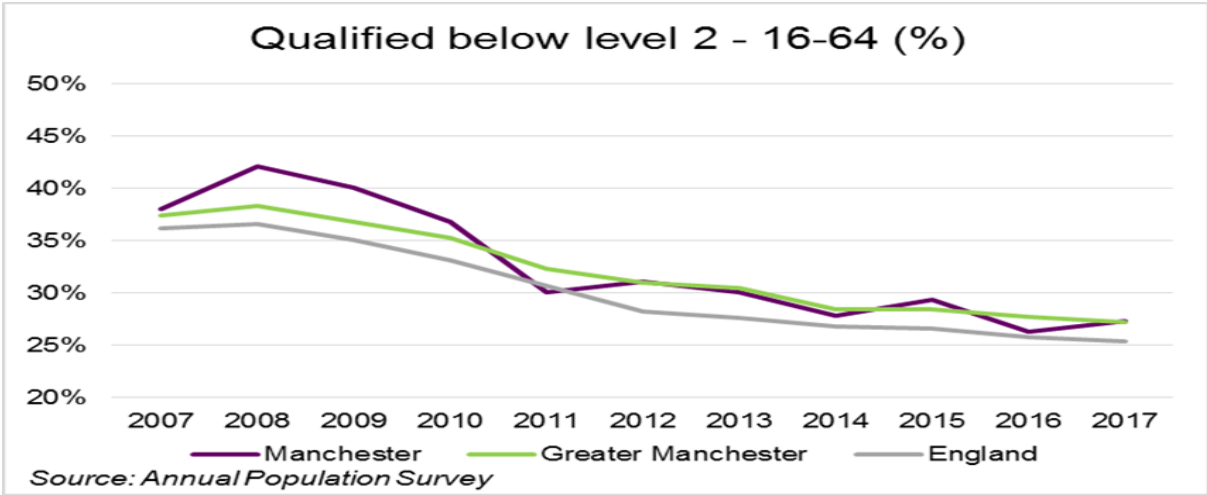
## **2.0 Skills Levels in Manchester**

- 2.1 For the purposes of this report, qualifications will be taken as a proxy measure to indicate skill levels. It is recognised that this is imperfect as it does not take account of un-certified skills. However, there is no meaningful way of observing the competency levels of a population by other means. Since employers also use qualifications as an indicator of skills, the correlation between qualification levels and success in the labour market mean the measure is sufficiently valid to draw some meaningful conclusions.
- 2.2 The most up to date information at ward level relating to the qualifications that residents hold were those recorded at the last census (2011). Whilst the proportion of residents who hold qualifications has changed significantly since that time, the census data still gives an indication of where residents who hold relatively low qualifications live. Miles Platting and Newton Heath and Harpurhey were, at the time of the Census, the wards with the highest concentrations of residents with no and low qualifications. They remain the wards with highest proportion of people on out of work benefits, suggesting immediately that these variables are linked.

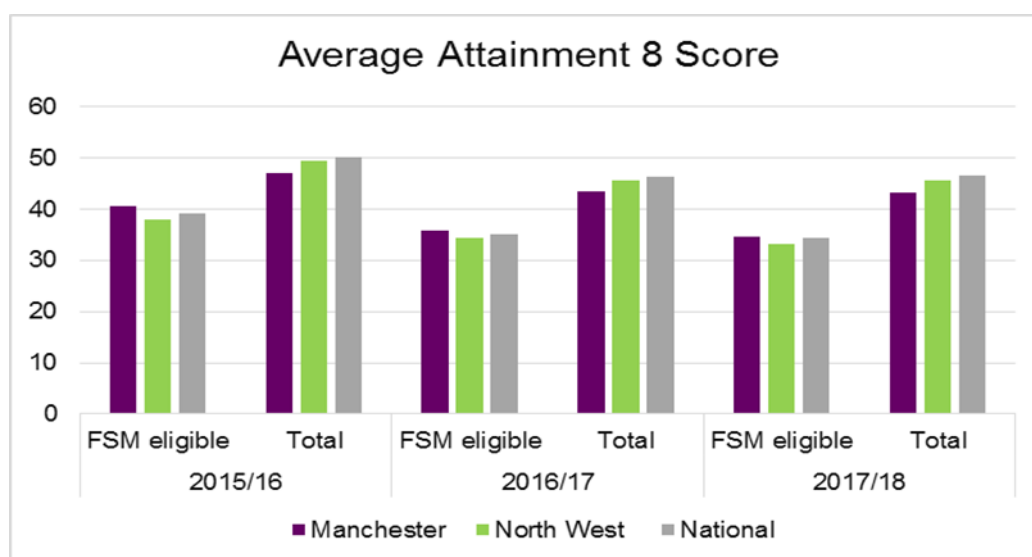




2.3 Qualifications at level 2 (approx GCSE equivalent) are considered to be the ones which indicate that an individual has the necessary skills to secure and sustain employment. There has been a positive trend in Manchester in recent years. The proportion of the population who do not hold qualifications at level 2 or above has fallen from 42% in 2008 to 27% in 2017. However, it remains above the national average (25%). Furthermore, there continues to be a larger gap between the proportion of the population who have no qualifications at all in Manchester as compared to the national average (11% in Manchester compared with 8% nationally).



- 2.4 The most significant factor which has led to this pattern is that as poorly qualified older members of the working aged population turn 65, they are being replaced by more highly qualified school leavers and graduates. An example is that 40.9% of 50 - 64 year olds in Manchester have no or very low qualifications whilst this applies to only 11.7% of 16 - 24 year olds. The high proportion of 50 - 64 year olds without qualifications is a significant issue in the city. It is becoming more of an expectation that people of a working age hold qualifications and residents within this age bracket have up to seventeen years still to work before reaching state pension age.
- 2.5 The reducing number of 16 - 24 year olds who have no or very low qualifications can in part be attributed to the improving performance of Manchester schools. The Attainment 8 score considers the average score across English Baccalaureate subjects at GCSE and for Manchester schools, the gap has closed as compared to the national average from 3.1 in 2014/15 to 1.4 in 2017/18. Furthermore, when looking at the performance of residents who receive free school meals (FSM), Manchester Schools consistently outperform other schools both regionally and nationally suggesting that Manchester Schools are particularly effective at supporting low income pupils.

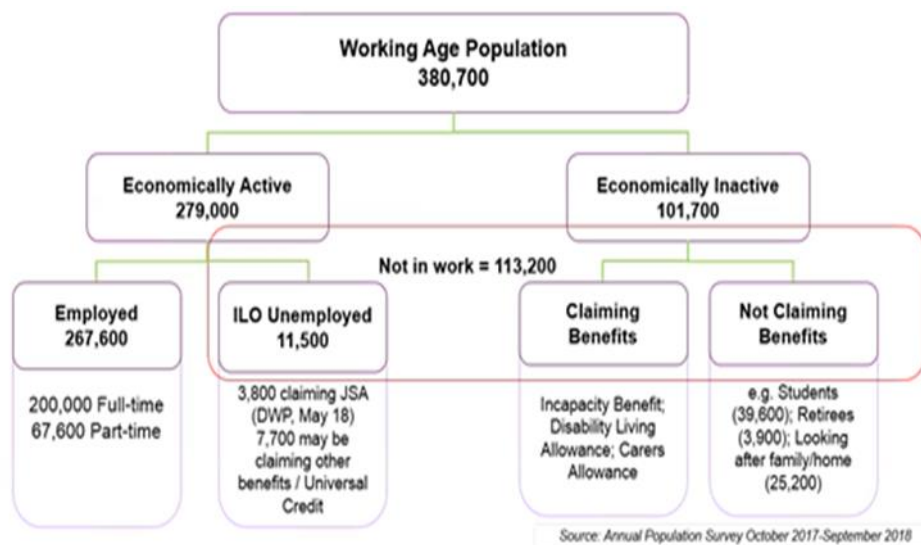


- 2.6 As well as there being a decline in the proportion of residents who have low or no qualifications, there has been increase in the proportion of the Manchester working age population who have higher level qualifications. The most significant contributing factor to this is the retention of graduates in the city. In January 2019, over 73,000 students enrolled at Manchester's two universities. The proportion of graduates indigenous to Manchester that entered employment in the city within 6 months of graduation ranged between 36% and 42% over the past 5 years. This has led to Manchester being above the national average for the proportion of residents who hold qualifications at level 4 and above by 1.6%. Whilst this is positive, it leads to a more competitive labour market and compounds the problem for residents with low/no qualifications.

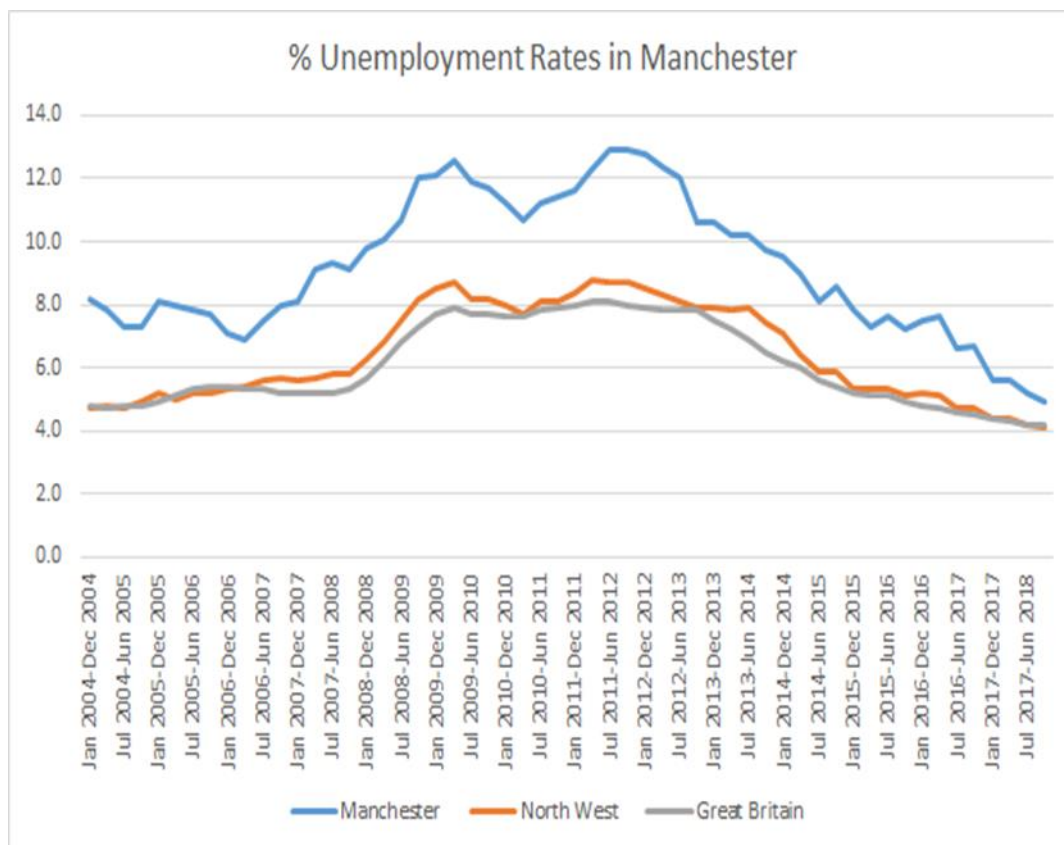
- 2.7 Manchester's diversity also has a positive impact on the proportion of its population who have aspired to and attained qualifications and skills, which have enabled them to compete in the labour market. At the last census there were 153 languages reported to be the primary languages of Manchester residents. 15% of Manchester's adult population, or nearly 70,000 people, declared a language other than English as their main language. Of this group, around 80% reported that they speak English well or very well whilst 17% reported that they cannot speak English well (circa 12,000 people), and 3% (circa 2,400 people) cannot speak English at all. Despite slowing net migration, those for whom English is a barrier to entering the labour market, still presents a challenge for the city in 2019. It is one which is closely linked to issues of integration as well as to issues of employment and productivity.

### 3.0 Unemployment and Economic Inactivity in Manchester

- 3.1 About 70% of Manchester's population are of working age. Of these, 73.3% are Economically Active meaning that they are either employed or unemployed but have been looking for work and would be available to start within a two-week period. 26.7% of Manchester's working age population are Economically Inactive meaning that they are not in work and that they are not seeking work. Students make up the largest proportion of economically inactive residents in the City but there are over 30,000 Manchester residents who are out of work because of an underlying health condition.



- 3.2 Unemployment rates in Manchester have fallen steadily since 2012 and are now at the lowest they have been since 1975 (4.9%). Although unemployment in Manchester remains slightly higher than the national rate (4.2%), the gap has narrowed significantly in recent years. The graph below shows unemployment rates since 2004 and demonstrates how closely linked unemployment rates are to national and local economic performance.

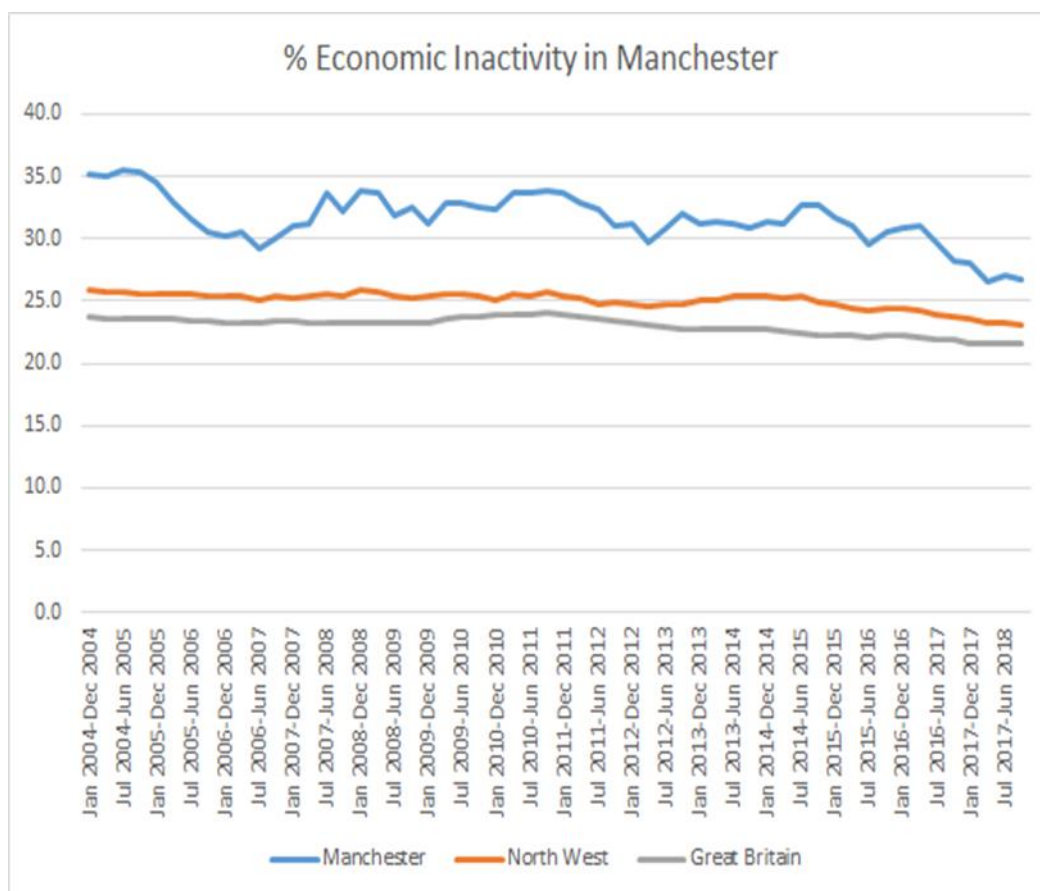


- 3.3 Although Manchester also has a higher proportion of its population that are economically inactive than regionally or nationally, by far the most significant reason for this is Manchester's large student population, which is 13.6% higher than the national figure.

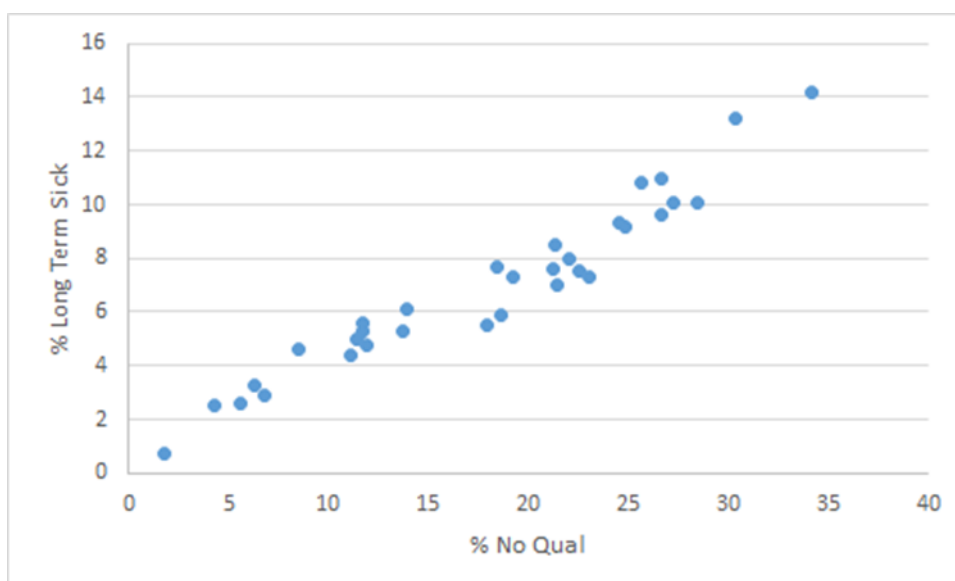
	Manchester (level)	Manchester (%)	Northwest (%)	Great Britain (%)
<b>Total</b>	101,700	26.7	23.0	21.5
<b>Student</b>	39,600	38.9	25.3	27
<b>Family</b>	25,200	24.8	22.6	23.9
<b>Temporary sick</b>	3,500	3.4	2.2	2
<b>Long term sick</b>	22,700	22.4	26.4	22.4
<b>Retired</b>	3,900	3.8	13.7	12.9
<b>Other</b>	6,800	6.7	9.6	11.2

- 3.4 Economic Inactivity rates do not respond to the economic cycle or demand for labour in the same way. Since 2004 economic inactivity rates in Manchester have fluctuated slightly with the 4% drop since 2016 being associated with welfare reform and some people who were economically inactive being reclassified as unemployed, while others will have moved into pension age.

- 3.5 The proportion of the population who are economically inactive but want a job also does not change in relation to demand for labour. In Manchester this applies to 21.4% of economically inactive people, or 21,800 people.



- 3.6 Skills levels as indicated by qualifications certainly have an impact on how residents may fair in the labour market. In Manchester, over half of the working age population who have low or no qualifications are not in employment (41,000 out of 78,000). In Greater Manchester, the employment rate of those with higher level equivalent qualifications (L4+) is 84% whilst only 37% of people with no qualifications is in employment. However, 39% of unemployed people have level 3 and above qualifications (19% have a level 4 qualification). At the time of the last census, unemployment and the proportions who had no qualifications at ward level showed little correlation. It is however recognised that the reduction in both of these variables will have led to a different picture.
- 3.7 Census data also shows little correlation between economic inactivity rates and qualification levels when all categories of economic inactivity are included. However, there is a distinct correlation when looking at the relationship between proportions with no qualification and proportions who are economically inactive due to long term sickness at ward level.



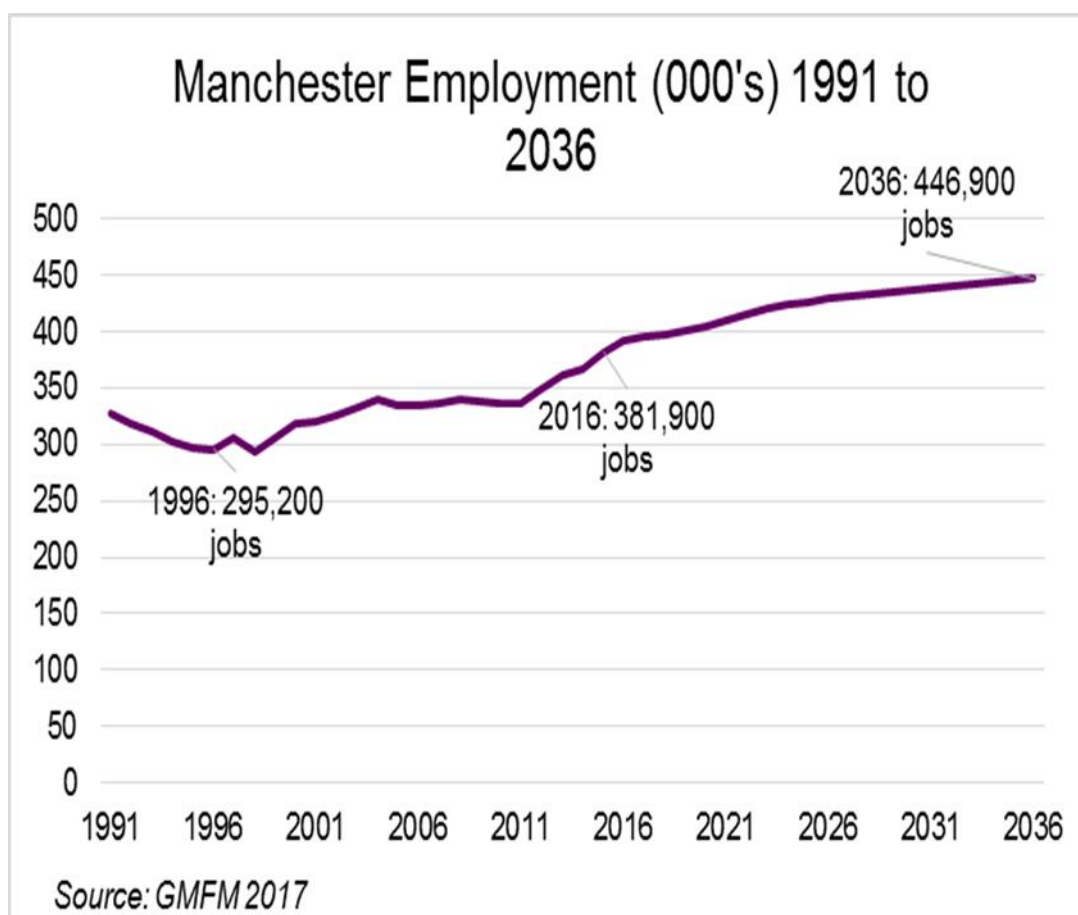
3.8 The number of people who are economically inactive due to long term sickness has dropped from 26,200 in 2011 to 22,700 in 2018 but it remains a significant challenge in Manchester (note that whilst this figure accounts for the majority of ESA claimants in the city, ESA claimants who are 'temporary sick' and classed as 'other' are excluded.) Again, it is 50 - 64 year olds within the working age population who are most affected here, being the most likely to be long term sick as well as being more likely to not hold qualifications. Overall economic inactivity rates in Manchester are higher than the national rate (31% compared with 26%) and a high proportion of this can be attributed to sickness.

3.9 These interrelated factors demonstrate that for many, a lack of skills in itself is not the single barrier to employment. Rather, low and no qualifications are one indicator of social exclusion along with others, such as health. Therefore, approaches which seek to address low level skills in isolation are unlikely to have an impact on those who might benefit from them most.

#### 4.0 Manchester's Labour Market and Skills Demand

4.1 Manchester's economy is undoubtedly a success story and has seen rapid growth in the last twenty years which is set to continue. 85,000 jobs were created between 1996 and 2016 and there are a further 65,000 predicted by 2036. Furthermore, the total number of jobs in Manchester is now 1.5 times more than there are residents with the city being the home of 30% of Greater Manchester's jobs.





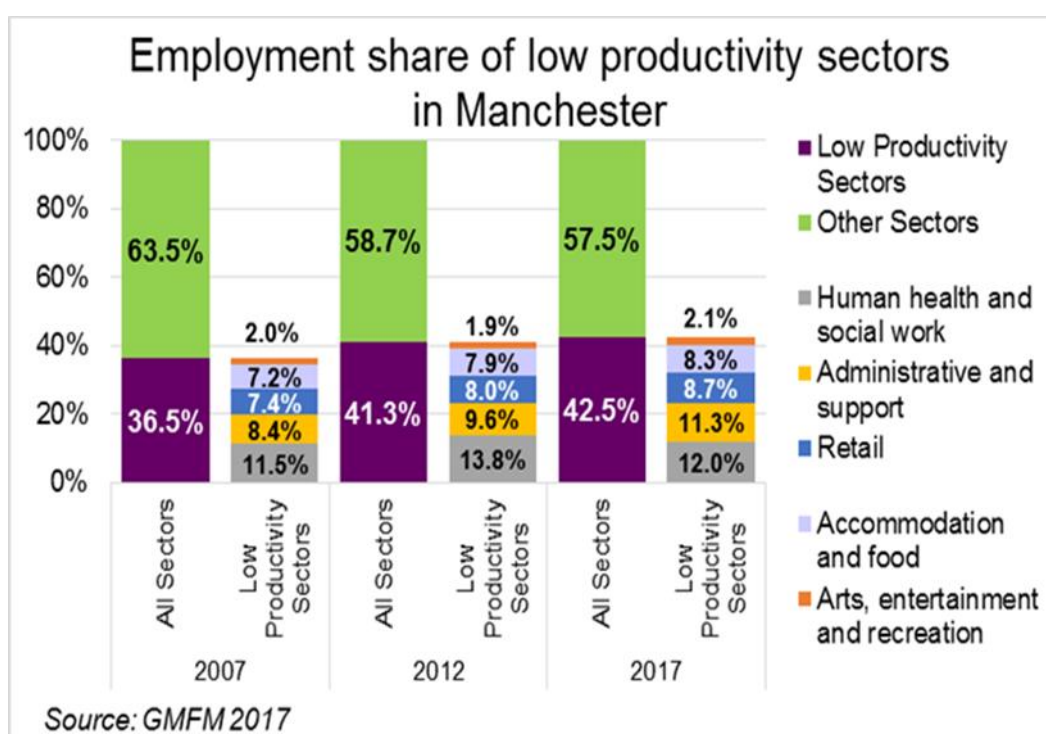
- 4.2 Whilst the increase in employment opportunities in Manchester is broadly positive, the nature of work which has become available is mainly 'non-traditional'. In contrast to most places in the country, there has been some steady growth in full time permanent employment. However, self-employment has grown by 70% since 2008 (to 13% of total employment) and part-time employment has grown by 64% (to 25.3% of total employment) in the same period.
- 4.3 Many of these jobs are poorly paid and in work poverty has become an increasing problem for Manchester residents. Around 30% of Manchester residents earn below the living wage with 18,600 residents earning the minimum wage. In three out of five Manchester constituencies, the proportion of people of these low rates of pay is higher than it is nationally. In Gorton the rate is more than double the national proportion. Furthermore, Manchester residents are less well paid than those who work in the city earning around £5-£6,000 less per year on average.

**Workers on the National Minimum Wage and National Living Wage, by home parliamentary constituency, 2018**

Constituency	No.	% of constituency's workforce
Manchester, Gorton	5,100	16%
Blackley and Broughton	4,100	10%
Manchester Central	4,000	8%
Manchester, Withington	2,500	6%
Wythenshawe and Sale East	2,700	6%
<b>England</b>	<b>1,590,600</b>	<b>7%</b>

Source: Number and Proportion of Workers on the National Minimum Wage and National Living Wage, by home parliamentary constituency, 2018, BEIS

- 4.4 Low level earnings for Manchester residents come as a result of them being concentrated in lower skilled occupations and low productivity sectors; 39% of residents work in low skilled roles compared with 29% of those who work in the city. Furthermore, the overall employment share held by low productivity sectors has increased to 42.5%.



- 4.5 This increase of low skilled/low productivity work has led to a subsequent increase in the proportion of people who are employed below their skill level. Over a third of enterprises in Manchester (35%) say that they have staff who have qualifications which are more advanced than their role requires and over a quarter (26%) say that over 20% of their workforce fall within this category. This leads to people with low level qualifications having to compete in the labour market with more highly qualified people for low skill level jobs.
- 4.6 However, some sectors report particular skills shortages. Notably, according to Manchester Digital's latest annual skills survey, 27% of digital businesses in



Manchester had to turn away business as a result of not being able to find the right talent. Meanwhile, health and social care and construction are the industries which are most affected by having an ageing workforce and not being able to meet replacement demand.

- 4.7 Furthermore, job forecasts across all sectors continue to project that the roles which will be created in the coming years will require applicants to have high level skills. Retail, creative and digital and financial and professional services in particular highlight an increasing need for management and leadership skills. For people who have low and no qualifications, many of these roles will be an unrealistic aspiration. While there is still a need for entry level jobs, lower skilled roles in sectors with large employment bases in the City, such as retail will be much more vulnerable as digital disruption has a greater impact on low and intermediate skilled roles. However, if the skills of those who work in Manchester were better utilised and people were more consistently employed in appropriate level roles, this would go some way to meeting future need whilst reducing unnecessary competition for low skilled employment.
- 4.8 Manchester residents are undoubtedly going to need high level technical skills if they are to succeed in the future labour market. However, the demand for effective 'soft skills' should not be underestimated. For example, 'communication skills' are the most commonly cited as being desirable in job adverts. Many sectors also report that it is soft skills rather than technical skills which are their biggest shortage. If they are to compete in the labour market, residents not only need to be suitably qualified but also need to have the ability to interact effectively, keep themselves organised and solve problems independently.

## **5.0 Adult Education and Social Mobility**

- 5.1 In January 2019, the Social Mobility Commission published a report which looked at the skills gap in Britain and the role that adult education and training might be able to play in closing it. It considered training that was employer funded, participant funded and government funded. It found that if the total spend on training was put together then government funding, the only type of funding to focus on the poorest adult with the lowest qualifications, made up only 7% of total spend. Moreover, 82% of this spend is invested by employers in those with managerial, professional and associate professional roles. It found that graduates are over three times more likely to participate in training than those with no qualifications (30 per cent vs. 8 per cent in 2017), and that half (49 per cent) of adults from the lowest socioeconomic groups have received no training since leaving school.
- 5.2 There exists then a virtuous circle, in which those who might benefit most from skills development are the least likely to receive education and training. Moreover, they found that this was intergenerational and that adults whose parents worked in professional or managerial occupations were more likely to participate in training, no matter what their own occupation is, than those whose parents worked in lower-skilled occupations. When looked at in this

way therefore, education and training is currently compounding the social exclusion of those who have low skills.

- 5.3 The report also brought together research which looked at the impact of adult education on social mobility and earnings. It found that while inconclusive in the short-term that the positive effect on social mobility of gaining new qualifications started to become apparent when looking at data over a medium-term period of around 5 years. This is because transitions into different types of employment can take a long time for some learners. It is important that this is recognised when looking at the value which is added by adult education, as measuring outcomes over a time period which is too short may miss some of its impact.
- 5.4 The report looked at the particular impact of different types of adult skills provision and found that:
- Higher level skills and qualifications have a greater impact on social mobility as measured by earnings (especially at Level 3+)
  - A vocational/academic divide that means that, even at the same level of qualifications, returns on academic qualifications are higher than those related to comparative vocational education, with the possible exception of qualifications at the highest levels.
  - Training that is work-related provides a higher earnings return.
  - Basic skills can impact on job entry but not progression. Also they may benefit speakers of non-English language more than English speakers.

## **6.0 Adult Education Provision in Manchester**

- 6.1 The Adult Education Budget (AEB) is the most substantial source of funding for adult education in the City, which aims to enable adults to gain the skills and qualifications they need in order to access employment. In recent years the AEB has funded around 70 organisations each academic year to deliver courses within Manchester. Across Greater Manchester there are over 300 organisations, which have been delivering AEB provision each year.
- 6.2 For the past few years, the total amount of AEB funding which has been used to deliver provision in Manchester is about £24 million with about 80% of that going to the Manchester College and Manchester Adult Education Service (£11.6 million and £7.7 million respectively). £3.8 million of MAES' funding comes in the form of a grant for community learning as opposed to the formula funded methodology which is applied to the rest of the budget. This part of the funding is intended to target individuals who might not engage with more formal types of learning and has the flexibility to meet learners needs without the need to undertake qualifications.
- 6.3 Combined, the college and MAES accounted for 85% of enrolments (42, 859 of 50,315) in the last academic year with training providers delivering to the other 15%. When the budget is devolved to Greater Manchester in 2019/20, one of the initial objectives, is to dramatically reduce the number of organisations that are delivering provision using AEB. The GMCA is currently

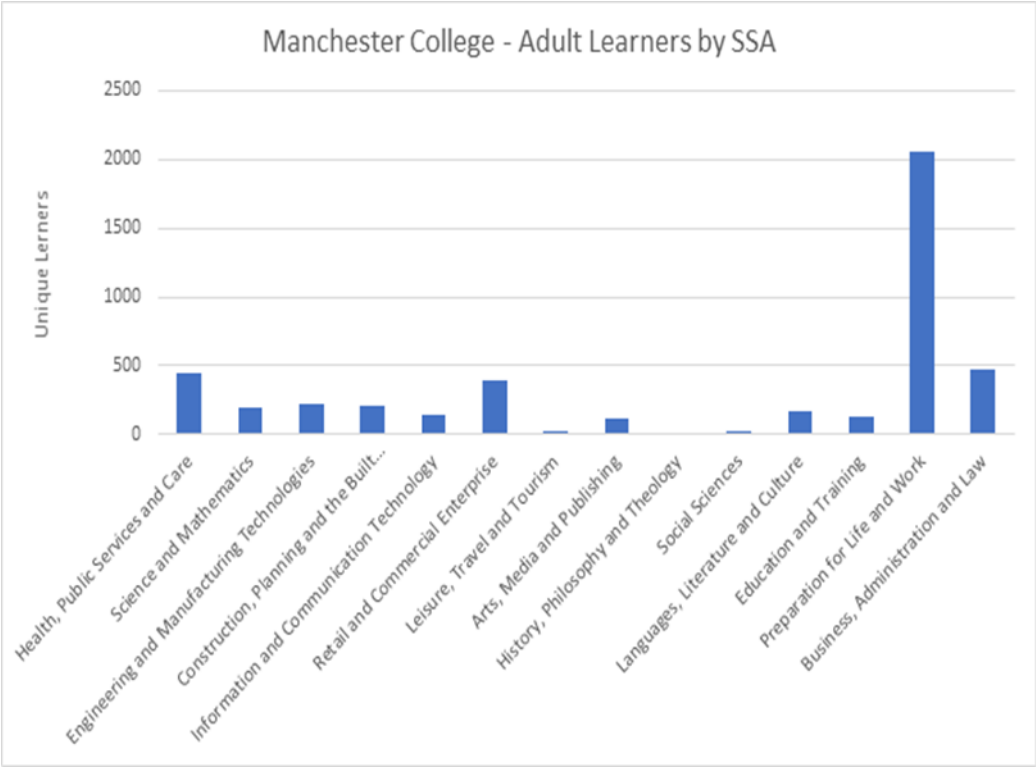
coming to the end of a tender process to procure private training providers in GM.

- 6.4 About half of the entire AEB budget is spent on courses categorised as 'Preparation for Life and Work' which includes Functional English and Maths, ESOL and employability. This rises to 61% when the community learning grant is excluded.
- 6.5 In Manchester, 86% of AEB enrolments are at Entry Level, Level 1 or the non-regulated equivalent. Since level 2 is considered to be the level which is needed for individuals to sustain work, it is clear that the current focus of the budget is more on engaging those with low skills rather than providing learning which leads more directly into employment.

## **7.0 The Manchester College**

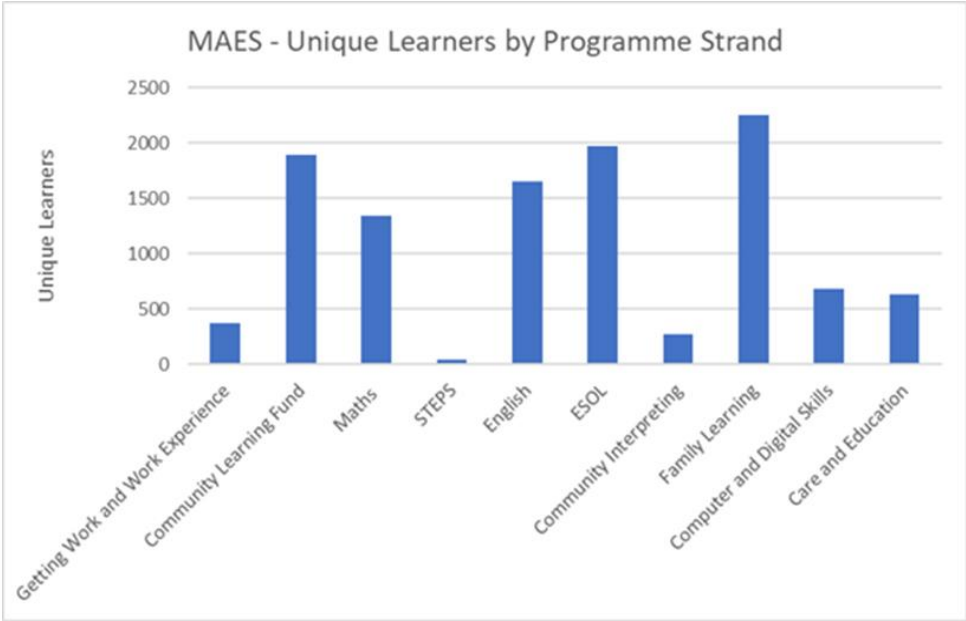
- 7.1 The college offer a wide range of programmes for adult learners from HE courses to short employability courses but an initial look at all adult learners across their provision demonstrates the significant weighting towards Preparation for Work and Life programmes which makes up 45% of the provision (2063 out of 4590). A substantial amount of these learners are second language learners studying towards Functional Skills Qualifications.
- 7.2 It is important to note the difference between enrolment figures and unique learner figures. The college has developed substantial programmes for many of their adult learners which enable them to gain multiple qualifications, with the aim of enabling them to progress more quickly due to the programme's intense nature. For example, ESOL learners will also have the opportunity to undertake Employability Skills qualifications, as well as mathematics and digital qualifications.

When looking at unique learners by Sector Subject Area, the college's intake for 2018/19 is as follow:

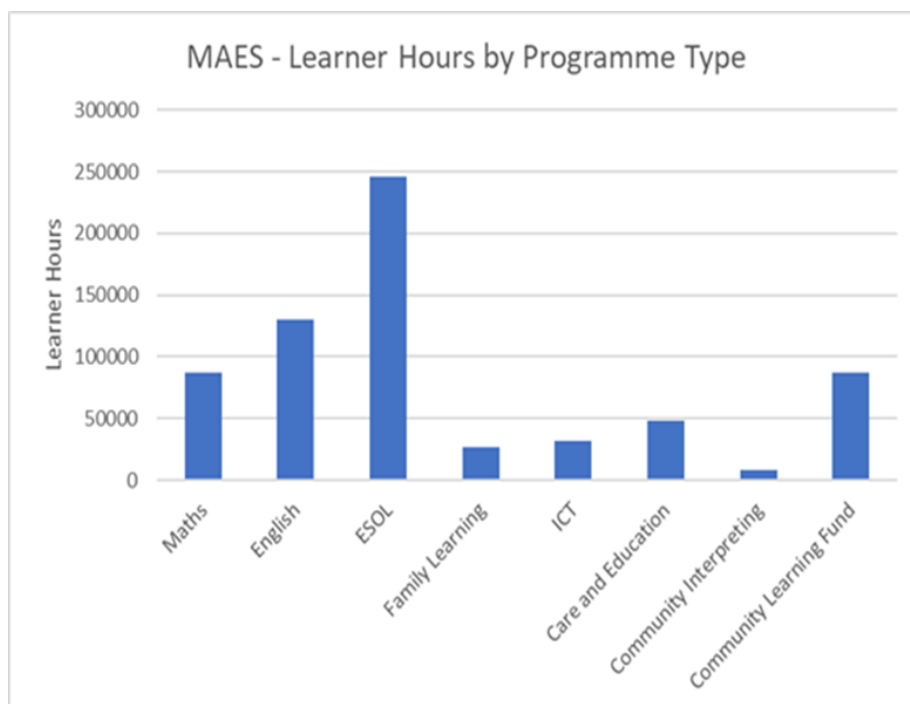


8.0 Manchester Adult Education Service

8.1 The MAES offer is divided into distinct strands which align with key priorities for Manchester and in the last academic year the service enrolled 8690 unique learners onto a range of courses. Around 90% of this provision falls into the Preparation for Life and Work SSA which includes ESOL, Functional English and Maths and Community Learning. The exceptions to this are GCSE English and maths, the service’s courses in care and education (classroom assistant courses) and the STEPS programme which is ‘High Needs’ provision for young people with learning difficulties. It is therefore more useful to look at the offer by the strand that it falls into within the MAES programme:



- 8.2 Many of MAES' courses are short in hours and are designed to engage learners in informal learning through the service's community learning budget. The community learning offer includes family learning, introductory non-accredited courses and a range of subcontracted provision, which enables the service to broaden its reach with engaging priority learners. Although community learning accounts for high volumes of learners, when looking at the strands of the provision in terms of 'learning hour' rather than the number of individuals engaged, it becomes clearer which are the most substantial programmes for the service.



- 8.3 A year after learners have completed a course with MAES, the service contacts them in order to ascertain what they are now doing. The data for the cohort that completed their course in 2016/17, is based on a 54% sample of all learners enrolled that year.

The 2016/17 cohort were tracked a year after their course and 69.16% of them were found to have progressed to a positive destination, of whom 43.56% were in paid employment. This academic year the service has also piloted a new intensive employability course in partnership with Jobcentre Plus which is entitled Boost Your Skills. This two-week course focuses on self-awareness skills and confidence building. Outcomes on the course so far have been good, with 17 of 22 participants now having moved into employment. This pilot is yet to be fully evaluated but it appears that this may be a model which could benefit a more substantial number of learners going forward.

## 9.0 The Manchester Adult Skills and Education Plan

- 9.1 There is undoubtedly some high quality skills provision available for adults in Manchester. However, if adult education is to have a more significant impact

on the social mobility of Manchester residents and productivity of businesses in the city, there is a need for a more cohesive skills system which is working towards some well-defined priorities. Therefore, the Work and Skills team have undertaken to develop an Adult Skills and Education Plan. This is timely, not least because the devolution of the Adult Education Budget presents an opportunity for increased autonomy for Greater Manchester in terms of what provision is commissioned and an opportunity for the City to shape a place based approach, which better meets our needs.

- 9.2 The plan will initially outline the skills challenges and opportunities for Manchester residents, for businesses and for the system itself. A set of priorities and objectives will then be co-produced by a group of stakeholders who will take ownership of the plan's delivery.
- 9.3 An initial meeting has already taken place between these stakeholders at which the challenges and opportunities were discussed and refined. The next step will be to introduce these to a wider audience at the Work and Skills Conference (4th March) at which there will be a wider consultation to ensure that the challenges are the correct ones. Following this the group will come back together to agree priorities and objectives. Whilst the following are subject to change, it is anticipated that the plan will aim to:
  1. Ensure that the skills offer for Mancunian adults is well communicated and easy to access.
  2. Target priority groups to ensure they are well represented within the adult skills system in Manchester.
  3. Ensure that there is good coverage of English, maths and digital skills provision across Manchester whilst removing duplication of provision.
  4. Improve progression pathways within the Manchester skills system
  5. Develop a retraining offer which will give adults the best start when they take a new direction in their career
  6. Work with employers to ensure that the adult skills system in Manchester prepares learners for work and closes skills gaps in key sectors.
  7. Ensure that adult learners in Manchester can access high quality blended and distance learning programmes and benefit from the flexibility this affords.
  8. Develop provision for those who experience in-work poverty
  9. Develop a multi-agency approach to providing impartial and intelligence based IAG for adults in Manchester
  10. Create an Adult Skills Partnership to take ownership of the skills plan and ensure it is delivered.

## **10.0 Conclusion**

- 10.1 Despite overall positive trends in the qualification and employment levels in Manchester, there remain a substantial proportion of residents who are socially excluded, in part, due to a lack of skills.

- 10.2 Since the majority of individuals who this affects experience multiple interrelated barriers to employment and progression, approaches to address these cannot focus on skills in isolation.
- 10.3 Whilst there are opportunities in the Manchester labour market, those that work in the city are benefiting more from them than Manchester residents. Manchester residents are concentrated in low skill and low pay jobs and in work poverty has become a significant problem for the city as a result.
- 10.4 There is also a pattern of people being employed in roles which are below their skill level making it more difficult for those who have low and no qualifications to compete. Forecasts suggest that the future demand for jobs in Manchester will be in more highly skilled roles and so the issue of skills utilisation will need to be addressed if this demand is going to be met.
- 10.5 The adult skills system can go some way to addressing these issues and there is some evidence to suggest that adult education can have a positive impact on earnings and social mobility when it is looked at in the medium term (around 5 years).
- 10.6 In order to ensure that the adult skills system in Manchester is cohesive, there is a need for stakeholders to come together around some shared goals. The emerging Manchester Adult Skills and Education plan will aim to do this and, in the process, create a more collaborative approach which responds to the city's skills priorities more directly as it develops. The devolution of the Adult Education Budget to GMCA from the next academic year (September 19), provides an opportunity to better shape an adult skills system that meets priority needs in the City, once clearly articulated and committed to by the delivery partners

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**Manchester City Council  
Report for Information**

**Report to:** Economy Scrutiny Committee – 6 March 2019

**Subject:** The Impact of Procurement Policies on Small and Medium Businesses

**Report of:** The City Treasurer

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**Summary**

To provide an update on the impact of the Council's procurement policies on small and medium businesses in the City and to consider challenges and what more can be done in the future to enable SMEs in the City to compete for City Council contracts and commissioned services.

**Recommendations**

Members are asked to note and comment on the report.

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**Wards Affected: All**

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**Alignment to the Our Manchester Strategy Outcomes (if applicable)**

<b>Manchester Strategy outcomes</b>	<b>Summary of the contribution to the strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Council is committed to improving engagement with Small – Medium organisations, voluntary sector and charitable organisations, and where appropriate tenders will be adapted to their needs, particularly with regard to dividing large contracts into lots, in accordance with the Public Contract Regulations 2015
A highly skilled city: world class and home grown talent sustaining the city's economic success	Provide better Health and Wellbeing for Manchester residents through promotion of fair working conditions, better training opportunities and sustainable economic growth.

A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The Council favours an asset based approach which looks at the uniqueness of people, their potential skills, assets, relationships and community resources. This approach concentrates primarily on what is important to people, what they want to do, and the strengths and nature of their social networks. This underpins wider Council priorities of building self reliance and strengthening communities.
A liveable and low carbon city: a destination of choice to live, visit, work	The supplier, service provider and contractor endeavour to purchase through suppliers and contractors who are continuously working at improving labour and environmental standards in the supply chain.
A connected city: world class infrastructure and connectivity to drive growth	Through commissioning and procurement activities this will promote Manchester as an attractive place to work by securing wider benefits and improvement to the lives of people in Manchester and the environment.

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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.

## **1.0 Introduction**

- 1.1 Since the introduction of the Council's Sustainable Procurement Policy in 2008 the Council has sought to maximise the social, economic and environmental benefits of its significant procurement spend with supplies and contractors.
- 1.2 An integral part of this work has been to ensure that our processes and procedures are open and equitable and enable participation of diverse organisations including SME's (Small and Medium-sized Enterprises).
- 1.3 Over the years, policy has developed in this area and this report sets out the measures taken and the resulting performance data.
- 1.4 The definition of SME's used within this report is as follows:-

An SME must meet two of the following criteria:

- It has a turnover of less than £25M
- It has gross assets of less than £12.5M
- It has less than 250 employees

## **2.0 Manchester's Work with SME's Through Policies and Procedures**

- 2.1 In 2008 Manchester City Council introduced its Sustainable Procurement Policy with the aim of maximising the social, economic and environmental benefits to the City's local communities from Manchester's significant spend with external suppliers and contractors.
- 2.2 The policy was informed by working with stakeholders across supply sectors including representative organisations and the Chamber of Commerce. The work identified issues and barriers for SME's and the Council has implemented a number of measures within its processes to address these and increase the support for SME's to secure business through its supply chain.
- 2.3 These measures include the following:-
  - Introduction of the Chest e-procurement portal to make our opportunities more accessible.
  - Simplification of documentation.
  - Use of procedures that are proportionate and appropriate to the procurement in hand.
  - Dividing contracts into lots to attract bids from smaller organisations.
  - Evaluation of all contracts on a combination of price, quality and social value.
  - Removal of the need to pre-qualify for contracts below £100k and wherever practicable otherwise. The majority of Council tenders advertised are as an Open Procedure which allows all potential bidders to submit a full tender for our consideration.

2.4 In addition, the Council has taken action in the following areas to support a diverse supply chain:-

- Promotion within contract documents of prompt payment to sub-contractors.
- Incorporation of GMCA Social Value Policy into MCC's policies and procedures - this includes "thriving local business" as an outcome.
- Introduction of a social fund to help smaller suppliers that may find it difficult to demonstrate "in kind" social value in the tender process but may be able to pay a small percentage of the contract value into the social fund as an alternative.
- Emphasis on whole supply chain approach through the North West Construction Hub including monitoring activity related to payment of subcontractors.
- Involvement of SME's in soft market testing to inform specifications and the route to market.
- Working with members on the development of the Ethical Procurement Policy through the Ethical Procurement Task and Finish Group. The Policy was approved in March 2016.
- Provision of supplier briefings to promote understanding of Council tendering processes.
- Promotion of social value and inclusive procurement procedures within the Council to improve staff understanding of processes and how they might enable wider participation.

### **3.0 Business Support for SME's**

- 3.1 In addition to the measures introduced through policies and procedures, the City Council supports businesses in a variety of ways: as a strategic enabler, a regulator and as a provider and commissioner of services to help businesses start and grow.
- 3.2 Under the banner of Better Business for All the Council's regulatory services are part of the GM Centre of Regulatory Excellence (GMRCE) and developing a more pro-active and supportive approach to their work with SMEs, coordinating information, providing guidance and signposting companies to support that is available in addition to carrying out regulatory duties.  
<https://www.businessgrowthhub.com/services/business-regulation>
- 3.3 The End Use Experience Programme is the replacement of the Council's CRM system. This programme will aim to improve how the Council manages its relationship with businesses as well as individual residents as part of the roll out.
- 3.4 The Work and Skills Team works with the Business Growth Hub to deliver start up and business support services.

Services include Text Book Tendering workshops which provide practical skills to companies to support them through the tendering process, the Recipe for

Success programme which includes a meet the buyer section for those in the food/drink industry.

- 3.5 Start Smart programme ERDF funding delivers pre and post start up support to residents and businesses across Manchester. Since March 2018 post start delivery has engaged with 30 businesses and 25 have signed onto the programme.

3.6 Central Library's Business and Intellectual Property Centre (BIPC)

BIPC offers a suite of business resources and delivers a monthly programme of events to support local business. Businesses can undertake market research, find out about the latest technologies, and receive support to trade online, improve their marketing, produce videos for their web sites and develop proto-types using 3D printing.

The Library hosts Intellectual Property and Patent Clinics and organisations such as the Business Growth Hub, Prince's Trust and Franchising Works who use the Library to run drop in sessions for residents and businesses.

3.7 Mi-Ventures

MiVentures is an online business advice and information service for all SME's and Manchester residents who can benefit from access to one-to-one advice at a time and place that suits their needs, complimenting the offer from the Business Growth Hub and the BIPC. [www.manchester.gov.uk/businessadvice](http://www.manchester.gov.uk/businessadvice)

3.8 50+ Enterprise Pilot

The Work and Skills Team is piloting a bespoke enterprise programme targeting 50+ adults in South Manchester. The scheme will complement existing enterprise support activities across Greater Manchester. The aim is to work solely with 50+ residents to enable us to:

- Raise awareness and promote self-employment as a viable option to 50+ residents
- Evaluate if current enterprise support methods are fit for purpose for this priority group
- Develop a better understanding of the support requirements of this group
- Gather knowledge around the barriers to self-employment for over 50's, particularly in key sectors

3.9 SME Corridor SME Procurement Session.

The work and skills team have delivered a procurement awareness session for SME's based at the Carrioca Business Park. Procurement leads within the Oxford Road Corridor partnership, including University of Manchester, Manchester Metropolitan University, Central Manchester Foundation Trust and

Manchester City Council provided information and advice about each of their respective procurement approaches.

The event was attended by 50 of the Carrioca Business Park tenants from both the Ardwick and Miles Platting business sites. The Corridor partners provided a detailed overview on how they procure goods and services which included updates on how partners have simplified the system which has made the process more user friendly for small businesses. SME's were encouraged to consider bidding for contracts with the aim of increasing the number of local suppliers and were given the opportunity to speak to the partners on a one to one basis. The Growth company also provided details of free workshops and support sessions to help businesses to become tender ready for which they could sign up to on the day.

### 3.10 Business Networks

The Work and skills team is continuing to develop the priorities and support SME's through our business networks - these include The City wide Our Manchester Business Forum; North Manchester Business Network; South Manchester Enterprise Network and Wythenshawe focused BW3 Network.

## 4.0 **Measuring the Impact of Manchester's Procurement Policies.**

4.1 Since 2009 the Council has engaged CLES (Centre for Local Economic Strategies) to undertake annual reviews of the impact the sustainable procurement policy with our top 300 suppliers and contractors.

4.2 The CLES research is based on detailed surveys and sample interviews with our top 300 suppliers and contractors. The approach taken is consistent enabling the City Council to track progress from year to year. A number of the indicators used within the CLES research relate to the Council's spend with SME's.

4.3 The Council held its third annual social value event on 12th February 2019 to promote social value and to report survey figures back to contributing suppliers including SME's and a wider audience. The attached appendix is the spend analysis presented at the event.

4.3 The table below sets out the CLES data in relation to SME's.

	2014/15	2015/16	2016/17	2017/18
Spend with SME's £million	£189.9m	£246.4m	£264.7m	£265.6m
Spend with SME's %	46.6%	53.3%	59.4%	61.7%
Spend with SME's within the boundaries of Manchester £million	£148.2m	£199.2m	£197.4m	£196.3m

Spend with SME's in the Greater Manchester Area £million	£173.4m	£220.7m	£218.3m	£232.8m
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- 4.4 In 2014/15, 154 of the top 300 suppliers were SME's. In 2017/18 that figure was 188.

## **5.0 Next Steps**

- 5.1 Further develop links with the University, MMU and NHS procurement teams, working with the Work and Skills teams to identify how best to promote opportunities and support SME's.
- 5.2 Continue to engage with Greater Manchester colleagues as part of the refresh of the GMCA Social Value Policy to ensure the new policy meets the requirements in this area.
- 5.3 Further promotion of social value and procurement processes within the Council to increase understanding as to how the correct application of existing policies and procedures can maximise the positive impacts of procurement spend.
- 5.4 Continue to monitor the performance in this area.

## **6.0 Recommendations**

- 6.1 Members are asked to note and comment on the contents of the report.

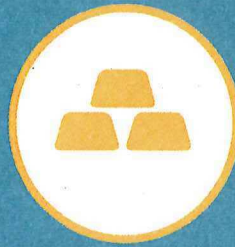
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# MANCHESTER CITY COUNCIL SPEND ANALYSIS

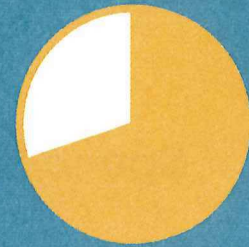
2017/18

This analysis demonstrates the wider contribution that procurement can make to a local economy and how it can support the achievement of wider outcomes. The analysis was conducted by the Centre for Local Economic Strategies (CLES) for Manchester City Council as part of an ongoing partnership.



**£430.7 million**

Amount spent by Manchester City Council with its top 300 suppliers in financial year 2017/18.



**£307 million**

Amount spent with Manchester based organisations in 2017/18, or 71.3% of the total spend with the top 300 suppliers. It was 51.5% in 2008/09.



**61.7%**

The proportion of procurement spend with SMEs has increased from 46.6% in 2014/15.



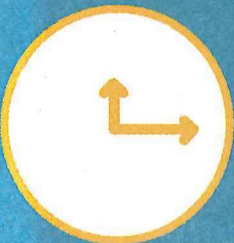
**£119.6 million**

Estimated re-spend of the top 300 suppliers back in the Manchester economy on local employees and suppliers of their own in 2017/18.



**1,302 jobs**

Suppliers to Manchester City Council created an estimated 1,302 jobs in Manchester in 2017/18.



**158,591 hours support**

Suppliers to Manchester City Council provided an estimated 158,591 hours of support to the voluntary and community sector in 2017/18.



**1,788 opportunities**

Suppliers to Manchester City Council created an estimated 1,788 employment opportunities for 'hard to reach' individuals in Greater Manchester in 2017/18.



**665 apprenticeships**

Suppliers to Manchester City Council created an estimated 665 apprenticeships in Manchester in 2017/18.

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# **Manchester City Council**

## **Quarterly economy dashboard**

**Quarter 3 2018-19**

This paper copy of the dashboard is produced on a quarterly basis. This version includes only those metrics which have been updated this quarter. This is intended to make the document easier to use by focussing on the latest information available. The dashboard is published, in a format that omits restricted data, on the Council's website.

Thematically it focuses on economic development, skills and jobs, the visitor economy and housing. Data on Manchester's economy is presented, where possible, with comparison to show the outturn in context. This is typically in relation to Greater Manchester, the regions of England or within national and international contexts.

An online version containing a larger suite of metrics irrespective of the last date they were You'll need to sign in to your MCC google account. This will allow you to access data and to leave any comments or suggestions you may have via a survey portal on the home page.

## Contents this quarter

[Analysis: apprenticeships starts and achievements - quarter 1 2018/19](#)

### [Economic development](#)

[Business Rates](#)

[Deloitte Crane Survey 2019](#)

### [Housing](#)

[Housing market data](#)

[Rental market data](#)

[Volume of empty properties](#)

### [Connectivity](#)

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### [Visitor economy](#)

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[Manchester Airport data](#)

[Business travel to and from Manchester airport](#)

## Analysis: apprenticeships starts and achievements - quarter 1 2018/19

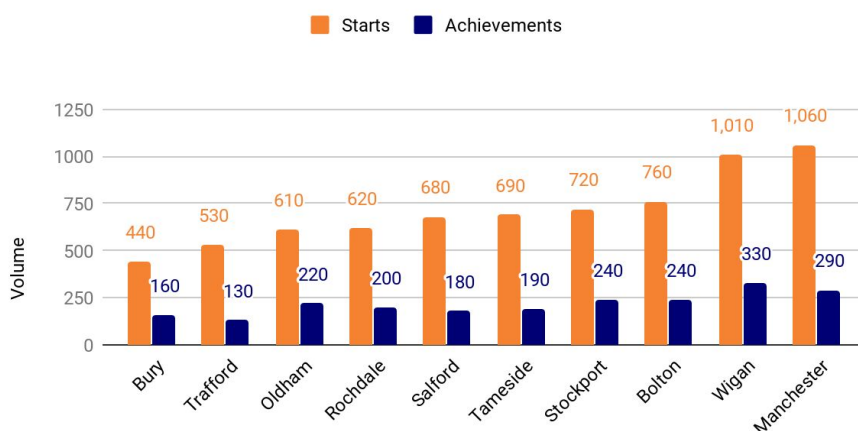
Data on the number of apprenticeships taken up and completed by Manchester residents is now available on a quarterly basis<sup>1</sup>. We will feature this in each issue of the dashboard and have prepared the following briefing in order to place these data updates in context.

### Which aspects of apprenticeships are covered in the quarterly updates?

Individuals who start / successfully finish an apprenticeship at any point during the period covered are included. The reporting periods utilised are for the *academic year*, so quarter one covers the period August 2018 to October 2018. It is possible that an individual may appear twice if they commence more than one apprenticeship during the period. It is important to note that starts and achievements should not be compared as like for like as it can take up to two years for an apprenticeship to be completed. The data is compiled from the Individualised Learner Record<sup>2</sup> of the apprentice. Attribution to local authority area is based on the home postcode of the apprentice. Age banding is taken as at the *start* of the apprenticeship and is self-declared. Apprenticeships include upskilling of existing employees, as well as recruiting new apprentices / employees.

### Context: Greater Manchester

Figure 1: Greater Manchester starts and achievements - quarter 1 2018/19



Manchester recorded the **highest number of apprenticeship starts in Qtr 1 18/19** across Greater Manchester. This is followed closely by Wigan with 1,010 starts. Wigan had the highest number of **completed apprenticeships** for this period with 330 while Manchester had 290. Wigan is characterised by a manufacturing base with a established tradition of apprenticeships.

Figure 2: Greater Manchester starters, by age band, quarter 1 2018/19

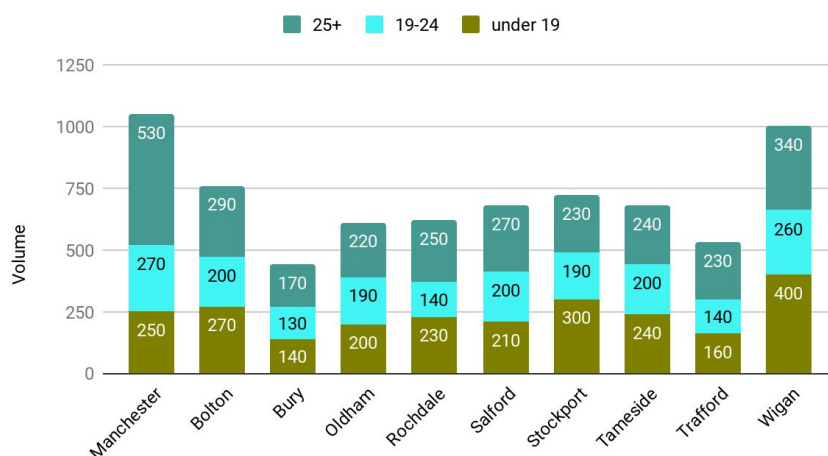


Figure 2 shows the distribution of age amongst the apprenticeship starters. Manchester is notable as having the **highest percentage of apprenticeship starters aged over 25 - 50%** - as opposed to the Greater Manchester average of 39%. Stockport records the highest percentage of starters aged under 19 - 42%.

<sup>1</sup> <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships>

<sup>2</sup> <https://www.gov.uk/government/collections/individualised-learner-record>

The distribution of age (using age bands *under 19*, *19-24*, *25+*) amongst those **completing apprenticeships** shows less variation. Manchester shows a slightly lower percentage of individuals age 19-24 than the Greater Manchester average (41% Manchester, 44% GM).

Tameside has the lowest proportion of apprentices aged 25+ (10%, opposed to the Greater Manchester average of 16%).

Manchester has a higher proportion of apprentices aged under 19 than the Greater Manchester average (42% as opposed to 40%).

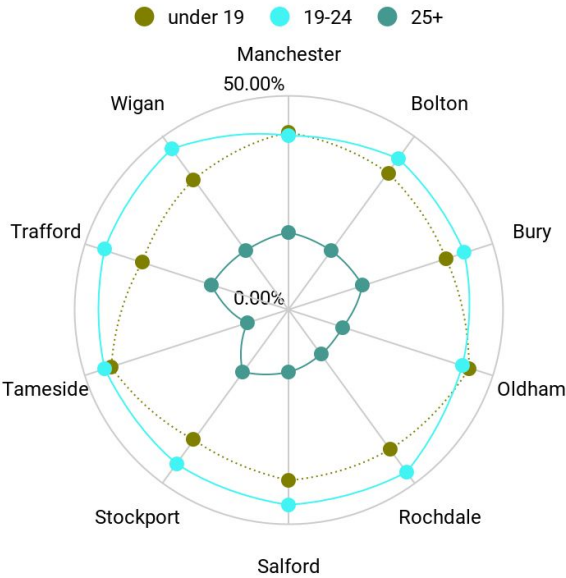


Figure 3: distribution of age band as percentage of all achievements by Greater Manchester authority

Over the past three academic years there has been a decline in the number of apprenticeship achievements for Manchester (figure 4). In terms of the level of apprenticeship there is a trend towards an increase in higher level apprenticeships (4.78% in 2017/18 as opposed to 1.79% of all achievements in 2014/15).

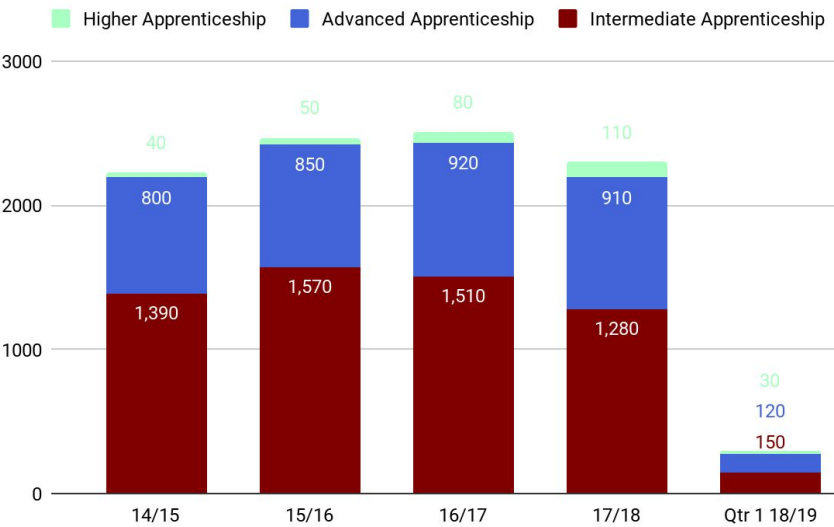
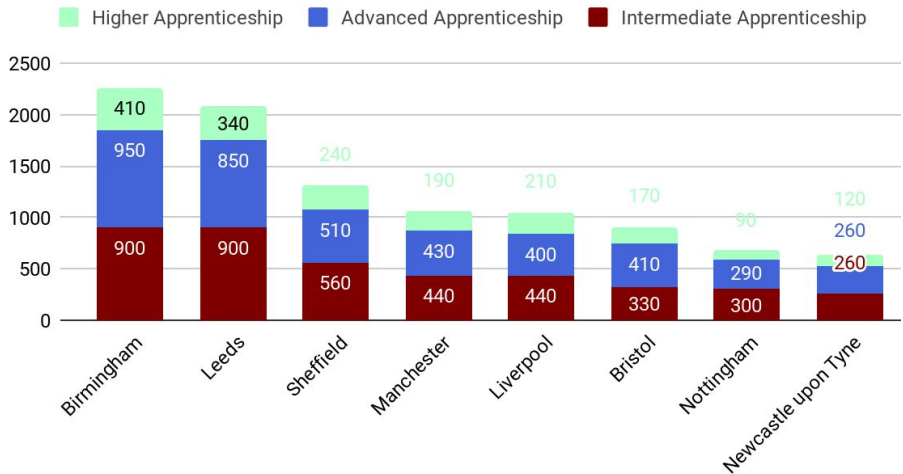


Figure 4: Number of apprenticeship achievements full years, Manchester 2014/15 to 2017/18 and quarter 1 2018/19

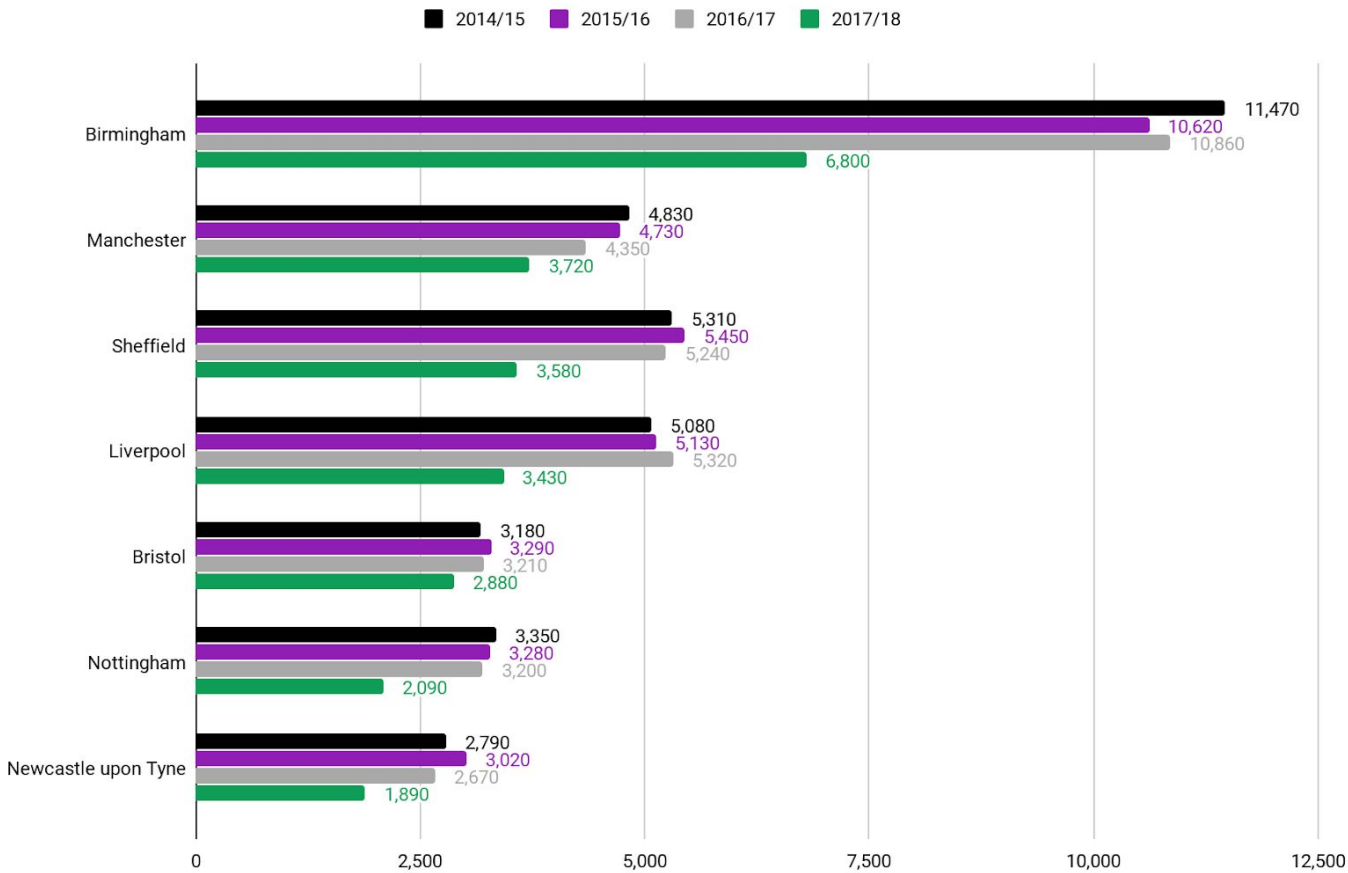


**Context: English Core Cities**



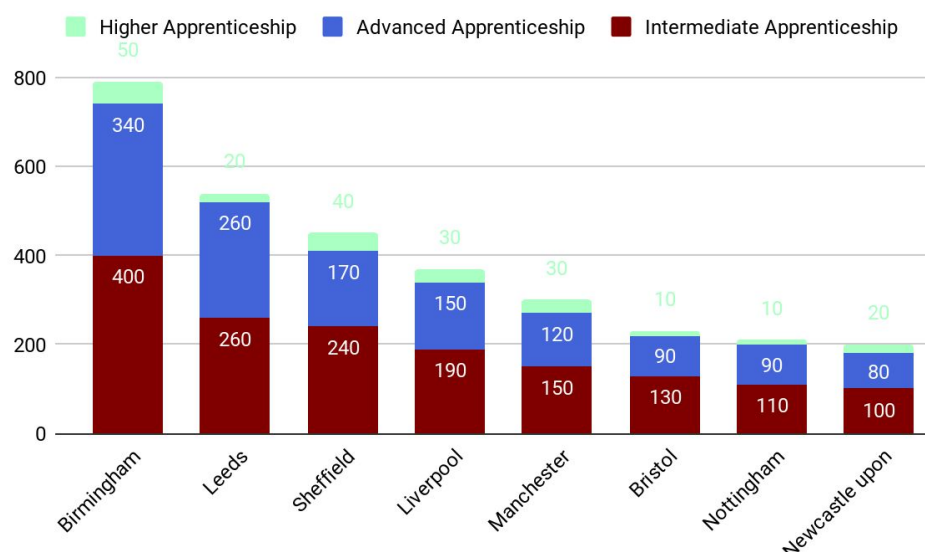
The chart to the left shows the **number of apprenticeship starts** recorded during quarter 1 2018/19 for the English Core Cities. Manchester has a total of 1,060 starts which places it as fourth highest in the group.

**Figure 5: Core Cities, number of apprenticeship starts quarter 1 2018/19**



**Figure 6: Core Cities, number apprenticeship starts 2014/15 to 2017/18**

Figure 6 (above) shows the variation over time of apprenticeship starts and highlights that starts fell during 2017/18 in all the cities considered. This was the first full year of reporting since the introduction of the apprenticeship levy in April 2017. Nationally the reduction has been -24%; GM is lower with -22% and Manchester with -14%.



**Apprenticeship achievements** are distributed in the English Core Cities group in a similar manner to starts although Liverpool records a higher number than Manchester during quarter 1 2018/19. Differences in the size of the respective cities needs to be taken into account, the second chart below shows the **volume of starts and achievements per 1000 head of population age 16-64<sup>3</sup>**.

Figure 7: Core Cities, number of apprenticeship achievements quarter 1 2018/19

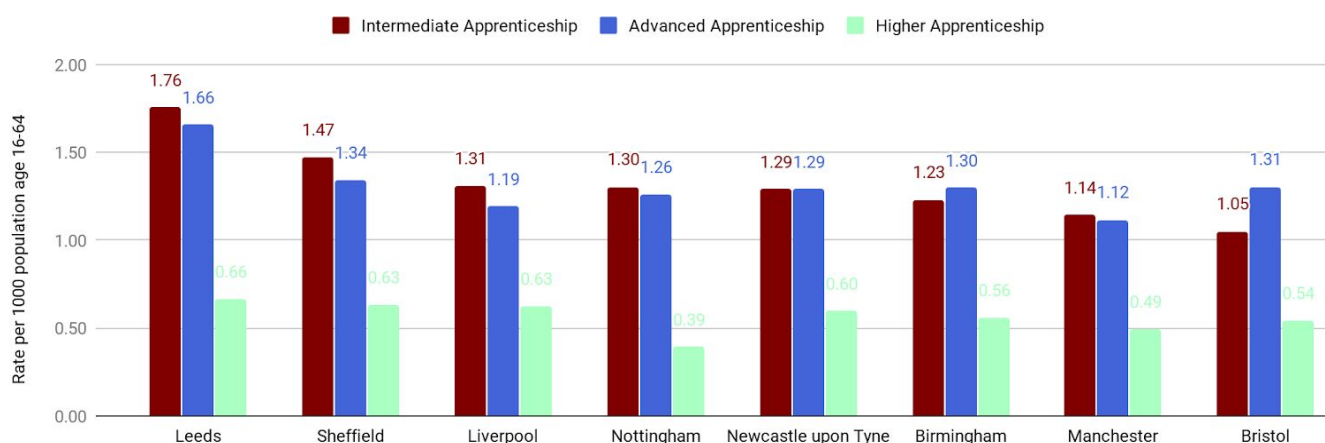


Figure 8: Core Cities apprenticeship starts, rate per 1000 population aged 16-64

When considered as a rate per 1000 head of population age 16-64 Birmingham is close to Manchester than the outlier it appears in figure 6. Leeds is the authority with the highest rate of apprenticeship starts, although this difference is mainly in relation to intermediate and advanced level apprenticeships.

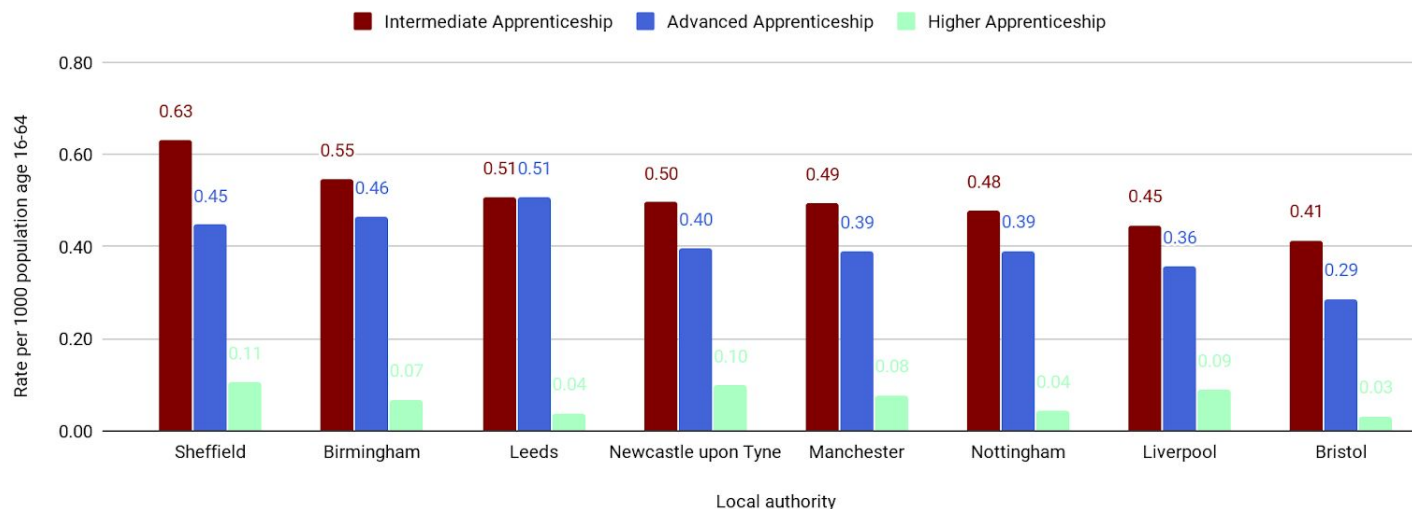
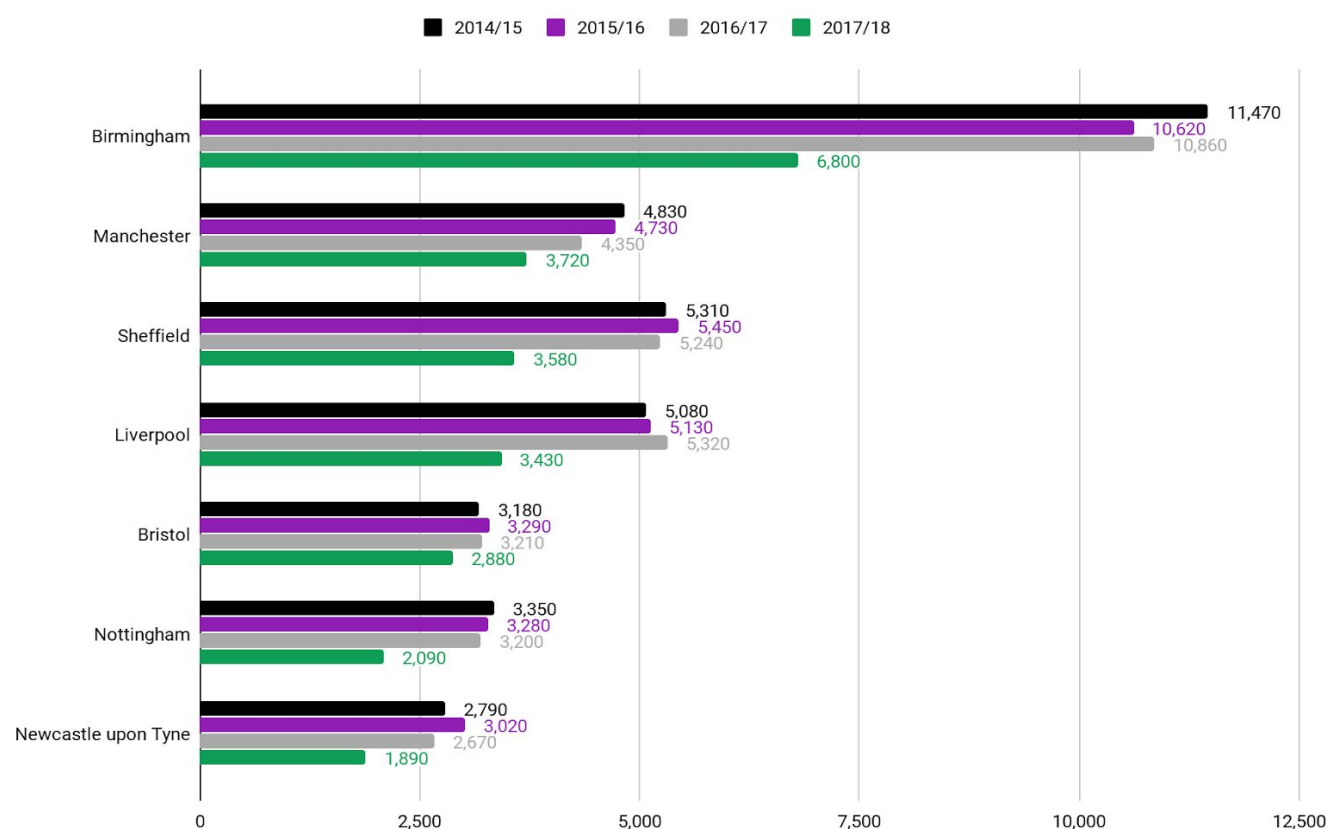


Figure 9: Core Cities apprenticeship achievements, rate per 1000 population aged 16-64

<sup>3</sup> Utilising ONS mid-year population estimates for 2017.



Again when viewed as a rate per population Birmingham is again closer to the other Core Cities than it would appear in figure 6. Manchester has a higher rate of higher apprenticeship achievements per 1000 population aged 16-64 than four of the English Core Cities (Birmingham, Leeds, Nottingham and Bristol). In respect of advanced and intermediate level apprenticeship achievements Manchester has a lower rate than Sheffield, Birmingham, Leeds and Newcastle upon Tyne.



**Figure 10: Apprenticeship achievements maximum and minimum rate per 1000 population aged 16-64, variation in rate (maximum rate minus minimum)**

The variation in rate between the highest and lowest in the Core Cities group is equal in relation to intermediate and advanced apprenticeships and lower in respect of higher level apprenticeships.

### ***Other aspects of apprenticeships - annual reporting***

On an annual basis far greater detail is made available in respect to the characteristics of apprenticeships. This allows analysis of the course content, funding details and greater detail on the level of the course. Similarly additional detail is made available on the apprentices themselves including gender and ethnicity. We will provide a summary once the 2018/19 data is made available.

## Economic development

As a thriving and sustainable city, we will support the growth of established and emerging business sectors

### Business Rates











Net annual charges payable at snapshot date / number of properties							
Business type	Jan/19	£ and % variation from a year ago			Number of properties - same month one / two years previous		
			Value	%	Jan/19	One year ago	Two years ago
Office	£110.9 m	Higher	£4.03 m	3.77%	8,004	7,854	7,245
Retail	£81.18 m	Lower	£1.85 m	-2.23%	5,102	5,081	5,020
Health & Public Services	£43.21 m	Higher	£2.06 m	5.00%	635	626	632
Industrial	£34.96 m	Higher	£1.22 m	3.63%	4,971	4,831	4,674
Services & Food	£20.92 m	Higher	£0.84 m	4.18%	1,375	1,326	1,260
Sports, Rec & Culture	£24.08 m	Lower	£1.09 m	-4.31%	899	899	888
Hotels	£18.51 m	Higher	£1.60 m	9.44%	95	92	89
Car Park	£13.41 m	Higher	£0.05 m	0.36%	3,461	3,323	3,131
Education	£8.97 m	Higher	£2.31 m	34.62%	379	377	363
Advertising & Communication	£4.85 m	Higher	£0.58 m	13.55%	1,589	1,621	1,308
<b>Total</b>	<b>£361. m</b>	<b>Higher</b>	<b>£9.75 m</b>	<b>2.70%</b>	<b>26,510</b>	<b>26,030</b>	<b>24,610</b>

The categories 'Sports, recreation & culture' and 'Retail' have seen an decrease in businesses rates payable this quarter.<sup>4</sup> The second business rates chart (overleaf) shows the **maximum and minimum value of business rates payable** at the quarterly snapshot date for the period January 2015 to date (the figures are not adjusted to account for inflation or the revaluation in April 2017). The fifth column shows the percentage variation for each business type based on the change between the first and most recent snapshot. For example: business rates return from businesses classified as offices increased by £13,394,854 between the two snapshot dates - an increase in 13.1% whilst business rates return from businesses classified under 'sports, recreation and culture' increased by £10,644,988.81 which represents an increase of 57.5% over the period.

<sup>4</sup> These figures represent the financial amount billed by Manchester City Council, not the financial amount of business rates collected. The data is taken as a snapshot as at the first day of the month after quarter end. The most recent business rates revaluation occurred on 1st April 2017.

The data shown in the table above shows the total net annual charges payable for all business rate accounts live as at a snapshot date. Net charge is the amount due after reliefs and discounts (for example, small business rate relief, charitable relief, empty property relief). The figures quoted above are not adjusted to reflect bad debts or appeals to avoid distortion to the profile of the business types with rates payable.



Industry	Business rates at snapshot: highest value Jan 2015 to Jan 2018	Business rates at snapshot - lowest value for same period	% of total due at 01/01/2019	% growth over period Jan 2015 to Jan 2018
 Office	£115,449,560 April 2018	£102,054,706 January 2015	30.27%	13.10%
 Retail	£87,722,649 April 2018	£78,864,249 January 2016	22.16%	11.20%
 Health & public services	£44,069,179 April 2018	£41,152,243 January 2018	11.79%	7.10%
 Industrial	£36,780,689 April 2018	£33,734,017 January 2018	9.54%	9.00%
 Services & Food	£22,165,857 April 2018	£16,550,032 January 2015	5.71%	33.90%
 Sports, Rec & Culture	£29,159,978 April 2017	£18,514,989 January 2015	5.05%	57.50%
 Hotels	£24,078,582 January 2019	£13,166,062 January 2015	3.66%	82.90%
 Car Park	£13,791,528 April 2018	£12,156,192 January 2015	2.45%	13.50%
 Education	£9,128,519 July 2018	£6,666,722 January 2018	1.32%	36.90%
 Advertising & Communication	£5,074,195 April 2018	£3,489,256 January 2015	6.57%	45.40%

## Economic Development

### Deloitte Crane Survey 2019

Deloitte have published their annual survey of development in Manchester and areas bordering the city centre. The latest report is a comprehensive portrait and highlights a number of aspects: unprecedented levels of residential development, further new office development and significant investment in educational and research space. Please follow this link to access the **2019 Crane Survey** ([external site](https://www2.deloitte.com/uk/en/pages/real-estate/articles/manchester-crane-survey.html)<sup>5</sup>).

<sup>5</sup> <https://www2.deloitte.com/uk/en/pages/real-estate/articles/manchester-crane-survey.html>

## Housing

As a liveable and low carbon city: we will provide a diverse supply of good quality housing in clean, safe, more attractive and cohesive neighbourhoods across the city.

### Housing market data

Data source: MCC Housing Market Intelligence Sheet

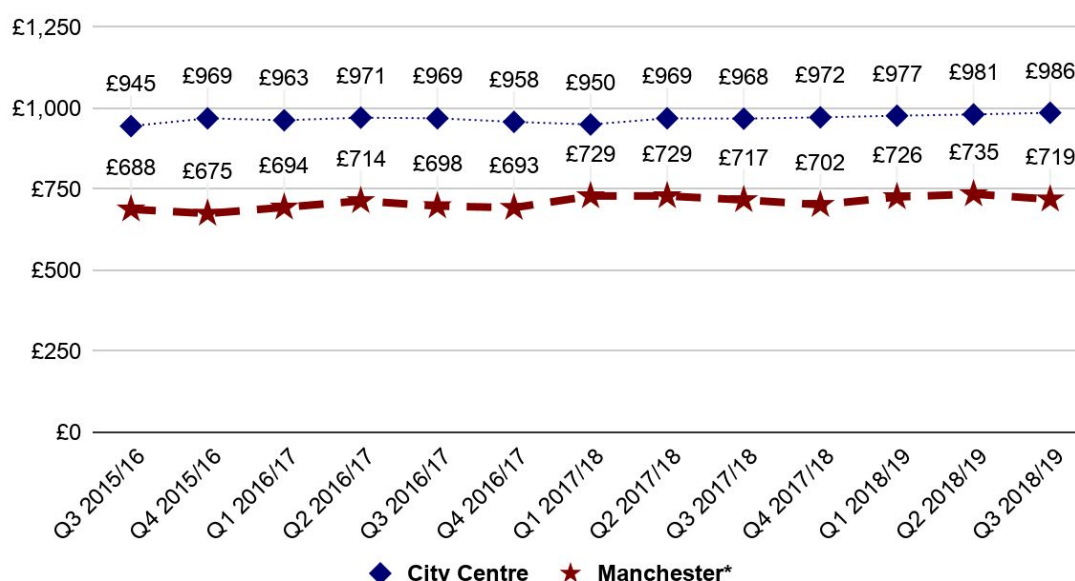
#### Property prices and sales during the quarter (derived from Land Registry data)

		2018/19 Qtr2	Variation from last quarter		Variation from a year ago	
			Number	%	Number	%
Number of properties registered as sold	Manchester city centre	528	-88	-14.3%	-579	-52.3%
	Manchester excluding city centre	1,445	-30	-2.0%	-251	-14.8%
Mean Price	Manchester city centre	£204,461	£12,003	-5.5%	£6,372	3.2%
	Manchester excluding city centre	£197,511	£5,751	3.0%	£12,093	6.5%

\*Data availability dictates that sales data is reported one quarter in arrears.

### Rental market data

#### Average rental prices for 2 bedroom properties - quarterly time series



Rental price data is retrospectively amended to incorporate the latest available intelligence. Previous quarters may not match figures in preceding dashboards.

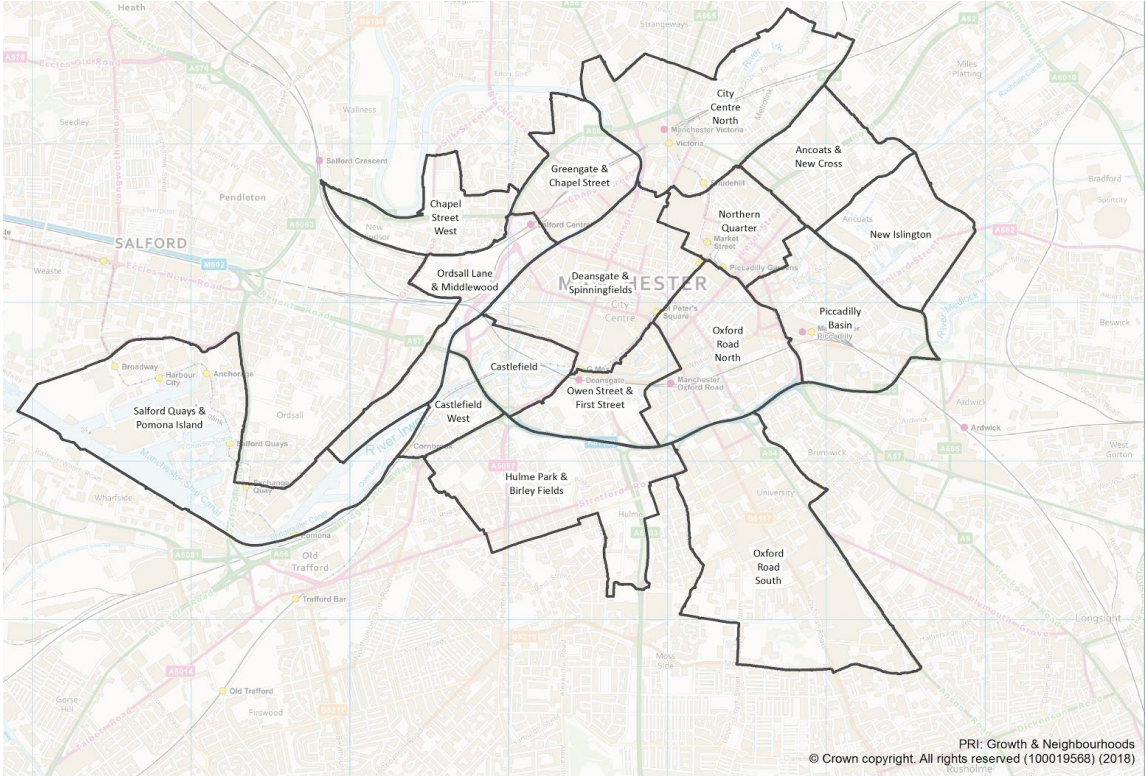
\*Manchester refers to the City of Manchester not Greater Manchester



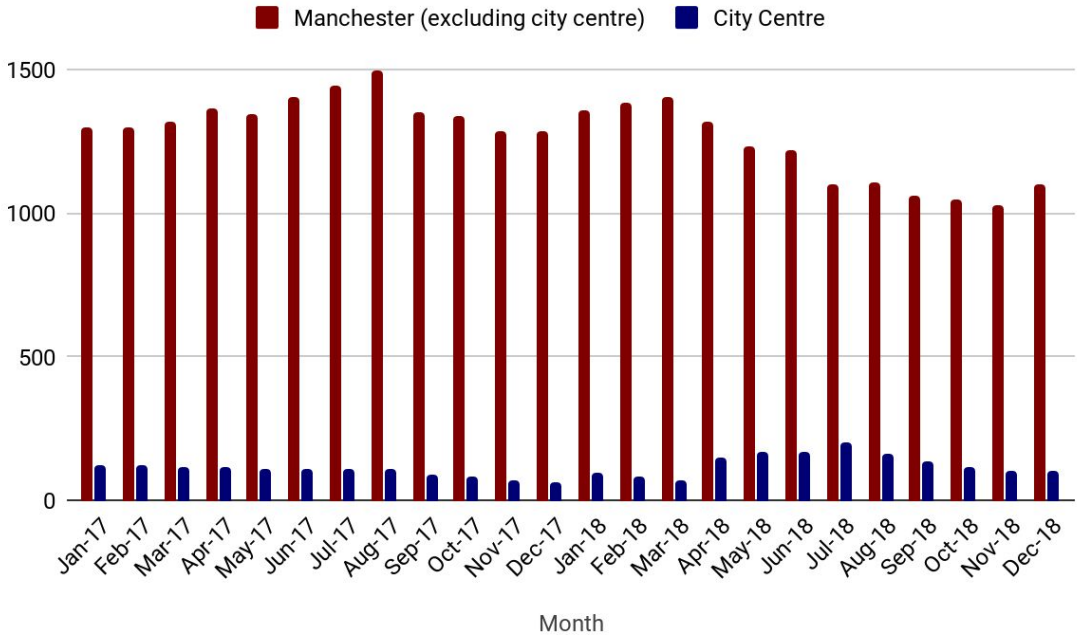
There is variation amongst rental prices for two bedroom properties in the city centre. The chart below shows the range of average rental prices as at quarter 3 2018/19 for city centre neighbourhoods:



The map below shows the borders of each of the *neighbourhood areas* referred to in the chart above.



# Volume of empty properties

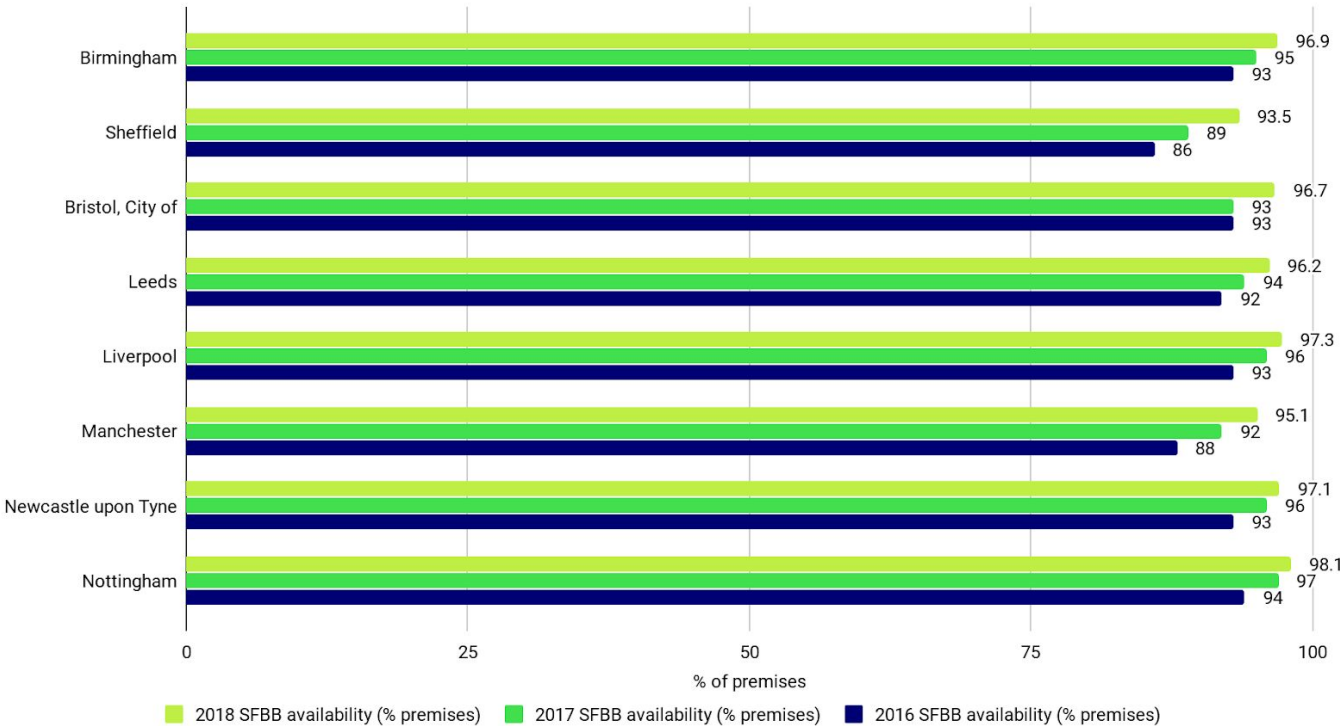


## Connectivity

As a Liveable and Low Carbon City we will: Harness the potential of technology to improve the city's liveability, sustainability and connectivity

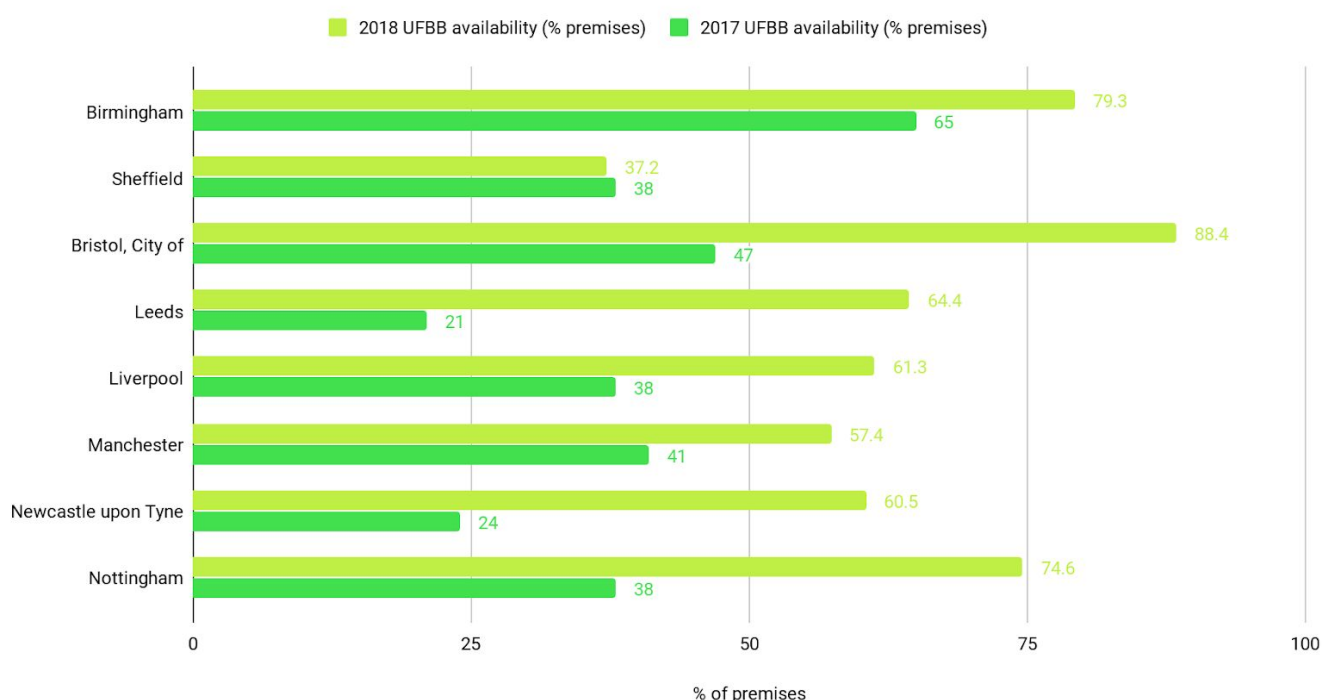
# Broadband availability by speed

## Availability of super fast broadband 2016 to 2018



Superfast broadband is defined by Ofcom<sup>6</sup> as the ability to receive data at over 30 megabits per second (but below 300 megabits per second). Broadband speeds are measured in 'megabits per second', often shortened to Mb Mbps p/s or Mbps. Bits are tiny units of data, with a megabit representing one million bits. The higher the number of Mbps the speedier online activity should be, resulting in quicker downloads, webpages loading faster, streaming of music or videos beginning more rapidly and video content or games played should display smoothly. It should be noted that some sources (notably the UK government) define superfast broadband as 24 Mbps.

### Availability of ultrafast broadband 2017 to 2018



Ultrafast broadband is defined by Ofcom as the ability to receive data at 300 megabits per second plus. Again other sources may use different definitions which on occasion suggest significantly lower speeds such as 100 megabits per second.. Ultrafast broadband supports data intensive activity such as streaming to multiple devices around the home or workplace.

<sup>6</sup> <https://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2018>

## Visitor economy

As a liveable and low carbon city: we will invest in cultural and sports facilities for the benefit of the city's residents and to improve the city's international attractiveness

## Hotel stock, pipeline and occupancy

*Note: data availability means that the latest data available relates to a snapshot as at the start of September 2018, the annual comparison is against a snapshot as at 30th September 2017*

Hotel accommodation stock					
Number of rooms in Manchester city centre (snapshot at month end)		Quarterly change		Annual change	
	Sep/18	Number	%	Number	%
4 & 5 star hotels	4463	328	7.91%	327	7.96%
3 star and below hotels	4347	0	0.18%	8	10.81%
Self-catering and serviced apartments	1070	0	18.76%	169	27.84%
<b>Total rooms</b>	<b>9880</b>	<b>328</b>	<b>5.38%</b>	<b>504</b>	<b>11.09%</b>

## Visitor economy

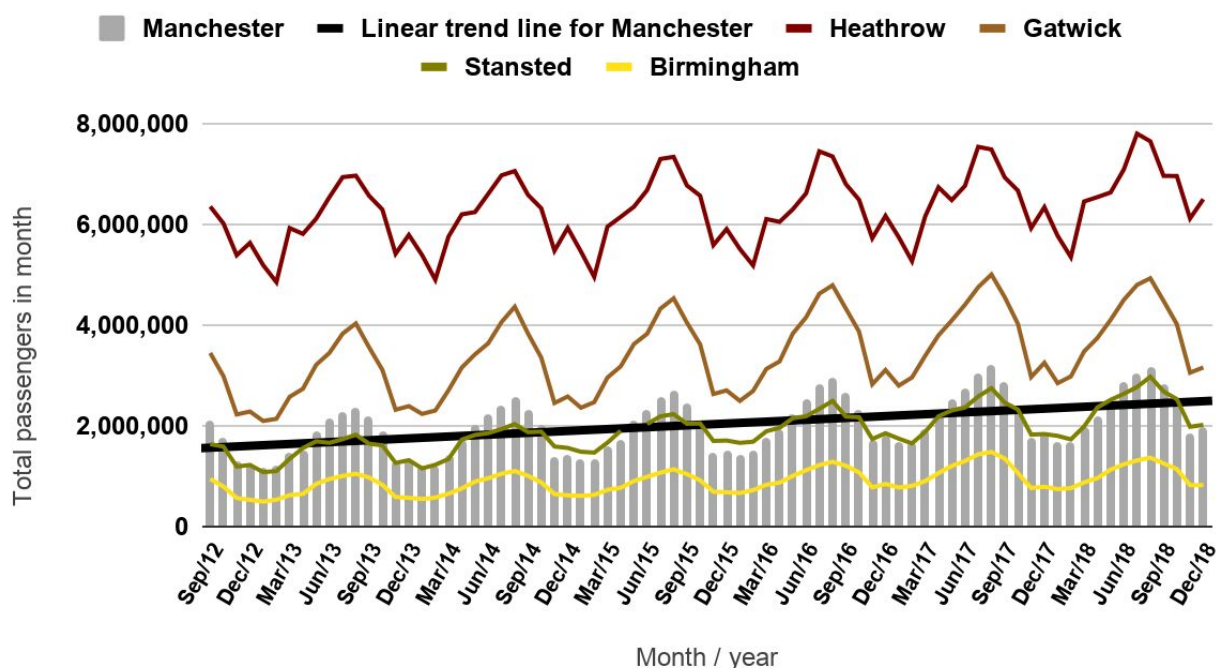
As a Connected City we will capitalise on the increased capacity at the airport and the connectivity and logistics benefits of Airport City to boost the economy

## Manchester Airport data



Data source for all subsequent airport related data: Civil Aviation Authority

Major UK airports - passenger numbers by month, rolling five years time series





	<i>Passenger numbers during month of:</i>	<i>Annual change</i>		<i>Biennial change</i>	
	Dec/18	Actual	%	Actual	%
<b>Manchester</b>	<b>1,957,789</b>	<b>106,249</b>	<b>5.74%</b>	<b>147,615</b>	<b>8.15%</b>
<b>Heathrow</b>	<b>6,496,164</b>	<b>158,138</b>	<b>2.50%</b>	<b>330,511</b>	<b>5.36%</b>
<b>Gatwick</b>	<b>3,158,503</b>	<b>-93,682</b>	<b>-2.88%</b>	<b>50,276</b>	<b>1.62%</b>
<b>Stansted</b>	<b>2,019,822</b>	<b>182,353</b>	<b>9.92%</b>	<b>167,101</b>	<b>9.02%</b>
<b>Birmingham</b>	<b>825,754</b>	<b>34,602</b>	<b>4.37%</b>	<b>-21,776</b>	<b>-2.57%</b>

## Visitor economy

As a Connected City we will capitalise on the increased capacity at the airport and the connectivity and logistics benefits of Airport City to boost the economy

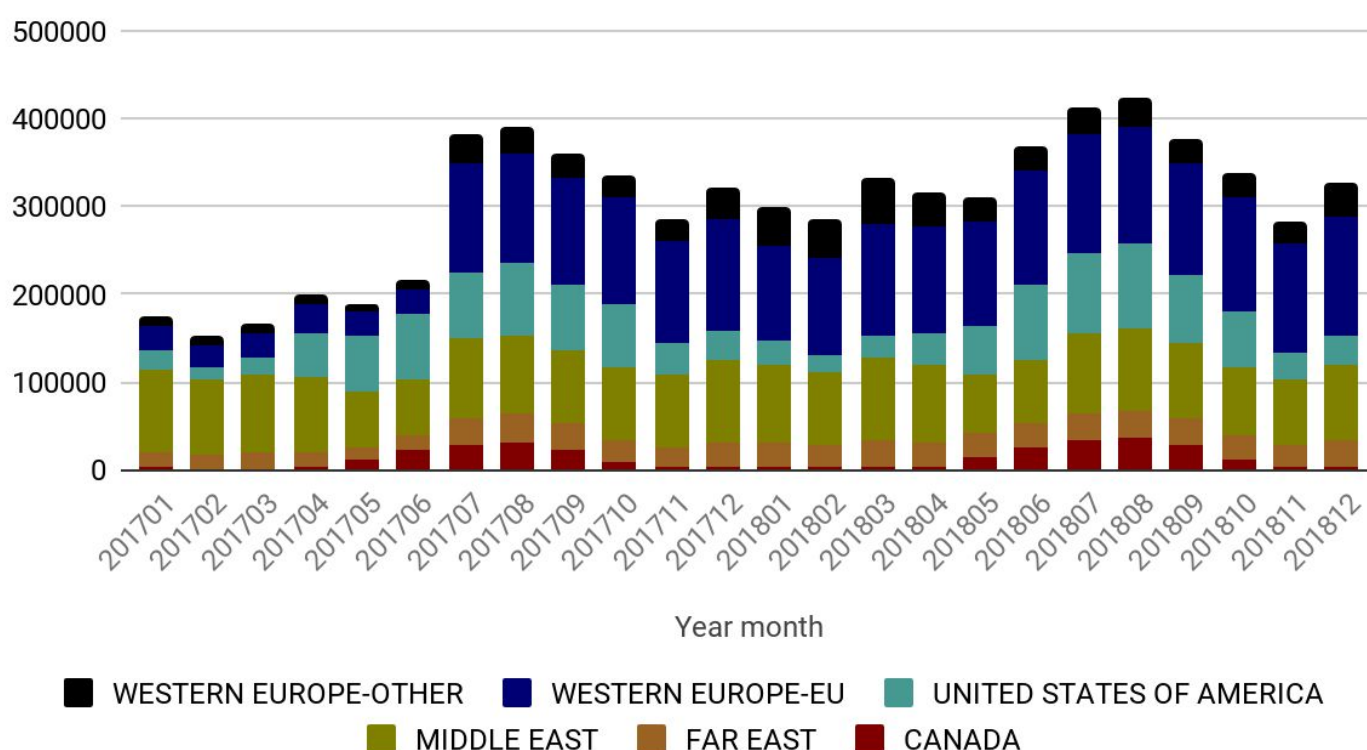
## Business travel to and from Manchester airport



This section of the dashboard tracks the expansion of flights from Manchester to the major financial centres of the world. The ranking utilised for financial centres is taken from the [Global Financial Centres index](#) which measures the competitiveness of centres using a variety of indices. The ranking quoted below is from index 24 which was published in September 2018. London has ceded position one in the index to New York. The other changes relate to changes in ranking within the top twenty other than Montreal who have slipped to position 24. Guangzhou in China has entered the top twenty at nineteenth position.

Data availability means that at present we cannot differentiate between passengers who fly to the airports included as their final destination and those who transit on to other final destinations.

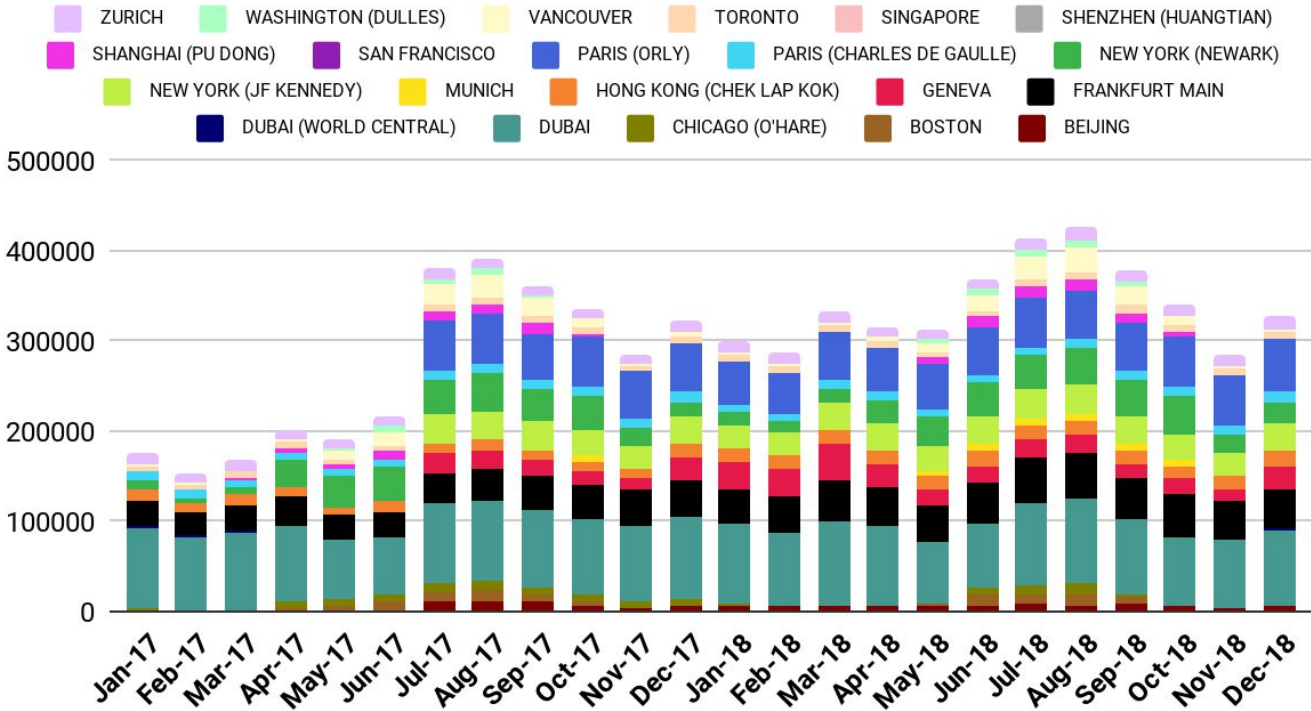
### Monthly total of passengers flying from Manchester to financial centres by region



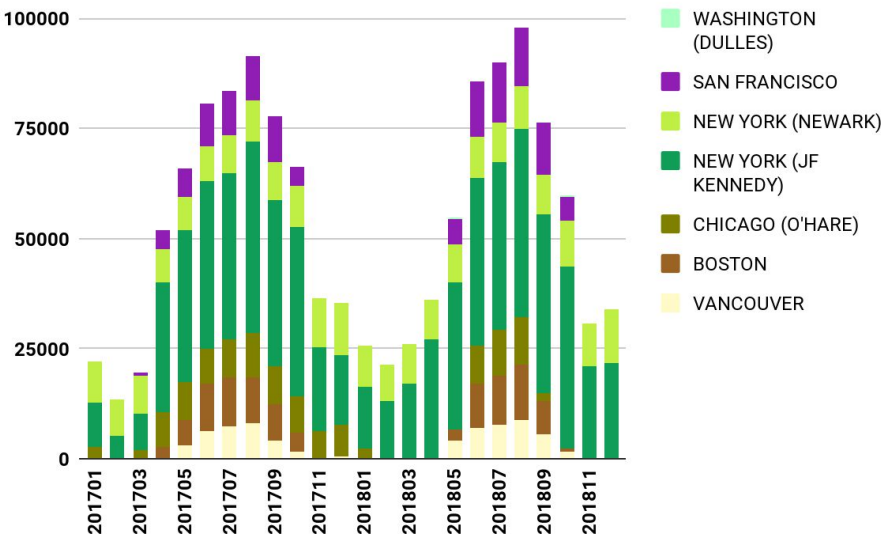


The chart overleaf shows the month on month total number of passengers on flights to and from Manchester for the **current** top twenty financial centres from 2017 to March 2018.

**Monthly total of flights from Manchester to financial centres by airport**

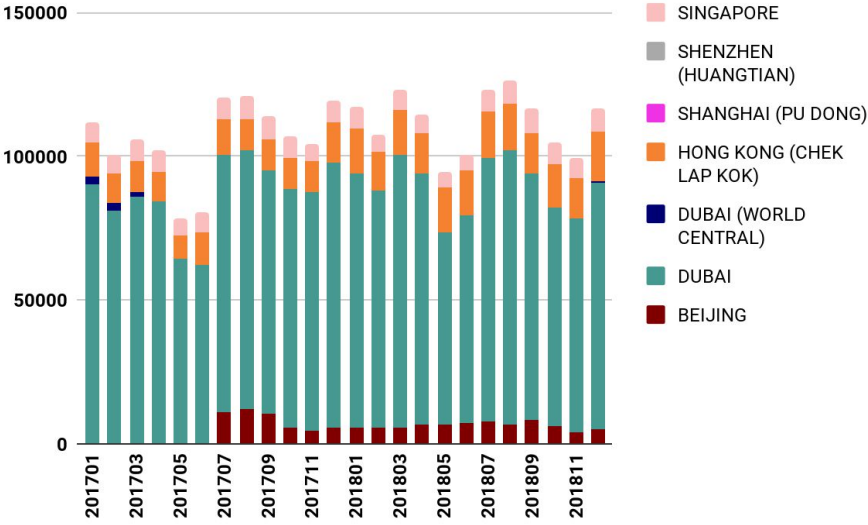


The charts below have been created to illustrate the reasons for variation over time, in particular the marked increase seen in July 2017 which can be ascribed to a combination of new routes to Beijing and several European destinations, plus increased traffic in established routes such as Manchester - Dubai. The numbered highlighted periods are provided to provide explanatory commentary.



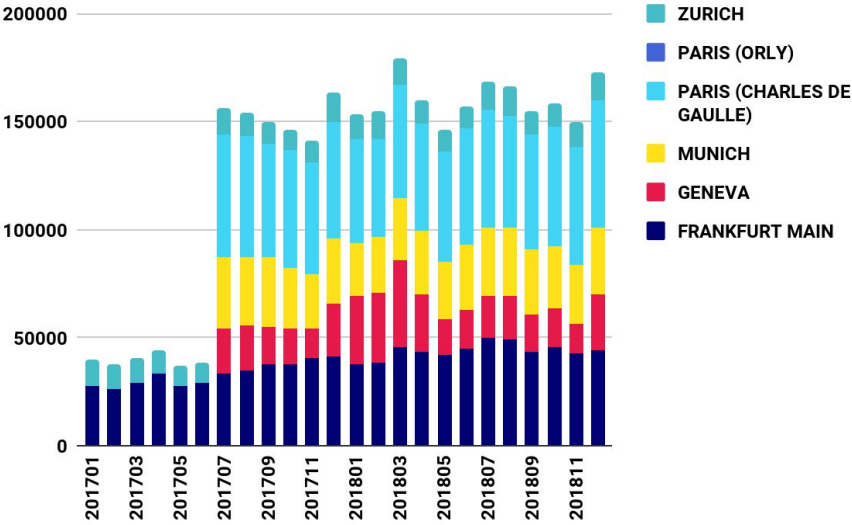
**North America**

- 1) No flights were logged between Manchester and San Francisco for the period November 2017 to April 2018. Volume of passengers flying to New York (JFK) subject to seasonal variation.
- 2) No flights to Chicago or San Francisco for period November 2018 to December 2018



**Middle and Far East**

3) Flights commence from Manchester to Beijing in July 2017.



**Europe**

4) July 2017 - flights commence from Manchester to Paris (Charles De Gaulle), Munich, Geneva and Paris (Orly)

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**Manchester City Council  
Report for Information**

**Report to:** Economy Scrutiny Committee – 6 March 2019

**Subject:** Overview Report

**Report of:** Governance and Scrutiny Support Unit

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**Summary**

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Work Programme
- Items for Information

**Recommendation**

The Committee is invited to discuss the information provided and agree any changes to the work programme that are necessary.

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**Wards Affected:** All

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**Contact Officers:**

Name: Mike Williamson  
Position: Team Leader- Scrutiny Support  
Telephone: 0161 234 3071  
Email: m.williamson@manchester.gov.uk

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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.

None

## 1. Monitoring Previous Recommendations

This section of the report contains recommendations made by the Committee and responses to them indicating whether the recommendation will be implemented, and if it will be, how this will be done.

Items highlighted in grey have been actioned and will be removed from future reports.

Date	Item	Recommendation	Response	Contact Officer
10 Oct 2018	ESC/18/45 Gap analysis of the City's Bus network service	To request information including a summary of data that has been used to date to underpin current findings, including information on frequencies of services and services that have been removed or reduced in the last three years.	This information will be circulated to Members when available	Richard Elliott
9 Jan 2019	ESC/19/4 Delivering the Our Manchester Strategy - Deputy Leader's portfolio	To request that the Deputy Leader circulates current data on the number of calls made to and answered by the Greater Manchester Police 101 telephone service; and  To request that the Deputy Leader circulates information on the Greater Manchester Police 101 telephone service to all Member so the Council	This information will be circulated to Members when available  This information will be circulated to Members when available	Cllr N Murphy (Deputy Leader)  Cllr N Murphy (Deputy Leader)
6 Feb 2019	ESC/19/10 Northern Gateway: Implementation and Delivery	To request that the outcome of the consultation with local residents is shared with local Councillors on a ward by ward basis	This information will be circulated to Members when available	Eddie Smith

6 Feb 2019	ESC/19/13 City Centre Transport Strategy - Feedback from the Responses to the conversation held in Autumn 2018	To requests that Officers provide a ward breakdown of the consultation responses with the relevant Ward Members	This information will be circulated to Members when available	Richard Elliott
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## 2. Key Decisions

The Council is required to publish details of key decisions that will be taken at least 28 days before the decision is due to be taken. Details of key decisions that are due to be taken are published on a monthly basis in the Register of Key Decisions.

A key decision, as defined in the Council's Constitution is an executive decision, which is likely:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500k, providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

An extract of the most recent Register of Key Decisions, published on **22 February 2019**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

## Directorate - Corporate Core

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Strategic Land and Building Acquisitions Ref: 15/003	The approval of capital expenditure for the purpose of the strategic acquisition of land and buildings.	City Treasurer	March 2018 or later	Checkpoint 4 Business Case	Eddie Smith 0161 234 4821 e.smith@manchester.gov.uk
Collyhurst Regeneration Ref: 15/005	The approval of capital expenditure for land and buildings in Collyhurst.	City Treasurer	March 2018 or later	Checkpoint 4 Business Case	Eddie Smith 0161 234 4821 e.smith@manchester.gov.uk
Depots Programme Ref: 15/007	The approval of capital expenditure on the council's depots.	City Treasurer	March 2018 or later	Checkpoint 4 Business Case	Julie McMurray Tel: 0161 234 6702 j.mcmurray@manchester.gov.uk
Factory Project Ref: 15/012	The approval of capital expenditure in relation to the creation of the Factory.	City Treasurer	March 2018 or later	Checkpoint 4 Business Case	Dave Carty 0161 219 6501 d.carty@manchester.gov.uk
Article 4 directions for office, light industry and logistics Ref:2017/06/30A	To give notice of introduction of Article 4 directions for office, light industry and logistics in one year's time. To begin a year-long notice period for the introduction of Article 4 directions to manage the change of use from office, light industry and logistics to residential.	Head of Planning, Building Control and Licensing	March 2018 or later	Report to Head of Planning, Building Control and Licensing; supporting evidence report	James Shuttleworth Planning and Infrastructure Manager 0161 234 4594 j.shuttleworth@manchester.gov.uk



Estates Transformation Ref:2017/06/30D	The approval of capital spend to ensure that the operational estate is fit for purpose.	City Treasurer	March 2018 or later	Checkpoint 4 Business Case	Julie McMurray Strategic Development 0161 219 6791 / 07950 790533 j.mcmurray@manchester.gov.uk
Lincoln Square/Brazennose St Ref: 2017/12/04A	To approve the signing of a collaboration agreement among landowners, as a precursor to the Council investing £1.2m of a total of £4.08m in a new public square and public realm.	City Treasurer	March 2018	Draft collaboration agreement  Draft public realm development plans  High level cost schedule	Pat Bartoli Head of City Centre Growth and Regeneration 0161 234 3329 p.bartoli@manchester.gov.uk
Brownfield Land Register Update Ref: 2017/10/17A	To publish Manchester's Brownfield Land Register	Strategic Director, Development and the Deputy Chief Executive (Growth and Neighbourhoods)	March 2018 or later	Report and recommendations	Richard Elliott Head of Policy, Partnerships and Research 0161 219 6494 r.elliott@manchester.gov.uk
Acquisition of New Build Properties at Booth Hall, Charlestown Ref: 2017/11/01B	The acquisition of up to 20 new build housing units from Taylor Wimpey	Strategic Director (Development)	March 2018 or later	Report and recommendation	Nick Mason Development Surveyor 0161 234 1309 n.mason@manchester.gov.uk

Local Plan Review – Issues and Options Consultation  Ref: 2018/01/16A	To agree document and proposals to consult on the Local Plan Review - Issues and Options.	Executive	March 2018 or later	Report with consultation document appended	Name: Richard Elliott Position: Head of Policy, Partnerships and Research Tel no: 0161 219 6494 Email address: r.elliott@manchester.gov.uk
Empty Homes Clusters Phase 2  Ref: 2018/02/28D	The approval of capital expenditure for the purchase and refurbishment of long term empty properties in North and East Manchester	City Treasurer	March 2018 or later	Business Case and Checkpoint 4 Business Case	Ian Runacres 0161 234 4953 i.runacres@manchester.gov.uk
National Productivity Investment Fund – Mancunian Way Junctions with Princess Parkway Improvements  Ref: 2018/04/03/B	The approval of capital spend to improve and increase capacity throughout by signalling two key junctions of the Mancunian Way; Princess Road/Medlock Street and Cambridge Street/Higher Cambridge Street	City Treasurer	April 2018 or later	Checkpoint 4 Business Case	Steve Robinson Director of Operations (Highways) 0161 234 4828

North West Construction Hub High Value Framework (2018-2022) Reprocurement  Ref: 2018/05/1A	Approval to appoint contractors to the North West Construction Hub High Value Framework 2018, for the delivery of construction projects of a value between £8m – over £35m for public sector organisations within the North West of England.	City Treasurer	November 2018	Confidential High Value Report 2018 (will be attached at Key Decision stage once outcome of process is known)	<p>Name: Jared Allen Position: Director of Capital Programmes and Property Tel no: 0161 219 6213 Email address:j.allen@manchester.gov.uk</p> <p>Name: John Finlay Position: Capital Programme Procurement Manager Email: j.finlay@manchester.gov.uk 0161 219 6213</p>
Northern Gateway Draft SRF  Ref: 2018/05/1E	To endorse the draft Strategic Regeneration Framework (SRF) for the Northern Gateway and proceed to a period of formal public consultation.	The Executive	25 July 2018 or later	Executive Report and Draft SRF	<p>Name: Ian Slater Position: Head of Residential Growth Tel no: 0161 234 4582 Email address: i.slater@manchester.gov.uk</p>

Acquisition of lease for occupation for the decant of Alexandra House 2018/08/06A	The Council would acquire a lease of occupation for up to 3 years. This would facilitate the decant of Alexandra House to enable it to be refurbished.	Strategic Director (Development)	September 2018	Heads of Terms	Name: Richard Munns Position: Head of Corporate Estate Tel no: 0161 245 7226 Email address: r.munns@manchester.gov.uk
Metroshuttle Funding 2018/10/05A	To finalise and agree the terms for a new funding agreement with Transport for Greater Manchester for the City Council funding contribution towards the Metroshuttle costs.	City Treasurer and City Solicitor in consultation with Lead Member for Finance and Human Resources	Nov 18	Funding agreement and Executive Report	Name: Paul Hindle Position: Head of Finance Email:- p.hindle@manchester.gov.uk Telephone: 0161 234 3025  Name: Richard Elliot Position: Head of City Policy Email: r.elliott@manchester.gov.uk Telephone: 0161 219 6494
Airport Car Park Investment 2018/12/14B	The approval of capital spend for the purpose of an investment into further development at the Airport.	City Treasurer	January 2019 or later	Business Case	Carol Culley City Treasurer Carol.culley@manchester.gov.uk 234 3406

College Loan 2018/12/14C	The approval of capital spend for the purpose of providing a loan to LTE Group as per the Report to Executive on 12 <sup>th</sup> December 2018	City Treasurer	January 2019 or later	Business Case	Carol Culley City Treasurer Carol.culley@manchester.gov.uk 234 3406
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<p>Grant of a development lease for the Assembly Scheme, Pollard Street, New Islington, Manchester</p> <p>2019/01/17A</p>	<p>To dispose of a 250 year leasehold interest to General Projects in land at Pollard Street, New Islington, Manchester, in return for a ground rent. The scheme of approx. 200,000 sq ft on land owned by MCC/TFGM will transform the site into a new commercial campus creating over 2400 jobs for SMEs, start-ups, small-scale manufacturers and established tech, media, creative &amp; fashion businesses. The project will also see over 2 acres of new public realm infrastructure delivered around New Islington tram stop. The commercial space will be developed in a number of phases depending on market conditions but with an obligation to build out.</p> <p>The 2016 Ancoats and New Islington Neighbourhood Development framework identifies the subject land for employment led uses.</p>	<p>Strategic Director, Development</p>	<p>February 2019</p>	<p>Delegated approval report, Heads of terms and valuation. These documents contain commercially sensitive information and should remain confidential</p>	<p>Nick Mason MRICS Principal Development Surveyor Development Team Strategic Development Directorate Manchester City Council P.O. Box 532 M60 2LA</p> <p>Location: Level 8, Town Hall Extension</p> <p>Tel 0161 234-1309 Internal 800-1309 Fax 0161 234-1277 E-mail n.mason@manchester.gov.uk Website www.manchester.gov.uk</p>
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<p>The Factory – MCC Contribution to the Factory &amp; Land Acquisition's in St Johns</p> <p>2019/01/02A</p>	<p>Approval to spend MCC capital funding on the Factory Project &amp; Land Acquisition's in St Johns</p>	<p>The City Treasurer</p>	<p>Feb 19</p>	<p>Factory Manchester</p> <p>1.Report to The Executive 29 July 2015</p> <p>2.Factory Manchester Project Overview 31st May 2016</p> <p>3.Report to The Executive 26 July 2017</p> <p>4.Report to The Executive January 2017</p> <p>5. Report to The Executive 21 March 2018</p> <p>6.Report to The Executive 14 November 2018</p>	<p>Jared Allen Director of Capital Programmes</p> <p>Tel: 0161 234 5683 Mobile: 07866 989671 email: j.allen4@manchester.gov.uk</p>
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Land bounded by Phoenix Way, Archway, Greenheys Lane & West Old Birley Street, known as Plot E Birley Fields. Land reserved for Commercial development.  2019/02/01E	250 Year lease for development of further phases of UK Fast Ltd campus consisting of circa 30,000 sq ft of offices, parking and energy centre along with a future proposal for a subterranean data centre. The scheme will create up to 400 additional jobs. A premium payment at Market Value has been agreed.	Strategic Director Development in consultation with the Leader	February 2019	Heads of Terms	Name: Lorraine Horne Position: Senior Development Surveyor Tel no: Ext 31283 Email address: l.horne@manchester.gov.uk
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### Directorate - Growth and Neighbourhoods

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Disposal of Land at Little Peter Street  Ref: 2017/04/03/A	Disposal of existing car park on a long leasehold basis for development purposes.	Chief Executive	March 2018 or later	Heads of Terms for the transaction	Laura Green 0161 234 1258 l.green3@manchester.gov.uk
Ben Street Project – Land at Ilk and Alpine Street, Clayton  Ref: 2018/02/07B	Disposal of Land for residential development	Strategic Director (Development)	April 2017	Note detailing the proposed disposal	Louise Hargan



## Directorate - Strategic Development

Decision title	What is the decision?	Decision maker	Planned date of decision	Documents to be considered	Contact officer details
Silver Offices Refurbishment (located at One Central Park)  Ref: 2017/07/18B	Capital expenditure approval for the cost of refurbishment works at part of the facility.	City Treasurer	March 2018 or later	Reports to the Executive and Full Council dated 28 June 2017 (The Development of the City Council's Digital Asset Base)	Ken Richards 0161 234 1295 k.richards@manchester.gov.uk
Heron House Refurbishment – Letting of the contract  Ref: 2017/08/01A	To approve the letting of the contract for the refurbishment of Heron House.	City Treasurer	March 2018 or later	Briefing note	Gill Boyle 0161 234 1069 g.boyle@manchester.gov.uk
Leasehold Land Disposal – 401 Mauldeth Road West  Ref: 2018/02/19B	To agree the disposal of land by way of 125 year lease.	Chief Executive	April 2018	Briefing Note and Heads of Terms	Richard Cohen Senior Development Surveyor 0161 234 3019 r.cohen@manchester.gov.uk
Toxteth Street – phase 2 (final phase)  2018/02/23C	Development of phase 2 area by Lovell	Chief Executive	March 2018	Briefing Note	Gill Boyle, Development Manager ext 31069 <a href="mailto:g.boyle@manchester.gov.uk">g.boyle@manchester.gov.uk</a>

<p>Marginal Viability - Housing Infrastructure Fund, New Victoria site.</p> <p>Ref: 2018/03/1B</p>	<p>To release grant funding of £10.074m secured from the Government's Housing Infrastructure Marginal Viability Fund to enable delivery of a key strategic residential and commercial development scheme at New Victoria, developing 520 new homes in total.</p>	<p>Strategic Director of Development</p>	<p>April 2018</p>	<p>Checkpoint 4 Business Case</p>	<p>Martin Oldfield Director of Strategic Housing and Residential Growth 0161 234 4811 m.oldfield@manchester.gov.uk</p>
<p>To bring forward two new housing affordability products.</p> <p>Ref:2018/02/14A</p>	<p>Approve the two schemes as set out in the report to the Executive 7 March 2018: Rent to Purchase Empty houses to First Time Buyer Homes</p>	<p>Director of Housing and Residential Growth in consultation with the Deputy Leader of the Council with responsibility for Housing</p>	<p>April 2018 or later</p>	<p>Agreements for each of the products</p>	<p>Martin Oldfield Director of Housing 0161 234 4811 m.oldfield@manchester.gov.uk</p> <p>Steve Sheen Housing Strategy and Partnerships Manager 0161 234 4115 s.sheen@manchester.gov.uk</p>

Northern Gateway Draft SRF  2018/05/25B	To endorse the draft Strategic Regeneration Framework (SRF) for the Northern Gateway and proceed to a period of formal public consultation.	The Executive	27 June 2018	Executive Report and Draft SRF	Name: Ian Slater Position: Head of Residential Growth Tel no: 0161 234 4582 Email address: i.slater@manchester.gov.uk
National Taekwondo Centre  2018/10/19A	Enter into a 39 year lease with Sport Taekwondo UK Ltd for areas within the building.	The Chief Executive	November 2018	Briefing Note and Heads of Terms	Name: Richard Cohen Position: Senior Development Surveyor Tel no: 234 3019 Email address: r.cohen@manchester.gov.uk

### 3. Economy Scrutiny Committee Work Programme – March 2019

Wednesday 6 March 2019, 2.00pm (Report deadline Monday 25 February 2019)				
Item	Purpose	Lead Executive Member	Strategic Director/ Lead Officer	Comments
Family Poverty Strategy update	To receive an update on the implementation of the Family Poverty Strategy, including the role that anchor institutions can play and how we build the resilience of families living in poverty.	Cllr S Murphy (Deputy Leader)	Angela Harrington	
The Impact of Welfare Reform and Universal Credit on the Manchester Economy	To receive a further update on the Government's welfare reform programmes, including the roll-out of Universal Credit across the City and the impact on Manchester's residents.	Cllr S Murphy (Deputy Leader)	Angela Harrington Job Centre Plus	
The Impact of Procurement Policies on Small and Medium Businesses	To receive an update on the impact of the Council's procurement policy on small and medium businesses in the City including consideration of any challenges and what more we can do in the future to enable SMEs in the City to compete for City Council contracts and commissioned services.	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Ian Brown	

The impact of low skills on residents ability to enter the labour market and sustain quality work	To consider the issue of low skills in the City, how many of the City's residents are low-skilled and where the concentrations are in neighbourhoods and in economic sectors, as well as the contribution that MAES and the Manchester College make to addressing the low-skills challenge.	Cllr N Murphy (Deputy Leader)	Angela Harrington	Invite representatives from MAES and the LTE Group (Manchester College)
Overview Report	Monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

<b>Thursday 23 May 2019, 10.00am** PLEASE NOTE NEW DATE AND TIME OF THE MEETING</b> <b>(Report deadline Tuesday 14 May 2019)</b>				
<b>Item</b>	<b>Purpose</b>	<b>Executive Member</b>	<b>Strategic Director / Lead Officer</b>	<b>Comments</b>
Eastlands Regeneration Framework update	To receive an update on the progress of the Eastlands Regeneration Framework	Cllr Leese	Eddie Smith	
Annual Work Programming Session	The meeting will close for the annual work programming session where members determine the work programme for the forthcoming year. To follow a presentation from the City Treasurer and City Solicitor on upcoming issues and challenges within the Committee's remit.		Eddie Smith Angela Harrington Richard Elliott	This part of the meeting will be closed to the public.
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

<b>Thursday 20 June 2019, 10.00am** PLEASE NOTE NEW DATE AND TIME OF THE MEETING (Report deadline Tuesday 11 June 2019)</b>				
<b>Item</b>	<b>Purpose</b>	<b>Executive Member</b>	<b>Strategic Director / Lead Officer</b>	<b>Comments</b>
Progress update on the Greater Manchester Local Industrial Strategy and Manchester Local Industrial Strategy	To receive a report that sets out the draft Local Industrial Strategies for both Greater Manchester and Manchester	Cllr Leese	Richard Elliott David Houliston	
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.		Mike Williamson	

Items to be Scheduled				
Theme – Strategic Regeneration				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
District Centres	To receive a report on the work of the District Centres Sub-Group and Institute of Place Management	Councillor Richards	Eddie Smith	Invite Professor Cathy Parker, Institute of Place Management.
Outcome of the consultation with stakeholders in relation to the proposed Housing Affordability Zones	To receive a report on the outcome of the consultation with stakeholders on the four proposed Housing Affordability Zones	Councillor Richards	Eddie Smith	See November 2017 minutes
Theme – Transport and Connectivity				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
City Centre Transport Strategy	To receive a further report prior to the draft document for consultation being considered by the Executive	Cllr Stogia	Richard Elliott	See Feb 2019 minutes (ESC/19/13)



Theme – Incorporating Inclusive Growth into Council Services/strategies				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Theme - Skills development for Manchester residents aged 16 and over.				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Employment Contracts and Labour Market Flexibility	To receive a report on changes in employment contracts and labour market flexibility and the implications for workers in Manchester.		Angela Harrington	See February 2016 minutes
Hospitality and Tourism skills gap	To receive report on the issue around skills challenges within the hospitality and tourism sector	Councillor N Murphy	Angela Harrington	See November 2017 minutes
Theme – Growing the Manchester Economy				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Markets strategy and marketing the City's areas	To be captured in District Centres Sub Group	Councillor Leese / Councillor S Murphy	Eddie Smith	

City Centre Business Engagement		Councillor Leese	Eddie Smith	
The Growth Company's business support activity in Manchester	To receive a future update on the development of the prosperity fund for post 2021 and the work the Council is undertaking to deliver a local Industrial Strategy	Councillor Leese	Eddie Smith	See November 2017 minutes
<b>Theme - Miscellaneous</b>				
<b>Item</b>	<b>Purpose</b>	<b>Lead Executive Member</b>	<b>Lead Officer</b>	<b>Comments</b>
The impact of the Brexit settlement on the City	The precise detail of this issue is to be determined when it is clearer as to the type of Brexit settlement likely to be agreed on by Government.	Cllr Leese	Eddie Smith	
Delivering the Our Manchester Strategy	This report provides an overview of work undertaken and progress towards the delivery of the Council's priorities as set out in the Our Manchester Strategy for those areas within the portfolio of the Executive Member for Housing and Regeneration.	Cllr Richards	Cllr Richards	Cllr Richards to present
Development of a Manchester City Council energy Company	To receive a report on whether the Council was considering a scheme to develop its own energy company	Councillor Leese	Eddie Smith	See November 2017 minutes