



## **Executive**

Date: Wednesday, 13 November 2019  
Time: 10.00 am  
Venue: Council Antechamber - Level 2, Town Hall Extension

Everyone is welcome to attend this Executive meeting.

### **Access to the Council Antechamber**

Public access to the Antechamber is via the Council Chamber on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

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

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

## **Membership of the Executive**

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### **Councillors**

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

## **Membership of the Consultative Panel**

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### **Councillors**

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

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

## Agenda

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- 1. 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.
- 2. 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.
- 3. Minutes**  
 To approve as a correct record the minutes of the meeting held on 16 October 2019. 5 - 14
- 4. Manchester International Festival 2019** **All Wards**  
 The joint report of the Deputy Chief Executive & City Treasurer and Strategic Director (Neighbourhoods) is attached. 15 - 38
- 5. Youth Strategy and Engagement** **All Wards**  
 The report of the Strategic Director (Neighbourhoods) is enclosed. 39 - 50
- 6. Housing Allocations Policy Review** **All Wards**  
 The report of the Strategic Director (Growth & Development) is enclosed. 51 - 108
- 7. Consideration of Policy H12: Purpose Built Student Accommodation Within the Changing Market Context**  
 The report of the Strategic Director (Growth & Development) is enclosed. **Ardwick;**  
**Deansgate;**  
**Fallowfield;**  
**Hulme;**  
**Levenshulme;**  
**Longsight;**  
**Moss Side;**  
**Old Moat;**  
**Piccadilly;**  
**Rusholme;**  
**Withington**  
109 - 140
- 8. Acquiring Properties for Affordable Housing**  
 The report of the Strategic Director (Growth & Development) is enclosed. **Ardwick;**  
**Charlestown;**  
**Cheetham;**  
**Crumpsall;**

**Harpurhey;  
Higher  
Blackley;  
Miles Platting  
and Newton  
Heath;  
Moston;  
Piccadilly  
141 - 150  
All Wards  
151 - 160**

- 9. Capital Programme Update**  
The report of the Deputy Chief Executive & City Treasurer is enclosed.

- 10. Capital Programme Monitoring 2019/20**  
The report of the Deputy Chief Executive & City Treasurer is enclosed.

**All Wards  
161 - 220**

## Information about the Executive

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The Executive is made up of ten Councillors: the Leader and two Deputy Leaders of the Council and seven Executive Members with responsibility for: Children Services; Finance & Human Resources; Adult Services; Schools, Culture & Leisure; Neighbourhoods; Housing & Regeneration; and Environment, Planning & Transport. The Leader of the Council chairs the meetings of the Executive

The Executive has full authority for implementing the Council's Budgetary and Policy Framework, and this means that most of its decisions do not need approval by Council, although they may still be subject to detailed review through the Council's overview and scrutiny procedures.

It is the Council's policy 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.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public and the press are asked to leave.

Joanne Roney OBE  
Chief Executive  
Level 3, Town Hall Extension,  
Albert Square,  
Manchester, M60 2LA

## Further Information

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For help, advice and information about this meeting please contact the Committee Officer:  
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This agenda was issued on **Tuesday, 5 November 2019** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

## **Executive**

### **Minutes of the meeting held on Wednesday, 16 October 2019**

**Present:** Councillor Leese (Chair)

**Councillors:** Akbar, Bridges, Craig, N Murphy, S Murphy, Ollerhead, Rahman, Stogia, and Richards

**Also present as Members of the Standing Consultative Panel:**

**Councillors:** Karney, Midgley, Ilyas and Taylor

**Apologies:** Councillor Leech, M Sharif Mahamed, Sheikh and S Judge

#### **Exe/19/80 Report on Incident at the Manchester Arndale 11 October 2019**

An oral report was given on the incident that had resulted in a number of people being assaulted and stabbed by an attacker in the Manchester Arndale. Thankfully, none had been very seriously injured. The attacker had been quickly arrested by the Greater Manchester Police.

Appreciation was expressed for the rapid response of the police that had halted the attacker and for the support that others had provided to manage the incident and to enable the Arndale to reopen the following day. The business most affected in the attack, council officers, and the staff and the General Manager of the Arndale had all demonstrated how well the people of the city come together and stand with each other in response to attacks.

Special thanks were expressed for Ocean Outdoor, the media company that controls the large-format full-motion digital displays on the Arndale. The company had given their display over to the "WE ♥ MCR" message on the day of the attack and a "MCR IS OPEN" message on the following day, when the Arndale had reopened.

#### **Exe/19/81 Minutes of the Previous Meeting**

##### **Decision**

To approve as a correct record the minutes of the meeting on 11 September 2019.

#### **Exe/19/82 A Revised City Centre Transport Strategy**

A report was considered on proposals for a revised City Centre Transport Strategy (CCTS) that would be aligned to the Greater Manchester Transport Strategy 2040. It was felt that a new strategy was needed to take account of the ongoing and future predicted growth of the city centre and of changes in the policy context since the adoption of the 2010 strategy. The new strategy would incorporate the GM 2040

Strategy and the goal of being a zero-carbon city by 2038. The drafting of the strategy would take into account the outcomes of the City Centre Transport Strategy Conversation that had taken place in the autumn of 2018.

The report outlined the key principles and proposals suggested for inclusion within the revised strategy. The proposed vision for the revised CCTS was “a well-connected city centre at the heart of the North, offering our residents, employees and visitors a great place to work, live and visit”. The strategy would set an ambitious goal that by 2040, during the morning peak, 90% of all trips to the city centre to be made on foot, by cycle or using public transport. For travel within the city centre, there was an aspiration that walking would become an ever more important mode of travel.

Based on predicted levels of growth in the city, achieving that goal would need:

- almost a doubling of Rail and Metrolink trips in the morning peak;
- a 50% increase in bus trips into the city centre in the morning peak;
- more than doubling the number of people walking and cycling into the city in the morning peak; and
- a reduction in car trips.

The CCTS would therefore look to bring about those changes by:

- delivering an integrated, inclusive and sustainable transport network with increased connectivity and capacity, which meets growth in travel demand for getting into the city centre; and
- improving the quality, environment and legibility of the city centre streets to ensure it is a great place to spend time in and move around.

The report recommended that an engagement and co-design exercise now be undertaken with stakeholders to further develop the strategy. That was agreed.

The report had also been considered at a recent meeting of the Economy Scrutiny Committee (Minute ESC/19/46). That committee had made recommendations on the key principles that should be covered in the strategy and on how the engagement and co-design exercise should be undertaken. Those recommendations were accepted.

## **Decisions**

1. To note the intention to produce a revised City Centre Transport Strategy.
2. That the key principles and proposals that should be covered in the revised strategy include those relating to clean air and zero carbon aspirations for the city and the need to find an appropriate balance of the needs between pedestrians, cyclists and public transport.
3. To agree that the Council undertake an engagement and co-design exercise with key stakeholders in the city centre and surrounding wards in order to further develop the strategy with support from Transport for Greater Manchester (TfGM) and Salford City Council.

4. To delegate authority to the Head of Local Planning and Infrastructure to finalise the terms of the engagement exercise, in consultation with the Leader of the Council, the Executive Member for Environment, Planning and Transport, and with City Centre Ward Members on city centre resident engagement.
5. That the outcomes of the engagement exercise and the content of the revised draft City Centre Transport Strategy be presented to a future meeting.

### **Exe/19/83 The Spending Round Announcement 2019**

This report submitted by the Deputy Chief Executive and City Treasurer provided an overview of the one year Spending Round announcements made by the Chancellor of the Exchequer on 4 September 2019, and the potential financial implications for the City Council. The report described the changes the government was planning to make to support for health and social care, homelessness, education, bus services and for Discretionary Housing Payments. It had been confirmed that the core precept referendum limit for Local Authorities in 2020/21 was to be 2%, which would be less than the 3% limit on increases to the Council tax in 2019/20. There was to be consultation on allowing Councils to again increase the adult social care precept element by 2% in 2020/21. If allowed, that would equate to £3.3m for Manchester.

It was noted that the report had also been considered at a recent meeting of the Resources and Governance Scrutiny Committee. The committee had noted the report (minute GSC/19/55).

#### **Decision**

To note the report.

### **Exe/19/84 Capital Programme Update**

A report concerning requests to increase the capital programme was submitted. We agreed to make three changes to the programme. These changes would increase the Council's capital budget by £0.586m in 2019/20, funded partly from borrowing and mainly from an external contribution from the GM Mayor's Challenge Fund.

We also noted two changes that had been approved by the Deputy Chief Executive and City Treasurer.

#### **Decisions**

1. To approve the following changes to the capital programme:
  - a) Neighbourhoods – Hough End Football Changing Facilities. A capital virement of £0.184m is requested from the Park Development Programme, funded by borrowing.

- b) Highways - Levenshulme Mini Holland Cycling and Walking scheme – Development Costs. A capital budget increase of £0.651m is requested, funded by an External Contribution from the Mayor’s Challenge Fund.
  - c) ICT – Replacement of Symology Application for Highways – Feasibility. A capital budget decrease of £0.065m is requested and approval of a corresponding transfer of £0.065m to the revenue budget, funded by ICT Investment Plan.
2. To also note increases to the capital programme totalling £0.430m as a result of two further approvals made by the Deputy Chief Executive and City Treasurer: being £148,000 for festive lighting; and £282,000 for the GM ‘Homes as Energy Systems’ project.

### **Exe/19/85 Revenue Budget Monitoring 2019/20**

A report was submitted to provide a summary of the position of the 2019/20 revenue budget as at the end of August 2019. The report gave details of the projected variances to budgets, the position of the Housing Revenue Account, Council Tax and business rate collection, revised prudential borrowing indicators, and the state of the Council’s contingency funds. Projecting forward from the position at the end of August 2019 it was forecast that by the year-end in March 2020 the revenue budget would be overspent by £6.027m, a worsening of the position predicted in July (Minute Exe/19/63). The report explained that the projected further overspend had mainly arisen from service pressures on the adult social care budgets.

### **Proposed Virements**

The report proposed two funding virements, both of which were large enough to require the approval of the Council.

(1) A virement of £175k in 2019/20 and £0.698m in future years (of which £486k is permanent and £212k time limited). Increases in parking, bus lane enforcement and residents' parking activity has led to an increase in the number of penalty charges notices issued by the Council. The virement was to fund additional operational, technical and managerial resources and enable the delivery of a service improvement and transformation programme.

(2) A virement to reduce both the Transport Levy budget by £1.333m, from £38.157m to £36.824m, and Grants and Contributions budget from £1.618m to £285k. Funding sources within the GMCA Transport budget had changed. In February 2019 it had been agreed that the Transport Levy would increase by £8.3m, which would be off-set by grants from the GM Mayor. Of the £8.3m, £6.84m could now be retained within the Mayoral General Fund which would necessitate a reduction per district in the remaining Transport levy payable, which would be off-set by not receiving Mayoral grants to the same amount.

### **Budgets to be Allocated**



When setting the 2019/20 budget the Council has agreed to hold some funds for contingencies, and other money that was to be allocated throughout the year. The report proposed the use of some of these budgets to be allocated. These were agreed:

(1) Release of £125k for a data governance restructure to enable a succession plan and allow the service to respond to increasing demand and structure the service so it is more aligned to current council directorates. This would also support an additional apprenticeship post.

(2) Release of £334k for an initiative to deliver a more attractive offer to foster carers, an effective marketing campaign, develop skills within the in-house fostering service and plan for conversion of external foster carers to internal foster carers.

(3) Release of £400k for Home to School Transport for cumulative increases in inflation for insurance premium, requirements to reduce vehicle emissions by 2020/21 and changes in the national minimum wage since the last tender of contracts for Home to School Transport.

(4) Release of £254k to cover the increase in the average weekly cost of foster care placements by 7%, from £3,642 per week to £3,910 per week, an increase of £268: £207 of this weekly increase is to be met from demography funding and the service request the remaining £61 per week is funded from inflation for the budgeted placements.

### **Use of Reserves**

The report also addressed use of the Council's reserves. Four draw-downs from reserves had been requested. All were approved.

(1) Manchester Arena security measures - £197k from the on-street parking reserve for semi-permanent concrete planters to be placed along Hunts Bank and the entire length of the central reservation of New Bridge Street. Movable barriers will be located at four locations on New Bridge Street. These will replace temporary traffic management measures which are currently deployed to prevent through traffic on the southern side of New Bridge Street for the period immediately after an event to support the high numbers of pedestrians exiting the venue.

(2) CCTV Operating system upgrade - £200k from the on-street parking reserve to procure and implement a replacement Public Space CCTV Operating System. £250k was approved in the 2019/20 budget, bringing the total CCTV project revenue costs to £450k.

(3) Liquid Logic Social Care system implementation costs of £0.7m, a drawdown from Capital Fund Reserve to fund the additional costs of the internal and external resources needed to support the system in going live including providing further training and other implementation costs; this will involve retaining the project team until later in the year to support business change activities linked to the new system.

(4) Carers support - £0.615m from the Our Manchester reserve to support Carers strategy for a two-year period together with funding from the external Greater Manchester Transformation Fund of £0.528m. A contract was to be awarded for a two-year period and partners would review the impact to determine the investment priority on a longer term basis.

### **Use of Additional Grants**

The report also explained that notification had been received in relation to specific external grants, the use of which had not confirmed as part of the 2019/20 budget setting process. Approval was given to the use of these funds.

(1) £59k from the Department of Business, Energy and Industry Strategy for the Feasibility Study for a heat network at Manchester Science Park (MSP) to be used to procure an external technical consultant to undertake a techno-economic feasibility study into the potential renewable and low carbon heat network to serve MSP.

(2) £400k from the Home Office for Violent Crime Reduction Programme (in partnership with Greater Manchester Combined Authority) to allow the Community Safety Partnership to undertake activity which will contribute towards meeting its strategic objectives.

(3) £2k from the Department of Business, Energy and Industry Strategy for Greater Manchester SME Zero Carbon Accelerator – Phase 1 to establish a standardised, replicable mechanism for supporting Greater Manchester SMEs to develop, aggregate, fund, deliver and monitor the performance of projects to become zero carbon. MCC's role within the project is management of the consortium and the overall project.

(4) £71k from the European Commission for Zero Carbon Cities for a second phase programme to bring networks of European cities together to develop solutions to shared urban challenges.

(5) £413k of funding from Central Government to prepare local authorities for leaving the EU by appointing a designated Brexit lead, enhancing local resilience and supporting air, land and sea port development to meet additional challenges.

### **Decisions**

1. To recommend that the Council approve the proposed virements over £0.5m in paragraph as set out above.
2. To note the Global Revenue Budget Monitoring Report.
3. To approve the use of budgets to be allocated as set out above.
4. To approve the use of reserves as set out above.
5. To approve the use of grants in addition to that already planned, as set out above.

### **Exe/19/86 Delegation of Executive Functions to the Executive and Council Officers**

At its meeting on 2 October the Council had approved changes to the Constitution (Minute CC/19/75), including changes to the powers delegated to officers. A report was submitted seeking approval for the delegation of various executive functions to officers of the Council; those functions being recorded in the revised Part 3, Section A of the Council's October 2019 Constitution. The report also sought approval for the delegation to officers of the Council's various executive functions set out in Part 3, Section F of the Council's 2019 Constitution.

The report explained the legal powers available to the Leader and to the Executive to arrange for the exercise of and delegation of executive functions within the Council. We supported the proposed delegations.

#### **Decisions**

1. To Note the decision of the Leader of the Council to exercise his power under Section 9E(2) of the Local Government Act 2000 (as amended) to delegate the discharge of all of the Council's executive functions to the Executive.
2. To note and endorse the decision of the Leader of the Council to delegate to officers the discharge of all of the Council's executive functions recorded at Part 3, Sections A and F of the Council's October 2019 Constitution as set out in the version of those sections presented to Council at its meeting on 2 October 2019.
3. In relation to the Scheme of Delegation to Officers set out in Part 3, Section F of the Council's October 2019 Constitution, to note that such delegations of executive functions include those functions that are designated as "Executive Functions" and those functions that are designated as "General Functions" insofar as these are executive functions.

### **Exe/19/87 Knott Mill Masterplan**

The Knott Mill area is located south west of the city centre close to the Castlefield neighbourhood, Whitworth Street West, First Street and the Great Jackson Street regeneration area. Knott Mill is adjacent to the River Medlock and is close to Deansgate Railway Station and Deansgate-Castlefield Metrolink Station. Knott Mill has a distinctive sense of place and unique characteristics due to the presence of key buildings of architectural, historical and cultural importance. The area's important heritage buildings provide a very different look and feel to that of adjacent neighbourhoods. However, surface car parks, under-utilised buildings and gap sites diminish the local townscape as does the quality of public amenity space and public realm.

In June 2019 we had approved in principle a draft Knott Mill Masterplan and had

Requested that the Chief Executive undertake a public consultation exercise on the draft (Minute Exe/19/49). A report now submitted by the Strategic Director (Growth and Development) set out the outcome of that consultation.

Consultation letters had been sent to 2,225 local residents, landowners, businesses, local community groups and stakeholders. The masterplan had been made available on the Council's website. A presentation was given to the Castlefield Forum, informing local residents and stakeholders about the proposals. The consultation opened on 18 July and, following a six-week period of consultation, closed on 29 August.

There had been 30 responses received: 20 via the Council's website and 10 by email or letter. The breakdown of respondents was: 5 stakeholders; 19 residents; 3 businesses; 2 landowners; and 1 developer. The online respondents had been asked whether they agree or disagree with the Masterplan proposals. Of the 20 online responses 13 had agreed, 6 disagreed and 1 did not express a view.

The report examined the range of issues that had been raised by consultees, and set out a proposed response to each. To take account of the responses to the consultation, these changes to the draft were proposed and agreed.

- An amendment to the boundary line to include the entire Deansgate Station site within the 'Zone of Interest'.
- Additional text to be included in the section on Density to reflect the potential for high density at the Deansgate Station site.
- Additional text in section 4.10 to emphasize the opportunity for sustainable and active travel, including cycling.
- Additional text in 4.10 on reducing reliance on car usage, and a reference to electric charging point and car clubs.
- Additional text in relation to improving key interfaces (Old Deansgate, River Medlock and Hewitt Street arches) to be added into section 5 on Urban Design Principles. Reference will also be made to Deansgate Quay.
- Additional text to be included in 5.3.3 on maximizing green infrastructure such as green roofs and tree planting.
- Additional text to the section on active frontages to make reference to the opportunities along the site's southern boundary.
- The plan on page 46 will be amended to include the MSJ & AR viaduct.
- Additional text on 'Sustainable Drainage Opportunities' is proposed to be added to the 'Framework Development and Urban Design Principles' section.
- Additional text on water efficiency measures to be included.
- Plan on page 63 to be amended to show the section of the viaduct between property Deansgate and Bugle Street as a 'future redevelopment opportunity'.

Having considered the matters raised in the consultation, the responses to those as set out in the report, and the proposed changes to the draft Masterplan, it was agreed that the revised Masterplan be approved.

## Decisions

1. To note the outcome of the public consultation on the draft Masterplan for the Knott Mill area.

2. To approve the Masterplan for Knott Mill and request that Planning and Highways Committee take the masterplan into account as a material consideration when considering planning applications for the site.

### **Exe/19/88 Disposal of Land at Blackrock Street**

(Councillor Richards declared a pecuniary interest in this item of business from being a member of the board of One Manchester. She withdrew from the meeting while this item of business was considered).

Approval was sought for the disposal of the land known as the Blackrock Street development site that was shown edged red on a plan appended to the report.

This site was to form an initial phase of the redevelopment of the Grey Mare Lane Estate that was to be undertaken by One Manchester Housing Association over the next few years. The focus of this was to be: carrying out improvements to existing housing; the undertaking of some selective demolition; and the provision of new housing in a range of affordable tenures. There would also be a second focus on the zero-carbon agenda.

Agreement had been reached with One Manchester that the land would be used exclusively for the provision of social rent houses. One Manchester believed that 22 two, three and four-bedroom family houses could be accommodated on the land. Accordingly, the disposal would be at an under-value compared with it being sold for housing development on the open-market, to be used for the development of houses for market sale or rent. The open-market value of the site was considered to be approximately £484k to £550k. that potential income would be forgone by this proposal as it was anticipated that this disposal would be for a nominal amount, subject to receipt of a full financial appraisal from One Manchester. The disposal for a nominal value was agreed.

### **Decisions**

1. To approve the disposal of land at an undervalue to One Manchester as set out in the report and its appendix.
2. To delegate authority to the Head of Development in consultation the Deputy Chief Executive & City Treasurer and the Executive Member for Housing and Regeneration, to finalise the terms of the transaction, to facilitate the development of new build housing which will be exclusively for social rent in accordance with the Council's affordable housing ambitions.
3. To authorise the City Solicitor to enter into and complete all documents and agreements necessary to give effect to the recommendations.

### **Exe/19/89 Portugal Street East Update**

In March 2017 we had endorsed the draft Strategic Regeneration Framework (SRF) for the Portugal Street East area of the city as the basis of public consultation (Minute Exe/17/057). In March 2018 we had considered the outcome of that consultation and had we agreed to adopt the principles of the proposed SRF so that it could become a material consideration in the consideration of planning applications submitted in the future. The adoption of the final text of the proposed SRF was delayed to the Strategic Director (Development) (Minute Exe/18/038).

A report now submitted by the Strategic Director (Growth & Development) provided an update on progress with the adoption of the SRF and on the collaboration agreement between the landowners. It explained the complexity of assembling the land that would allow for the creation of a new public park in the area covered by the SRF, and why it might be necessary for the Council to contemplate using compulsory purchase powers to acquire the land needed for the new park. Approval was given for this work to continue.

### **Decisions**

1. To note that the Strategic Director (Growth & Development) had exercised delegated authority to approve the Portugal Street East Strategic Regeneration Framework (SRF).
2. To note that the delivery strategy for the main public square may require the City Council to consider providing support to such strategy by exploring the exercise of its Compulsory Purchase Order (CPO) powers.
3. To approve the Council exploring the use of Compulsory Purchase Order Powers, where it can be demonstrated that the development, redevelopment or improvement of land, or acquisition is required in order to achieve the proper planning of the area.

### **Exe/19/90 Decisions of the GMCA 27 September and 7 October 2019**

#### **Decision**

To note the decisions made by the GMCA at its meetings on 27 September and 7 October 2019.

**Manchester City Council  
Report for Resolution**

**Report to:** Communities and Equalities Scrutiny Committee – 7 November 2019  
Executive – 13 November 2019

**Subject:** Manchester International Festival 2019

**Report of:** Deputy Chief Executive & City Treasurer and Strategic Director  
(Neighbourhoods)

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### Summary

This report provides the Executive with a positive picture of the outcomes of the evaluation of the Manchester International Festival 2019 and re-confirms the funding arrangements for 2021 Festival as approved by the Executive on 18 October 2017.

### Recommendations

The Communities and Equalities Scrutiny Committee is invited to comment on the report and endorse the recommendations to the Executive as detailed below.

The Executive is recommended to: -

1. Note the substantial achievements of the 2019 Festival in overachieving its objectives, particularly in continuing to grow its international reputation, increasing co-commissioning partnerships, record attendance levels and increased involvement by Manchester emerging artists;
  2. Recognise and support the importance of maintaining public sector funding commitments in order to attract significant match funding from other public and private sector partners;
  3. Delegate responsibility to the Strategic Director of Neighbourhoods and City Treasurer in consultation with the Executive Member for Finance and Human Resources and Executive Member for Skills, Culture and Leisure to finalise the financial arrangements.
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**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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From ensuring that all projects are resourced efficiently and produced responsibly, through to partnering on sustainable initiatives with our sponsors, suppliers, venues and co-commissioners, we work hard to guarantee that the Manchester International Festival has a minimal impact on the environment.
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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	Manchester International Festival supports economic growth by substantially raising the city's profile, drawing in national and international visitors, and attracting inward investment by positioning Manchester as a leading cultural city with an ability to showcase major large-scale events. The economic impact of the Festival grew to £50.2million in 2019.
A highly skilled city: world class and home grown talent sustaining the city's economic success	Manchester International Festival continues to maximise employment opportunities, with 496 staff contracted to work on the 2019 Festival committing significant resources to diversifying our staff base, encouraging transferable skills into the sector and targeting regions and demographics which have not previously engaged with the Festival.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Manchester International Festival has introduced youth and community advisory groups with community co-design and co-production models deployed to shape programmes at an early stage. The Festival has active participation across the City and increased levels of participation and volunteering from BAME, disabled and youth communities with more community-led projects giving greater agency to Manchester residents to plan and deliver events and develop their own creative skills.
A liveable and low carbon city: a destination of choice to live, visit, work	Manchester International Festival plays a significant role in making Manchester a liveable city and a great place to live, work and study - as recognised by a high number of respondents (1,774) to the 2019 audience survey. The Festival also attracts visitors to the city, with national and international audiences increasing in 2019.
A connected city: world class infrastructure and connectivity to drive growth	There was significant online editorial activity across the Festival programme, within the UK and around the world, with our international reach now at a total of 199 countries. We also created different forms of content during the festival this included podcasts, immersive experiences and web experiments this saw a 68% increase in digital content consumption compared to 2016-17. This translates to 6.6 million views across all platforms, 1,315,169 interactive users, and a reach of 25,134,763 million.

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



- Equal Opportunities Policy
- Risk Management
- Legal Considerations

**Financial Consequences – Revenue**

As outlined in report to Executive in 2017 and recommendation

**Financial Consequences – Capital - None**

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

None

## 1.0 Introduction

1.1 Manchester International Festival (MIF) 2019 was the seventh edition of the biennial festival, running from 4th July 2019 to 21st July 2019. In order to evaluate the 2019 Festival, MIF's board requested that its Executive prepare a detailed report examining MIF's performance in 2019 against both its agreed aims and objectives. In order to prepare this report, the MIF executive commissioned external evaluators.

1.2 A number of Key Performance Indicators and targets were identified for MIF 2019 and highlights are as follows with fuller detail contained within the body of the report:

Economic Impact of the Festival	£50.2 million (£42.2m MIF 2017)
Local travel and hotels	1214 taxi journeys 5357 hotel and apartment nights
Total suppliers	766
Employment opportunities	496 staff contracted specifically to work on MIF 19
Trainees (6-month programme)	6
Engagement and co-design	Youth and Community Advisory Grps
Volunteers	507 volunteers contributing 16,000 hours
Community Connector	free access to productions for 2,531 people from communities who wouldn't normally attend.
Diversity of those who participated in Creative Engagement projects	27% BAME 21% Disability 43% under 20yrs
Attendees	302,161
% audiences rating performances "Excellent or Good"	90%
Digital Content Consumption	6.6 m views and reach of 25m
Value of press coverage	£43m
No. of countries deliv press (excl UK)	41
% overnight visitors and av spend	20% - £130 per day

1.3 The following objectives were set for the 2019 Festival as part of MIF's 2018 to 2023 business plan.

- To continue to grow the international reputation of the Festival and the city – with artists, audiences, partners and media coverage from all five continents and from a wide variety of backgrounds – in turn driving reach for the Festival, attracting people to the city and the best staff to our team.
- To bring the most extraordinary artists from around the world to Manchester to create diverse and inspiring new work – made in Manchester and shared across the globe.
- To connect in new and ever deeper ways with the city and region of Manchester, increasing the range and diversity of those engaging with the Festival, with an ever more visible and transformative presence in the city.
- To develop the brand, profile and awareness of MIF/The Factory locally, nationally and internationally in readiness for opening in 2021.

## 2.0 Assessment of Delivery of Objectives for 2019

### Analysis by objective

#### 2.1 Objective 1: To continue to grow the international reputation of the Festival and the city – with artists, audiences, partners and media coverage from all five continents and from a wide variety of backgrounds – in turn driving reach for the festival, attracting people to the city and the best staff to our team.

##### 2.1.1 Media Coverage

*“The production [Invisible Cities] is like nothing I have seen before and typical of the MIF tradition of defying genres. If it is a glimpse of what we can expect to see at The Factory, a new hub for MIF being built at the old Granada studios site, Manchester is in for a treat.”*

Alexandra Rucki, Manchester Evening News, 14 July 2019

*“MIF draws on its Mancunian roots. Although it uses a global array of performers, its themes are often truly local.”*

Richard Morrison, The Times, 19 July 2019

The 2019 Festival again attracted a significant amount of media attention locally, nationally and internationally, valued at £43 million Advertising Value Equivalent (AVE).

A significant proportion of coverage was generated through continuing relationships with media partners - BBC, The Guardian and Manchester Evening News - who provided extensive support leading up to and during the Festival period.

Highlights included 45 hours of national and international broadcasts (TV and radio) featuring MIF shows, including major interview slots on BBC Breakfast, BBC Radio 2, 3, 4, 6, World Service and Asian Network, and primetime news

bulletins and reports on BBC Radio 4 and 5 Live, Sky News and Channel 4 News. These included five dedicated Radio 6 Music broadcasts from Festival Square by Mary Anne Hobbs and Shaun Keaveny with multiple guest appearances and an entire episode of BBC Radio 4's flagship cultural programme Front Row dedicated to MIF19. Much of this content was also made available to wider national and international audiences online.

A BBC2 special on MIF, *Welcoming the World*, presented by Brenda Emmanus, featuring exclusive behind-the-scenes footage of *Tree*, *Parliament of Ghosts*, *Alphabus* and *Bells for Peace*, was broadcast on BBC 2, providing a great signpost to MIF for national audiences. *Welcoming the World* also had extensive international reach to international audiences, receiving eight repeats on the BBC World News channel across multiple territories.

Significantly increased regional broadcast coverage helped tell the story of MIF's community and engagement work to local audiences. Highlights included 40 hours of live broadcasts from Festival Square, featuring creatives, talents and packages from across the MIF19 programme; live coverage of *Bells for Peace* from Cathedral Gardens; a live special of BBC Lancashire's culture programme; and a live broadcast from the first Festival in My Neighbourhood. There were over ten features and news items on BBC North West Tonight and several on ITV's Granada Reports Print and online editorial activity across the Festival programme also increased, within the UK and around the world, with coverage from 41 countries. A wide range of national and international media was secured, with previews, features, interviews and reviews appearing in titles across the globe, from the US to Africa, Asia to Australia and Europe to Russia. These included a wide range of UK dailies, Sundays and consumer print and online publications such as Easy Jet Traveller, Harper's Bazaar, Conde Nast Traveller, Uncut, Creative Review, Big Issue, The Stage, Art Review, Radio Times, Stylist, Wallpaper, The Face, Time Out, Artnet, Dazed media, and Frieze; as well as New York Times, Vogue US, New Statesman Ghana, Art Review Asia, Financial Times Asia, The Age, Brisbane Times, South Africa Sunday Times and Berliner Zeitung. Press Association pick up meant that several stories were syndicated across the country through local press.

As part of their partnership, the Guardian once again produced a special MIF themed supplement, distributed nationally and also published online. This content was complemented by a number of high-profile interview features in the Guardian and Observer and online with the likes of Philip Glass, Yoko Ono, David Lynch, and Ibrahim Mahama and reviews across the programme.

Key shows for all media included *Tao of Glass*, *Tree*, *The Nico Project*, *Invisible Cities*, *Bells for Peace*, and *David Lynch at HOME*, but *Parliament of Ghosts*, *Maggie the Cat*, *To the Moon* and *School of Integration* were amongst other commissions that achieved significant coverage. Well attended press trips for exhibition openings and first nights resulted in a wide range of reviews from national and regional titles.

### 2.1.2 Audiences

2017 saw a significant uplift in total attendance with audience numbers increasing by 21% from MIF15 with a total of 301,870 attending. 2019 maintained this trend with 302,161 visitors, a record number.

For MIF19 we developed our audience evaluation methodology to ensure we gathered feedback from a wide range of audiences across all ticketed and free Festival events. This included an audience survey, both emailed to ticket bookers and conducted face to face at a range of free events and Festival Square; Vox Pops, family friendly feedback, post Festival focus groups and telephone interviews; and video diaries and written surveys from young reviewers.

Additionally, for the first time MIF19 implemented its own ticketing system and as well as selling tickets directly it also allowed for the development of a CRM (Customer Relationship Management) strategy for the first time. This involved creating distinct groups within the MIF customer dataset and testing different tactics and approaches to each group. This resulted in a 4.3% conversion rate to tickets sales, the strongest across all conversion channels. We will continue to develop and test an earned income CRM strategy in the lead up to The Factory.

The evaluation carried out by the survey indicates 30% of attendees to MIF 2019 came from Manchester with a further 35% from other Greater Manchester boroughs. This remains consistent with the 2017 figures. 10% of visitors were from elsewhere in the North West and 19% from the rest of the UK. 5% of visits were from international attendees.

To grow audiences and awareness for MIF and The Factory, we increased our publicity across the North of England and in London and ran a tourism campaign in partnership with Marketing Manchester and Creative Tourist.

Audience satisfaction continues to go from strength to strength, with 93% rating their whole experience as 'very good' or 'good', up from 86% in MIF17, 90% rating the quality of events either 'very good' or 'good', up from 86% in MIF17 and 92% saying they would recommend the Festival to others.

Festival Square (in Albert Square) was once again the home of the Festival in the heart of the city, and it was more popular than ever this year. Boosted by an unprecedented programme of free live music and DJs, which saw more than 100 acts perform, day and night, across the Festival's 18 days; Festival Square attracted a record 165,000 visitors during MIF19 – an increase of 15,000 people (10%) over MIF17's previous record attendance.

Response to the face to face and e-survey indicates that the Festival was perceived to be a significant event for Manchester 93% either 'agreed' or 'strongly agreed' with the statement that the Festival helps to make Manchester a world-class cultural city. Up from 88% at MIF17.

- 86% 'agreed' or 'strongly agreed' that the Festival offers a unique

- experience unlike anything else available in the area.
- 82% ‘agreed’ or ‘strongly agreed’ with the statement that the Festival builds a sense of excitement in Manchester in the run up to and during the Festival
- there was a strong perception of the Festival as innovative and unique with 88% believing the Festival lived up to its reputation of championing the unique and unexpected and 75% supporting the view that it welcomes everyone and listens to audiences.
- 82% ‘agreed’ or ‘strongly agreed’ with the statement that the Festival makes Manchester a great place to live, work and study and 75% agreed that the Festival encourages and inspires people in the city to be creative in new ways.

*‘What Manchester International Festival means to me is that it shows as a city what a global leader we are in arts and cultural events that bring people living in Manchester and beyond together.’*

(interview respondent)

We continued to offer a discounted ticketing scheme to Greater Manchester residents on a lower wage, but for MIF19 the ticket price was further reduced from £12 to £10, making the Festival more accessible to a wider range of people. For MIF19, 10% of all tickets for events over £10 were offered exclusively at £10 to GM residents on a lower wage. Additionally, 2531 free tickets were given to community groups across GM through the Cultural Connector programme.

In addition to the tickets sold at £10 to GM residents through the scheme, there were a number of events sold with tickets at £10 or less:

- All tickets for *Alphabus* and *A Drunk Pandemic*, created by and aimed at young people, were priced at £10.
- Atmospheric Memory, an interactive art installation aimed at families, was priced at £8 for adults, £1 for children and free for school groups.
- The Anvil, a concert to commemorate the 200-year anniversary of Peterloo, was priced at £10.
- A number of talks and walking tours were priced at £10 or less.
- Laurie Anderson’s VR experience was priced at £5.
- Overall, this means that a total of 35% of all sellable tickets for MIF19 were available at £10 or less to GM residents.
- In addition, there was free admission to three exhibitions and three large scale public events, attended by a total of 64,647 people, plus, as noted above 165,000 people who visited Festival Square.

### 2.1.3 Digital reach

There was significant online editorial activity across the Festival programme, within the UK and around the world, we extended our international reach to include 5 additional countries, now at a total of 199. We also created different forms of content during the festival this included podcasts, immersive experiences and web experiments. This saw a 68% increase in digital content

consumption compared to 2016-17 and translated to **6.6 million** views across all platforms, 1,315,169 interactive users and a reach of **25,134,763 million**.

A number of factors can be attributed to such a significant increase; in particular, the creation of more content due to a dedicated team and the integration of the CRM to the MIF website. Twitter engagement has seen the most dramatic increase since 2017, with 400% more video views. While our production videos tend to perform better on Facebook and YouTube, we received strong engagement on Twitter during 'live' moments, particularly using content captured on a staff member's smart phone. The 5 best performing video tweets contributed almost 75,000 views alone.

The festival's live broadcast offer celebrated the best in music, theatre, film and contemporary art opening with Yoko Ono's Bells for Peace and closing with DYSTOPIA987 by Skepta. This increased audience for MIF Live by 45% with key broadcasts in partnership with the BBC.

New innovations included an editorial partnership between MIF and the global video channel NOWNESS, which saw Emmy-nominated director Fx Goby create a short film special, Icaria, in response to Alphabus, inspired by the Greek myth of Icarus featuring Yandass Ndlovu, a local artist that has been working with MIF since 2015. This has now exceeded 86,400 views and it was viewed in most countries around the world, the top being 30% UK, 17% US, 16% France. On average it was viewed for the full length of the video 02:28, which is extremely rare.

#### 2.1.4 Artists and Partners

*'The festival's hospitality and organisational brilliance is second to none. I felt so well looked after and I know all of my close colleagues did too. MIF is one of the world's greatest festivals not only because of its dynamic programme of new commissions, but also because of the warmth of those who work so hard behind the scenes to make it memorable.'*

Michael Morris, Art Angel

Arts Weekend, held on the middle weekend of each festival offers the opportunity to artists and partners from around the world to come to Manchester to visit the city, the festival and find out more about The Factory.

We had a total of 152 attendees, the highest number ever, including representatives from 22 co-commissioning organisations. All attendees were leaders in significant national and international arts and culture organisations, and included some of the world's leading presenters, curators and producers. The attendees were from more than 20 different countries and travelled from 50 different cities including Adelaide, Amsterdam, New York, LA, Paris, Helsinki, Vienna, Brisbane, Melbourne, Moscow, Warsaw, Hong Kong, San Paulo and Zurich.

Guests saw a range of work and many took up the opportunity to visit The Factory site with a view to supporting work that will be programmed there following its opening.

Co-commissioning partners: We raised just under £3m from co-commissioning partners for MIF 2019, an increase of around 200% from MIF 2017 and the most that has ever been raised from this income stream. This increase is due to a building the capacity of MIF's international resource in order to fulfil our targets for The Factory when it opens and MIF 2021.

Over 45 organisations from around the world co-commissioned world premieres with MIF. 15 productions in the festival programme were invested in. These organisations covered 4 continents including Melbourne, Brisbane, and Perth Festivals in Australia, Abu Dhabi's NYU Arts Centre, Carriage Works in Sydney, Hong Kong Festival, University of North Carolina's Performing Arts venue, National Theatre Scotland, the Barbican Centre and Sadlers Theatre in London, various other European festivals and venues and Manchester Cultural organisations including HOME, Future Everything, Science and Industry Museum, Manchester Art Gallery, Halle Orchestra, BBC Philharmonic and Contact.

Partners investment amounts ranged from £20,000 to £150,000.

Co-commissioners and touring presentations will take place in partners festivals and venues over the next three years, and some will go onto tour further afield beyond this time. Some examples of international co-commission presentations include:

- Invisible Cities (59 Productions and Rambert Dance) started its international tour at the Brisbane Festival in September 2019, to great acclaim and moves on to visit Hong Kong, Kuwait, and London over the next 2 years.
- Utopolis (Rimini Protokol), was presented in St Petersburg in September 2019 and will visit Cologne in 2020 and Coventry in its UK City of Culture year in 2021
- Tao of Glass will visit Australia, Germany, and North Carolina over 2020
- Atmospheric Memories will visit Canada and USA.

## **2.2 Objective 2: To bring the most extraordinary artists from around the world to Manchester to create diverse and inspiring new work – made in Manchester and shared across the globe.**

*“A showcase for homegrown and international art in this former industrial capital, it is unique in Britain for its interdisciplinary reach.”*

A.J. Goldmann, The New York Times 11 July 2019

The MIF 2019 programme, including 21 new artist commissions, a full 18 day free programme on Festival Square and a range of other special events including music events, talks, supper clubs, walking tours and residencies across the city, was featured in a BBC 2 documentary 'Welcoming the World'.



This 30-minute exploration of what happens behind the scenes as the company prepares to deliver the 18-day festival, focused on the unique international proposition of MIF, artists from 20 nations across the world coming to Manchester to make new work which premieres during the Festival and is then shared across the world.

MIF 2019 was a truly global festival with artists from USA, Europe, South America, Canada, Africa, India and the UK, including artists who live in Manchester. Venues ranged from established galleries, theatres and concert halls in the wider city – the Royal Exchange Theatre, HOME, Manchester Art Gallery, the Whitworth, the Dance House, Stoller Hall, Academy 1, the Bridgewater Hall, and the Lowry - through to site-specific spaces including Mayfield Depot, Upper Campfield Market, and public spaces including Whitworth Park and Cathedral Gardens.

New international commissions and co-productions created by the Festival included:

**Ibrahim Mahima – Parliament of Ghosts** – this major installation at the Whitworth reflected on the half-forgotten history of Ibrahim’s home country: Ghana, whose journey from British colony to independent nation was completed barely 60 years ago. Lost objects including railway sleepers and abandoned train seats were repurposed to create a parliamentary chamber in the gallery, surrounded by documents from government archives, films, photography, textiles and painting to evoke the history and memories of a country in transition.

*“Textured and provocative . . . A raucous display of sudden colour. . .*

*Mahima’s show is the high point of the visual art offerings”*

Tim Adams, The Observer, 28 July 2019

**Invisible Cities – 59 productions and Rambert** – with an international creative team, this production brings together choreography, video and projection, theatre and music for a large-scale site-specific spectacle made especially for Mayfield Depot which will then be adapted for a future life in Australia, Kuwait, Hong Kong and London.

*“Flamboyant, sweaty, virtuosic and precise”*

The New York Times, 13 July 2019

*“The spectacular Invisible Cities transforms Mayfield . . . into a place of dreams... The visual inventiveness of the piece is dazzling”*

Sarah Hemming, Financial Times, 17 July 2019 – 4 stars

**Maggie the Cat – Trajal Harrell** – forming part of a trilogy inspired by women fighting for power, was a magnetic new dance work created by this American choreographer, considered to be one of contemporary dance’s most inspired artists. MIF will continue this partnership to tour the trilogy around the world to Europe, Abu Dhabi and New York.

*“The catwalk procession, the exuberant self-expression, the transformation of ordinary household objects – are handled by Mr. Harrell with masterly timing*

*and aesthetic flair. Through rhythmic juxtaposition and perfect pacing, he creates alternating states of chaos and calm, of joy and excitement, bewilderment and bathos.”*

Ros Sulcas, The New York Times, 17 July 2019

**Studio Creole** – created by an international team including Adam Thirwell, Hans Ulrich Obrist, Rem Koolhaas and John Collins and featuring seven internationally acclaimed authors from seven countries telling seven new stories in seven different languages translated through a live interpreter into English and performed by one performer.

*“A bewildering experience, in the best possible way . . . Of all the lessons delivered by a Festival that brings visual art, performance, dance, literature, music and combinations of the above from around the world to Manchester this [Studio Creole] might be the most valuable of them all.”*

Art Review, Ben Eastham

**The Nico Project – co-created by Maxine Peake and Sarah Frankcom** - Inspired by Nico’s time in Manchester and her 1968 album The Marble Index, now regarded as one of the defining masterpieces of 1960’s counterculture, this music piece explored the artist’s ghosts as she struggled to make herself heard in a field dominated by men. This piece will be seen at the Melbourne Festival in October 2019.

*“A Bacchic climax of cacophonous sound, whirling bodies, whipping hair, anguish and exultation. Wild, demanding, utterly intoxicating.”*

Sam Marlow, The Times, 16 July 2019

**A Drunk Pandemic – ChimPom and Contact Young Curators** – developed by this young company from Tokyo in the tunnels underneath Victoria Station this piece originated from the fact that during Manchester’s cholera epidemic almost 200 years ago, those who drank beer not water, were the ones who survived. Contact Young Curators identified the company and worked with them to shape the piece for Manchester.

*“With its bizarre blend of humour, beer and a unique slant on Manchester’s history, A Drunk Pandemic is not only inventive and educational, but genuinely entertaining.”*

Kevin Bourke, Northern Soul

**Tania Brugera – School of Integration** – co-commissioned with Manchester Art Gallery this new work by the renowned Cuban artist invited local people originally from other countries around the world, from Zimbabwe to Tibet, to share their experiences, skills and culture as part of a wide-ranging curriculum of classes. The art work fostered cohesion and helped build bridges of cultural understanding.

*“The School of Integration humanizes the faceless immigrants that the public are so often taught to fear, spurring a change of outlook. . . If art, as she*

*suggests, can really be a tool for social change, we can hope that this is just the beginning.”*

**Neelam Tailor, Frieze, 29 July 2019**

**Skepta – Dystopia987** – created by The Mercury Prize winner MC and producer, at Mayfield Depot and supported by the Audience of the Future programme by UK Research and Innovation and by the PRS for Music Foundation. This new commission featured an intimate live set from Skepta in an environment created by new technology and performance which sold out and attracted a young audience.

*“A resounding and powerful victory for Skepta, Manchester International Festival and for pop culture itself.”* John Robb, Louder Than War, July 2019

Additionally, MIF programmed a series of special music events with internationally renowned artists from a range of music genres. These included Janelle Monae, who opened the Festival with a concert at the Castlefield Bowl and Abida Parveen, the world’s greatest Sufi singer from Pakistan who performed at The Lowry in a collaboration with Indian Kathak dancer Nahid Siddique. Both these concerts sold out and the latter has been shortlisted for the Asian Music Awards best live event category.

### **2.3 Objective 3: To connect in new and ever deeper ways with the city and region of Manchester, increasing the range and diversity of those engaging with the Festival, with an ever more visible and transformative presence in the city.**

*“Extraordinary 18 days...but for me seeing the increasing diversity and inclusiveness of audiences and participants was the highlight of this year’s MIF.”*

**Councillor and portfolio holder for Culture Luthfur Rahman**

*‘Huge thank you all your team for such an enjoyable weekend. And especially your red shirt volunteers - everyone I met through the weekend made the whole experience feel cohesive and inclusive.’* **Film Director Danny Boyle**

MIF plays a significant role in making Manchester a liveable city and a great place to live, work and study. Our widening participation work drives local cultural enjoyment and new audience development with skills development, health, wellbeing, education and learning all evident as key outputs of the programme.

Creative engagement ran throughout this year’s festival from the very opening moments of **Bells for Peace** – led by three emerging female artists from the city – to its closing event **Animals of Manchester** - curated with the support of our city’s schoolchildren. Over **5,900** people got involved in MIF’s volunteering and engagement programmes benefitting from nearly **33,000** person engagement hours and contributing a further **15,793** hours in volunteer time. A further **2,531** community members and groups were given free access to MIF and pre-Factory events with supported follow up via our Cultural Connector.

Key progress to addressing Objective 3 has included:

- new **youth and community advisory groups** and board members involved in decision making at every stage with **community co-design and co-production** models deployed to shape programmes at an early stage;
- a **year-round programme of social and creative activity** including *Festival in My House* and *Festival in My Neighbourhood* and targeted programmes with key partners such as libraries, neighbourhood centres and schools;
- **7 major participatory commissions** during MIF19 putting Manchester residents centre stage in internationally significant new artworks;
- **active participation across the City and increased levels of participation and volunteering from BAME, disabled and youth communities;**
- more community-led projects giving **greater agency to Manchester residents** to plan and deliver events and develop their own creative skills;
- greater visibility of the city's talent during the 18-day Festival through **new community slots programmed every day on Festival Square** and a daily programme of discussion and debate hosted by residents from North Manchester (*Talking Points*);
- enhanced support for the city's artists through **ambitious fellowships and artist development programmes;**
- imaginative school partnerships engaging **27 schools** and **1152 pupils** in active education programmes and a further **1,500** pupils and teachers to experience new artwork as audiences;
- a Volunteer programme with **507** people contributing nearly **16,000** volunteer hours to proudly welcome the world to Manchester
- **2,531** free tickets distributed to over **100 local youth and community groups** across GM that would not usually be able to get involved.

In addressing the need to increase the range and diversity of engagement over the last two years we have seen increases in participants from a BAME background (**to 27%**) and in participants identified as having a disability (**to 21%**) as well as a significant increase in young people as participants with **43% of participants under 20**. Targeted activity to increase involvement from areas of Manchester with lower previous engagement with MIF saw particular increases in a number of priority wards including Harpurhey, Moston and Moss Side.

In terms of socio-economic classification, MIF participants have an above average percentage of those who identify as 'never worked or on long-term sickness' than the UK population (MIF participants 12% / population average 9%).

*"Thanks so much for the tickets, our groups have had an amazing time. We work with asylum seekers, refugees, victims of domestic violence and many more people that would never usually have the chance to attend events like this"*

Touchstones, Rochdale

*“[Tree is] a piece of theatre that inspires people, it makes you think about issues that surround our society, things that we don’t really question. It makes us revisit the past and present. This is undoubtedly the best performance I have ever seen.”*

**Pupils, Manchester Communication Academy, Harpurhey.**

### 2.3.1 Access

A total of 37 accessible performances/events were delivered during MIF19, across 14 different productions. This represents a significant increase on them 13 access performances across 8 productions that were delivered at MIF17 (before MIF had dedicated resource for access), and an increase on the 25 performances that were announced in March. MIF also provided BSL interpretation at all Festival events which featured speeches. The break down for access provision during MIF19 was as follows:

MIF also provided:

- wheelchair spaces
- seats at standing events
- alternate routes for those with mobility requirements
- alternate formats (e.g. large print / transcripts) at all events as requested
- subtitled video (all video made in-house, and most external content was subtitled as a matter of course)
- concessionary ticket price for disabled people
- free tickets for Personal Assistants as required
- online booking for all access tickets
- member of the ticketing team dedicated to access enquiries and bookings

## 2.4 **Objective 4: To develop the brand, profile and awareness of MIF/The Factory locally, nationally and internationally in readiness for opening in 2021/22**

*“The Factory will provide a place for visual artists, theatre-makers, choreographers and digital designers to create work and redefine what it means to be made in Manchester.”*

@freemans\_land, The Sunday Times, 18 August 2019

*“The artistic leaders of the festival, and the people in charge of governance of the city, have vision”*

John Berry, The Times, 25 August 2019

The 2019 festival included a number of pre-Factory events, designed to be indicative of the work at The Factory, to introduce audiences to artists who are developing work for The Factory and to test new partnerships and strategies. These events were:

**Laurie Anderson – To the Moon** – a VR immersive experience of lunar exploration was sited in The Studio in the Royal Exchange. This piece is a taster of a larger project this international artist wants to develop for The Factory. Commissioning partners include organisations in USA, Taiwan, and Europe.

*“Anderson and Hsin-Chien’s infinitely affecting work uses a variety of creative means – sound, symbolism and narrative – to imagine . . . a quixotic journey across the lunar landscape . . . curiously reassuring.”*

Ben Eastham, Art Review

**Rafael Lozano Hemmer – Atmospheric Memory** – staged in a specially built chamber on the site of the Science and Industry Museum (SIM) and staged in partnership with SIM and FutureEverything, this interactive art installation created an environment filled with ‘atmospheric machines’ that interpreted sound into art.

*“Spectacular . . . An intriguing example of a new kind of experimental work that relates as much to science as what we conventionally think of as art”*

Mark Hudson – The Daily Telegraph, 4 July 2019

**59 Productions and Rambert – Invisible Cities** – created for Mayfield Depot, demonstrating the ambition for The Factory, this world premiere was a mix of theatre, choreography, music, architectural design and projection mapping.

*“The spectacular Invisible Cities transforms Mayfield a derelict railway into a palace of dreams “*

Sarah Hemmings, The Financial Times

**The Halle - Leningrad – Shostakovich’s Symphony No. 7** – this concert was as a precursor to the creation of a new artwork for The Factory created by Sir Mark Elder and Johan Simons. It will be based on the lives of Shostakovich and writer Vasily Grossman and their experiences living on a knife edge in the Soviet Union.

*“Listening to the Seventh being performed this week by the Halle Orchestra at the Manchester International Festival (brilliantly conducted by Jonathon Heyward), it was impossible not to be moved by the passion, despair and sense of doom unmissable in the music.”*

Janet Street-Porter, i paper, 13 July 2019

**Internationaal Theatre Amsterdam – The Fountainhead** – the UK premiere of Ivo Van Hove’s adaptation of Ayn Rand’s uncompromising 20<sup>th</sup>-century classic novel, a major inspiration for libertarian politicians on both sides of the Atlantic, directed by Ivo van Hove.

**Re:Creating Europe** – directed by Ivo van Hove as a partner piece to the above, this theatrical event explored some of the thinking defining Europe through the words of artists, thinkers and politicians.

*“ as we all continue to grapple in different ways with our relationship to Europe & with our identity as Europeans, this reflective piece exploring our historical roots and connections to the Continent seems apt, timely and needed.”*

Juliet Stevenson, performing in Re:Creating Europe

Evaluation of these events is ongoing, though early findings indicate:

- 97% of target ticket sales were achieved across these events (c.19,000 sales) with all but The Fountainhead and Re:Creating Europe exceeding target.
- *The Fountainhead* and *Re:Creating Europe* achieved 50% of target; we recognise the considerable audience development work required in building audiences for large-scale international theatre productions at The Factory.
- These events were particularly successful at strengthening relationships with key Factory partners, especially Science and Industry Museum who acknowledge the importance of Atmospheric Memory in terms of both programme and audience development and The Hallé, who helped deliver a successful introduction to our planned collaboration of *Life and Fate* to a capacity audience at Bridgewater Hall.
- These events helped raise the profile and awareness amongst audiences and potential co-producing partners of planned future Factory artists and projects – specifically Johan Simons/Hallé *Life and Fate* and new projects by Ivo van Hove and Laurie Anderson.

As part of the post show survey respondents were asked a question relating to The Factory - *in 2021 Manchester International Festival will be moving into a permanent home, a brand-new venue called The Factory. Had you heard of The Factory before taking part in this research?* Awareness of The Factory amongst those surveyed was relatively high at 59%

During the festival 75 artists, cultural leaders and existing and potential partners visited The Factory site, took part in tours and attended a discussion on The Factory led by Carol Patterson of OMA.

### **3.0 KPIs, Sustainability and Financial Performance**

#### **3.1 KPIs**

Manchester International Festival supports economic growth by substantially raising the city's profile, drawing in national and international visitors, and attracting inward investment by positioning the Manchester as a leading cultural city with an ability to showcase major large-scale events. With the large numbers of visitors into Greater Manchester (10% were from other areas of the North West, 19% from UK (outside the North West) and 5% international), and the increased investment from Manchester City Council and the Arts Council as we move towards The Factory, the economic impact of the Festival grew to £50.2million in 2019. This compares to a target of £40m for

2019 and an actual of £42.20m in 2017. 766 suppliers from the Manchester city region also supported the Festival – which is a significant increase from the 274 suppliers in the previous Festival cycle.

Delivering 21 original commissions with leading international artists and additional special events through 279 performances over 18 days, the Festival attracted over 303,000 attendees, and 34% of the audience came from outside Greater Manchester. For ticketed events, 79% of available capacity was achieved.

Over 1m users actively interacted with digital content and this content reached 199 countries (excluding the UK). The festival received press coverage to the value of £39m (excluding online).

MIF exceeded its KPIs for diversity with 45% of lead commissioned artists from a BAME background, 42% commissioned female artists and at least one commission from a disabled artist.

### **3.2 Income – Revenue & Grants**

The Festival was again successful in attracting strong levels of funding from sponsorship and individual donations, on the back of public sector funding from MCC and ACE.

Arts Council England continues to support the Festival as one of its National Portfolio organisations and invested £10.5m over the two-year cycle of which £9m is their contribution to the running of The Factory and to build MIF's capacity to run the Factory.

Box office income achieved during the Festival was on target, at £1.1m.

Co-commissioning income and co-producing value in kind (VIK) support met their target contribution of just under £3m in cash and co-production contribution towards the cost of the artistic programme.

The final amount raised from individual donors, corporate partners for MIF19 is £2.37million including value in kind. MIF19 was supported by 65 corporate sponsors and media partners including ongoing top tier Official Partners Bruntwood, Manchester Airport Group and NCP. Significant Media Partnerships with BBC, Guardian and Manchester Evening News continued. Many important partners joined for the first time, including Aviva Investors, The Hut Group and Lendlease, who have made the commitment as part of a two-year festival partnership, embracing a new multi-year festival model which we are working to grow. 75 individuals joined as supporters, and including online donations, contributed £186,550 toward the overall target.

The Festival period offered significant cultivation opportunities and a number of prospective supporters were invited to experience the Festival first hand as part of a strategy to engage them in the Festival. Cultivation events included attendance at *Dystopia987*, *Invisible Cities*, site visits and tours of The



Factory, and invitations to artist parties and events throughout the Festival. We now work to follow up on those positive conversations and meetings which took place during the Festival. Attendance at commissions and other key moments have been an invaluable step in that process and wider strategy to grow support for both the Festival and The Factory.

### **3.3 Financial outturn**

MIF has historically run a biennial Festival so budgets have been prepared over a two-year cycle. However, as MIF is currently in a period of transition in the lead up to the opening of The Factory in 2021, the budget for the two-year cycle ending 30 September 2019 (which includes the 2019 Festival) also includes some Factory-related costs which are being incurred to ensure that the organisation is well prepared to open and operate the venue. As MIF will both operate The Factory and continue to put on a biennial festival as a single organisation, an integrated budget for the two years ending 30 September 2019 was prepared (i.e. there are not separate budgets for the Festival and The Factory), as the same staff are working on both the Festival and The Factory.

Final reconciliations of the other key Festival-related income (from Co-commissioning) and expenditure (Commissioning costs) are currently being undertaken, but the overall net expenditure on the 2019 Festival programme is projected to be in line with the budget. Similarly, the overall level of Factory-related expenditure incurred during the two-year period is also expected to be in line with the budget.

### **4.0 Zero Carbon**

From ensuring that all projects are resourced efficiently and produced responsibly, through to partnering on sustainable initiatives with our sponsors, suppliers, venues and co-commissioners, we work hard to guarantee that the Festival has a minimal impact on the environment.

For MIF 2019 bikes have been hired from TFGM for local use, water flasks have been donated from Regatta for volunteers and all food concessions had to provide compostable plates/bowls for serving food. We have also made some changes to our office practice with the introduction of e-tickets and e-contracts. We developed our environmental sustainability policy and introduced carbon literacy training for staff this year. So far 60% of staff have had this training and this will be on going now the festival has finished.

We worked with our suppliers, co-commissioners, venues etc to ensure we engaged with companies with excellent sustainable practices where possible. We sourced 65% of local suppliers.

60% of MIF permanent staff received Carbon Literacy training before the Festival and this programme of developing staff awareness will continue over the Autumn of 2019 and Spring of 2020

MIF has two KPI's targets monitoring environmental performance and actual performance on both of these was better than planned. The percentage of waste from MIF controlled venues that didn't go to landfill was 86% (target 80%) and the percentage of sets/props reused or recycled was 88% (target 75%).

Other steps taken during the 2-year MIF19 cycle include our continued work with wider green networks including Julie's Bicycle, Positive Impact and Manchester Arts Sustainability Team (MAST) – of which we were a co-founder in 2010.

We are currently reviewing how we move forward on the Zero Carbon agenda as we move towards running The Factory.

## **5.0 Staffing**

The Festival creates and sustains a significant number of jobs. 61 staff now work for the Festival all year round and a further 57 are contracted by the Festival for a minimum of three weeks during the Festival period as well as an additional 46 office-based freelancers. In addition, to deliver the festival, MIF contracted a further 496 people who worked as performers, stage managers, front of house or technicians on MIF commissions.

To build capacity as we get ready to open The Factory, we have put in place a programme of organisational development and change to support this growth. This involves a new organisational design and staffing structure which is being implemented incrementally.

We have also implemented a comprehensive review of our recruitment, induction and staff training processes – committing significant resources to diversifying our staff base, encouraging transferable skills into the sector and targeting regions and demographics which have not previously engaged with the Festival

This has resulted in significant diversity across both our core and contracted staff and is an area we intend to continue to develop moving forward

## **6.0 Future Planning**

Over the next 2 years building to the opening of The Factory in late 2021, MIF will:

- deliver a range of activity to continue to develop audiences and community engagement and build the brand of The Factory
- continue to develop the capacity of the organisation in preparation to run The Factory
- continue the development of The Factory Academy (please see section on Skills and Training overleaf)

### **6.1 Activity**

**The Factory engagement programmes:** over the next two years, MIF will continue to build on its already successful active creative engagement programmes, to create one of the most active and engaged communities in the UK (and internationally) embedded within a cultural organisation. Year-round activities will include direct participation in flagship commissions, the development of existing young people and public forums, board representation from Manchester residents, co-production and co-curation of artist commissions by people across Manchester, resident hosting of debates and discussions and the creation of micro international festivals in homes across Manchester.

**MIF 2021:** MIF will deliver the next biennial Festival in 2021. This iteration of the Festival will be an important stepping stone to opening The Factory and planning is currently underway to scope out the priorities for programming and audience development.

**The Factory Construction programme:** a significant programme of activity to creatively document and interpret the construction project is underway, including:

- Architectural photography taking place on site monthly by the internationally acclaimed photographer H  l  ne Binet and the young Manchester-based photographer Pawel Paniczko (H  l  ne is mentoring Pawel on the project)
- Photography of the construction workforce by the photographer Ming de Nasty which will result in an exhibition or a publication.
- Monthly residencies on site by the artist Neville Gabie as he develops the creative project with The Factory's workforce
- A podcast series commencing in November, linked to key milestones, exploring the building and the wider St John's site. Led by Spark Futures the production of the podcasts will involve training young people from Manchester in audio production
- A film commissioned from the British documentary and feature film maker Clio Barnard – who won widespread critical acclaim and multiple awards for her debut, *The Arbor* - filmed and produced in 2020 for distribution in 2021 prior to opening of The Factory
- The St John's Collective: we are working with Manchester Camerata to encourage the development of an active music making community across the St John's site through a programme of commissions for composers inspired by the build process that will be performed on or near The Factory site
- The Induction Room, where all Factory workers are briefed on The Factory, has now been completed and is being used daily. It includes an introductory film narrated by Jane Horrocks
- Work has begun to create design assets for the hoardings surrounding The Factory.

**Pre-Factory event programme:** Over 2020/2021 a series of large-scale commissions will continue to build audiences and profile for the The Factory under the Pre-Factory event brand launched in 2018. This programme, which

is in the planning stages, will include commissions that connect with The Factory workforce, shine a light on the construction site and the emergence of the new building, and continue to develop a range of different audiences and partnerships.

**International Touring:** as detailed in Objective 1, world premieres from MIF 2019 will tour around the world to co-commissioner festivals and venues over the next 2 years. Additionally, World Premieres from MIF 2015, MIF 2017 and pre-Factory Event programme, including Tree of Codes, Giselle, What is the City but the People, 10,000 Gestures and Returning to Reims, continue to tour globally or be re-made where local participation is central to the piece.

### **Organisational Change**

MIF continues its programme of organisational change and development to be fit for purpose to run The Factory in 2021. This change includes:

- organisational planning to detail the road map leading to the opening of The Factory and continuing to review assumptions in the Factory business plan.
- brand development working with Peter Saville and North.
- organisational design and staffing – growing from 25 permanent staff in 2017 to c150 necessary to run all aspects of the business once the building is open.
- Operational planning for The Factory
- organisational review of systems, processes and protocols
- organisational culture as we move from the rhythm of a biannual Festival to a year-round large-scale operation
- Stakeholder engagement and partnership development
- Audience development

### **Skills and Training**

The Factory Academy, working with a range of Manchester venues, is developing exciting opportunities to learn new skills through traineeships and apprenticeships. The vision is to diversify the arts and cultural industries by creating new entry points that don't require degrees. Training offered by The Factory Academy will be led by cultural organisations across the city and sector specialists will take part in the development of curricula and the delivery of training. Venues including theatres, museums, live music spaces and universities have pledged to work together to train the future workforce and will play their part by offering to run masterclasses, seminars and other learning opportunities in their creative spaces.

Between now and 2022 The Factory Academy will develop and deliver 50 new apprenticeship opportunities. Some of these will be new roles at entry level such as Creative Venue Technician, Front of House, Creative Learning and Cultural Participation and some will be for people who are already employed and are looking to upskill through a Management Development Apprenticeship. A host of pipeline development work is being created such as project based work experience model for the creative industries, short courses

and Summer Camps to develop project and event management skills. These will be delivered to over 300 beneficiaries and 'Skills for Life' (self-management, self-belief, communication, teamwork and problem solving) training will be embedded throughout delivery. Working with cultural organisations across Greater Manchester means that there is access to a host of exciting learning spaces and a range of different equipment, ensuring that trainees and apprentices will get a hands on experience and see a range of different spaces and productions.

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

From ensuring that all projects are resourced efficiently and produced responsibly, through to partnering on sustainable initiatives with our sponsors, suppliers, venues and co-commissioners, we work hard to guarantee that the Manchester International Festival has a minimal impact on the environment

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

### **(a) A thriving and sustainable city**

Manchester International Festival supports economic growth by substantially raising the city's profile, drawing in national and international visitors, and attracting inward investment by positioning Manchester as a leading cultural city with an ability to showcase major large-scale events. The economic impact of the Festival grew to £50.2million in 2019.

### **(b) A highly skilled city**

Manchester International Festival continues to maximise employment opportunities, with 496 staff contracted to work on the 2019 Festival committing significant resources to diversifying our staff base, encouraging transferable skills into the sector and targeting regions and demographics which have not previously engaged with the Festival

### **(c) A progressive and equitable city**

Manchester International Festival has introduced youth and community advisory groups with community co-design and co-production models deployed to shape programmes at an early stage. The Festival has active participation across the City and increased levels of participation and volunteering from BAME, disabled and youth communities with more community-led projects giving greater agency to Manchester residents to plan and deliver events and develop their own creative skills.

### **(d) A liveable and low carbon city**

Manchester International Festival plays a significant role in making Manchester a liveable city and a great place to live, work and study - as recognised by a high number of respondents to the 2019 audience survey.

The Festival also attracts visitors to the city, with national and international audiences increasing in 2019.

**(e) A connected city**

There was significant online editorial activity across the Festival programme, within the UK and around the world, with our international reach, now at a total of 199. We also created different forms of content during the festival this included podcasts, immersive experiences and web experiments this saw a 68% increase in digital content consumption compared to 2016-17. This translates to 6.6 million views across all platforms, 1,315,169 interactive users, and a reach of 25,134,763 million.

**9.0 Key Policies and Considerations**

**(a) Equal Opportunities**

The Factory Academy, working with a range of Manchester venues, is developing exciting opportunities to learn new skills through Traineeships and Apprenticeships. For MIF19, 10% of all tickets for events over £10 were offered exclusively at £10 to GM residents on a lower wage. Additionally, 2531 free tickets were given to community groups across GM through the Cultural Connector programme.

**(b) Risk Management**

The Festival is managed by an independent charitable company and the Council has representation on the board. A Finance and Audit Committee meets regularly and reports to the board on areas including risk. A full range of performance indicators for each Festival are in place, against which risks are managed.

**(c) Legal Considerations**

There are no legal issues at the current time.

**Manchester City Council  
Report for Resolution**

**Report to:** Children and Young People Scrutiny Committee – 6 November 2019  
Executive – 13 November 2019

**Subject:** Youth Strategy and Engagement

**Report of:** Strategic Director (Neighbourhoods)

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## **Summary**

This report provides a summary of Our Manchester Youth Offer Strategy which replaces the ‘Valuing Young People Strategy’ 2016-2019. It is the city’s multi-sector strategic framework jointly owned by Manchester City Council, its partners and stakeholders, all of whom are responsible for making sure that young people have access to a high quality-driven youth offer that addresses both universal and targeted needs, which directly contributes to, and enables our young people to grow into responsible, independent and successful adults.

As a result of Manchester’s participation in the Cabinet Office’s Delivering Differently for Young People in 2014/2015, Manchester City Council agreed to support the development of an independent Youth and Play Trust that could enter into a financial agreement that would see them develop, coordinate and manage the commissioning of youth and play services across Manchester on behalf of the Local Authority.

In 2018/19 Young Manchester partners reported reaching 19,107 children and young people through Youth and Play, Holiday Playschemes, Outdoor Learning and Adventurous Activities and the Positive Engagement Programme.

One of the main reasons for supporting the establishment of an independent Youth and Play trust (Young Manchester) for the City is that, as an independent charity it is able to attract additional investment into the City for young people’s services in a way that the Local Authority cannot.

To achieve the vision and themes of the Our Manchester Youth Strategy 2019-2023, Manchester City Council recognises that Young Manchester have an integral part to play in ensuring the Local Authority meets its statutory duty to: “secure, so far as is reasonably practicable, sufficient provision of educational and recreational leisure-time activities for young people” and to make sure young people have a say in the local offer”.

## **Recommendations**

The Children and Young People Scrutiny Committee is invited to comment on the report and endorse the recommendations to the Executive as detailed below.

The Executive is recommended to:

1. To agree, subject to budget, the continuation of investment into Young Manchester for the next 3 years, on the basis that Young Manchester uses this as leverage to grow external investment to support the sector.
2. To consider and approve the adoption of the proposed vision, strategic themes and 'We Wills' to deliver the Strategy over the next 3 years.
3. Delegate authority to the Strategic Lead (Parks, Leisure, Events and Youth) in consultation with the Executive Member for Skills, Culture and Leisure to complete the production of the strategy document for communication with young people, partners and the Youth Sector.
4. Delegate authority to the Deputy Chief Executive & City Treasurer in consultation with the City Solicitor and Strategic Director of Neighbourhoods and the Executive Member for Skills, Culture and Leisure to finalise the contract value following conclusion of the VAT assessment to ensure that the contract fee is delivered within the available budget.
5. Delegate authority to the City Solicitor to enter into, complete and execute any documents or agreements necessary to give effect to the recommendations in this report.

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**Wards Affected:** All

Our Manchester Strategy Spine	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	<p>Through the city's varied youth offer, young people have opportunities and access to activities which contribute towards their personal, social and economic wellbeing.</p> <p>Developing and strengthening local partnerships to create opportunities for our young people to learn, be active and have fun in their free time.</p>
A highly skilled city: world class and home grown talent sustaining the city's economic success	<p>Through the city's varied youth offer young people have opportunities to develop their life skills to succeed in education and employment, and have opportunities to increase aspirations, achieve and gain economic independence.</p> <p>Young people have opportunities to develop key skills for life which include: communication, problem solving, teamwork, self-belief and self management</p>
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Young people have opportunities which enable them to think progressively and build resilience underpinned by the principles of equality and acceptance.



	Young people have access to good quality youth and play provision within their neighbourhoods which encourages a sense of belonging, develops their identity and ensure their voices are heard.
A liveable and low carbon city: a destination of choice to live, visit, work	Young people have opportunities to live, lead and enjoy safe, active, and healthy lives.  Young people understand the impact they can make within their neighbourhoods, and the wider community
A connected city: world class infrastructure and connectivity to drive growth	Young people are listened to, valued and connected across their neighbourhoods and city.  Young people inform continuous improvement and are involved in service design, delivery and governance.  Young people receive the support they need to participate, ensuring representation of the full diversity of local people, and those who may not otherwise have a voice

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

The revenue consequences associated with the implementation of these changes will enable the City Council to ensure continuation of quality youth and play provision across the sector.

### **Financial Consequences – Capital**

There are no immediate capital financial consequences arising as a result of these proposals.

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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.

- Children's Scrutiny Committee Report – January 8th 2019
- Children's Scrutiny Committee Report- November 6th 2019
- Valuing Young People's Strategy 2016-2019
- Our Manchester Youth Strategy 2019-2023

## **1.0 Introduction**

- 1.1 At the very core of Manchester's development, its continued success, and long-term prosperity are its young people. Manchester recognises that to be in the top flight of cities by 2025, young people are, and have to be, at the heart of this ambitious vision.
- 1.2 Currently in Manchester, there are approximately 134k young people aged between 10 and 24. This represents nearly 25% of the whole population and mid-year projections estimate that the numbers of young people are increasing. Manchester is now widely recognised as one of the most attractive cities in the UK for young people to live, work and settle.
- 1.3 Manchester places great importance and emphasis on developing and growing an enriched youth offer outside of formal education, one which offers place, space and time for young people to have access to a variety of services and activities. The offer is underpinned by quality youth and play work practice, and quality working practices with young people in both universal or targeted settings, which powerfully contribute to the development of young people's personal, social and economic development.

## **2.0 Our Manchester Youth Offer Strategy 2019 - 2025**

- 2.1 Our Manchester Youth Offer Strategy replaces the '*Valuing Young People Strategy*'. It is the city's multi-sector strategic framework jointly owned by Manchester City Council, its partners and stakeholders, all of whom are responsible for making sure that young people have access to a high quality-driven youth offer that addresses both universal and targeted needs, which directly contributes to, and enables our young people to grow into responsible, independent and successful adults
- 2.2 Following consultation with young people, stakeholders, partners and practitioners, this strategy will describe the key objectives, priorities and approach in addressing neighbourhood and city-wide youth priorities over the next five years and should be regarded as Manchester's commitment to young people aged 10 to 19 and up to age 25 for those with additional needs such as, SEND, children who are looked after, Care Leavers and Young Carers.
- 2.3 It will provide a framework for all stakeholders and partners responsible for developing and delivering Manchester's Youth Offer and should be regarded as a guiding document for everyone involved in working towards making Manchester the very best city for young people to live, learn and prepare for their future.
- 2.4 Manchester City Council's Youth Strategy Team is committed to working with internal and external partners to ensure that young people have the best opportunities to achieve their full potential
- 2.5 **Vision**

The proposed vision set out below has been established for this Youth Offer, based on feedback from young people, partners and stakeholders. This vision underpins the high level aims and commitments set out in the Our Manchester Strategy:

- a) Young people having a strong sense of citizenship and pride in the city.
- b) Young people improve their health and wellbeing and be more active.
- c) Our young people are known to have a high quality of life, better green spaces and access to world class, sport, leisure and culture provision.

The proposed Youth Offer vision is:

*Ensure our young people have the opportunity to achieve their full potential and benefit from the economic prosperity of the city. They will contribute to, and benefit from, supportive and dynamic neighbourhoods with access to a wide range of youth, leisure and recreational opportunities.*

*Their voice and citizenship will continue to be placed at the heart of the city's current and future identity, recognising that our young people are the future of Manchester; economically, socially and culturally. They will come to define our city, and its relationship with the global community.*

### **2.6.1 Theme 1: Thriving Young People:**

This theme is about ensuring young people have access to places, and spaces to meet their friends, access leisure, sports and cultural activities; To develop the knowledge, skills and attitudes which prepare them for their future.

**We will:**

1. Build and expand the universal 'Youth Offer' in all neighbourhoods, reducing barriers to participation.
2. Explore the use of community venues, such as, schools, libraries, and leisure facilities for youth provision.
3. Collaborate with partners to develop an enriched universal and targeted youth offer, which contributes towards young people's personal, social and economic wellbeing.
4. Provide leadership and coordination for the youth and play sector to ensure services and provision are shaped and coordinated in a manner that prioritises the needs of young people across Manchester.
5. Strengthen local partnerships to create further opportunities and maximise investment and resources for our young people provision.
6. Identify gaps in provision to inform decisions about future delivery across the City.
7. Use multiple platforms to publicise and promote the 'youth offer' to ensure young people are aware of available provision.

**2.6.2 Theme 2: Highly Skilled Young People:**

This theme is about equipping young people with the right skills, qualifications, and attributes to reach and sustain a high quality of life, and economic independence.

**We will:**

1. Develop opportunities through the Youth Offer to support young people to have high aspirations, achieve and gain economic independence.
2. Ensure young people have access to youth and play provision within their neighbourhoods which will provide opportunities to develop the skills for life they need to succeed.
3. Adopt a neighbourhood focus that enables young people to prosper from the regeneration and economic growth of local communities.
4. Align with the Manchester Inclusion Strategy to ensure a strengths based approach to supporting young people, especially during transition.

5. Champion the creation, and promotion of volunteering opportunities for young people to make positive contributions as active citizens.

### **2.6.3 Theme 3: Progressive and Resilient Young People:**

This theme is about ensuring young people have the opportunity to develop their resilience, so that they can participate in provision which is inclusive and free from barriers.

#### **We will:**

1. Develop innovative ways of delivering targeted services which are more efficient, better value and achieve better outcomes for young people.
2. Develop opportunities which enable young people to think progressively and understand the principles of equality and acceptance.
3. Promote a culture within which young people's opinions and contributions are recognised, valued and acted upon by wider society
4. Ensure access to good quality youth and play provision within neighbourhoods. A place where young people feel a sense of belonging, develop their identity and have their voices heard.

### **2.6.4 Theme 4: Living Well, Healthy & Safe Young People:**

This theme focuses on how we support young people to be healthy, safe, and successful; how we encourage the youth and play sector to maximise resources, collaborate and co-produce to ensure what we provide is relevant, innovative and adding value.

#### **We will:**

1. Continually assess the risks and trends associated with young people's lifestyle and put in place appropriate safeguarding measures.
2. Facilitate neighbourhood partnership meetings in order to create opportunities for young people to live, lead and enjoy safe, active, and healthy lives.
3. Work with youth providers to increase promotion and participation in activities and positive experiences which improve physical, mental and emotional wellbeing.

### **2.6.5 Theme 5: Connected & Heard Young People:**

The priority of this theme is placing the voice of young people at the heart of

everything we do, ensuring they are valued throughout the decision making processes.

**We will:**

1. Celebrate the diversity and talent of Manchester's children and young people.
2. Work alongside young people and partners to develop new ways of communication which ensures the voice of young people.
3. Design and deliver campaigns which promote community cohesion, pride and belonging, as well as, challenging negative perceptions of young people.
4. Develop mechanisms and structures which enable young people to actively participate in the decisions that impact on their lives and the communities in which they live.
5. Ensure young people have the skills, knowledge and confidence to get involved with decision making.
6. Work innovatively to increase the membership of Manchester Youth Council to ensure all young people have the opportunity to participate and be heard.

### **3.0 Workshops and engagement events**

In August, the Youth Strategy team facilitated a partner day to gather feedback on the strategic themes and vision.

Manchester Youth Council provided input to the themes and vision at a Youth Council meeting in September 2019. The young people provided valuable insights and input and ensured the themes were young person relevant.

### **4.0 Outcomes and Success**

The outcomes from the Youth Offer Strategy will be measured in accordance with the Our Manchester Strategy. It will be tracked against the following high level measures:

- The number of youth & play provisions commissioned via the City Council and, or Young Manchester
- The number of young people engaging in commissioned youth & play provision
- Development of a robust outcomes framework to measure impact, outcomes and return on investment.
- The membership number of young people participating in neighbourhood, city wide, and regional action groups / councils

- The number of provisions embedding Skills for Life throughout their curriculum.

## 5.0 Strategy Document Production

The final public facing strategy document will be completed in early 2020 and will be designed to be user friendly, young person friendly, jargon free, presenting the key messages in a summary document focusing on the vision, outcomes, success factors and strategic themes. The research and findings and 3 year action plan will be developed as additional documents that will accompany the strategy.

## 6.0 Delivery of the Strategy

The successful delivery of this Strategy will require collective effort by a number of different stakeholders, specifically the Youth Strategy and Engagement Team, and Young Manchester.

6.1 The Youth Strategy Team will focus on the following objectives:

- **Leadership & Guidance** - we will provide leadership, information, advice and guidance to the youth and play sector around: funding, policy, procedure, and safe working practice. Ensuring we are all working effectively to provide the best opportunities for young people.
- **Championing** - we will champion the voice of young people, the youth and play sector, and our partner network across the city.
- **Collaboration** - bringing the youth and play sector together to ensure quality provision for young people. We will collaborate with our partners across the sector, as well as, Leisure, Health, Crime & disorder, and Early Help to ensure our provisions are complementary and resources evenly spread.
- **Commissioning** - provide financial resources for youth and play provision across the city, as well as, maximising the resources across the City Council and partners, ensuring there is collaboration and co-production
- **Young People's Voice** - providing opportunities for young people to be involved in decision making processes, ensuring their voice is at the heart of all we do and embedded across partners and services.

## 6.2 Young Manchester

6.3 Manchester City Council's Contract with Young Manchester has been live for the period; 1 July 2017 - 31 March 2020.

6.4 Manchester City Council has worked as a strategic investment partner to shape the development of Young Manchester from its inception. In a relatively short period, Young Manchester has established itself as a highly effective charity that is the driving force of high quality work with and for children and young people in the city.

6.5 This has led to the charity successfully commissioning over £5m of activity



through youth work, both centre based and detached, play, outdoor learning and adventure and holiday play schemes, and also playing a critical leading role in partnership development, sector leadership, capacity building and facilitating networking opportunities.

- 6.6 The Council is committed to supporting Young Manchester to secure additional investment into the youth and play sector across Manchester, including from partners such as the DCMS, the National Lottery Community Fund (NLCF) and Curious Minds.

As a result of these services we expect to realise the following outcomes as a minimum:

- Young Manchester will sustain a Youth and Play commissioning programme across the city which ensures all young people have sufficient access to services that contribute to them leading Safe; Happy; Healthy and Successful lives.
- Young People have sufficient access to high quality universal Youth and Play services with funding being prioritised for areas of most need, identified through a robust needs analysis using weighted funding formulas
- Manchester City Council's investment is used as leverage to secure additional third party investment which supports the sustainability of youth and play services across the City
- Service users feel they have an active role in decision making processes to ensure services meet children and young people's needs
- Robust monitoring processes are established to capture and provide quantitative and qualitative data and measure impact
- Service users parents/carers and professionals working with young people know what services are available to them in their local area and across the City or how and where to find this information

- 6.7 The strategy will be achieved by:

- Working with a wide range of young people, partners and stakeholders.
- Changes to the Youth Strategy and Engagement team which will reflect our commitment to neighbourhoods
- Providing training and development within the youth and play sector
- Using data, research and intelligence to target resources where they are most needed
- Ensuring quality assurance and monitoring processes are in place
- Building the capacity of those organisations that are achieving good outcomes and have the ability to do more.
- Communicating our progress, successes and learning.
- Providing inclusive, accessible and relevant opportunities for young people to participate and engage in the democratic process.

Formal progress reporting on the implementation of the Strategy (including metrics and an outcomes framework) will be through the Manchester Youth Council, however, reports will also be considered at other relevant boards, such as, the Neighbourhoods Directorate, Children and Young People's Board, Sector forums and the Our Manchester Forum.

## **7.0 Next Steps**

The following next steps and associated timeline is provided for information

- Production of final public facing strategy document – hard copies and e-copies available to residents at key public buildings and distributed to Councillors, Stakeholders and voluntary sector partners - By January 2020.
- Distribution of Summary version – By January 2020
- Public Launch of Strategy – January 2020
- Monthly Newsletter indicating strategy progress – January 2020 onwards.
- One year strategy review – November 2020.

## **8.0 Key Policies and Considerations**

### **(a) Equal Opportunities**

Equality impact assessments will be carried out in relation to any staffing & structure changes.

### **(b) Risk Management**

### **(c) Legal Considerations**

These proposals will require legal agreements to be drawn up between Manchester City Council and Young Manchester.

**Manchester City Council  
Report for Resolution**

**Report to:** Neighbourhoods and Environment Scrutiny Committee - 6 November 2019  
Executive - 13 November 2019

**Subject:** Housing Allocations Policy Review

**Report of:** Strategic Director, Growth & Development

**Summary:**

This report describes the Council's review of the social housing Allocations Policy and recommends changes to enable the city to best meet housing need within a backdrop of reduced turnover of stock.

**Recommendations:**

The Neighbourhoods and Environment Scrutiny Committee is invited to comment on the report and endorse the recommendations to Executive as detailed below.

The Executive is recommended to:

1. Note the statutory and online consultation responses received.
2. Approve the changes to the Housing Allocation Policy (the Policy) recommended within this report.
3. Delegate to the Head of Housing Services and the City Solicitor approval to complete the final and lawful version of the Policy.
4. Note that the Equalities Impact Assessment shows no unintended or disproportionate effects are likely to arise for applicants with protected characteristics.

**Wards Affected:** All

<b>Environmental Impact Assessment</b> - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
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n/a
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<b>Manchester Strategy outcomes</b>	<b>Summary of how this report aligns to the OMS</b>
A thriving and sustainable city: supporting a diverse and	Provide advice and information around other housing options where this may be appropriate -

distinctive economy that creates jobs and opportunities	this includes affordable home ownership and the private rented sector.
A highly skilled city: world class and home grown talent sustaining the city's economic success	n/a
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Ensuring the Policy assists with balancing communities and encouraging potential in partnership with RP partners, using Local Letting Policy where necessary.
A liveable and low carbon city: a destination of choice to live, visit, work	Encouraging RP partners to reduce CO2 emissions and reduce their use of plastics will contribute to a low carbon city as well as zero carbon social homes built. Discussing climate change conversations with tenants of social housing supporting them in adopting a low carbon lifestyle
A connected city: world class infrastructure and connectivity to drive growth	Ensuring people have a settled home that's right for them this will enable them to flourish and contribute within the city.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

### Financial Consequences – Revenue

It is estimated that approximately £30k will be required to deliver the remainder of the project, this will cover I.T costs, training and applicant communications.

- I.T, 20 days x £650 = £13,000
- Project Officer Post, 3 months grade 7 £3,000 = £9,000
- Communications = £8,000

Total = £30k

The Council will receive a contribution from Manchester Move partners of £22k leaving an outstanding balance of £8,000 to be covered by the Council

### Financial Consequences – Capital

None

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

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Manchester Allocations Policy 2011
- Housing Act 1996
- Homelessness Code of Guidance <https://www.gov.uk/guidance/homelessness-code-of-guidance-for-local-authorities>
- Allocations Code of Guidance <https://www.gov.uk/government/publications/allocation-of-accommodation-guidance-for-local-housing-authorities-in-england>
- Update on Homelessness and Housing, Neighbourhoods and the Environment Scrutiny Committee Report – Wednesday 17th July 2019

## **1. Introduction**

- 1.1 Manchester's current Housing Allocations Policy was introduced in 2011. There have been some minor amendments since but the Policy has remained fundamentally the same for the last 8 years. These amendments were approved by the Director of Housing in consultation with the Executive Member responsible for housing at the time and as per section 4 of the current policy (Directors Discretion).
- 1.2 Although the Council and its Registered Provider (RP) partners are embarking on an ambitious programme of new build development through the Housing Affordability Strategy to increase supply, fundamental policy changes are required to improve how we meet needs with the resources that we have available.
- 1.3 This report provides the context and evidence as to why the Allocations Policy needs to be reviewed, looking at how the turnover of social housing has reduced within a backdrop of increasing demand. It describes the process of engagement with stakeholders to develop a range of policy solutions ensuring that the proposals do not have a disproportionate effect on applicants within protected characteristic groups. It also describes how the proposals were consulted upon with both statutory organisations and the wider public with the outcome being a well considered set of recommendations.
- 1.4 Subject to approval by Executive there is a summary of the next steps and an outline timetable for the introduction of a new Housing Allocations Policy.

## **2. Context & Background**

- 2.1 Manchester's housing situation has changed significantly since 2011. There has been a significant rise in homelessness and the associated cost of the rising number of households in temporary and supported accommodation is unsustainable. Welfare reforms and rising private sector rents are huge challenges for people seeking new homes.
- 2.2 Turnover and availability of social homes has reduced significantly the total number on the households on the housing register has risen by 27% over the last 4 years, whilst we have seen a 21% decrease over the same time in the number of homes that have become available for letting. At the same time the stronger and more integrated partnership working that has developed has led to a greater understanding of complex housing needs.

This table shows the increase in demand and reduction in lettings over the last 4 years:

Year	Total number on Register	Total in Reasonable Preference (band 1-3)	Number of Lettings
2015/16	11559	4612	3356
2016/17	12292	5028	2864
2017/18	13461	5005	2867
2018/19	14648	6144	2644

### Legal Context

2.3 Part 6 of the Housing Act 1996 requires local authorities to have an Allocations Policy that describes how social homes should be allocated in the authority's area and to give "reasonable preference" to certain groups of applicants:

- People who need to move on welfare or medical grounds,
- People who need to move to a particular area of the borough to avoid hardship,
- People living in overcrowded, insanitary, or otherwise unsatisfactory housing, and
- People who are homeless within the meaning of Part 7 of the Housing Act 1996

2.4 Priority can be given, and allocations can be made to, categories of applicants who do not fall within the reasonable preference groups (for example current tenants who are under-occupying their current homes), however, we must ensure that the reasonable preference requirement is met and we must ensure that any locally-determined priority categories do not dominate the Policy such that the statutory reasonable preference categories have relatively little chance of being rehoused.

2.5 The Manchester Housing Allocations Policy sets out the principles and rules by which people apply for social housing, including who qualifies to join the housing register and how the Council prioritises who gets a home. In simple terms, Manchester's current Allocations Policy operates in this way:

- Band 1 is applicants in real housing need (reasonable preference) who are in very urgent or emergency need to be rehoused.
- Band 2 is applicants in real housing need (reasonable preference) who make a contribution to their community.
- Band 3 is applicants in real housing need (reasonable preference) who do not contribute to their community.
- Band 4 is applicants not in real housing need (not in the reasonable preference groups) but who make a contribution to their community

- Band 5 is applicants not in real housing need (not in the reasonable preference groups) and who do not contribute to their community.
- Band 6 is comprised of applicants demoted from bands 1-5.

2.6 The 3 main reasons for being in need of rehousing are:

- Overcrowding (around 75% of overcrowding applicants are 1 bedroom short)
- Homelessness/ready to leave Temporary Accommodation and Supported Accommodation (TA & SA)
- Medical needs

### **Demand and Turnover of Social Housing**

2.7 Across Manchester an increasing number of individuals and families are becoming homeless and are at greater risk of homelessness. The main reason for statutory homelessness is the loss of a tenancy in the private rented sector which has become the number one cause above domestic abuse.

2.8 Government welfare changes, which include capping personal benefits and limiting the amount payable in rent via the Local Housing Allowance, have had a major impact in contributing to the loss of tenancies and the growth in numbers on the housing register.

2.9 The Council currently has 1,522 (July 2019) dispersed temporary accommodation properties spread across Manchester and Greater Manchester.

2.10 Although the existing Policy was set up with the best intentions, the Policy has now developed unintended consequences and instead of helping people most in need the Policy is now causing a barrier in accessing homes for vulnerable households. As we can see by the numbers of households within temporary accommodation they are increasingly waiting for long periods to access social housing, causing a lack of throughput and rising costs.

2.11 The currently Policy rewarding those that work or contribute to the community with additional priority and placing them in band 2, leaving those who are often in crisis, cannot work and in insecure temporary accommodation in band 3 and having to wait for long periods to be rehoused, The average waiting time for a household to move out of temporary accommodation can be between 12-18 months.

2.12 **Appendix 1** Shows the data from the Manchester Housing Register (MHR) and lettings statistics from the year 2018/19 and gives a real sense of how demand is outstripping the number of available properties. This is a summary of the key facts:

2.13 **Key Facts**



- The total number of live applications on the Manchester Housing Register continues to increase.
- The number of applications in reasonable preference (housing need bands 1-3) is continuing to increase - over 5000 and far outstrips supply, only 2282 lettings to the same bands in 2018/19.
- The turnover of stock (this equates to lets) has reduced each year for the last 4 years - 2018/19 was the lowest since 2013.
- The vast majority of lets are to applicants in reasonable preference (over 90% of all lets) but this is still under half the number of households in this group.
- The availability of larger family homes means that most applicants for 4+ bedroom homes will not be rehoused through the register for a considerable length of time, if at all.
- Increase in numbers of people living in insecure temporary accommodation
- Right to Buy contributing to the reduction in numbers of social housing stock.
- The increasing number on the register and reduced turnover means that even those applicants in need (reasonable preference) cannot be assured of being rehoused. Some applicants in housing need will remain on the register for years and might never be rehoused.

### **3. Engagement and Consultation**

- 3.1 Over the last year a dedicated project team led by Strategic Housing and made up of Council and Registered Provider (RP) officers has reviewed the current Housing Allocations Policy.
- 3.2 One of the first tasks for the team was to establish policy objectives so that it could effectively deliver a Policy that is legal, reflects the current housing position and assists with meeting corporate priorities.
- 3.3 These objectives were that the Policy:
- Continues to accord with legislation and statutory guidance.
  - Provides the means of managing the allocation of a scarce resource (social housing) in a fair and equitable manner assisting those in most need.
  - Is transparent and easy to understand.
  - Takes into account the need to manage neighbourhoods.
  - Takes into account the Homelessness Reduction Act, welfare reforms and the city's Homelessness Strategy.
  - Will assist the city deliver its wider commitments in the City Strategy ("Our Manchester") and the Housing Strategy.
  - Continues to comply with local authority equality duties.
  - That there is no unintended adverse impact on other housing practice.
- 3.4 By analysing data and information from both qualitative and quantitative sources the team have been able to use this information to facilitate a series of discussions at the Housing Access Board (HAB, which consists of all the major

social housing providers in Manchester). This helped everyone to understand how the current Policy impacts on access to social housing for various need groups that make up the housing register, highlighting specific issues and unintended consequences.

- 3.5 Discussions throughout the process have been challenging. Everyone taking part recognised that any proposal to increase the priority of any particular group of applicants would almost inevitably have an adverse effect on another group of applicants carrying out Equality Impact Assessments (EIA) to mitigate any adverse consequences. Nevertheless, discussions always focussed on the objectives of helping those in greatest need. After months of very careful and well-informed deliberation Members, Council officers and RP partners agreed to put forward a series of policy changes for statutory and public consultation.

### **Policy development and engagement timeline**

- 3.6 This is a summary of the work and meetings that have been carried out to get to the current position to date.

- **June-Aug 2018:** Workstream meetings were held to discuss how the current Policy impacts on access to social housing for various need groups that make up the housing register. Discussions went on to identify possible options that could offer solutions to a revised Manchester Policy.
- **Sept 2018:** Progress and options were presented to meetings of the Housing Access Board.
- **Jan - Feb 2019:** These options were more fully developed by officers and taken back to partners via the Housing Access Board and the work stream in order that partners' views, preferences and positions can be understood.
- **March 2019:** Policy proposals agreed
- **June to Aug 2019:** 12 week Statutory and wider online consultation concluded end of August.
- **Sept 2019:** Local meetings held with RPs and ward members to discuss any specific localised issues and finer policy details.
- **Oct 2019:** Final meetings held with RPs to discuss consultation feedback and agree to final recommendations.

## **4. Proposed Changes**

- 4.1 While undertaking the review the challenge has been to differentiate between different high priority (reasonable preference) groups of applicants, giving some a higher priority in a new Allocations Policy.

- 4.2 The main proposed changes fall into three categories:

- qualification rules,
- priority for those who qualify
- banding structure.

- 4.3 **Appendix 3** is a summary table that shows current Policy, the suggested amendment, potential impact alongside the result from the public consultation, with the recommendation decision. Further narrative of the changes can be found below.

#### **Qualification to join the register**

- 4.4 Housing authorities can specify qualification rules. Applicants cannot join the housing register if they do not meet the qualification rules. The proposed changes to qualification are:
- 4.5 To introduce a two year continuous residency qualification. The current rules allow anyone with a Manchester postcode to qualify to join the register.
- 4.6 To reduce the qualifying savings threshold from £75,000 to £30,000 but with the same exceptions as in the current Policy for example: older people wishing to move to older persons or extra care housing, households that need adapted properties that can't be financed from savings or capital, households in mortgage arrears who have followed appropriate advice but are in priority need, and relationship breakdown where the applicant's potential capital gain from the sale of a property does not reach the threshold.
- 4.7 To make home-owners non-qualifying for the policy, subject to continuing to apply the current exceptions (for example applications from people who are not able to cope in their current home due to disability)

#### **Changes to band categories - Community contributions/working household (additional priority) - current bands 2 and 4**

- 4.8 Working, volunteering, young person pre-tenancy qualification and positive residency all currently result in additional priority for applicants moving from band 3 to band 2 or from band 5 to band 4.
- 4.9 This element of the current Policy is a major factor as to why people in temporary and supported accommodation (TA and SA) are far less likely to be able to make a successful bid for a home and why the numbers in this cohort are increasing considerably. Often people living in insecure accommodation and in crisis are unable to work or volunteer so do not have the opportunity to receive band 2 additional priority, extending their wait for accommodation.
- 4.10 Ending this award of additional priority band 2 will enable some people to access accommodation more quickly and whilst this will not solve the temporary accommodation crisis fully it will offer a greater opportunity and flow through the allocation system.
- 4.11 Partners noted that retaining any additional priority in the form of a higher band will mean that the current barriers to rehousing more people from temporary accommodation will stay in place since most homeless households are in crisis and will not qualify for the award.

- 4.12 The proposed Policy removes all additional priority for contributions, instead focussing exclusively on housing need.
- 4.13 This change reduces the number of bands from 7 in the current Policy to 5 making the process much easier to navigate for applicants as well as easier to administer for stakeholders.

#### **Priority for Housing - Overcrowding & Lodging**

- 4.14 The current Policy differentiates between different degrees of overcrowding. Applicants who are 3 or more beds short are in band 1 and those that are 1 or 2 bedrooms short are in band 2 or 3.
- 4.15 This proposed change differentiates between different degrees of overcrowding:
- Overcrowded by 3 or more bedrooms remain in band 1
  - Overcrowded by 2 bedrooms remain in band 2
  - Overcrowded by 1 bedroom placed in new band 3
  - Households with children overcrowded by 1 bedroom and living in 1 bedroom accommodation awarded band 2

**Lodgers** who are applying to join the register as a separate household will be categorised as:

- If lodging in another family's household and overcrowded by 1 bedroom, band 2 will be awarded.

#### **Priority for housing - Homelessness Prevention duty**

- 4.16 Currently these applicants are in bands 2 and 3 alongside those in more urgent housing need including those in TA & SA. Many are working and this may mean that a number of these households are placed in band 2 above homeless families in TA.
- 4.17 The proposed Policy will provide this group of applicants a lower priority than the other homelessness duties, this is in recognition that they have homes and are being supported to prevent them having to leave - new band 3 will be awarded.

#### **Child at Height**

- 4.18 The current Policy gives priority to families with children under 16 living in high-rise accommodation. This also means that homes above ground level are not let to families with children under 16.
- 4.19 Some homes are suitable for families with older children and opening up these opportunities is especially helpful for housing homeless families.

- 4.20 The current Policy was amended to give flexibility to RPs to decide if a low-rise home is suitable for children 10 or over, while recognising that such families would still have priority until the Policy review formally converted the current flexibility into policy. The proposal is simply to make that anticipated change.

#### **Priority for housing - No housing need**

- 4.21 Currently, applicants with no housing need are in bands 4 and 5. The vast majority of lets are made to bands 1-3 and 95% of households in bands 4 and 5 will never be rehoused via the register.
- 4.22 The proposed change allows applicants in no housing need to join the register (in band 4) but restricts bidding for general lets to the reasonable preference bands in the first instance and will only allow bids from bands 4 and 5 if no suitable priority bids are made. There can be exceptions for specific policies (e.g. sheltered or older persons housing).

#### **Additional policy inclusion following consultation - Moving Group**

- 4.23 Currently there are no rules around who can be on a household's application to move. This means we currently have applications that require large accommodation that does not exist or is in short supply. By allowing large extended families to apply for rehousing creates an expectation that social housing will be available when the reality is quite different.
- 4.24 The feedback received also suggested that some households add family members to applications to obtain larger properties, therefore we need to make sure we are making the best use of stock. This Policy is aimed to tighten the rules on who can apply and to make sure that appropriate sized homes are being allocated to households who genuinely need them.
- 4.25 Below is a summary of the new Policy that has been agreed between the Council and the RP project working group.
- 4.26 Who can be included in a household and part of an application:
- The spouse, civil partner or partner of the applicant.
  - Any adult relative living with the applicant who is dependent on them for care and support or who provides care and support to them.
  - Children of applicants, as long as they are aged under 21 and normally live with the applicant.
  - Grown up children who have continuously remained a member of the applicant's household since they reached 21.
  - Carers, if they need to live with the applicant to provide overnight support.
  - Any two people who wish to live together in non-family type accommodation.

#### **Who will not be included as part of an application:**

- The applicant's child or children aged over 21 living with the applicant, not in relevant education and who has not lived continuously with the applicant as part of the household. These residents will not normally be considered as part of the household and would be required to make their own application to the housing register.
- Any friends currently living with the applicant unless they are only bidding for non-family type accommodation, which will be notified in property advertisements.
- Extended family members, lodgers or sub-tenants currently living with the applicant.
- However there will be exceptions to these requirements which will be considered on a case by case basis by the relevant senior officer.

## 5. Statutory and Public Consultation (Feedback Summary)

5.1 Following the development of the policy options and as required by the Housing Act 1996, the Council set about a 12-week consultation process with our RP partners. Under the Act there is no requirement to consult with the wider public, however we chose an "Our Manchester" approach. We really wanted to know what the wider public, specifically current applicants, thought of the proposals. We gave the public the chance to comment on the fundamental changes on the Council's website through the "have your say" webpage.

5.2 Manchester Move sent out mail shots to all applicants on the current register and the Council wrote to all commissioned services and the voluntary sector. The consultation was also publicised both locally and nationally in the press.

5.2.1 The statutory consultation with RPs was substantial and included releasing a first draft of a revised Policy (as per guidelines). The public consultation was concise and succinct and the online survey included possible fundamental changes that would have the most impact including:

### **Changes to who can qualify to join the register:**

- Changing the rules so that you must have been a resident in the city for a continuous 2 year period.
- Reducing the amount of savings you can have from £75,000 to £30,000.
- Changing the rules so homeowners do not qualify.

### **Changes to the priority level awarded:**

- Applicants who qualify because of overcrowding get different priority based on the level of overcrowding.
- Stop giving extra priority to households who are working or contributing to the community.

5.2.2 The online response rate was excellent with over 2500 respondents, made up from applicants, residents and organisations. The full analysis of the survey is included as appendix 1 including comments left by respondents.

- 5.2.3 Generally the response to the changes has been extremely positive and in favour of the proposed changes. The only proposed change where there was a mixed response related to the community contribution/working household priority. There was a relatively small majority in favour of removing this extra priority, as recommended.
- 5.2.4 Following the end of the consultation, meetings have been held with RP partners to discuss and analyse all feedback which has enabled the project group identify any areas of the draft Policy that may need amending. This included drafting a policy for “moving group” as set out in section 4.23 in this report and discussion to retain the current policy for under occupation, which can be seen within the table as appendix 3.
- 5.2.5 The main concern from RP’s throughout the consultation has centred on the removal of additional priority for working household & community contribution, some fear that this may destabilize communities, to mitigate this risk it has been agreed that use local lettings policies should be implemented to help maintain balance if required. However, RP’s agree that if we are going to have a policy that meets current pressures then this change will be necessary.
- 5.2.6 There will be a review of the new policy at 12, 24 and 36 months following the implementation of the policy, these reviews will identify if any of the changes have created any unintended consequences, if any are identified further solutions will be sought to mitigate these.

## **6. Equalities Impact Assessment**

- 6.1 During and following the development of the recommendations an equalities impact assessment has continuously been carried out attempting to identify any unintended consequences of the proposed policy changes.

An Equalities Impact Assessment (EIA) considers whether any particular group of people is affected adversely as a result of a policy change which, if it does, might result in the policy being amended.

The EIA categorises each applicant (where we have the information) by

Ethnicity  
 Religion or belief  
 Family Type  
 Pregnant or not  
 Sexuality  
 Disability  
 Age  
 And gender now compared with birth

- 6.2 Below is a summary of the much larger assessment, Appendix 4.

- 6.3 The possible impact of proposed changes is spread very evenly across the register and applicants with protected characteristics are not disproportionately affected.
- 6.4 In some cases the percentage of applicants, in a specific cohort, affected is reasonably high but the numbers are so small that they are not statistically significant.

#### **2 years' continuous residency**

- 6.5 A maximum of 46% of the reference data set (register) could be affected. In practice it will be far fewer since many will have attained 2 year residency by the time the scheme takes effect. Equally, there will be lots of publicity about the changes and anyone wanting to join the register after the changes have been approved will have up to a year to plan for the changes taking effect. The potentially affected are spread evenly across the register. No protected characteristic group is disproportionately affected.

#### **Over £30K savings**

- 6.6 Only 0.2% of the register is possibly affected (26 out of over 14,500). The greatest percentage impact on ethnic group is white/white british and these applicants are 27% more likely than average to be affected, but this is still only 18 households. The greatest impact on age group is for applicants over 65 where these applicants are 46% more likely than average to be affected, but this is only 14 households. No protected characteristic group is disproportionately affected.

#### **Owner occupiers**

- 6.7 Only 0.6% of the register (up to 92 households) could be affected by this change. The greatest percentage impact on ethnic group is white/white British, and these applicants are 29% more likely than average to be affected, but this is still only 66 households. The greatest impact on age group is for applicants over 65 where these applicants are 36% more likely than average to be affected, but this is only 40 households. No protected characteristic group is disproportionately affected.

#### **Overcrowded by 1 currently in bands 1 or 2**

- 6.8 Less than 5% of the register is likely to be affected by this proposed change. This is a maximum figure and is very likely to overstate the actual numbers who will retain band 1 or band 2 due to having other housing needs in addition to being overcrowded by 1.
- 6.9 Of the 5% the greatest percentage variation of likely impact is that of "family type - other" where 21% are more likely than average to be affected. This is because overcrowding will mostly affect households other than single person households.



- 6.10 The other higher percentage variation is that proportionately more people who described their religion as Muslim will be affected than the average - 14% more likely than average to be affected. This is still an extremely small number of the register that stand to be affected with an impact of only 100 households out of the 14,500+ register. This is likely to reflect attitudes towards family groups and household sizes. In context of such small numbers it is hard to see this as a disproportionate effect and if it is considered as such, then the relative disproportionate effect is unavoidable and is necessary to achieve the aims of the Allocations Policy review.

### **No housing need**

- 6.11 About 30% of the register could be affected by this proposed change - 4,577 out of 14,639. All are in current bands 4, 5 and 6.
- 6.12 The impact of proposed changes is spread very evenly and applicants with protected characteristics are not disproportionately affected.
- 6.13 The overarching outcome of the assessment is that there will be no unintended consequences for any protected characteristic groups if the recommendations are approved.

## **7. Recommendations**

- 7.1 Following analysis of the feedback from statutory and public consultation the policy changes identified in this report have been developed by the Council, RP partners and Ward Members.
- 7.2 Subject to approval of the proposed changes, it is recommended that Executive delegates to the Head of Housing Services and the City Solicitor approval to draft the final and lawful version of the Allocations Policy based on the recommended changes within this report.

## **8. Next Steps**

Following approval by Executive, the project will move into stage 2 as follows:

### **8.1 I.T. (Manchester Move)**

Full mapping out of the new Policy will need to take place with the Manchester Move system, to make sure the I.T functionality reflects the new Policy. This part of the project will be undertaken by the Manchester Move team working alongside Sector who own the software.

### **8.2 Communication and Training Plan**

As with previous Allocations Policy reviews the Council will need to deal with a large number of enquiries from applicants whose priority has changed. This will undoubtedly be reflected in Members' case work. To mitigate this, as much as possible, the Council and RP partners will develop and implement a

robust communications and training plan. This will include extensive work to help applicants understand the new Policy and what it means for their application, offering advice and assistance when needed.

### 8.3 Re-housing Applications

Applicants will be given time to review their current application and re-register to make sure their application reflects their needs and so that they can be assessed against the new Policy and placed in the relevant priority band.

### 8.4 Timetable

The proposed implementation timetable is as follows:

- Dec 19 - Mar 20 I.T. changes preparation
- Dec 19 - Mar 20 Comms and Training Plan
- Mar 20 - June 20 I.T. changes & testing
- June 20 - Aug 20 System and housing options training
- June 20 -Aug 20 Re-registration of applicants as necessary
- Sept 2020 “Go live”

## 9. Contributing to a Zero-Carbon City

- 9.1 Discussing climate change conversations with tenants of social housing supporting them in adopting a low carbon lifestyle.

## 10. Contributing to the Our Manchester Strategy

(a) A thriving and sustainable city

- 10.1. Provide advice and information around other housing options where this may be appropriate - this includes affordable home ownership and the private rented sector.

(b) A progressive and equitable city

- 10.2. Ensuring the Policy assists with balancing communities and encouraging potential in partnership with RP partners, using Local Letting Policy where necessary.

(c) A liveable and low carbon city

- 10.3. Encouraging RP partners to reduce CO2 emissions and reduce their use of plastics will contribute to a low carbon city as well as zero carbon social homes built.

(e) A connected city

- 10.4. Ensuring people have a settled home that's right for them this will enable them to flourish and contribute within the city.

## **11. Key Policies and Considerations**

### (a) Equal Opportunities

- 11.1. No equalities issues – full EIA carried out, when implemented the revised policy will be reviewed at 12, 24 and 36<sup>th</sup> months for any unintended consequences.

### (b) Risk Management

- 11.2. If a decision is made not to approve the recommended changes it is highly likely given the data analysis over the last four years that the number of applicants on the housing register and in housing need will continue to rise, along with the number of households placed in temporary accommodation.

## **12.0 Legal Considerations**

- 12.1 The revised policy takes into consideration Housing law, see section 2.3 legal context. Housing case law has been considered specifically around the equalities impact of the policy revisions. It is recommended that Executive approves a delegation for the Head of Housing and the City Solicitor to approve the full and final written Allocations Policy.

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## Appendix 1 Housing Register and Lettings Data

### 1. Manchester Housing Register (MHR)

At the end of 2018/19 there were 14,648 live applications on the housing register which is an increase of 8% since the end of December 2018. Of these, 6,144 (5934+210), or 41.8%, were in the reasonable preference categories showing that they have real housing need which represents an increase of over 1,100 (more than 22%) in bands 1-3 since the end of 2017/18

At the end of **2018/19**, the register looked like this:

Band	Bedroom need								
	1	2	3	4	5	6+	Totals		
							No.	%	
<b>1</b>	321	143	35	62	15	11	587	4.0	In Need
<b>2</b>	392	622	634	268	46	6	1968	13.4	In Need
<b>3</b>	1088	1035	819	367	63	7	3379	23.0	In Need
<b>sub total</b>							5934	(40.4)	
<b>4</b>	850	728	368	37	4	1	1988	13.6	No Need
<b>5</b>	2327	1329	702	81	12	3	4454	30.4	No Need
<b>sub total</b>							6442	(44.0)	
<b>6a</b>	81	57	42	25	5	0	210	1.4	Demoted
<b>6b</b>	1071	620	295	61	10	5	2062	14.1	Demoted
<b>sub total</b>							2272	(15.5)	
<b>Totals</b>	<b>6130</b>	<b>4534</b>	<b>2895</b>	<b>901</b>	<b>155</b>	<b>33</b>	<b>14648</b>	<b>100</b>	

Almost three quarters of the register needed 1 or 2 bedroom properties (**72.8%** = **10,664** applicants). **3,601** applicants (**24.6%** of the register) were in the highest bands 1-3 and needed 1 or 2 bedroom properties. There is a fairly consistent three quarters of the register requiring 1 or 2 bedroom accommodation.

Adding in 3 bedroom need takes the total to **92.6%** of the register, or **13,559** applicants. Of these, applicants in the highest bands 1-3 who needed 1, 2 or 3 bedroom properties totalled **5,089** (**34.7%** of the register).

Once we look at 4, 5 and 6+ bedroom properties, demand is heavily from applicants in the reasonable preference categories (the highest bands 1-3). At the end of 2018/19 there were 845 applicants in bands 1-3 who needed larger family homes. Against the low rate of turnover for larger family homes is the fact that 148 households currently in reasonable preference categories (bands 1-3) need homes with 5, 6 or more bedrooms. Only 6 homes of 5 or more bedrooms were let in 2018/19.

## 2. Lettings

During 2018/19 a total of **2,526** properties became available to let through Manchester Move. The distribution across bands and size of property was as shown in the table below.

### **\*\*Band 1-3 "Reasonable Preference Housing Need"**

<b>Manchester Move lettings 2018/19</b>						
<b>**Band</b>	<b>No</b>	<b>%</b>		<b>Bedrooms</b>	<b>No</b>	<b>%</b>
<b>1</b>	586	23		<b>1</b>	975	39
<b>2</b>	1090	43		<b>2</b>	920	36
<b>3</b>	606	24		<b>3</b>	584	23
<b>4</b>	121	5		<b>4</b>	41	1.6
<b>5</b>	108	4		<b>5</b>	2	0.1
<b>6</b>	15	1		<b>6+</b>	4	0.2
<b>Total</b>	<b>2526</b>	<b>100%</b>		<b>Total</b>	<b>2526</b>	<b>100%</b>

The turnover of all sizes of properties has continued to fall. In 2013/14, there was a total of 3620 lets. Successive years have seen the number falling: 3546 in 2014/15, 3133 in 2015/16, 2724 in 2016/17, a slight rise to 2767 in 2017/18, and another fall to 2526 for 2018/19.

The percentage of lets to applicants in need (bands 1-3) was 84% in 2017/18. It has increased significantly to over 90% during 2018/19. Lets to households not in bands 1 to 3 are mostly to people wanting to move into sheltered or extra care accommodation along with some new build social housing policies which are let at affordable rents and targeted at working households.

### **3. Right to Buy (RTB)**

Can also be attributed to the falling numbers of social housing stock levels xxx number over xxxx years has seen the total stock reduce by xx.

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## Housing allocations policy consultation responses

### Question responses

#### 1. Are you a resident in Manchester or are you answering on behalf of an organisation?

	Responses	Percentage
Organisation	59	2.4%
Resident	2368	97.6%

#### 2. About your organisation

##### 2.1. Which organisation do you represent?

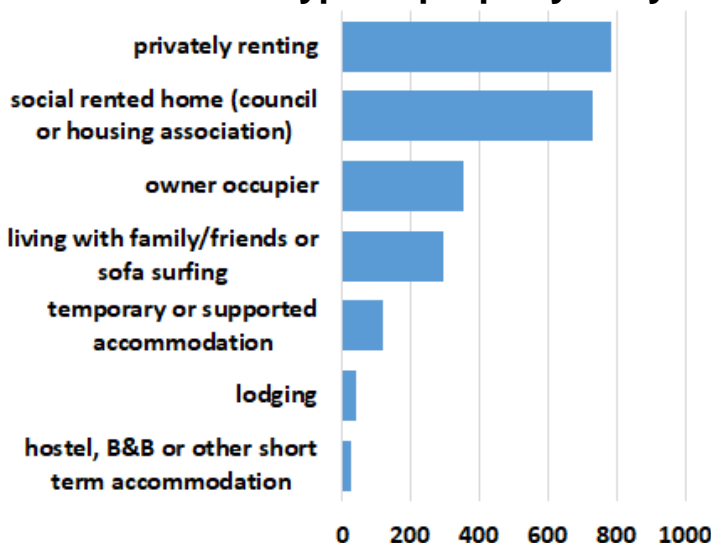
55 responses of the 59 indicating that they represent an organisation provided an organisation name and 4 were blank or test records leaving 51 responses. From the remainder there were 35 unique organisation names. These are shown in appendix 1.

##### 2.2 What is your organisation postcode?

49 unique responses were received, 5 could not be counted (as above). The majority of organisations were located within the city of Manchester with one from Oldham and two in Stockport.

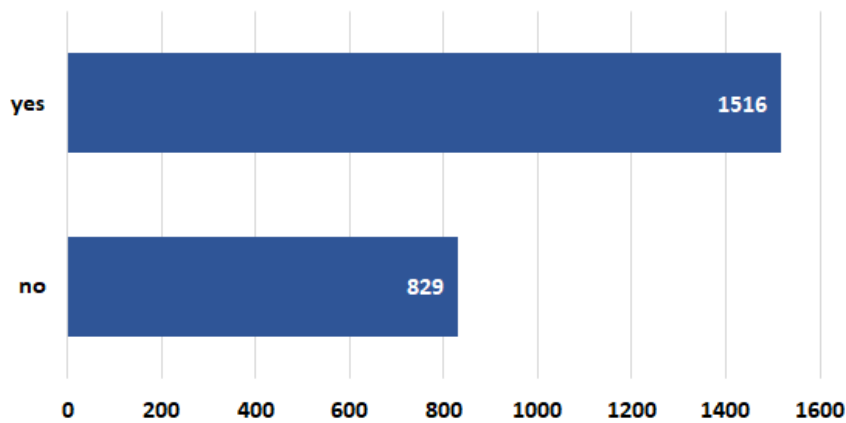
#### 3. Residents

##### 3.1. What type of property are you currently living in?



##### 3.2. Are you currently registered on the Housing Register?

## Housing allocations policy consultation responses



### 3.3. What is your postcode

The chart below shows the ward of residence of the participants who provided their postcode. 50% of participants (1194) did not provide a postcode.



## 4. Changes to who can qualify

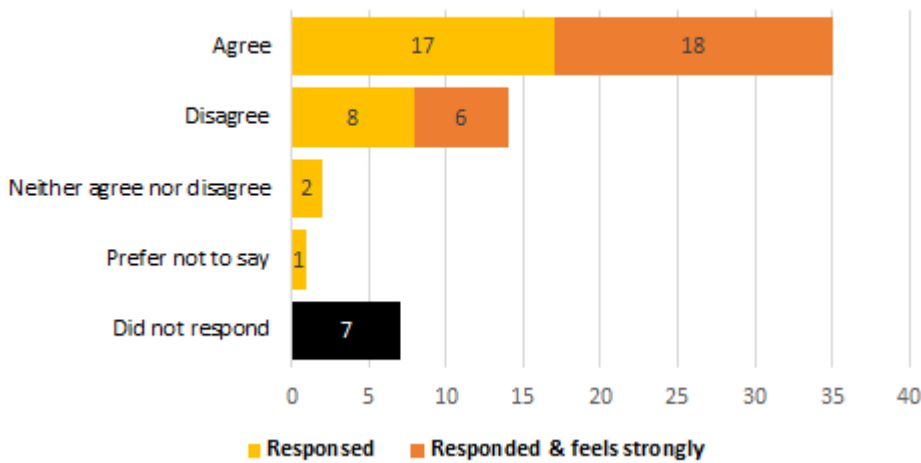
### 4.1. Residency

## Housing allocations policy consultation responses

*Central government recommends that people should have lived in the area continuously for at least two years to qualify. We don't currently follow this recommendation.*

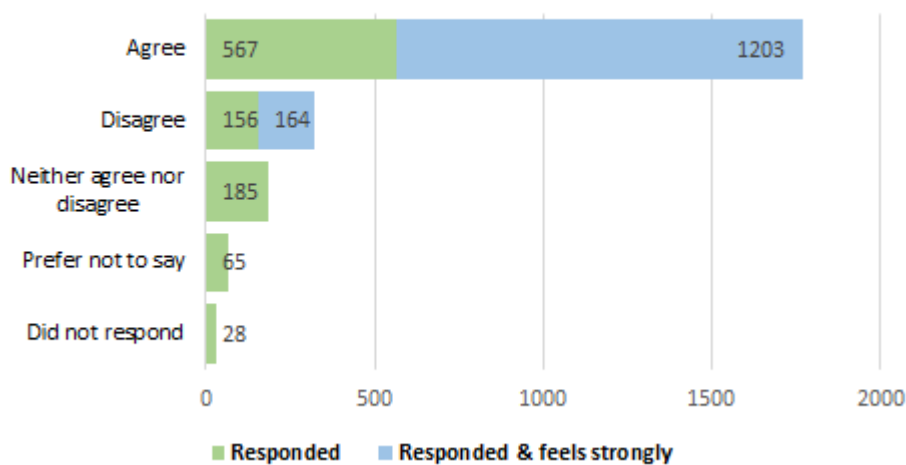
**Do you agree or disagree that the Council should introduce a two year continuous residency qualification test? (subject to exceptions i.e homelessness)**

Response from organisations



Overall 2368 participants responded to this question. 35 did not provide a response, of which 7 were organisations and 28 residents.

Response from residents

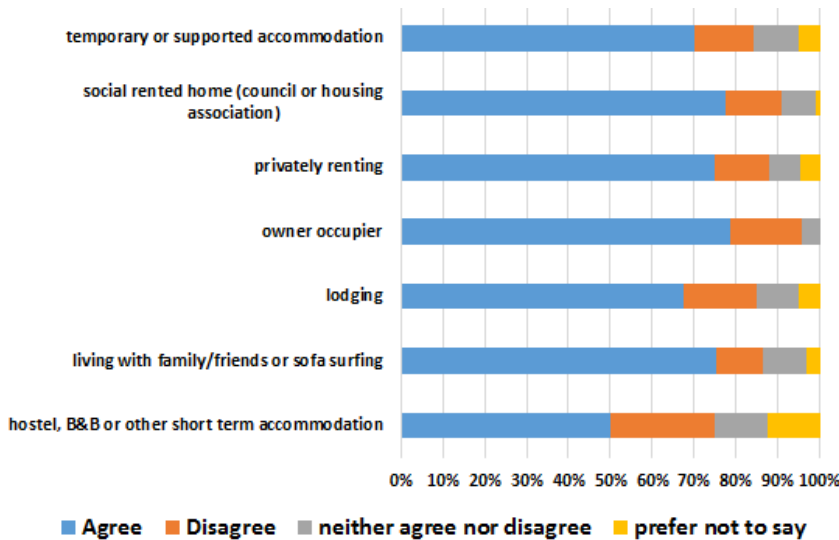


**Does whether the resident is on the housing register impact on responses?**

## Housing allocations policy consultation responses

With this, and all subsequent questions, analysis has indicated that there is no statistical significance between responses in respect to the residents status on the housing register

### Does housing type impact on responses?



The chart to the left shows the percentage of respondents who selected each response respondents for each accommodation type.

The group of residents who are least likely to agree with the statement are those housed in hostels, B&B and other short term accommodation.

### Resident or organisation

### Comments made by survey participants

Resident

*"...Agree with this but special dispensation should be given if an individual / family is new to the area having had to move due to domestic abuse/family circumstances"*

Organisation

*"Care leavers are sometimes placed out of the local authority area but have a strong connection to Manchester.. Also when someone is fleeing domestic abuse but may have lived away from Manchester but ... they have a strong connection to Manchester."*

Resident

*"...This discriminates against people who may have moved to the area for work, or for the support of family and friends. If a woman fleeing domestic abuse must stay in the same city/town or sleep on the streets where is the fairness in that?"*

Resident

*"...I think people who have lived here longer should get more priority. It causes a lot of community resentment."*

Resident

*"...Everyone should get the chance to live in Manchester if they wish to do so"*

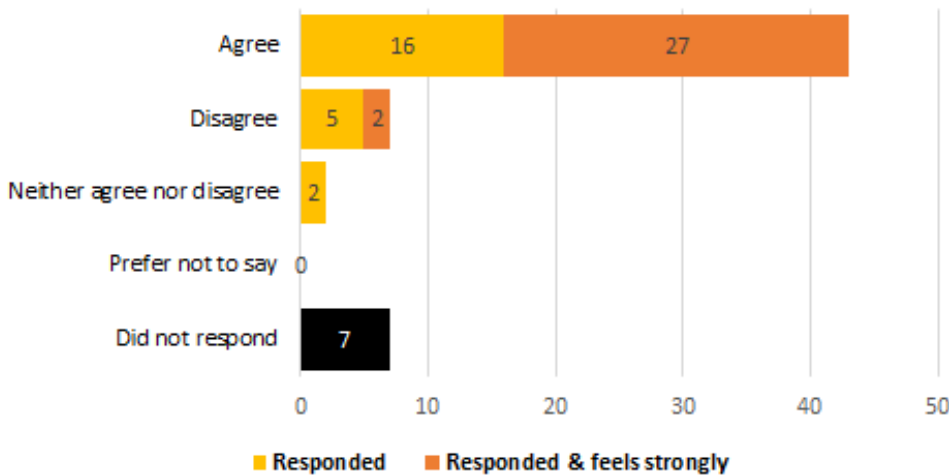
## 4.2. Savings

## Housing allocations policy consultation responses

*Currently if a household has savings of £75,000 or more they qualify to be added to the housing register, but are placed in band six. We are proposing that the savings threshold is reduced to £30,000 and anyone with more does not qualify to join the housing register.*

**Do you agree or disagree that we should reduce the savings threshold to £30,000 and that anyone who has more than this amount should not qualify to join the housing register?**

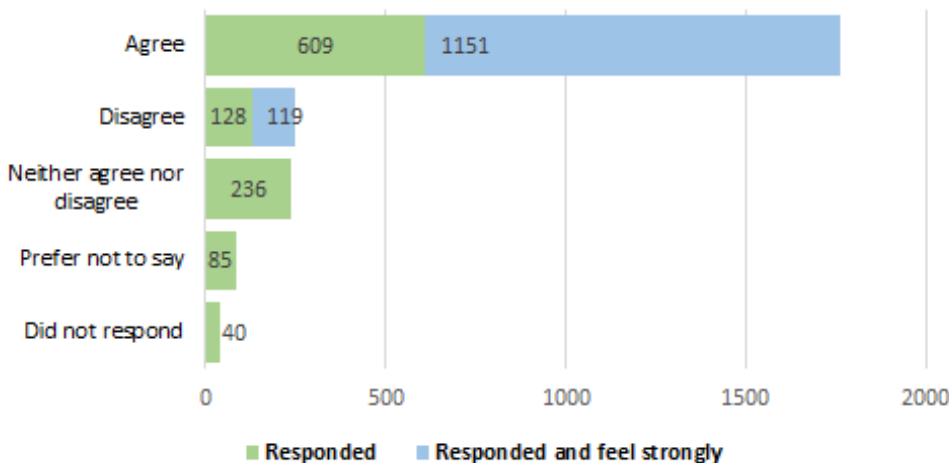
Response from organisations



Overall 2380 participants responded to this question.

47 did not provide a response.

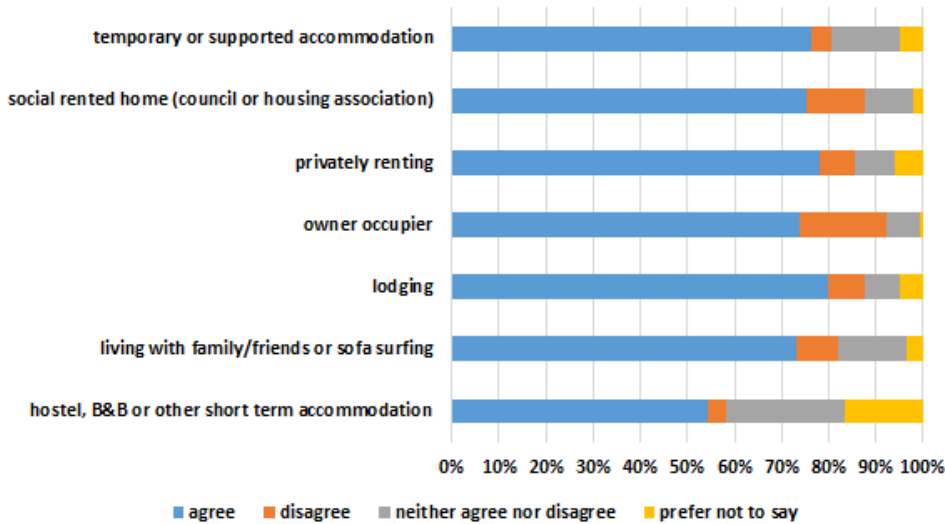
Response from residents



Of these 7 were organisations and 40 residents.

# Housing allocations policy consultation responses

Does housing type impact on responses?



The chart to the left shows the percentage of respondents who selected each response for each accommodation type.

Whilst there is variation in the level of agreement there is little in the level of disagreement with the main variation between groups being seen in those not expressing an opinion.

## Resident or organisation

## Comment

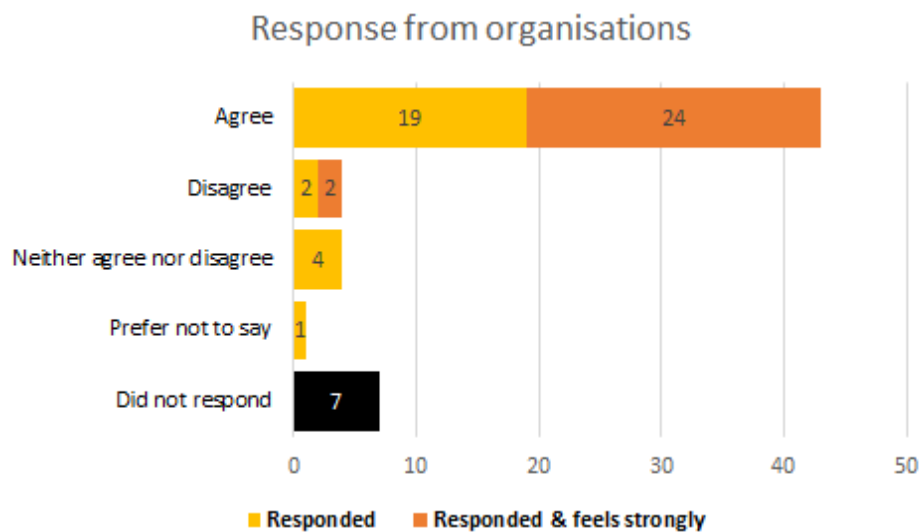
Resident	<i>"...Elderly residents who give up a large property to move into a smaller property will get penalised if they have saving over 30K"</i>
Resident	<i>"...This should be further reduced to savings less than £10,000."</i>
Organisation	<i>"...Savings should be capped at £10,000 so social housing isn't going to those who can afford to rent privately"</i>
Resident	<i>"..It's their savings and hard earned money. As long as they're paying rent nothing else matters. "</i>

## Housing allocations policy consultation responses

### 4.3. Homeowners

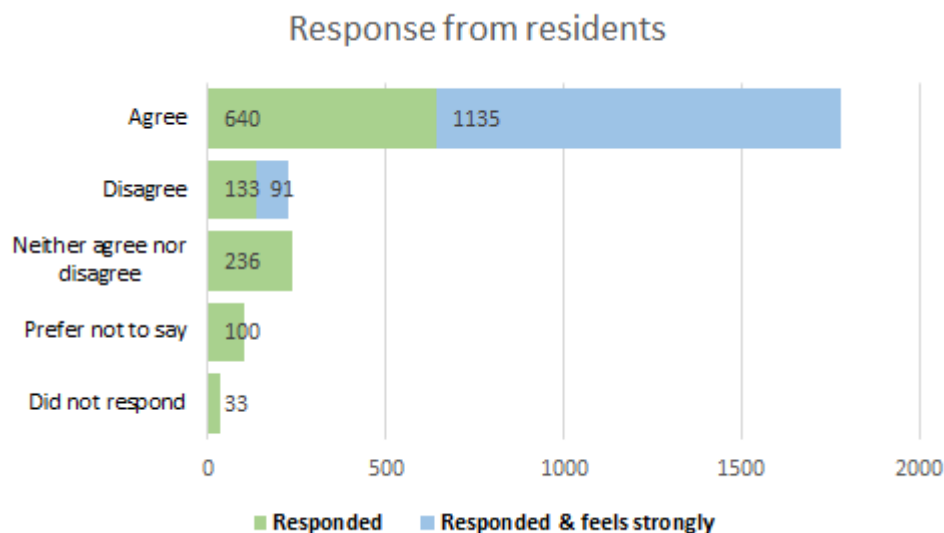
Central government recommends that allocation schemes should make home-owners a non-qualifying category subject to some exceptions for people who are not able to cope in their current home (for example due to disability). Our current scheme allows people who are homeowners to qualify to join the housing register.

**Do you agree or disagree that homeowners (subject to exceptions) should not qualify to join the housing register?**



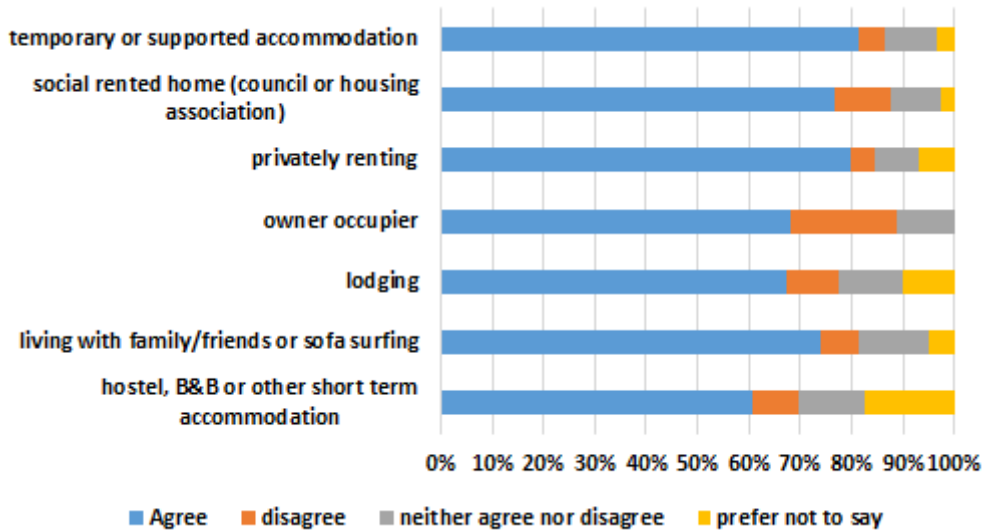
Overall 2387 participants responded to this question.

40 organisations did not provide a response



Does housing type impact on responses?

## Housing allocations policy consultation responses



The chart to the left shows the percentage of respondents who selected each response respondents for each accommodation type.

Of those participants responding that they disagree with the proposal the largest proportion comes from owner occupiers.

### Resident or organisation

### Comment

Resident

*"..This scheme should be for everyone. My house is overcrowded. I need a bigger house can't afford it "*

Organisation

*"...Social housing needs to be reserved for those most in need - if someone already owns a home they should not be able to join the register."*

Resident

*"...If there was a reason they lose their house, they should be entitled to housing if they were at risk of homelessness."*

## 5. Changes to the priority level awarded

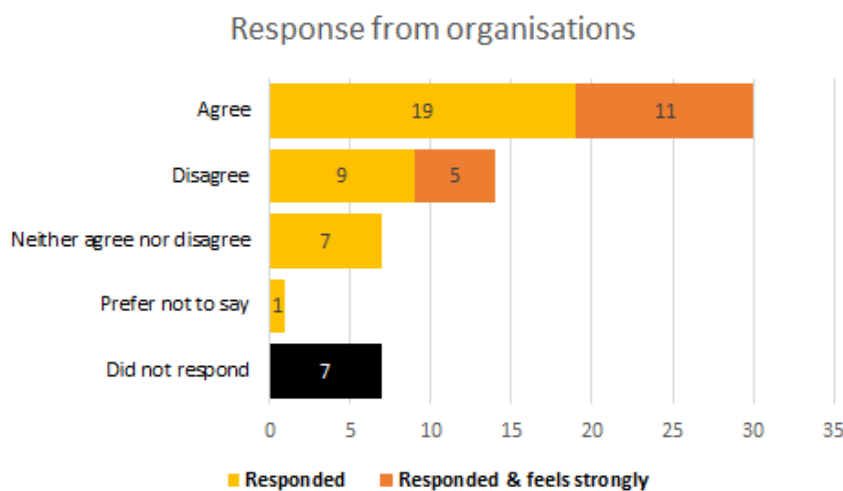
### 5.1. Overcrowding



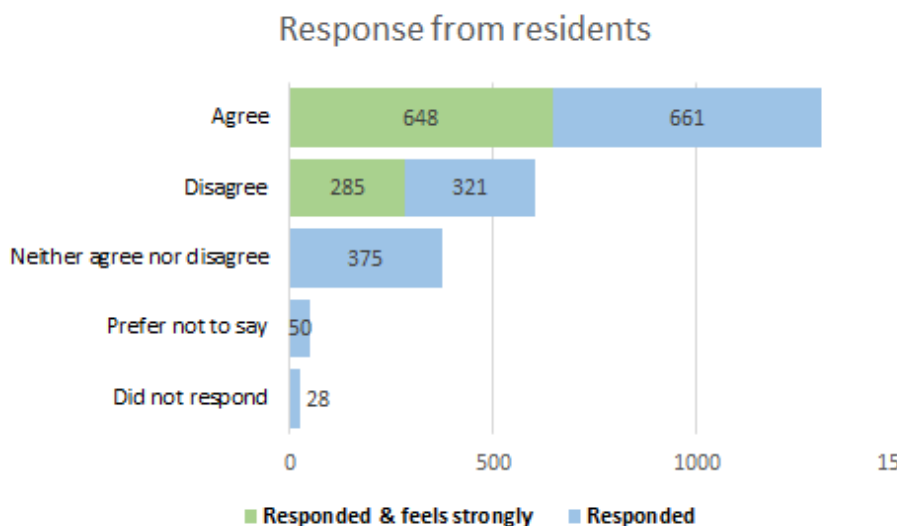
## Housing allocations policy consultation responses

*Currently if you are overcrowded and need three or more extra bedrooms you are placed in band one, if you need an extra one or two bedrooms you are placed in band three. To make sure that people with the greatest need are able to access a suitable home we are suggesting we award the level of priority based on the number of bedrooms needed.*

**Do you agree or disagree that people who are overcrowded, needing two or more extra bedrooms, should get a higher priority than those who need one extra bedroom?**



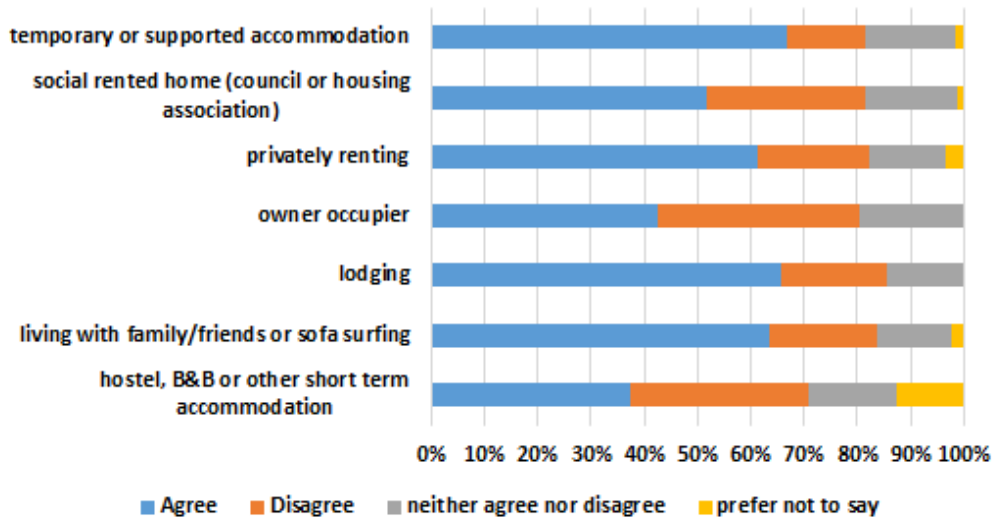
Overall 2392 participants responded to this question.



35 did not provide a response  
Of these 7 were organisations and 28 residents.

## Housing allocations policy consultation responses

Does housing type impact on responses?



The chart to the left shows the percentage of respondents who selected each response respondents for each accommodation type.

Overall there is a lower rate of agreement to the proposal, in particular those resident in hostels / B&B / short term accommodation where just under 40% agreed with the remainder disagreeing or not expressing an opinion.

### Resident or organisation

### Comment

Resident

*".. Why should someone with a bigger family get priority? Some people don't have a bigger family as they know it's not sensible/financially possible. To me this rule doesn't encourage the right mentality."*

Resident

*"...It will depend on the personal circumstances of each household. Ie somebody becoming ill or disabled so needing own room. Age of those sharing bedrooms. May need on site carers during the night. Can not apply a blanket policy as it has to be looked at relevant to each household."*

Organisation

*"..This needs to be on a needs basis and decision makers need to look at the reasons why and the presenting needs of the applicants as part of this action - you can not simply make this decision linked to numbers of bedrooms and assume that if someone needs more rooms then there need is naturally more urgent."*

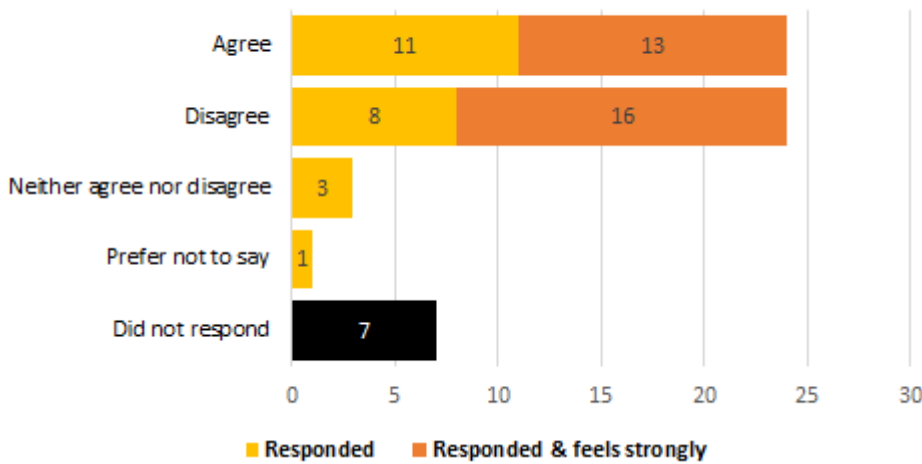
## 5.2. Working Households and Community Contribution

## Housing allocations policy consultation responses

Currently, all applicants in housing need are placed in band three. If you work or make a contribution to the community (e.g. through doing voluntary work) then you are awarded additional priority and moved into band two. This policy has worked well over the years. However, people who are in housing crisis are often unable to work and obtain this additional priority. As fewer homes are becoming available it means that some applicants who are in housing need now have little chance of being rehoused because they cannot get into band two. We propose to remove this additional priority award (band two) for people who are working or contributing to the community. This will help us allocate homes to those who need them the most.

**Do you agree that we should remove this additional priority and allocate all homes purely on housing need?**

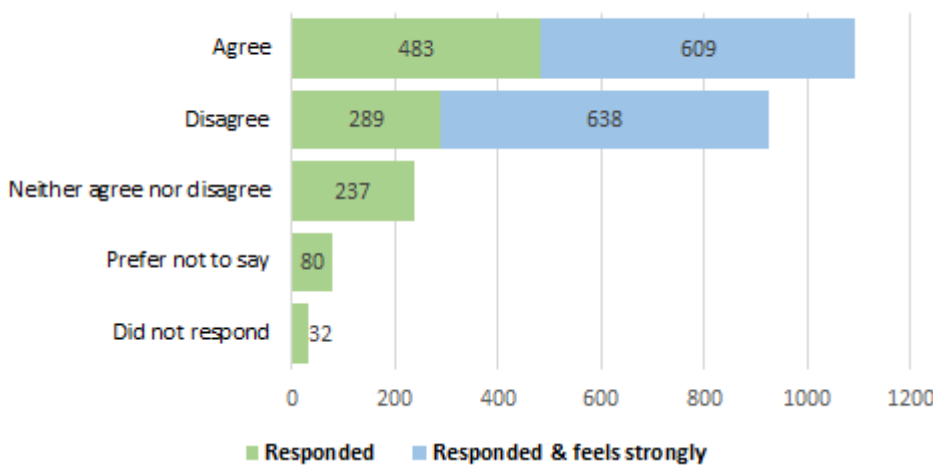
Response from organisations



Overall 2388 participants responded to this question.

39 did not provide a response

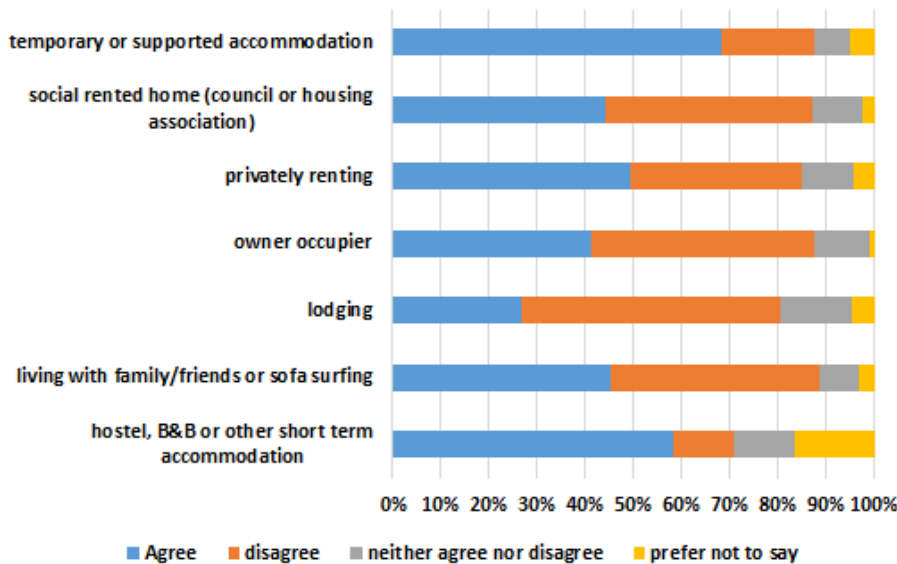
Response from residents



Of these 7 were organisations and 32 residents.

## Housing allocations policy consultation responses

Does housing type impact on responses?



The chart to the left shows the percentage of respondents who selected each response respondents for each accommodation type.

As with the previous question, there is a lower rate of agreement to the proposal, in particular those categorised as lodging where just under 30% agreed with the remainder disagreeing or not expressing an opinion.

### Resident or organisation

### Comment

Resident

*"..people who contribute via either volunteering or working should be rewarded. There should be other ways introduced for people who cannot work to get into band two say for medical reasons."*

Resident

*"...I'm a working lone parent and I've never been placed in band 2 or 3 but band 4. The private rental sector is charging extortionate monthly rental charges. A three bed house in openshaw stands at £700 PM. This isn't affordable and there is a risk of homelessness if you're unable to maintain payments of these rent charges. You have a duty to prevent homelessness and surely longer term that makes sense?! ."*

Resident

*"..It is very important to keep this as it is to prevent people from moving out of the area and contributing to the area either by working there or voluntary. There are a huge number of organisations and Charities who rely on people who work or volunteer in the city who can only afford council housing. Why further punish people who are contributing - many of these people assist the over stretched charity organisations for example and this would be detrimental to the city. This change in particular is VERY ILL JUDGED."*

## Appendix 1

List of participating organisations.

## **Housing allocations policy consultation responses**

Arawak Walton Housing Association  
Be Well  
Brentwood Lettings Ltd  
Centrepont  
Manchester City Council  
Cornerstone Day Centre  
Equity Housing  
Great places housing group  
Housing solutions service  
Humankind  
The Unite Convenor at Hendham Vale covering the Northwards Contract  
Longsight health visitors  
LTE Group  
Manchester Mind MVAP  
Manchester move  
Manchester Settlement  
Mosscafe St Vincent's Housing Group  
Northwards  
One Manchester  
Police  
PRS Landlord  
Rethink Mental illness  
Sanctuary Support Living  
Sheffield  
Southway  
The Boaz Trust  
The Guinness Partnership  
The Men's Room  
The Works  
Victoria house sit up  
Wythenshawe community Housing Group  
Yos

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Appendix 3

HOUSING ALLOCATION POLICY RECCOMENDATION IMPACT AND RECCOMENDATION SUMMARY

Policy Amendment		Current Policy	Policy Change	Potential Impact	Online Survey (2427 Responses)	Policy Position
Category	Subject	Summary	Summary		Wider Public (Principle changes surveyed)	
<b>Qualification</b>	2 Year Residency	Currently only need a Manchester Address to apply to be on the rehousing register	Introduce a 2 year residency rule,	High Impact, approx. 1,300 applications may not have qualified due to not having a 2 year residency. Therefore making a change of this nature, if applied to the whole register, appears to have potential to reduce the competition for priority applicants.	75% Agree 14% Disagree	<b>Fully Recommended</b>
	Savings and Capital	Current Capital limit 75K	Reduce savings limit from £75K to £30K	Limited impact, small numbers on the register with savings over 30k , brings in line with other LA policy	76% Agree 11% Disagree	<b>Fully Recommended</b>
	Owner Occupation	Home Owners are eligible to join the register	Homeowners will no longer be able to join the register –	Will have a limited impact, small numbers on the register re homeowners, but will focus housing options advice. Brings in line with other LA policy	76% Agree 10% Disagree	<b>Fully Recommended</b>
	Exceptions & exemptions	Applicants who will be allowed on the list regardless of qualification criteria i.e Part VII applicants, armed forces, DV&A, med etc..	<b>No Change</b> , Same exceptions will apply as current policy	N/A	Statutory consultation.	<b>N/A</b>
<b>Banding</b>	Removal of Working Household / Community Contribution awards	Currently people who work or contribute to the community are awarded additional priority (band 2)	Revise banding so that additional priority is not awarded for working household and community contribution (band 2). People in reasonable preference will be placed in band dependant on need. (this will mean some households who hold additional preference will still retain band 2)	High impact for those household in crisis, homeless, and in unsecure temporary accommodation. Barrier to attain band 2 removed as these applicants will be categorised as band 2.	47% Agree 37% Disagree	<b>Fully Recommended</b>

<b>Need Groups</b>	Overcrowding	Applicants who are overcrowded are split into 2 bands. Those that are 3 beds short are in band 1 and those that are 1 or 2 bedrooms short are in band 2 or 3.	This proposed change differentiates between different degrees of overcrowding: <ul style="list-style-type: none"> <li>Overcrowded by 3 or more bedrooms remain in band 1</li> <li>Overcrowded by 2 bedrooms in band 2</li> <li>Overcrowded by 1 bedroom placed in new band 3</li> <li>Households with children overcrowded by 1 bedroom and living in 1 bedroom accommodation awarded band 2</li> </ul>	One of the most significant ways of helping those in greatest need. By lowering the priority of applicants overcrowded by only 1 bedroom it will create many more opportunities to rehouse other applicants who we could perceive are in greater need.  Overcrowding is the biggest single reason for being in bands 1-3.	56% Agree 26% Disagree	<b>Fully Recommended</b>
	Lodgers	Lodgers not explicitly categorised in current policy.	<b>Lodgers</b> who are applying to join the register as a separate household will be categorised as: <ul style="list-style-type: none"> <li>If lodging in another family's household and overcrowded by 1 bedroom band 2 will be awarded.</li> </ul>	Will reduce the numbers that present as homeless although this is difficult to gauge at this stage. More people likely to remain as lodgers than present as homeless.	Statutory consultation	<b>Fully Recommended</b>
	Under occupation	band 1 if releasing a family home and moving to a non-family home	Move ALL under occupiers into band 1 (rejected)  Current policy - Tenants under-occupying a family home of 3 or more bedrooms and are seeking to move to non-family type accommodation with fewer bedrooms and who will not be under occupying by more than one bedroom.	Could potentially have unintended consequences- if policy extended to 2 beds. potential to create some 2 beds lower in demand in some areas i.e. 2 beds in towers/flats	Statutory consultation	<b>Retain current policy.</b>
	Domestic Violence & Abuse	DV&A cases currently in band 1-2-3	DV&A cases will now be band 1-2 only not band 1-2-3 due to banding structure changes and the removal of WH/CC.	Some cases who were in band 3 previously will now be positioned in band 2	Statutory consultation	<b>Fully Recommended</b>
	Homelessness	All cases are currently in band 3 unless working or contributing to the community then band 2	Relief duty (189B) (TA) Homelessness duty (193) applicants will now be in band 2. Due to banding structure changes and the removal of WH/CC.	Potentially the biggest impact, more homeless and households in TA will be given band 2 so through put in TA should be greater.	Statutory consultation	<b>Fully Recommended</b>



	Child at Height	The current scheme was amended to give flexibility to RPs to decide if a low-rise home is suitable for children 10 or over, while recognising that such families would still have priority until the scheme review formally converted the current flexibility into scheme policy.	The proposal is simply formalise and make that anticipated change	Offer additional flexibility and access to more housing for people with children	Statutory consultation	<b>Fully Recommended</b>
<b>Additional Policy Changes</b>	Moving Group	Currently there are no rules around who can be on a household's application to move, this means we currently have applications that require large accommodation that simply put does not exist or is in short supply.	Introduce new rules around moving group categories	Reduces expectation and the number of households on the register who require accommodation that the social sector does not have an abundance or turnover of.	Policy born out of the statutory consultation - RP's fully agreed to new rules.	<b>Fully Recommended</b>

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## Appendix 4: Demonstrating Outcomes of Equality Analysis

### EQUALITY IMPACT ASSESSMENT

1. Directorate	Strategic Development	2. Section	Strategic Housing	3. Name of the function being assessed	Social Housing Allocations Scheme
4. Is this a new or existing function?	Existing	5. Officer responsible for the assessment	Mark Ellison	6. Lead manager responsible for the assessment	James Greenhedge
7. Date assessment commenced	07/05/19	8. Date of completion	14/08/19	9. Date passed to Equalities Team	15/08/19

## Summary of Relevance Assessment

1. Has a Stage 1 Equality Analysis: Relevance Assessment document been completed?

Yes  Date of assessment: 07/05/19

No  Please refer to 2.2 in the guidance above.

2. Please indicate which **protected characteristics** the relevance assessment identified as relevant to the function that is being assessed (tick below):

Age  Disability  Race  Gender (inc. Gender Reassignment, Pregnancy and Maternity)

Sexual Orientation  Religion or Belief (or lack of religion or belief)  Marriage or Civil Partnership

3. Please indicate which **aims of the equality duty** the relevance assessment identified as relevant to the function being assessed (tick below):

Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act

Advance equality of opportunity between those who share a protected characteristic and those who do not

Foster good relations between people who share a protected characteristic and those who do not



# Equality Impact Assessment Template

## 1. About your function

Briefly describe the key delivery objectives of the function being assessed	The Manchester Social Housing Allocations Scheme (the scheme) is the statutory scheme required under Part 6 of the Housing Act 1996 (as amended). It lays down and describes the council's rules for determining the relative priority of applicants for allocations of social homes in Manchester. The current scheme has been in operation since February 2011 with only minor amendments since then. Since 2011 the demand for social homes has risen while the supply of social homes has reduced. The council determined to review the scheme in order to improve access for those in greatest need, for instance, people who have a disability or are elderly and need adapted properties are categorised as being in reasonable preference and are awarded higher priority. In recognition that the supply and demand situation means that the majority of applicants will find it hard to be rehoused into a social home in a reasonable period.
What are the desired outcomes from this function?	The main delivery objectives of the scheme are to ensure that social housing is allocated to those in greatest need while also helping to deliver the council's wider objectives of assisting people to access good quality affordable housing across the city.

## 2. About your customer

Do you currently monitor the function by the following protected characteristics?	<b>Protected Characteristics</b>	Y/N	<b>If no, please explain why this is the case and / or note how you will prioritise gathering this equality data</b>
	Race	Y	

	Gender (inc. gender reassignment, pregnancy and maternity)	Y	
	Disability	Y	
	Sexuality	Y	
	Age	Y	
	Religion or belief (or lack of religion or belief)	Y	
	Marriage or civil partnership	N	Historically not collected. Collecting this information has been included in the 2019 IT update project for Manchester Move.
<p><b>4. What information has been analysed to inform the content of this EIA?</b></p> <p><b>Please include</b> details of any data compiled by the service, any research that has been undertaken, any engagement that was carried out etc.</p>	<p>The current scheme uses equalities monitoring information as supplied by applicants at the time of making an application for rehousing. This information is reported annually to the Housing Access Board for the board to determine if there are any issues or actions arising. To date there have been none.</p> <p>One of the key attributes of the scheme is that it is based on assessment of housing need (defined principally by reference to the number of bedrooms needed), and it is unaware of applicants' protected characteristics except where characteristics such as age or disability give rise to a need for certain types of housing, for example, sheltered or accessible accommodation. Age and disability can have implications for the types of housing that are suitable where applicants have specific needs, and both of these are treated explicitly within the wider scheme.</p>		



The race characteristic includes travellers and a recent court of appeal judgement has highlighted the need for careful consideration of any proposed changes to the scheme as they might be found to advantage or disadvantage applications from travellers. (Reference Ward & Ors, R (on the application of) v The London Borough of Hillingdon & Ors [2019] EWCA Civ 692.) The current allocations scheme treats applications from travellers in the same way as applications from all other applicants.

The proposed new scheme follows government guidance in looking to introduce a two-year continuous residency qualification. Such a residency qualification was the matter of the appeal court judgment noted above. The court of appeal acknowledged the legitimacy of the government's preferred two-year minimum qualifying period while finding that a ten-year residency qualification was disproportionately disadvantageous for travellers.

The data from equalities monitoring responses show no significant percentage change outcomes for protected characteristics groups as a consequence of the proposed scheme changes.

### 3. Delivery of a customer focused function

Does your analysis indicate a disproportionate impact relating to <b>race</b> ?	<b>Y</b>	<b>N</b>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>		<b>X</b>	<p>The scheme will introduce a two-year residency qualification for all applicants. The court of appeal judgement referred to above in part 2.4 recognises that such qualification periods, while lawful, must be proportionate.</p> <p>Manchester intends to introduce the Government's preferred two-year minimum qualification period. In looking at the equalities impact we have noted the availability of a serviced site exclusively for travellers that allows such an applicant to acquire the residency qualification. We have also noted that the current users of the site have been living there for many years and have not chosen to take advantage of the fact that the current allocations scheme would give them the highest priority for rehousing if they wished to move into permanent social housing in Manchester.</p>
Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>disability</b> ?	<b>Y</b>	<b>N</b>	
		<b>X</b>	

<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The proposed allocations scheme will retain the use of assessments that ensure applicants with such specific needs are awarded appropriate (high) priority in order to have their needs met in the shortest possible time scale. In addition, the management of housing stock ensures that, for example, homes with adaptations in place are not available to all applicants, instead they are reserved for bids from applicants who need the adaptations. People who are assessed as needing particular types of properties for reasons of mental health are prioritised accordingly and are prevented from being allocated properties that do not meet their needs and would run the risk of worsening their health.</p>		
<p>Which action plans have these actions been transferred to?</p>			
<p>Does your analysis indicate a disproportionate impact relating to <b>Gender</b> (including gender reassignment or pregnancy and maternity)?</p>	<p><b>Y</b></p>	<p><b>N</b></p> <p><b>X</b></p>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>Pregnancy is recognised in the scheme, and assessment of housing need takes into account the unborn child/ren of a pregnant applicant at a point when the pregnancy is likely to go to full term but not before because that would mean pregnant applicants might gain an unfair advantage over other applicants. This balance is achieved by assessing applicants bedroom need at the point they are 26 weeks pregnant, and, if they will need an additional bedroom, allowing them to bid for the relevant size of home from that point on. All other aspects of this</p>		

	characteristic have no implications for assessment of housing need and the scheme is unaware of them.		
Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>age</b> ?	<b>Y</b>	<b>N</b>	
		<b>X</b>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>Some homes, by their nature, are unsuitable for applicants who have age-related needs, for example, accessibility. This disadvantage is mitigated for applicants who, at point of application, specify that they either need or want age-specific accommodation, such as retirement, sheltered or extra care homes, by such homes being allocated separately and not being made available to other applicants. The Housing Options for Older People (HOOP) service exists to ensure elderly people are prioritised and supported to move to a smaller property if they wish.</p>		
Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>sexual orientation</b> ?	<b>Y</b>	<b>N</b>	
		<b>X</b>	

<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The scheme is designed to be unaware of this characteristic, which has no implications for assessing housing need in the terms of the bedroom standard. Data tell us the the allocations scheme and the proposed changes do not impact on this characteristic.</p> <p>The council has commissioned work from the LGBT Foundation in recent years that suggests 1) there are independent housing issues for LGBT people, 2) there's a lack of LGBT-friendly social housing provision, 3) LGBT people in shared accommodation (i.e. extra care) either can't come out or actually some people have gone 'back in the closet' because they face prejudice, 4) LGBT people but particularly trans people report they have faced significant prejudice in housing provision.</p> <p>These societal prejudices are important. Although a housing allocations scheme can't change prejudice, these issues have been responded to outside the scheme. Hence the LGBT majority extra care scheme that's being developed. Allocations for this provision are outside of this scheme.</p>		
<p>Which action plans have these actions been transferred to?</p>			
<p>Does your analysis indicate a disproportionate impact relating to <b>religion and belief</b> (including lack of religion or belief)?</p>	<p><b>Y</b></p>	<p><b>N</b></p>	
		<p><b>X</b></p>	

<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>The scheme is designed to be unaware of this characteristic, which has no implications for assessing housing need according to the bedroom standard. The Manchester Move system is a choice-based lettings system and all applicants are free to bid for homes for which they are eligible according to the bedroom standard and which they feel meet their needs.</p>		
<p>Which action plans have these actions been transferred to?</p>			
<p>Does your analysis indicate the potential to <i>cause discrimination</i> in relation to <b>marriage and civil partnership</b>?</p>	<b>Y</b>	<b>N</b>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>		<b>X</b>	<p>The scheme is designed to be unaware of this characteristic, which has no implications for assessing housing need.</p> <p>Beyond the fact of applicants having this characteristic, the societal assumption that marriage generally leads to starting a family and people shouldn't be discriminated against on that basis is taken into account in the current and the proposed schemes by changing circumstances being taken into account. For example, a couple would be entitled to a 1 bedroom home under the bedroom standard. If they start a family, their circumstances change and their bedroom need would increase, with the scheme taking that into account.</p>

Which action plans have these actions been transferred to?			
Does your analysis indicate a disproportionate impact relating to <b>carers</b> ?	Y	N	
		<b>X</b>	
<p>Please describe the nature of any disproportionate impact/s</p> <p>Please indicate what actions will be taken to address these</p>	<p>Carers are already accounted for in the current allocations scheme, and there is no suggestion of that changing. In brief, carers are allocated a bedroom subject to them needing one.</p> <p>Given that there is no change the proposed changes will not have a disproportionate effect on carers.</p>		
Which action plans have these actions been transferred to?			

#### 4. EIA Action Plan

Service / Directorate lead:  
 Strategic Director:  
 Equality Team lead:

Actions identified from EIA	Target completion date	Responsible Officer	Is this action identified in your Directorate Business Plan and / or Equality Action Plan? (Yes / No / n/a)	Comments
No actions identified				





5. Director level sign off

Name:	Martin Oldfield	Date:	7 October 2019
Directorate:	Strategic Development	Signature:	See Signed PDF.

*NB: Sign-off must be in the form of an actual signature; not an emailed authorisation.*

## Appendix 2

Each Directorate has a nominated officer from within the HROD Service's Equality Team to provide consultation, advice, guidance and support.

The nominated officers for each Directorate are:

<b>Directorate</b>	<b>Nominated Equality Team Lead</b>
Corporate Core	Keiran Barnes – 234 3036 (33036) <a href="mailto:keiran.barnes@manchester.gov.uk">keiran.barnes@manchester.gov.uk</a>
Neighbourhoods and Strategic Development	Ryan Lamey-McArthur– 234 1822 (31822) <a href="mailto:r.lamey-mcarthur@manchester.gov.uk">r.lamey-mcarthur@manchester.gov.uk</a>
Children's Services	Lorna Young – 234 8596 (38596) <a href="mailto:l.young2@manchester.gov.uk">l.young2@manchester.gov.uk</a>
Adults Services	Sofia Higgins – 234 8458 (38458) <a href="mailto:Sofia.higgins@manchester.gov.uk">Sofia.higgins@manchester.gov.uk</a>

Useful Background information

**Equality Act 2010:**  
<http://www.equalityhumanrights.com/advice-and-guidance/new-equality-act-guidance/equality-act-guidance-downloads/>

**Equality and Human Rights Commission – Guidance to the Public Sector Equality Duty** (includes an essential guidance document and detailed guidance on equality analysis, engagement, equality objectives and equality information):

<http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

**State of the City reports, State of the Ward reports and Communities of Interest reports:**

[http://www.manchesterpartnership.org.uk/manchesterpartnership/downloads/file/190/state\\_of\\_the\\_city\\_report\\_2012\\_complete\\_report](http://www.manchesterpartnership.org.uk/manchesterpartnership/downloads/file/190/state_of_the_city_report_2012_complete_report)

**Manchester City Council  
Report for Resolution**

**Report to:** Executive – 13 November 2019

**Subject:** Consideration of Policy H12: Purpose Built Student Accommodation Within the Changing Market Context

**Report of:** Strategic Director (Growth & Development)

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### **Summary**

This report summarises recent changes in the student accommodation market, and provides an updated context in which to consider proposals for PBSA on an interim basis in advance of a review of Core Strategy Policy H12: “Purpose Built Student Accommodation”, as part of an update of the Core Strategy. It responds to the changing context, and would help to support the delivery of the regeneration objectives of the City Council and our key partners. The report goes on to outline a number of policy ideas for a revised approach to Purpose Built Student Accommodation (PBSA), and proposes an appropriate consultation process.

### **Recommendations**

The Executive is recommended to:

1. Note the significant changes that have taken place in the student accommodation sector, and the impact this has had on the city centre context and adjoining communities;
2. Request that the Strategic Director (Growth & Development) undertakes an appropriate consultation process with key stakeholders on this changing context, and brings a report back to the Executive on the outcomes of the consultation;
3. Subject to the outcome of the consultation, request that the Planning and Highways Committee takes these market changes into account as a material consideration when dealing with future planning applications for student accommodation;
4. Note the start of a review, consultation and revision of Policy H12 as part of the Local Plan process, to enable an updated approach to the provision of student accommodation in the city, based on the prevailing market context, the principles set out in this report, in particular the location of new student accommodation in close proximity to the University campuses, and in line with the Council’s wider place making and growth objectives; and
5. Support the longer term regeneration and growth objectives of the Council and partners on the Student Strategy Partnership and Oxford Road Corridor Board.

**Wards Affected:** Deansgate, Piccadilly, Ardwick, Rusholme, Longsight, Hulme, Moss Side, Fallowfield, Withington, Old Moat, and Levenshulme

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

The suggested revised approach to Purpose Built Student Accommodation will only consider development of new accommodation in close proximity to the University campuses, reducing the need to travel, and thus minimising carbon emissions. Green travel plans will also be encouraged. There is also a key ambition to increase the quality of accommodation, which will be required to meet high standards of sustainability that contribute to achieving the zero carbon target.

<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	<p>Students make a significant economic contribution to Manchester whilst they live and study in the city.</p> <p>The development of assets within the Oxford Road Corridor area is vital to capture the commercial potential of research and innovation and help to realise the economic potential of the Corridor.</p>
A highly skilled city: world class and home grown talent sustaining the city's economic success	<p>A high quality residential offer for students in appropriate locations, is critical for Manchester's Universities ability to attract and retain students in a global market.</p> <p>The retention of highly skilled graduates from the city's universities is a key component in the drive towards a knowledge economy, and forming the critical mass of activity necessary to strengthen the economy.</p>
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	<p>Freeing up former student-lets and, therefore, increasing the supply of good quality homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations.</p>
A liveable and low carbon city: a destination of choice to live, visit, work	<p>Managing the impact of large student populations on residential neighbourhoods will lead to improved resident satisfaction and make neighbourhoods a place where people want to live, visit and work.</p> <p>The city's liveability, sustainability and connectivity aspirations can be achieved by integrating green and smart ideas into new student developments, as part of the planning process.</p> <p>Student accommodation will be encouraged in areas which are in close proximity to both the University campuses and high frequency public transport routes. It</p>

	is expected that journeys will be made using public transport and active modes, supporting the climate change and clean air policy responses.
A connected city: world class infrastructure and connectivity to drive growth	Student accommodation will be encouraged in areas which are in close proximity to both the University campuses and high frequency public transport routes.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

Students are exempt from paying Council Tax and in 2019/20 Manchester will forego almost £17m in tax revenue due to this exemption. There is potential to improve the Council's Council Tax revenue through a reduction in student Council Tax exemptions in city centre and south Manchester properties by directing students to purpose built student accommodation (PBSA).

### **Financial Consequences – Capital**

None

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### **Contact Officers:**

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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 Student Strategy - Report to Communities and Neighbourhoods Overview and Scrutiny Committee, 19<sup>th</sup> May 2009
- Student Strategy Implementation Plan – Report to Executive, 21<sup>st</sup> October 2009
- The Manchester Core Strategy - Adopted on 11th July 2012
- Manchester Residential Growth Strategy and Action Plan 2016/17 – Report to Executive, 2 March 2016
- Corridor Manchester Strategic Spatial Framework - Report to Executive, 7<sup>th</sup> March 2018
- Manchester Science Park Strategic Regeneration Framework Update - August 2018
- Oxford Road Corridor Strategic Regeneration Framework Guidance - November 2018
- Manchester Science Park (MSP) SRF update - Report to Executive, 14th November 2018



## **1.0 Introduction**

- 1.1 Manchester is widely recognised as being in the top tier of international cities for higher education, providing a rich provision of research excellence and innovation that is helping to drive the economy and generate jobs and growth. Key to Manchester's ambition of developing a world class education hub is the city's ability to compete for students, resources, and quality staff in a highly competitive global market. An important element of this relates to the city's residential offer, which has to be able to meet the expectations of students from home and abroad in neighbourhoods close to the universities and beyond.
- 1.2 Manchester has one of the largest student populations in Europe, with over 90,000 students at Greater Manchester's five universities, and over 380,000 students at the 22 Higher Education Institutions (HEIs) within an hour's drive. There were 74,164 students enrolled at one of Manchester's three HEIs in 2017/18, of which 48,393 had a term time address in Manchester (HESA). Of the remaining c.25,000 students, a significant proportion live at home with their families across Greater Manchester and beyond.
- 1.3 The resident student population makes an invaluable contribution to the city's economy, diversity and vibrancy whilst they study here. Graduates from Manchester's universities are one of the core assets underpinning a broad based, high skilled economy and the driving force behind some of Manchester's most valuable growth sectors in advanced manufacturing, health and life sciences. Manchester Universities have a high retention rate of students, with over 50% of students staying in the city after graduating.

## **2.0 Background & Strategic Context**

- 2.1 The Council is committed to creating a sustainable and inclusive residential market that meets the demands of all residents across the city, alongside the Council's wider objectives. Previous reports to the Executive have highlighted how the make-up of Manchester's population has a direct link to changes in residential demand. In light of this, the Council must ensure that as the population expands, all residents have access to good quality accommodation, in terms of type, price and tenure. It is against this background, that the Council and its partners have to consider how to approach the provision of student accommodation in the city.

### **Manchester Student Strategy (2009)**

- 2.2. The Manchester Student Strategy (2009) was developed in partnership with the Council, the University of Manchester and Manchester Metropolitan University, and the approach was agreed by the Executive. The Strategy has an implementation plan with four key objectives:
1. Develop and improve neighbourhood management approaches in areas with concentrations of student households.

2. Provide better accommodation for students in appropriate locations (specifically Purpose Built Student Accommodation – “PBSA”).
  3. Address the need for resident parking schemes in Ardwick and Hulme.
  4. Take all available steps to prevent further encroachment of students lets into areas characterised by traditional family housing.
- 2.3. Following the publication of the Student Strategy, fears of an oversupply of PBSA were raised following the announcement in 2010 that tuition fees would rise. At the same time, following the global economic recession, developers / investors started to see PBSA as an attractive investable proposition in comparison to other types of development including mainstream residential and commercial. It was against this backdrop, and the ensuing fall in undergraduate admissions, that the Core Strategy was developed.

### **Policy H12: Purpose Built Student Accommodation**

- 2.4 Policy H12 of the city’s Core Strategy (adopted in 2012) was developed with the objective of managing the supply of student accommodation in Manchester. It sets out the criteria (Appendix A) which have been used to guide planning applications for student accommodation since then.
- 2.5. A number of complementary documents, aligned to Policy H12 have been developed to supplement and support ongoing regeneration activity in The Corridor. These include the Corridor Spatial Framework (see below) and other Strategic Regeneration Frameworks.
- 2.6 Policy H12 has sought to manage the appropriate delivery of PBSA. This has helped ensure that housing has been developed in the city centre, which supports economic growth. This has prevented an oversupply of PBSA and created a dynamic residential market. The City Council, working with partners, has used Policy H12, and associated documents, to manage the controlled delivery of a limited but sustainable pipeline of PBSA, in response to increasing student demand for accommodation in the city centre. A small amount of PBSA has also been developed in the south of the city, for example, as part of the University of Manchester’s plans in Fallowfield. Development to date has largely delivered what was envisaged within the 2009 strategy.
- 2.7 Whilst Policy H12 remains relevant, market changes, which have seen higher numbers of second and third year students in particular living in the mainstream private rented sector in the city centre, dictate the need to review the interpretation and application of the Policy. This will primarily respond to affordability challenges and the need to locate accommodation in close proximity to the HEI’s.

### **3.0 Changing Market Demand: Evidence Base & Implications**

- 3.1 There have been significant changes in both the demography (make up and location) and needs of the student population, and the wider development context, since the adoption of the Student Strategy, the Core Strategy and

Policy H12, which now need to be taken into consideration in the approach to student accommodation. These are set out below.

### **The Oxford Road Corridor**

- 3.2 The Oxford Road Corridor has become one of the most economically important areas within Greater Manchester, with more employment creation potential than anywhere else in the city region. The area is home to almost 80,000 jobs, over half of which are within knowledge-intensive sectors, including the health, education and professional, scientific and technical sectors. The ongoing rationalisation of the University campuses has also concentrated the University functions and facilities more heavily in the Oxford Road Corridor and adjacent area.
- 3.3 A recent economic impact assessment showed that employment within the Oxford Road Corridor area has increased by 11 % over the last four years to 79,000 people. The area accounts for 20% of Manchester's GVA, totalling over £3.6 billion. Future growth forecasts for the Oxford Road Corridor estimate the creation of an additional £2 billion of GVA and 37,000 new full time equivalent (FTE) jobs, taking the total number of FTE jobs to over 104,000 by 2025, and generating an additional £162 million of residential spend per annum.
- 3.4 A significant proportion of land ownership within the Oxford Road Corridor lies with a small number of partners; Manchester City Council, the University of Manchester, Manchester Metropolitan University, Manchester University NHS Foundation Trust, Bruntwood and Manchester Science Partnerships. (A map of land ownerships in the Corridor Area is attached at Appendix B). This group of landowners collectively form the Corridor Board and have developed a Strategic Vision for the Corridor to shape its ongoing development. The collective ownership of land allows the partnership to take a strategic approach to development, which can underpin the vision and ambitions for the Corridor.
- 3.5 Given the strategic nature of the Corridor, the existing knowledge-based uses, and anticipated level of growth, it is clear that there is an increasing scarcity of available land across the city centre, including within the Oxford Road Corridor. As such, it is essential that the limited land available for redevelopment within the Corridor is used strategically to build on the area's unique position and help to deliver the economic growth potential of the Corridor. The use of land by the Universities is also changing, as they rationalise their estates, enhance their facilities, and evolve their activities. Plans for the released sites are still developing and it is important that the Corridor partners work collaboratively to ensure future uses for these sites underpin existing and new growth opportunities. A review of the land available and principles guiding its reuse will be a key part of the new local plan process.

### **The Corridor Strategic Spatial Framework (SSF)**

- 3.6 Working in conjunction with the objectives of Policy H12, the Council and the two universities have outlined their various aspirations for investment in the Corridor area via the Corridor Strategic Spatial Framework. The Corridor Spatial Framework provides strategic policy support for a level of new student accommodation in the Corridor which delivers 'added value' and helps to realise its economic and place-making potential, though it places a number of important conditions to this support, including:
1. Compliance with Policy H12 of the Manchester Core Strategy is achieved and development is in line with evidenced demand.
  2. The need to support Corridor Manchester's overall range of uses and vitality, as well as facilitating investment in infrastructure to support wider regeneration objectives including:
    - Creating new space to enable businesses and institutions within the Corridor to properly grow and realise their potential.
    - Recognising that there is a finite amount of space within the Oxford Road Corridor area, and the function and economic contribution of the area, development of land should prioritise and support research, educational and commercial uses.
    - Encouraging a more diverse retail, food and drink, culture, leisure, sport and entertainment offer within Corridor Manchester - thus supporting stronger daytime and evening economies.
    - Encouraging the design of development to reflect and showcase the world-leading work and activities taking place within the Corridor.
    - Creating the opportunity to make a broader range of housing available which meets the needs of a growing, younger and higher-skilled workforce within the Corridor, and emphasises student well-being.

### **Changing Student Demographics**

- 3.7 Manchester's total student population is the largest concentration outside London. A growing proportion of students are now international (Appendix E) with undergraduates increasingly coming from countries such as China, Malaysia, India and Saudi Arabia. These students are typically choosing to live in the city centre, driven by rising lifestyle expectations, property type and management (Appendix C).
- 3.8 Increasing numbers of students are choosing to live in the city centre. As a result, the student housing market in the south of the city, and in Fallowfield and Withington in particular, has contracted (Appendix C). Looking at the four areas in South Manchester with the highest concentration of student HMOs (Fallowfield – M14 6, Rusholme / Victoria Park – M14 5 and Withington – M20 4 & M20 5) the number of student exemptions has reduced by 32% between 2010 and 2019. In the city centre the number of student exemptions has increased by 24% over the same period<sup>1</sup>.

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<sup>1</sup> MCC Council Tax records

- 3.9 A small number of student accommodation schemes have been developed in the south of the city, in line with the Student Strategy and Policy H12. The one larger scheme is the University of Manchester's redevelopment of Owens Park in Fallowfield (providing 3,209 new build PBSA rooms, a net increase of 1,148).
- 3.10 Whilst UoM are consolidating at Owens Park, MMU has focused its accommodation strategy at All Saints and Birley Fields. The impact of this has been a transition from student lets to family housing in parts of South Manchester. The Elizabeth Gaskell, Hollings and Didsbury campuses were closed in 2014, with faculties moved to All Saints and the Birley Fields Campus. This has redirected a significant amount of student housing demand to the core areas of Hulme and the Oxford Road Corridor.
- 3.11 Both universities have indicated some managed stock located further away from the city centre is becoming increasingly unpopular with students, and are reviewing their nominations policies accordingly. These buildings, and other peripheral / poor quality stock, could be re-purposed into family housing. This process may need to be carefully managed.

#### **Lack of Supply and Affordability**

- 3.12 There were c.24,000 total PBSA beds available to students in Manchester for the 2018/19 academic year, owned or leased by either the two Universities or the private sector. This accommodation varied in age, price and quality. In the period 2010/11 - 2018/19, 6,440 new homes have been built in the city centre, of which c.1,800 units were PBSA. This means that for most students choosing to live in the city centre, the mainstream lettings market is the most likely destination.
- 3.13 Students are attractive to landlords and are directly targeted as a result. In line with the mainstream market, students occupy accommodation at all price points including premium flats in central locations through to shared units in more entry level locations. Anecdotal evidence from agents suggests that when faced with a choice between a series of different tenant profiles many landlords will opt for student occupiers because of various commercial incentives – e.g. international students pay up front, don't always ask for their deposits back and drive significant rental growth. This has two key consequences for the mainstream market. Firstly, agents align 12-month tenancies to meet the academic calendar in order to drive annual rental increases and improve yields. Secondly, developers complete units to meet peak demand at the start of the Autumn Term. The long term effect is that rents are inflated and working households are squeezed from certain buildings in the city centre (in favour of students) with implications for affordability.
- 3.14 This coupled with the significant growth in (non-student) city centre residents over the same period, has led to intense competition for accommodation between working households and students. Whilst rents are not growing at the rate they were (certainly in the 2015 - 2017 period), the unprecedented levels of rental inflation experienced in some parts of the city centre over the last four

years, including those neighbourhoods popular with students, reflect the lack of supply in both mainstream stock and PBSA.

- 3.15 At the same time, Manchester is currently one of the most expensive markets in the UK for PBSA (see Appendix F). Manchester has the third most expensive standard rooms and most expensive en suites & studios in the UK. In Manchester, rental levels across the PBSA market have grown at twice the rate as would be expected in markets with healthy supply/demand levels (Cushman & Wakefield 2019), indicating that operators are taking advantage of a lack of supply to drive rental inflation in their accommodation offer.
- 3.16 Students live across various neighbourhoods and tenures paying amongst the highest and lowest rents in the city centre (see Appendix G). A section of the student population is paying amongst the highest rents in the city, in both PBSA and the more expensive end of the mainstream lettings market. For example, in Deansgate and Spinningfields (12% of mainstream stock student Council Tax exempt), Oxford Road North (24% exempt) and Owen Street & First Street (23% exempt) the average 2bed rents are highest - £1,313pcm, £1,168pcm and £1,030pcm per month respectively. At the higher price point, PBSA is also available, and in the pipeline,
- 3.17 At the other end of the spectrum, students looking for a more affordable option - including a high proportion of domestic students - are focused in Oxford Road South (22% exempt) and at Hulme Park and Birley Fields (9% exempt) where the average 2bed rents are at their lowest - £829pcm and £777pcm respectively. At present, a more affordable PBSA product, capable of tempting students from mainstream accommodation in both the city centre and elsewhere, is not available.
- 3.18 The issues associated with students living in these cheaper locations will only be addressed if an alternative and competitively priced new build PBSA product becomes available. Without this, there is a risk that the flow of domestic students moving out of south Manchester will slow and students will have little choice but to compete for accommodation with working households in the mainstream market in places such as Hulme.

### **The Financial Impact of Students Living in Mainstream Accommodation**

- 3.19 Purpose Built Student Accommodation blocks are exempt from Business Rates. Furthermore, students are exempt from paying council tax on production of a valid certificate confirming they are in full time education (studying more than 21 hours per week, for a minimum of 24 weeks) at a recognised institute. Certificates are issued by the institute and contain the course start and end date. Students are only exempt for the period of study.
- 3.20 Up to 2013/14, the government funding formula included an element to recompense authorities for loss of funding arising from the Council Tax exemptions given to students. In 2013/14 this reimbursement was estimated to have been worth almost £9m to Manchester. It has since been eroded with year on year cuts to Government funding and by 2019/20 is estimated to be

less than £6m. With around 15,000 dwelling subject to student exemptions across the city the associated foregone Council Tax income is around £17m a year, an £11m net loss.

- 3.21 In essence this means less money coming into the Council to fund services, creating a major financial incentive to relocate students from the mainstream apartment market into city centre PBSA, to ensure that as much of the city centre's housing stock as possible is made available to Council Tax paying residents. It is not easy to accurately predict the impact on Council Tax revenue of the new build PBSA pipeline. However, it is reasonable to assume that a portion of these new occupiers may have otherwise chosen to live in the mainstream private rented sector, receiving a council tax exemption. It is therefore expected that a significant element of the currently exempt £17m value of Council Tax revenue on mainstream properties, will revert back to chargeable properties as a result of becoming occupied by working households.
- 3.22 Since 2017 / 2018 within the framework of Policy H12, a controlled pipeline of new build (private) PBSA has been approved, totalling 4,324 beds – focussed in the Corridor area. This is the key location where students want to live (see Appendix H) and reflects the evolving student demographic in and around The Corridor.
- 3.23 Since the completion and occupation of Vita on First Street in 2014/2015 (280 beds) and The Chapel on Upper Brook Street in 2017/2018 (102 beds), the number of student exempt properties across a range of mainstream schemes previously popular with students has reduced (2015 – 2018). Examples of this include the Beetham Tower, where the number of student exemptions has almost halved, and at the Hacienda building where they have decreased by roughly a third.
- 3.24 Student exemptions at recently developed city centre schemes such as Cambridge Street have continued to increase (recording a significant jump from 34% June 2017 to 56% June 2018). Similarly Trinity Court on Higher Cambridge Street (Oxford Road South) where average 2bed rents are relatively affordable at £811 (2019), 53% of flats are currently student exempt. This suggests that without an enhanced and sustained pipeline of new PBSA development, many mainstream housing developments, will continue to be occupied by students and therefore remain exempt from Council Tax (despite - in the case of Cambridge St - hosting 90%+ band D and E properties).
- 3.25 Against this backdrop, the review of Policy H12, as part of the Local Plan process, will ensure that it response to changing demand, and delivers new supply at the right price point to meet the objectives of the City Council and / or its partners.

#### **4.0 Policy Implications**

- 4.1 The most recent student accommodation schemes have focused on a premium studio product (Vita at First Street and Circle Square and The

Chapel). Whilst this has delivered a significant boost in terms of quality, these schemes are expensive in national terms and are unlikely to have a significant impact upon affordability.

- 4.2 However, a considered and diverse pipeline of new PBSA could stabilise rental growth by taking demand out of the mainstream residential market and reduce the competition between students and working. The schemes at River Street and New Wakefield Street could assist this process. When complete, work is planned to understand the implications on the market of these schemes (and any additional future development), so that a measured and sustainable pipeline can be introduced and appropriately absorbed in line with the future evolution of the market in the city centre and within the Corridor area in particular.
- 4.3 HMOs in South Manchester remain popular - in part because they are cheaper on average than the direct-let PBSA sector. Average rents are roughly £100 per week for a room (£5,200 p.a. on a 52 week let length) in Fallowfield, Rusholme and Victoria Park (including bills) and marginally less expensive in Moss Side and Longsight. Many students also stay in this type of accommodation for the “traditional student experience” of sharing a house with a relatively large group and the independence of dealing with rent, bills etc.
- 4.4 Research at Vita Circle Square suggests that its convenient location within walking distance of both the universities and the shops and nightlife of the city centre is a major draw. This reflects the modern day diversity of the new city centre student market and the lifestyle choices and aspirations inherent within it. The challenge now relates to capturing these attractors in new development at more affordable rents that can compete on price with the traditional south Manchester HMO model. There would therefore need to be a discernible difference in quality / value for money to justify a student spending more money on PBSA and a “cultural shift” would be needed to see students come out of HMOs en masse. There is however the potential for new, and innovative PBSA product to contribute to this transition.
- 4.5 The impact of new supply will need to be managed, appraised and evaluated. As well as Policy H12, this appraisal will be linked to need, the effectiveness and contribution to growth and regeneration objectives, and the other principles set out in this report.
- 4.6 A recent report by Cushman & Wakefield identified that Manchester has fewer high quality rooms compared to the UK average (15% vs 23%) and more low quality rooms than average (39% vs 33%). In part this is linked to the fact that the Manchester PBSA market is relatively aged, with more beds developed before 1990 and still in use today, than beds built post-2015. The lack of supply / competition with the market, has also meant that there has been little incentive for the refurbishment of schemes in order to improve quality, amenities and communal space.
- 4.7 In addition to this the report also notes the relatively high number of beds located more than 20 minutes away from the primary University campuses



(particularly with respect to UoM stock). C&W point out that in most UK markets, peripheral stock has been repurposed or discontinued in recent years. The report suggests that as the Manchester market develops older schemes in poorer condition and more peripheral locations may no longer be able to compete. In the event of a decline in demand, it may be difficult for the private sector to make a case for reinvestment in this older stock. Consequently, the City Council may need to consider a strategy for future alternative use.

- 4.8 The report advises that any future PBSA provision should be located where there is most demand – i.e. in the Oxford Road Corridor area, in close proximity to the two university campuses.
- 4.9 The City's Higher Education Institutes (UOM & MMU) submitted a response to the Cushman & Wakefield report. This provided a number of detailed comments summarised below:
- The current development pipeline should be allowed to come to fruition with future consents for PBSA considered within this context. Both institutions will make a submission to any further planning policy review.
  - The report fails to recognise complexities of the student population, which includes international, undergraduate, postgraduate, mature, living at home and part-time students. The accommodation preferences differentiate between each of these cohorts.
  - The report may not accurately reflect the quality of some of their accommodation and the pastoral care available to students in some private halls of residence and through the institutions.
  - Both Universities are investing in their own residential estates and returning PBSA to direct let. It should be noted that neither institution is planning to significantly increase their student numbers in the coming years.
  - Cost and availability of land in the city centre is prohibitive to many developers and the associated financial model drives the delivery of high-end studio apartments, only providing a shortage in affordability types of accommodation.
  - The current market focus on 'studio' development is not in line with the sector consensus on good value and to address concerns over affordability and well-being.
  - It should be noted that there will always be a cohort of students that make informed choices to reside in a local community, in shared housing, alongside their peers for both experiential and affordability reasons.
  - The location of student accommodation in Manchester has always been considered in line with proximity to university campuses by sustainable modes of transport, which complements existing green travel plans.
  - There is concern relating to current empty PBSA and future student numbers, taking into account the impact of the post 18 education review and Brexit.

- There is concern about the overall accuracy of some of the information relating to quality, affordability and comparisons with other UK cities.

4.10 Manchester Metropolitan have since submitted a further response, setting out the primary aims and objectives of MMU relating to student accommodation. It notes that their 2018-2023 Accommodation Strategy provides a set of guiding principles within which any proposals for the development of the residential estate can be assessed. These are:-

- Holding sufficient accommodation stock to be able to provide accommodation guarantees with confidence.
- Develop plans for up to 850 new rooms, either University or Private sector built and operated.
- Support developments close to campus made up of en-suite study bedrooms in cluster flats with perhaps some studio rooms if students demand develops for this type of accommodation.
- Work closely with MCC and the private sector to develop Postgraduate provision.
- Have a clear focus on the affordability of rents with regular benchmarking against comparators and competitors.
- Working with the Council and the UoM to develop a strategy around overall provision, aligned to the changing dynamics.

## **5.0 Policy Proposals for Consultation**

5.1 The aim of Policy H12 has been to ensure that the right mix of student housing is delivered, in the right parts of the city, to meet the demands of the evolving student population and the wider growth, regeneration and financial objectives of the City Council and its partners. The Policy has been successful in achieving these objectives to date.

5.2 An initial appropriate consultation is proposed with key stakeholders on the changing market context set out in this report, with a view to the changed market context being taken into account in determining planning applications in advance of a full review of Policy H12. Following this, as part of the development of the revised Local Plan, an evolution of implementation of the student accommodation policy will be considered and consulted on. The rest of this report sets out the key policy ideas that it is proposed the Council consult the Universities and other stakeholders on, based on the issues set out in this report, in relation to all student residential development. The approach to the student housing market should also be kept under review, to ensure responsiveness to both changing market circumstances (including the impact of leaving the EU) and demand.

5.3 An approach to affordability could be included within the new Local Plan - perhaps along the lines of the Draft New London Plan (published in August 2018), which specifically addresses affordability in PBSA (see Appendix I). The London policy states that 35% of bedrooms in PBSA are required to be

affordable, or to follow the Viability Tested Route and submit evidence to justify any reduction in this figure.

### **Supporting Regeneration Objectives**

- 5.4 The starting point for all student residential schemes should be that they contribute to delivering the regeneration objectives for the city; supporting employment growth, graduate and talent retention, place making and the city's international reputation.
- 5.5 As part of this, the approach needs to be within the context of the approved Corridor Spatial Framework (see paragraph 3.4), which establishes the principle that development of land in the Oxford Road Corridor should prioritise commercial or educational/research use, in order to maximise the growth potential of the Corridor, recognising the limited availability of land. Student accommodation should, therefore, be in the right locations, in appropriate numbers, and only where it supports wider growth. Given the location of the majority of accommodation within the wider Corridor area, the Corridor Board, will be a consultee on proposals for PBSA.
- 5.6 Conditions set through the planning process for example through Section 106 agreements, will seek to restrain students living in new non-PBSA developments.

### **Affordability**

- 5.7 As shown by the evidence, Manchester is one of the most expensive cities in the UK for PBSA. A more diverse pipeline of new PBSA is now needed to help stabilise rental growth.
- 5.8 New accommodation would need to adhere to the quality criteria set out below, including adequate room sizes, storage and social spaces. However, more studio-style accommodation, or a product similar to the shared apartment scheme being developed at River Street may provide examples of how more affordable PBSA could be delivered.
- 5.9 It is critical to ensure there is a residential market, which meets the needs of students at an affordable price. The city cannot allow affordability to impact on the ability to attract and retain students from a range of backgrounds, and/or prohibit them from living in areas close to the university campuses. An approach similar to the London policy of 35% affordable units within any new PBSA should be encouraged.

### **Quality**

- 5.10 The overall quality of Manchester's PBSA stock is poor compared to other cities. A recent appraisal by Cushman and Wakefield found that Manchester has fewer high quality rooms compared to the UK average (15% vs 23%) and more low-quality rooms than average (39% vs 33%). Accommodation is considered to be less sustainable where:

1. It is a greater than 20 minute walk to campus
  2. Room quality is below average
  3. There is below average quality common space
- 5.11 For Manchester to remain competitive as a world class education hub, with an accommodation offer to match, the current level of poor quality accommodation needs to be addressed. New stock in appropriate locations represents an opportunity to deliver an improved student experience, which better reflects Manchester's institutions and its educational reputation overall, and also helps to contribute to sustainability targets.
- 5.12 All PBSA must be of a high quality, providing a high standard of living, within close proximity to the city's higher education institutions. To ensure the delivery of student accommodation that is high quality and highly accessible, with strong and sustainable connections to the city's universities, all future PBSA should be within or immediately adjacent to Oxford Road Corridor (with the exception of the area surrounding the Institute of Sport, on the Etihad Campus as set out below). Design should allow sufficient facilities to cater for the overall wellbeing of students, including, for example, generous living space, communal spaces for students to socialise, and public realm, which contributes to the quality of place. PBSA design must also be sufficiently flexible to allow for re-purposing as demand varies.

### **Wellbeing, Safety and Security**

- 5.13 Linked to the above, purpose build accommodation should consider the welfare and wellbeing of students as a major factor, in both design and management. Ensuring that student accommodation is delivered in safe and secure locations, and with appropriate management and facilities, will be a fundamental consideration for any PBSA proposals. Location of accommodation close to University facilities is a critical issue in ensuring the safety and wellbeing of students. The safety and security of accommodation has a significant impact upon student retention which is of clear importance for both the universities and the city as a whole. Location and security are consistently identified by international students as the top factors when choosing accommodation.
- 5.14 It is currently voluntary for private developers who build and operate PBSA to sign up to the three codes of practice required for higher education providers, which aim to ensure that accredited student accommodation is safe, good quality and reputable. These are:
- The Universities UK/GuildHE Code of Practice for University Managed Student Accommodation
  - The ANUK/Unipol Code of Standards for Larger Residential Developments for Student Accommodation Managed and Controlled by Educational Establishments

- The ANUK/Unipol Code of Standards for Larger Developments for Student Accommodation NOT Managed and Controlled by Educational Establishment.

It is suggested that, the principles included within these three codes of practice should be adopted for all new PBSA developments, whether private sector or educational establishment led.

- 5.15 Private halls of residence should be encouraged to provide pastoral care and programmes which seek to provide an enhanced student experience (as is already evident in the current higher end schemes). These packages can deliver the provision of welfare care and extra-curricular activity in various ways.
- 5.16 It should also be noted that owners of PBSA are not required to pass business rates on this accommodation, meaning that they currently do not make a direct tax contribution to the place making or management of the areas in which they are located, despite the additional management issues that can arise from a concentration of student tenants. There may be opportunities to look at reducing the impact of this through the planning process, as part of the renewed Local Plan policies.

### **Density**

- 5.17 Density of student accommodation will be essential to deliver the level of new high quality accommodation needed within the context of scarce land availability both in the Oxford Road Corridor area and the wider city centre.

### **Location**

- 5.18 Location is a key factor in ensuring the quality, security, sustainability and wellbeing benefits of accommodation. As a result, purpose built student accommodation should be located in the areas immediately adjacent to the core university areas, principally the Oxford Road Corridor area. This may include parts of surrounding neighbourhoods such as Hulme and Ardwick which are immediately adjacent to the university campuses, for example, appropriate sites on Cambridge Street and Upper Brook Street, which accord with the Corridor Spatial Framework. The exact sites would need to take into account the principles of the Corridor Spatial Framework, the context of the surrounding neighbourhood, and support the wider economic and academic growth of the Corridor.
- 5.19 The only exemption to this within the city would be within the Eastlands Strategic Regeneration Framework area, where consideration will be given to high quality PBSA to support the Institute of Sport proposals on the Etihad Campus as plans develop.

### **Sustainability**

- 5.20 Given the current climate emergency and Manchester's commitment to be carbon neutral by 2038, it is increasingly important that the location of student accommodation in Manchester should continue to be driven by proximity to university campuses, reducing the need to travel, and to sustainable modes of transport. This supports existing green travel plans. Students are encouraged not to bring vehicles to the city and instead sustainable travel, discounted travel passes and alternative modes of transport are already comprehensively promoted to new and returning students.
- 5.21 The requirements driving quality in new PBSA will ensure that all new accommodation meets the highest standards of sustainability, to meet the Council's zero carbon policies. They will also be expected to provide appropriate public realm and connectivity, which can contribute to the local environment; provide opportunities for reducing climate change impacts (e.g. providing new trees); and encourage walking and cycling, also contributing to levels of wellbeing.

### **Mix of uses**

- 5.22 It is essential that the Oxford Road Corridor, and the city centre as a whole, is able to maintain the right balance of commercial, educational, residential, cultural and leisure use, in order to ensure that it can maximise its contribution to the economic growth of the city. Given its unique position, and as outlined above, the presumption will be that commercial and educational use will be prioritised within any new development in the area.
- 5.23 However, a level of high quality PBSA will be important to achieving the right student offer, and address the issues raised throughout this report, including the attraction and retention of students. A limited amount of PBSA will be considered, in appropriate locations, where it can be demonstrated that it will support commercial and educational use, and the overall growth and regeneration objectives for the Corridor and the city.

## **6.0 Conclusion**

- 6.1 Students make an important contribution to the local economy and play a valuable role in the increasingly diverse cultural make-up of the city. The quality of housing plays a key role in ensuring that students feel welcomed and comfortable in Manchester and is a highly influential factor in whether students are retained in the city after graduation. With this in mind, it is fundamentally important that as a minimum, the residential offer matches the quality of education. This means upgrading and improving the available stock in the city, including through the development of new provision.
- 6.2 Both UoM and MMU have undergone significant campus rationalisation programmes over the last decade. It will be imperative that the city's student residential offer takes account of the requirements of both institutions. It is also important that the future use of land is agreed with the Universities as plans develop.

- 6.3 Manchester's approach to developing new student accommodation has largely remained the same since the adoption of the Core Strategy in 2012. Since then, however, the city centre housing market has changed immeasurably and the student population in the city has seen a changing demographic profile and concentration within the Oxford Road Corridor.
- 6.4 The current policy on student accommodation needs to respond to these changing circumstances. There may be opportunities, in the longer term, for further growth in the portfolio of student accommodation stock in the Corridor area, where it supports economic and knowledge-based growth, and will contribute to the wider regeneration objectives of MCC and its partners. At the same time the return of former student lets to family housing will continue to be supported, with joint efforts between partners to actively redirect students away from these areas planned. However, we may also need to take a cautious approach, considering the uncertain impact on the Universities following an exit of the European Union.
- 6.5 The proposals set out in this report were presented at the last Corridor Board meeting on 22<sup>nd</sup> October. The Board highlighted the importance of ensuring that accommodation is affordable for students and their safety, health and wellbeing must be a key consideration when planning the supply of new accommodation. The Board recognised the important role students play in delivering the partnership's growth and regeneration objectives for the Oxford Road Corridor area. The Universities, who are key partners on the Board, will be further consulted as part of the wider consultation process, and their comments included in the report back to the Executive.
- 6.6 Broadly speaking this report seeks to provide guidance that will help to deliver the following objectives:
- Support the longer-term regeneration and growth objectives of MCC and its partners.
  - Specifically, facilitate the delivery of relevant regeneration frameworks (in particular the Corridor SSF, the Manchester Science Park SRF and other SRFs in the area). This will include ensuring the right balance of commercial and educational growth, alongside any residential uses.
  - Where appropriate, create a new and diverse PBSA pipeline in the right places, close to university facilities, in the broad Oxford Road Corridor area. This will need to include an affordable element accessible to less affluent undergraduate occupiers, and provide facilities that contribute to high levels of student well-being and pastoral care (particularly for first year and international students), and retention rates across the board.
  - Ensure that the development of student accommodation relates to need, and balanced with the requirement to maximise commercial and education uses on the Oxford Road Corridor.
  - Improve the overall quality of PBSA, and increase the well managed entry level PBSA market, in order to both improve the student experience, and reduce demand in the mainstream lettings market; therefore restraining rents, increasing access for working households and creating a fairer market for less well-off undergraduate tenants.

- Improve the management of neighbourhoods.

6.7 As an initial statement of intent, this report should be interpreted as a precursor to the new Local Plan (Core Strategy). This more detailed document will provide an updated and complementary framework for future phases of PBSA to ensure that it is linked to the aspirations of students in terms of quality, affordability, pastoral care, location and facilities and in its contribution to the regeneration objectives of the City Council and partners. The Council will continue to work with the universities and other key stakeholders to develop and evaluate this approach, before formalising it in the Local Plan. It is proposed that the approach to PBSA is reviewed and evaluated at times of significant market change, and every three years as a minimum. The first part of the process will be the consultation on the issues to be included in the Local Plan, which it is anticipated will take place late 2019/early 2020.

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

7.1 The suggested revised approach to Purpose Built Student Accommodation will only consider development of new accommodation in close proximity to the University campuses, reducing the need to travel, and thus minimising carbon emissions. Green travel plans will also be encouraged. There is also a key ambition to increase the quality of accommodation, which will be required to meet high standards of sustainability that contribute to the zero carbon target.

## **8.0 Contributing to the Manchester Strategy**

### ***(a) A thriving and sustainable city***

8.1 Students make a significant economic contribution to Manchester whilst they live and study in the city and support employment opportunities across a wide range of different sectors. The development of assets in conjunction with student accommodation within the Oxford Road Corridor area - which create space for businesses to grow in close proximity to the knowledge assets - will also be vital to realising the economic potential of the Corridor.

### ***(b) A highly skilled city***

8.2 Key to Manchester's ambition to develop into a world leading education hub is the city's ability to compete for staff, students and resources in a highly competitive global market. An important element of this relates to the city's residential offer, which has to be able to meet the expectations of students from home and abroad in neighbourhoods close to the university and beyond.

8.3 Similarly the city as well as the universities' offer has to be attractive to ensure Manchester retains the highly skilled graduates from our Universities required to strengthen our economy after they finish their studies. Manchester's future success as an economy depends on combination of a critical mass of students, graduates, universities, public research institutions, research-intensive companies and growth sectors that exist here and work dynamically together.



***(c) A progressive and equitable city***

- 8.4 Freeing up former student lets and therefore increasing the supply of good quality homes for sale and rent will provide the opportunity for Manchester residents to raise their individual and collective aspirations.

***(d) A liveable and low carbon city***

- 8.5 Managing the impact of large student populations upon neighbourhoods will lead to improved resident satisfaction and make neighbourhoods a place where people want to live, visit and work. Student development opportunities will support the delivery of sustainable neighbourhoods and make use of low carbon construction methods and technologies. The city's liveability, sustainability and connectivity can be achieved by integrating sustainable ideas into new student accommodation – as referenced in Corridor Manchester's Strategic Vision.

Student accommodation will be encouraged in areas which are in close proximity to both the University campuses and high frequency public transport routes. It is expected that journeys will be made using public transport and active modes, supporting the climate change and clean air policy responses.

***(e) A connected city***

- 8.6 New student accommodation will only be supported on sites which are in close proximity to the University campuses or to a high frequency public transport route which passes this area. This will enable students to travel in a sustainable manner, including walking and cycling.

**9.0 Key Policies and Considerations*****(a) Equal Opportunities***

- 9.1 The Council's proposed approach to student accommodation will be consulted upon with a wide range of stakeholders, enabling all interested parties to engage in the process.

***(b) Risk Management***

- 9.2 None identified

***(c) Legal Considerations***

- 9.3 Planning applications must be determined in accordance with the Development Plan, unless material considerations indicate otherwise. Any revision to Policy H12, as part of the new Local Plan, will need to be dealt with through the statutory approval process, which will include the need for public consultation and examination in public.

## Appendix A – Policy H12 of the Core Strategy (2012)

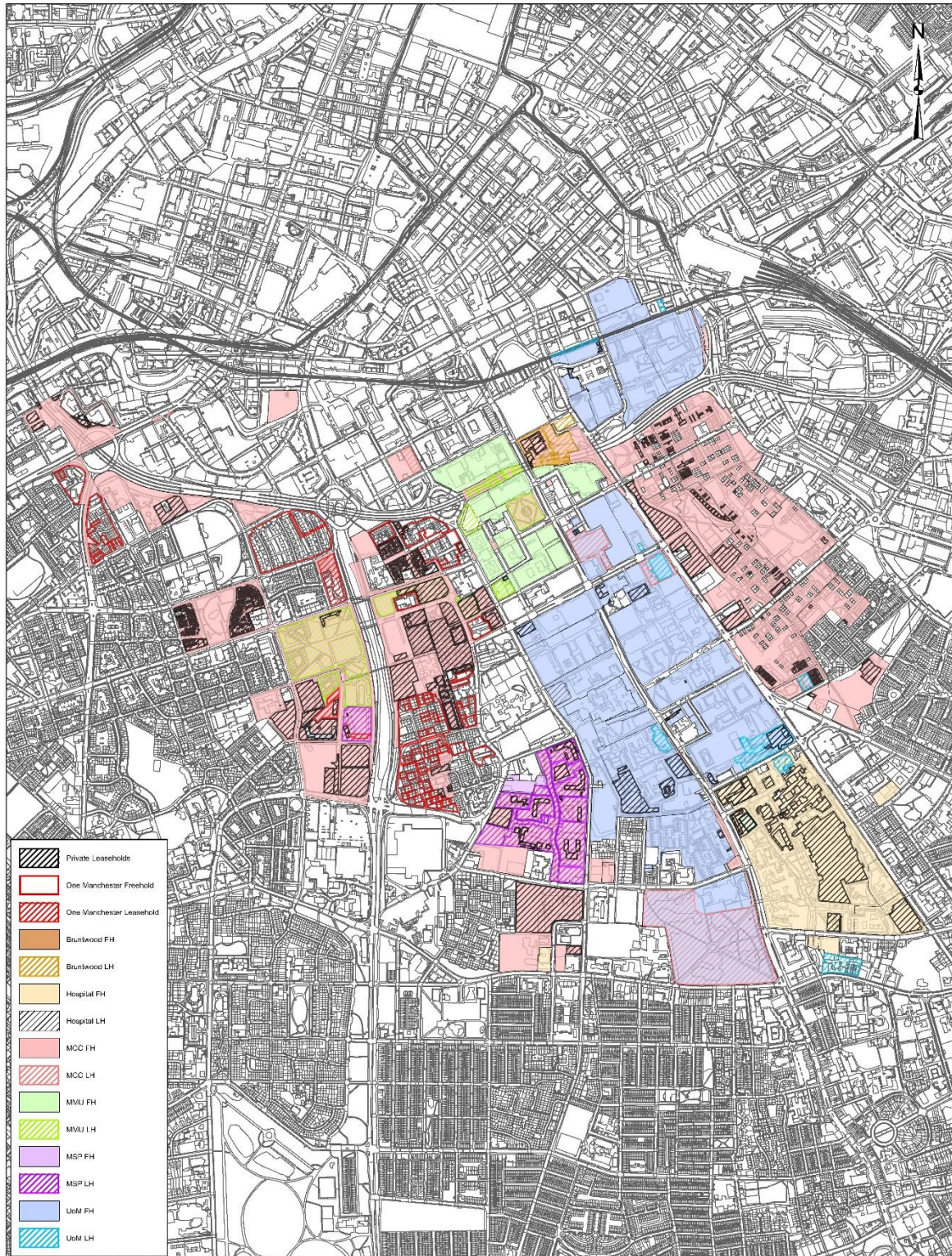
The provision of new purpose built student accommodation will be supported where the development satisfies the criteria below. Priority will be given to schemes which are part of the universities' redevelopment plans or which are being progressed in partnership with the universities, and which clearly meet Manchester City Council's regeneration priorities.

1. Sites should be in close proximity to the University campuses or to a high frequency public transport route which passes this area.
2. The Regional Centre, including the Oxford Road Corridor, is a strategic area for low and zero carbon decentralised energy infrastructure. Proposed schemes that fall within this area will be expected to take place in the context of the energy proposals plans as required by Policy EN 5.
3. High density developments should be sited in locations where this is compatible with existing developments and initiatives, and where retail facilities are within walking distance. Proposals should not lead to an increase in on-street parking in the surrounding area.
4. Proposals that can demonstrate a positive regeneration impact in their own right will be given preference over other schemes. This can be demonstrated for example through impact assessments on district centres and the wider area. Proposals should contribute to providing a mix of uses and support district and local centres, in line with relevant Strategic Regeneration Frameworks, local plans and other master plans as student accommodation should closely integrate with existing neighbourhoods to contribute in a positive way to their vibrancy without increasing pressure on existing neighbourhood services to the detriment of existing residents.
5. Proposals should be designed to be safe and secure for their users, and avoid causing an increase in crime in the surrounding area. Consideration needs to be given to how proposed developments could assist in improving the safety of the surrounding area in terms of increased informal surveillance or other measures to contribute to crime prevention.
6. Consideration should be given to the design and layout of the student accommodation and siting of individual uses within the overall development in relation to adjacent neighbouring uses. The aim is to ensure that there is no unacceptable effect on residential amenity in the surrounding area through increased noise, disturbance or impact on the street scene either from the proposed development itself or when combined with existing accommodation.
7. Where appropriate, proposals should contribute to the re-use of Listed Buildings and other buildings with a particular heritage value.
8. Consideration should be given to provision and management of waste disposal facilities that will ensure that waste is disposed of in accordance with the waste hierarchy set out in Policy EN 19, within the development at an early stage.

9. Developers will be required to demonstrate that there is a need for additional student accommodation or that they have entered into a formal agreement with a University, or another provider of higher education, for the supply of all or some of the bed spaces.
10. Applicants/developers must demonstrate to the Council that their proposals for purpose built student accommodation are deliverable.



Appendix B - Map



A2 Scale 1:7,000  
**PLAN FOR IDENTIFICATION  
 PURPOSES ONLY**

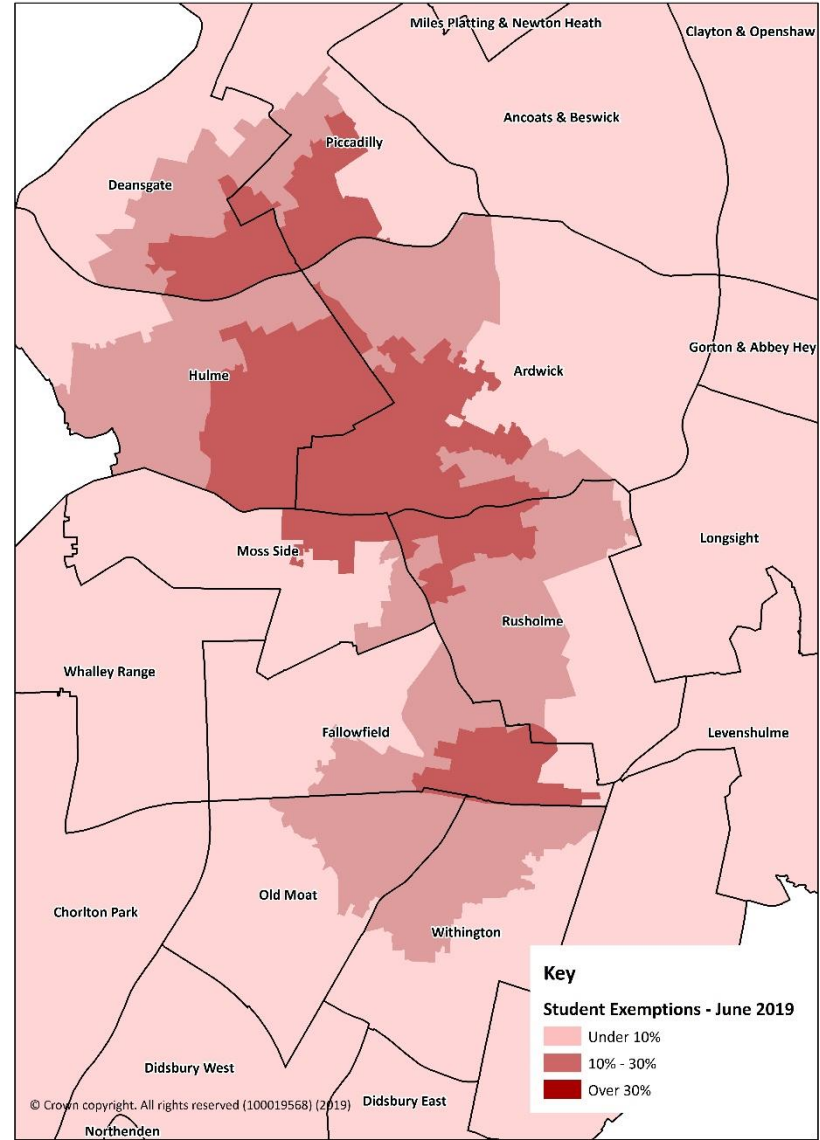
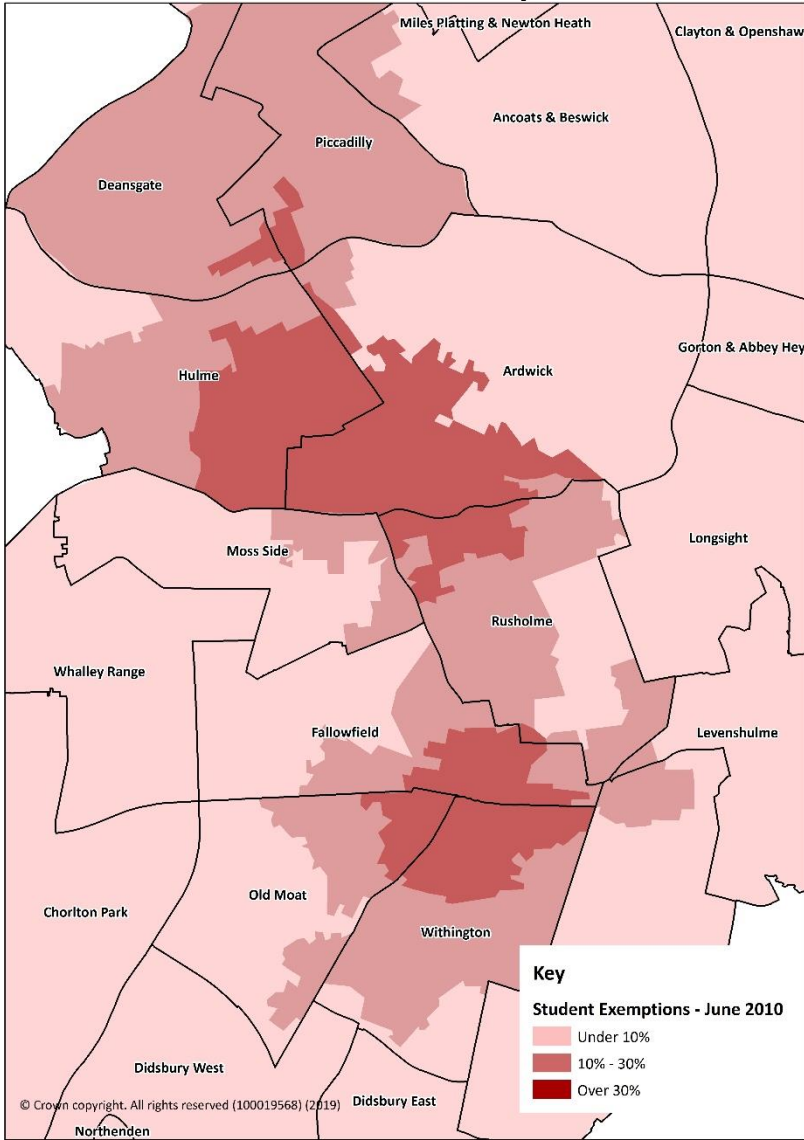
Development Team  
 Growth & Development Directorate  
 P.O. Box 532  
 Manchester M60 2LA



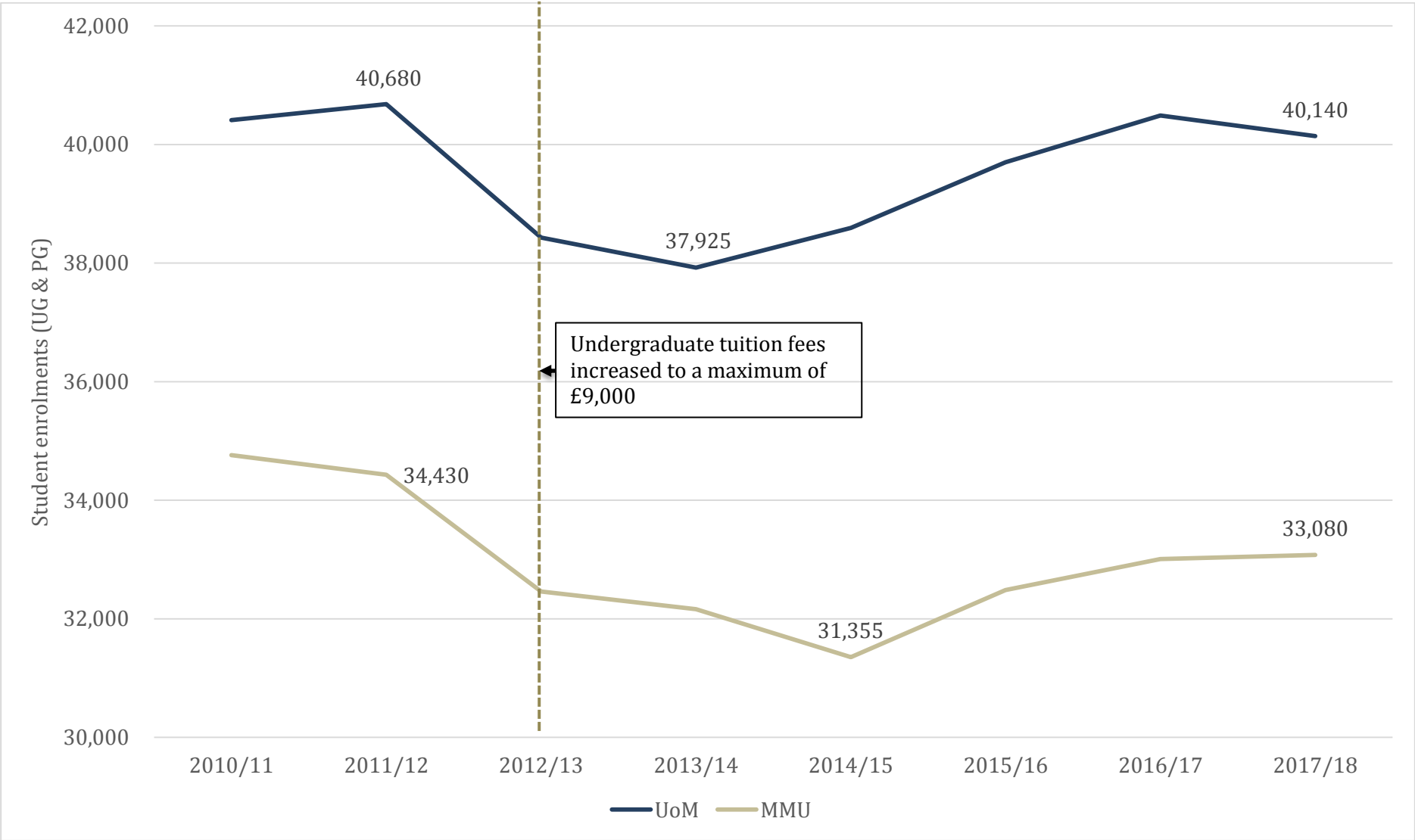
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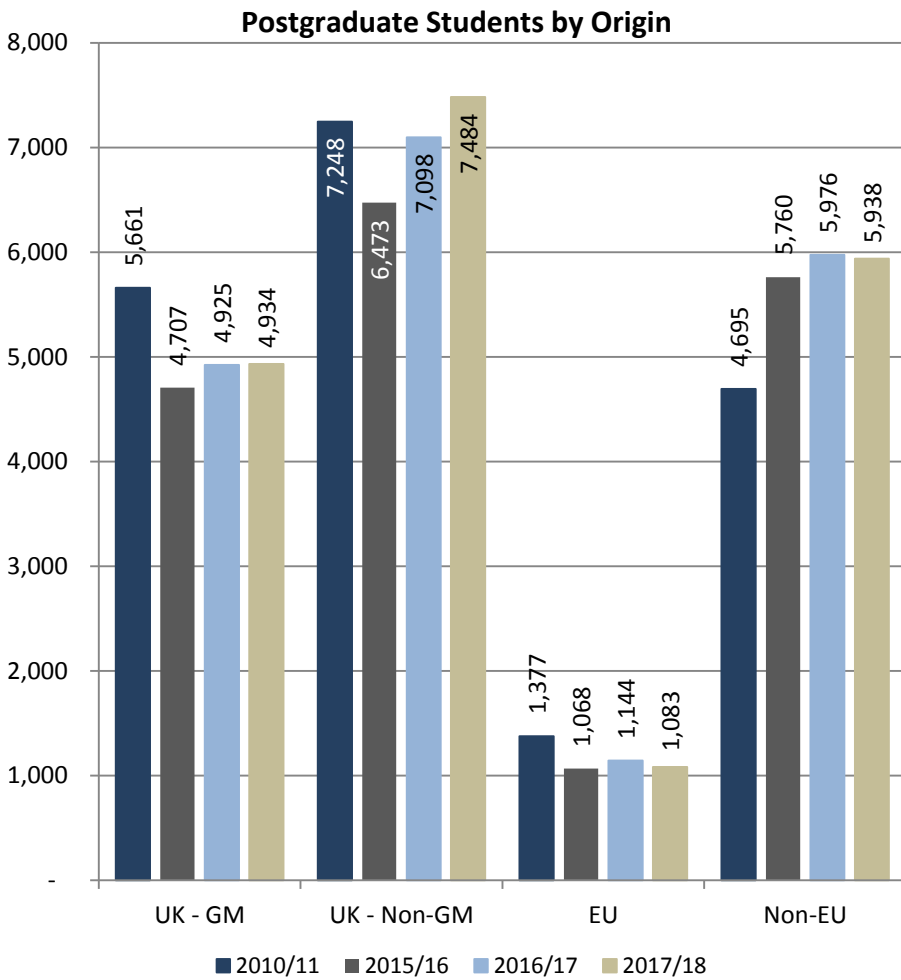
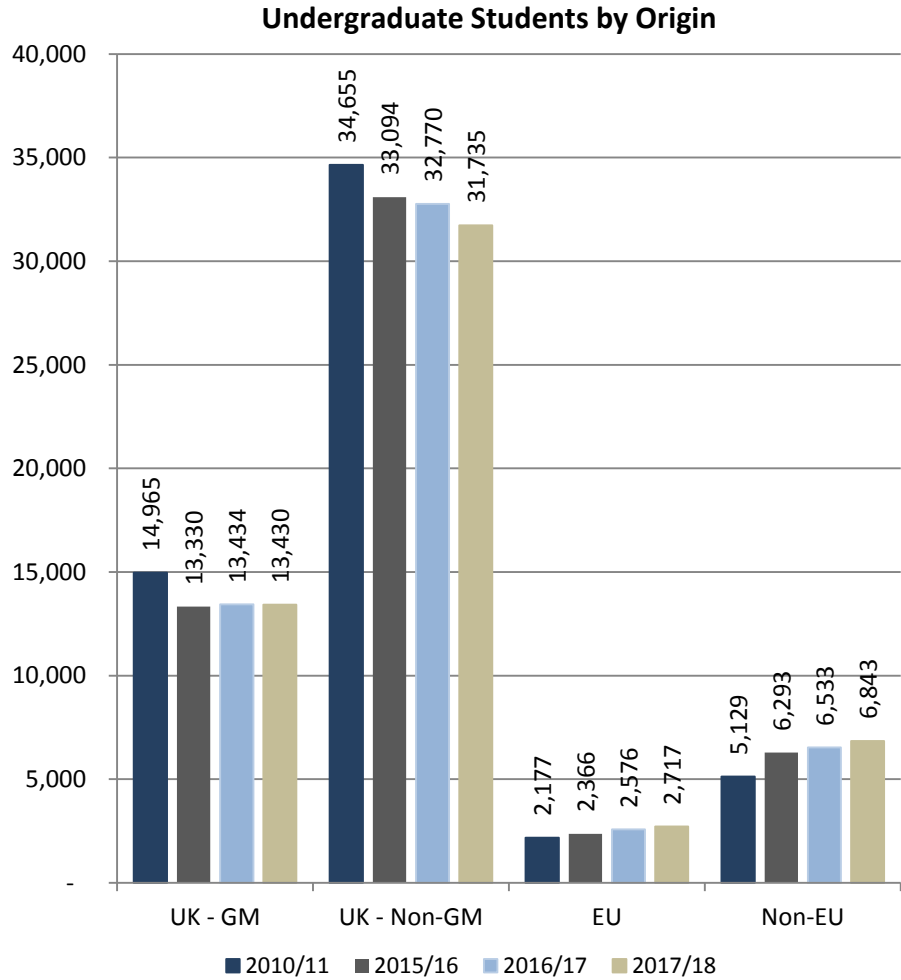
# Appendix C - Student Council Tax Exemptions 2010 - 2019



**Appendix D - Number of student enrolments at the University of Manchester and Manchester Metropolitan University**



**Appendix E - Undergraduate and postgraduate students in Manchester by origin (UoM, MMU and RNCM)**



**Appendix F – Average rents by room type:**

Comparable Markets	Average Rent	Average Studio Rent	Average En-suite Rent	Average Standard Rent
Bristol	£6,974	£9,243	£7,010	£5,988
Manchester	£6,778	£11,250	£7,225	£5,374
Edinburgh	£6,635	£9,743	£6,447	£5,697
Birmingham	£6,456	£8,717	£6,536	£4,546
Glasgow	£6,358	£8,404	£6,295	£4,543
Sheffield	£6,108	£8,053	£5,631	£4,649
Nottingham	£6,080	£7,726	£6,146	£5,289
Leeds	£6,062	£9,353	£6,139	£4,778
Newcastle	£5,916	£8,079	£5,660	£4,262
Liverpool	£5,764	£7,381	£5,675	£4,946

Source: Cushman & Wakefield Accommodation Tracker 2018/19



## Appendix G – Average 2bed rents by city centre neighbourhood

Average 2Bed Rents							
	Q2 2018-19	Q3 2018-19	Q4 2018-19	Q1 2019-20	Q2 2019-20	Quarterly Change	Annual Change
Deansgate & Spinningfields	£1,277	£1,263	£1,256	£1,282	£1,272	-0.8%	-0.5%
Oxford Road North	£1,127	£1,152	£1,149	£1,170	£1,166	-0.3%	3.5%
Owen Street & First Street	£1,032	£1,018	£1,032	£1,030	£1,043	1.3%	1.1%
Greengate & Chapel Street	£986	£982	£1,002	£1,008	£1,023	1.5%	3.7%
Northern Quarter	£997	£1,007	£1,023	£1,022	£1,022	-0.0%	2.5%
Castlefield West	£949	£967	£985	£998	£998	-0.0%	5.1%
Ancoats & New Cross	£1,016	£1,006	£1,015	£999	£994	-0.5%	-2.2%
Castlefield	£957	£959	£994	£995	£983	-1.2%	2.7%
Piccadilly Basin	£917	£922	£946	£960	£981	2.1%	6.9%
Salford Quays & Pomona Island	£958	£955	£963	£968	£979	1.1%	2.1%
New Islington	£930	£929	£933	£946	£950	0.5%	2.1%
City Centre North	£911	£918	£924	£934	£949	1.6%	4.2%
Ordsall Lane & Middlewood	£945	£943	£934	£937	£949	1.3%	0.4%
Chapel Street West	£818	£838	£848	£845	£861	1.9%	5.2%
Oxford Road South	£809	£814	£819	£829	£832	0.3%	2.9%
Hulme Park & Birley Fields	£772	£770	£765	£776	£780	0.5%	1.1%
<b>City Centre</b>	<b>£970</b>	<b>£978</b>	<b>£983</b>	<b>£987</b>	<b>£996</b>	<b>0.8%</b>	<b>2.7%</b>
<b>Manchester (excl. City Centre)</b>	<b>£718</b>	<b>£718</b>	<b>£719</b>	<b>£724</b>	<b>£728</b>	<b>0.5%</b>	<b>1.4%</b>

Source: Zoopla

**Appendix H - PBSA Completions and future pipeline 2017/18+ (Wider City Centre):**

<b>Development</b>	<b>Location</b>	<b>Developer</b>	<b>Status</b>	<b>Beds</b>
Vita, Circle Square Phase 1a	City Centre	Bruntwood / Select	Completed 2017/18	748
The Chapel	Ardwick	Empiric Student	Completed 2017/18	102
Vita Circle Square Ph. 1c	City Centre	Bruntwood / Select	Completed 2019/20	384
Unite Tower (New Wakefield St)	City Centre	Unite Student	On site	603
River Street	City Centre	Downing Studios	On site	807
Echo Street	City Centre	iQ Student Accommodation	On site	242
Birley Fields (Phase 2 / Plot E)	Hulme	MMU	On site	491
Hulme Street (Student Castle 2)	City Centre	Liberty	Application submitted	850
84 Cambridge St (Church Inn)	Hulme	Alumno	Application submitted	97
			<b>TOTAL:</b>	<b>4,324</b>

**Appendix I – Draft New London Plan - Policy H17 Purpose-built Student Accommodation:**

- A. Boroughs should seek to ensure that local and strategic need for purpose-built student accommodation is addresses, provided that:
1. At the neighbourhood level, the development contributes to a mixed and inclusive neighbourhood
  2. The use of the accommodation is secured for students
  3. The accommodation is secured for occupation by members of one or more specified higher education institutions
  4. At least 35 percent of the accommodation is secured as affordable student accommodation as defined through the London Plan and associated guidance
  5. The accommodation provides adequate functional living space and layout.
- B. Boroughs, student accommodation providers and higher education institutions are encouraged to develop student accommodation in locations well-connected to local services by walking, cycling and public transport, but away from existing concentrations in central London as part of mixed-used regeneration and redevelopment schemes.

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**Manchester City Council  
Report for Resolution**

**Report to:** Executive – 13 November 2019

**Subject:** Acquiring properties for affordable housing

**Report of:** Strategic Director (Growth & Development)

### Summary

This report recommends an approach to acquiring properties which are offered to the Council to increase the amount of affordable housing and, in particular, to reduce the number of former Council properties entering the private rented sector.

### Recommendations

The Executive is recommended to:

1. Approve the principles outlined in this report.
2. Authorise the Head of Housing Services in consultation with the Deputy Chief Executive & City Treasurer and the City Solicitor to progress and formalise arrangements with the Registered Providers (RP).
3. Authorise the Head of Housing Services in conjunction with the Deputy Chief Executive & City Treasurer and the City Solicitor to review and make minor amendments to this new policy during the next 3 years.
4. Note that a request for a budget of £1.5m for the acquisition of properties over the three-year period will be advanced through the City Council's capital approval process.

**Wards Affected** Cheetham, Crumpsall, Charlestown, Moston, Harpurhey, Higher Blackley, Miles Platting & Newton Heath, Piccadilly, Ardwick

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Affordable housing gives people a stable, well-managed home to enable them to fulfil their potential
A highly skilled city: world class and home grown talent sustaining the city's economic success	A world class city requires a mix of homes for all members of the community
A progressive and equitable city: making a positive contribution by	Increasing the amount of affordable housing will provide the opportunity for Manchester residents to raise their individual and collective aspirations

unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	Registered Providers will continue to lead the drive towards a zero carbon city. Each property acquired will become part of the RP's asset management strategy which will, amongst other things, include retrofitting to reduce the carbon impact.
A connected city: world class infrastructure and connectivity to drive growth	Reducing the number of homes which end up in the less-regulated, often poorly managed private rented sector will enable us to retain neighbourhoods where residents choose to live and their housing needs and aspirations are met.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

The revenue consequences of each acquisition will need to be considered on a case by case basis, and this will need to consider future management arrangements of each property. If the properties are to be managed by the registered providers there are no direct revenue consequences for the City Council as the RP will be responsible for collecting the rents, and this will be used to fund any associated costs in respect of managing and maintaining the properties on an ongoing basis. Properties that are acquired directly by the council will be held in the Housing Revenue Account (HRA) so there are no direct implications for the City Council general fund. The implications on the HRA will need to be considered on a case by case basis as each property becomes available and properties will not be acquired in certain circumstances as described in Section 6 of this report.

### **Financial Consequences – Capital**

Approval will be sought to establish a capital budget of £1.5m to be used over the next 3 years to provide both gap funding to Registered Providers and to purchase properties for City Council ownership. It is intended that the One-for-One Right to Buy receipts will be used in the first instance. Under Government guidelines the One for One receipts can be used to support a maximum of 30% of any property acquisition and this will need to be considered for each acquisition. If acquisitions are made for City Council properties then there will be a need for 70% of the funding to be identified from within the existing housing capital programme. If the Council purchases a property outright it will be subject to the Right to Buy and the Council's capital investment will, therefore, potentially diminish.

The formal capital approvals will be sought in line with City Council processes.

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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 this 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 officers above.

Acquisition of settled accommodation for homeless families – Executive 21 March 2018

Delivering Manchester's Affordable Homes to 2025 - Economy Scrutiny Committee - 5 September 2019 Executive - 11 September 2019

## 1.0 Introduction

- 1.1 At its meeting on 11 September 2019 Executive agreed that the Head of Housing Services should:
- a) develop a policy for buying back Council properties
- and
- b) work with local Registered Providers (RPs) to identify those that might be willing to purchase properties. In particular, the Council requires one or more RPs to purchase properties in the area managed by Northwards Housing.
- 1.2 By introducing this approach the Council is looking to:
- Maximise the supply of affordable housing within Manchester;
  - Reinvest Right to Buy receipts in a way which makes a more direct connection with reducing the impact of Right to Buy;
  - Avoid properties being sold and then used in the private rented sector; and
  - In exceptional circumstances, provide solutions for old, vulnerable or other households who can no longer maintain their property or wish to move to right size.
- 1.3 It is acknowledged that this approach does not increase the overall quantum of housing, but it will add to the stock of affordable homes in the city. However, it should be noted that any property acquired by the Council will still be subject to the Right to Buy and any property acquired by a Registered Provider will be subject to the Right to Acquire.
- 1.4 Owners of former council owned properties are obliged to offer them to the Council if they wish to sell within 10 years of purchase., Other properties are also occasionally offered to the Council and this policy is intended to cover any properties offered.
- 1.5 The proposal is to use a similar approach to the larger property acquisitions (Executive 21 March 2018) whereby the Council and Registered Properties have to date jointly purchased 19 four bedroom properties to provide homes for larger homeless households, who may otherwise remain in temporary accommodation. This arrangement has provided valuable insight and learning into developing effective partnership arrangements to deliver affordable homes.
- 1.6 The expectation is that Registered Providers will purchase the majority of the properties offered. As the Council's funding is limited it is proposed that the Council focuses its direct acquisitions on properties in shared blocks (flats and maisonettes) where the management of these properties presents, at times, significant issues particularly in relation to essential health and safety checks
- 1.7 This is a new policy and it may require minor amendments during its



implementation. Executive is asked to agree that the Head of Housing Services in conjunction with the City Treasurer and the City Solicitor may make minor amendments to this policy.

## **2.0 Right To Buy - buy backs legal requirements**

- 2.1 Where the sale of the property is within the first 10 years of the Right to Buy acquisition date, it is a legal requirement that the property is offered back to the Council. The Council may choose to repurchase the property or offer it to another social landlord. The property should be sold at the full market price agreed between the vendor and the Council or RP. If the valuation cannot be agreed the District Valuer will be appointed by the Council or RP to provide an independent and final valuation.
- 2.2 The Council or RP is required to commence the acquisition process within 8 weeks of the notification, otherwise the vendor is free to sell their home on the open market.
- 2.3 When we are notified that a former Council property is available to be repurchased we will check with the local housing management contractor (Northwards Housing and the 3 contractors managing PFI-funded estates in Ardwick and Miles Platting) whether there is demand for this type of property in this location. At the current time that will inevitably be a "Yes".
- 2.4 Following the 10th anniversary of the Right To Buy acquisition date, the vendor is free to sell the property on the open market, and the Council is not notified on the sale on these occasions.
- 2.5 In the last 12 months the Council has been offered 25 former Council properties under this procedure. Due to the increasing numbers on the Housing Register it is likely that, if this policy had been in place, the Council would have sought RP partners to acquire every one of them.

## **3.0 Proposed operational model**

- 3.1 An outline operational model is summarised below following early discussions with Manchester RPs and this will be developed further subject to the necessary approvals:
- 3.2 RP purchases

Upon receiving notification of an opportunity to purchase a property the Council will contact the relevant RP (they have indicated they will agree which areas they are interested in acquiring properties as they do with the large properties for homelessness) to offer the property within 48 hours.

- If the RP accepts they will attempt to contact the vendor within 48 hours to arrange access for a valuation within 7 days.

- If the RP does not accept, they must notify the Council in writing within 3 days and the property will be offered to another RP (how this will work in practice will be agreed with those RPs who express an interest in acquiring properties. It is most likely that we will operate a rota system if more than one RP is interested in acquiring properties, for example, across north Manchester).

If no RPs are interested the Council will consider purchasing the property (see 3.3 below)

The RP will assess the value of the property and make an offer to the owner. Where the vendor does not accept the valuation the RP will appoint the District Valuer.

- Once the valuation is agreed the RP will undertake a property appraisal taking into account the affordable rent payable and the cost of acquiring and managing the property as described in Section 5 of this report.
- In cases where the RP is buying a property they will determine whether there is a gap funding requirement from the City Council in order to make the purchase viable.

The Council will review the proposed gap funding requirement and decide whether it wishes to offer the amount requested. Agreement for any expenditure will follow the existing capital approval process. If, for any reason, the Council will not provide the gap funding the purchase will not proceed.

If the gap funding is agreed the RP will make a formal offer within the prescribed 8 week period

- The RP will refurbish the property to a decent homes standards and will include it in their asset management strategy which will, amongst other things, include retrofitting, and other work, to reduce the carbon impact.
- The RP will let the property at affordable rent (Local Housing Allowance).
- Where gap funding is provided the Council will have 100% nomination rights in perpetuity. Where an RP purchases a property outright they will let it within their usual policy. In most cases property will be offered via Manchester Move to applicants on the Housing Register (sometimes property are let with Manager's Discretion for specific families outside the Manchester Move process and some RPs let a proportion of their properties using their own rehousing criteria).

### 3.3 City Council purchases

If no RP is interested in purchasing a property the Council will consider buying it. However, the Council can only charge social rent (determined by Government) for properties it owns. It is therefore, recommended that where no RPs want to buy a property the Council undertakes an appraisal and only

considers buying a property where the rental income over 30 years covers the cost of acquisition and bringing the home up to the decent homes standard.

In the area managed by Northwards Housing the Council would ask Northwards to manage and maintain the property within their existing resources. This would not require any increase to the management and maintenance fees that the City Council pay to Northwards, and could be balanced through the fee not being reduced each time a property is sold under the right to buy scheme.

In the areas managed by PFI contractors there is an annual fee for re-entering a property into each contract and this would have to be factored into any financial appraisal.

#### **4.0 Geographical approach to buy backs**

##### **North Manchester**

- 4.1 In the area managed by Northwards Housing we are in discussion with the Manchester RPs who are members of the Manchester Housing Providers Partnership to identify those that might be willing to manage properties in this area and those that might be willing to purchase properties in this area and allow Northwards to manage them.
- 4.2 There has been an initial discussion with RPs and more than one has shown an interest in being a partner and we will work with the Partnership to determine the preferred partner(s) for north Manchester buy backs. It is proposed that the Head of Housing Services works with the interested RPs to determine an appropriate way to select preferred partners.
- 4.3 Registered Providers who manage former Council properties (One Manchester, Southway and Wythenshawe Community Housing) already have established processes for buying back properties which are offered to them and we will work with them to ensure efficiency and maximise their existing resources and knowledge.

##### **West Gorton**

- 4.4 The 171 council homes in West Gorton built in 2011 are currently managed by the Guinness Partnership. This management contract has to be reproced in 2 years.
- 4.5 The Guinness Partnership also own over 200 properties on the West Gorton estate so it is recommended that if former Council properties become available in West Gorton that they are offered to the Guinness Partnership in the first instance. This would mean the property would be owned, managed and let by them using their own lettings and rental policies.
- 4.6 If the Guinness Partnership is unwilling or unable to buy the property the Council will consider whether to invest its limited resources in buying back the

property. 124 of the properties are apartments so would meet the Council's priority criteria.

- 4.7 If the Council procures a new management contractor for its properties in West Gorton as part of the procurement exercise consideration will have to be given as to whether to offer buy backs to this contractor or the Guinness Partnership

#### **Areas managed by PFI contractors**

- 4.8 In Grove Village, Miles Platting and Brunswick we will firstly ask the RPs who are managing the Council properties in these areas (Your Housing, Jigsaw Homes and Onward Homes) to consider buying the property and managing it outside the PFI contract.
- 4.9 If the contractor is unwilling or unable to buy the property the Council will consider whether to invest its limited resources in gap funding for the RP or in buying back properties and re-entering them into the PFI contract. Each contract has pre-agreed terms for adding properties back into the contract if they have been sold under the Right to Buy.

#### **5.0 Gap funding for RPs**

- 5.1 In some cases the rent recoverable by the RP who has been asked to buy the property will not cover the cost of buying the property, bringing it up to the decent homes standard and managing and maintaining it for a 30-year period as required in their Business Plans.
- 5.2 It is in such circumstances that the Council may be willing to provide gap funding on a case by case basis (no standardisation) to assist the RP to buy the property. This gap funding would be in the form of a capital grant and secure 100% nomination rights. However in line with the larger homes acquisitions it is proposed that we would limit the Council's contribution to a maximum 30% share.

House prices vary widely and in recent months the Council has been offered properties from £65,000 (one bedroom) to £180,000. The Council's maximum share, if required, would be in a range from £19,500 to £54,000 based on these prices.

- 5.3 The Council's funding to acquire larger properties for homelessness is provided as an equity stake, repayable on sale. An equity stake based on the share the Council contributes towards any acquisition would be the preferred option for the Council. However, in initial discussions with the RPs they have suggested an alternative approach where the Council would offer a grant payable either on a future sale or at the end of the grant agreement term.
- 5.4 The Executive is asked to authorise the Head of Housing Services along with colleagues from finance and legal to work with the RPs to agree an effective means of securing the Council's stake in the property.

## **6.0 When will we not buy back a property?**

- 6.1 In certain circumstances the cost of purchasing and bringing the property back into use for affordable housing will not be viable because the gap funding required will be greater than 35% or the limited budget will not be sufficient to cover the gap. (Note - the One-for-one receipts can only be used for up to 30% of the acquisition costs so any funding requirement above this will have to be met from other capital funding).
- 6.2 There is also a strict time limit for the Council (or its nominated RP) to complete the purchase so there may be some cases where the decision cannot be made in time and the property is sold on the open market.

## **7.0 Other acquisitions**

- 7.1 In the past we have been asked to buy back a former Council property and to allow the existing occupier to remain in it as a tenant. It is proposed that the Council considers each case on its merits but that this would only be appropriate if there were exceptional circumstances.
- 7.2 The Council is also occasionally offered other properties, for example when a RP is choosing to dispose of properties in a specific geographical area for strategic reasons. This policy would cover the potential acquisition of such properties.

## **8.0 Conclusion**

- 8.1 The recommendations are listed at the beginning of this report.
- 8.2 This policy will be reviewed in 2022/3

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**Manchester City Council  
Report for Resolution**

**Report to:** Executive - 13 November 2019

**Subject:** Capital Programme Update

**Report of:** Deputy Chief Executive and City Treasurer

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**Summary**

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

**Recommendations**

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

1. ICT – Collaboration Platform Replacement. A capital budget allocation through transfer of £2.100m from the End User Experience budget is requested, funded by borrowing.
2. Neighbourhoods – Cremator and Mercury Abatement Plant Replacement Strategy. A capital budget increase of £1.551m is requested, funded by borrowing.

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

1. Neighbourhoods – Hough End Master Plan – Strategic Football and Multi Sports Hub – Development Costs. A capital budget increase of £0.241m is requested, funded by £0.100m External Contribution and £0.141m Waterfall Fund.
2. Neighbourhoods – Range Stadium Capital Project. A capital budget increase of £0.465m is requested, funded by borrowing on an invest to save basis.
3. ICT – Income Management Solution. A capital budget decrease of £0.114m is requested and approval of a corresponding transfer of £0.114m to the revenue budget, funded by capital fund.
4. Highways Services - A6 Stockport Road. A capital budget allocation through transfer of £0.125m from the Highways Investment Programme is requested, funded by Borrowing.

To note increases to the programme of £0.633m as a result of delegated approvals.

**Wards Affected - All**

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

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

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

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

The recommendations in this report, if approved, will increase the revenue budget by £0.114m as a one-time transfer, funded from a corresponding decrease in the capital budget.

### **Financial Consequences – Capital**

The recommendations in this report, if approved, will increase Manchester City Council's capital budget by £2.143m across the financial years as detailed in Appendix 1.

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

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Report to the Executive 13<sup>th</sup> February 2019 – Capital Strategy and Budget 2019/20 to 2023/24

Report to the Executive 13<sup>th</sup> March 2019 - Capital Programme Update

Report to the Executive 26<sup>th</sup> June 2019 - Capital Programme Update

Report to the Executive 24<sup>th</sup> July 2019 – Capital Programme Update

Report to the Executive 11<sup>th</sup> September 2019 – Capital Programme Update

Report to the Executive 16<sup>th</sup> October 2019 – Capital Programme Update

## **1.0 Introduction**

- 1.1 This report outlines the requests for changes to the capital budget from 2019/20.

## **2.0 Background**

- 2.1 In February each year, the Executive receives a report on the capital budget for the forthcoming five financial years and approves a series of recommendations to make to the City Council. The City Council's resolutions on these recommendations constitute the approval of the five-year capital programme for the City Council. Proposals for the capital budget were presented to the Executive on 13<sup>th</sup> February 2019.
- 2.2 The capital programme evolves throughout the financial year, and as new projects are developed they will be reviewed under the current governance framework and recommendations made regarding whether they should be pursued.
- 2.3 The following requests for a change to the programme have been received since the previous report to the Executive on 16<sup>th</sup> October 2019.
- 2.4 Please note that where requests are made in the report to switch funding from capital to revenue and to fund the revenue spend from the Capital Fund, this is a funding switch from within the capital programme and will not have a negative impact on the Fund itself.
- 2.5 For the changes requested below, the profile of the increase, decrease or virement is shown in Appendix 1 for each of the projects.

## **3.0 City Council's Proposals Requiring Specific Council Approval**

- 3.1 The proposals which require Council approval are those which are funded by the use of reserves above a cumulative total of £2.0m, where the use of borrowing is required or a virement exceeds £0.500m. The following proposals require Council approval for changes to the capital programme.
- 3.2 ICT - End User Device Programme and Collaboration Platform. The current contract is up for renewal and the Council is reviewing its collaboration platform arrangements operated through Google. This encompasses email, calendars, drives, documents, spreadsheets and presentations. To date working collaboratively using Google has been successful in improving productivity and work practice. However, there are a number of factors to be taken into account when the Council considers its next steps. For instance, the NHS has committed to using Microsoft and the greater integration with health partners means this is proving to be a barrier to more integrated joint working. In addition the Google functionality has not progressed sufficiently to handle some of the more complex document requirements, and these remain on Microsoft; and some workflow processes remain on Lotus Notes. As a result the council is operating a multi-hybrid estate which is inefficient both in licence

and support costs; as well as frustrating for staff who have to switch between systems. The collaboration platform decision is due to be made this month. In addition as part of the End User Device Strategy, the decision to progress with replacing the old Wyse terminals and other devices has been deferred until the collaboration platform decision has been made. Irrespective of the decision to change collaboration platform there will be significant licence, support and business change costs as the current agreement is coming to an end, with an estimate that this could be up to £2.1m. It is therefore recommended that the costs that could be incurred during 2019/20 are met from the End User Device Strategy funding and that a revised capital budget and Checkpoint 4 are developed for the collaboration platform and end user device work which will come back as part of the capital budget process and will require sign off by the Executive Member for Finance and the Deputy Chief Executive before any expenditure is committed.

- 3.3 Neighbourhoods - Cremator and Mercury Abatement Plant Replacement Strategy. Blackley Crematorium currently operates three cremators which are now over 20 years old and reaching the end of their lifespan. In order to meet new environmental requirements, minimise service disruption maintenance costs, ensure a high standard of service and deliver financial contribution targets the cremators need to be replaced. The new cremators will improve efficiency and energy use and increase mercury filtration. There is also the potential to include NOx (nitrogen oxides) abatement in the new equipment, these oxides are the most relevant for air pollution. A capital budget increase of £1.007m is requested in 2019/20 and £0.544m in 2020/21, funded by borrowing.

#### **4.0 Proposals Not Requiring Specific Council Approval**

- 4.1 The proposals which do not require Council approval and only require Executive approval are those which are funded by the use of external resources, the use of capital receipts, the use of reserves below £2.0m or where the proposal can be funded from existing revenue budgets and where the use of borrowing on a spend to save basis is required. The following proposals require Executive approval for changes to the City Council's capital programme:
- 4.2 Neighbourhoods – Hough End Master Plan – Strategic Football and Multi Sports Hub – Development Costs. The scheme will deliver the business case proposal for a strategic football hub and wider outdoor sports provision up to RIBA stage 4. This will be a safe steps approach to progress the project through design phases, to inform feasibility and final cost plan to deliver the scheme. A capital budget increase of £0.052m is requested in 2019/20, and £0.189m in 2020/21 funded by External Contribution (£0.100m) and Waterfall Fund (£0.141m).
- 4.3 Neighbourhoods – Range Stadium Capital Project. The Range Stadium is situated at Whalley Range High School. The project will deliver refurbishment of football pitches that have had to close due to health and safety concerns. Providing high quality football facilities will rejuvenate the site and create a

sustainable community facility for the benefit of our Manchester residents. A capital budget increase of £0.465m is requested in 2019/20, funded by borrowing on an invest to save basis.

- 4.4 ICT – Income Management Solution. Following approval to procure and implement a new corporate Income Management solution discussions with Civica were required to understand the implementation approach and on-going support. To that end, the ICT and business resources have been realigned and additional funding is required to support implementation. A capital budget decrease of £0.114m is requested and approval of a corresponding transfer of £0.114m to the revenue budget, funded by capital fund.
- 4.5 Highways Services - A6 Stockport Road. Additional funding is required following the tender process. The project will deliver widening on congested route, providing additional lane width and a cycle bus stop by-pass. A capital budget allocation through transfer of £0.125m from the Highways Investment Programme is requested, funded by Borrowing.

## **5.0 Prudential Performance Indicators**

- 5.1 If the recommendations in this report are approved the General Fund capital budget will increase by £2.143m, across financial years as detailed in Appendix 1.
- 5.2 This will also result in an increase in the prudential indicator for Capital Expenditure in corresponding years. Monitoring of all prudential indicators is included within the Capital Monitoring Report.
- 5.3 There is an increase in the requirement for prudential borrowing, however, this has already been assumed within the City Council's revenue budget and therefore there is no impact on the City's Council Tax.
- 5.4 The increases to the programme totalling £0.633m as a result of delegated approvals have been included within the prudential indicators. These are detailed at Appendix 2.

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

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

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

### **(a) A thriving and sustainable city**

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

**(b) A highly skilled city**

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

**(c) A progressive and equitable city**

- 7.3 Improvements to services delivered to communities and enhanced ICT services.

**(d) A liveable and low carbon city**

- 7.4 Investment in cultural and leisure services and housing.

**(e) A connected city**

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

**8.0 Key Policies and Considerations****(a) Equal Opportunities**

- 8.1 None.

**(b) Risk Management**

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

**(c) Legal Considerations**

- 8.3 None.

**9.0 Conclusions**

- 9.1 The Capital budget of the City Council will increase by £2.143m, if the recommendations in this report are approved.
- 9.3 The capital budget has increased by £0.633m as a result of the delegated approval detailed in Appendix 2.

**10.0 Recommendations**

- 10.1 The recommendations appear at the front of this report.

## Appendix 1

<b>Requests for Adjustments to the Capital Budget Provision November 2019 Executive</b>							
<b>Dept</b>	<b>Scheme</b>	<b>Funding</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Future</b>	<b>Total</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Council Approval Requests</b>							
ICT	Collaboration Platform Replacement	Borrowing	455	1,645			2,100
ICT	End User Experience	Borrowing	-455	-1,645			-2,100
Neighbourhoods	Cremator and Mercury Abatement Plant Replacement Strategy	Borrowing	1,007	544			1,551
<b>Total Council Approval Requests</b>			<b>1,007</b>	<b>544</b>	<b>0</b>	<b>0</b>	<b>1,551</b>
<b>Executive Approval Requests</b>							
Neighbourhoods	Hough End Master Plan	External Contribution	52	48			100
Neighbourhoods	Hough End Master Plan	Waterfall Fund	0	141			141
Neighbourhoods	Range Stadium	Invest to Save Borrowing	465				465
ICT	Income Management Solution	Borrowing reduction, funding switch via Capital Fund	-114				-114
Highways Services	A6 Stockport Road Pinch Point Scheme	Borrowing	125				125

Highways Services	Highways Investment Programme	Borrowing	-125				-125
<b>Total Executive Approval Requests</b>			<b>403</b>	<b>189</b>	<b>0</b>	<b>0</b>	<b>592</b>
<b>Total Budget Adjustment Approvals</b>			<b>1,410</b>	<b>733</b>	<b>0</b>	<b>0</b>	<b>2,143</b>

## Appendix 2

<b>Approvals under authority delegated to the City Treasurer November 2019 EXECUTIVE</b>							
<b>Dept</b>	<b>Scheme</b>	<b>Funding</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>Future</b>	<b>Total</b>
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Strategic Development	Peterloo Memorial	External Contribution from Arts Fund	200				200
Highways Services	CCTV Improvements	RCCO	433				433
<b>Total Delegated Approval Requests</b>			<b>633</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>633</b>



**Manchester City Council  
Report for Resolution**

**Report to:** Executive – 13 November 2019

**Subject:** Capital Programme Monitoring 2019/20 - Period 6

**Report of:** The Deputy Chief Executive and City Treasurer

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### **Summary**

This report informs members of:

- (a) Progress against the delivery of the 2019/20 capital programme to the end of September 2019.
- (b) The revised capital budget 2019/20 taking account of changes between the approved capital budget and any further changes occurring in year.
- (c) The latest forecast of expenditure and the major variances since the Capital Programme Outturn report submitted in June 2019.
- (d) The impact any variations may have on the Capital Programme for the period 2019/20 to 2024/25.

### **Recommendations**

- 1. To recommend that Council approve the virements over £0.5m between capital schemes to maximise use of funding resources available to the City Council set out in Appendix A.
  - 2. Approve virements under £0.5m within the capital programme as outlined in Appendix A.
  - 3. Note that approvals of movements and transfers to the Manchester City Council capital programme, will reflect a revised total budget of £290.4m and a latest full year forecast of £292.7m. Expenditure to the end of September 2019 is £78.0m.
  - 4. Note that approvals of movements and transfers to Capital Programme on behalf of Greater Manchester, will reflect a revised total budget of £151.2m and a latest full year forecast of £151.2m. Expenditure to the end of September 2019 is £28.1m.
  - 5. Note the prudential indicators in Appendix C.
- 

**Wards Affected:** All

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

<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 capital programme contributes to various areas of the economy including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.
A connected city: world class infrastructure and connectivity to drive growth	The capital programme includes investment in highways infrastructure, and broadband expansion.

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

All Revenue consequences are included in the current Revenue Budget.

### **Financial Consequences – Capital**

The latest forecast of expenditure for 2019/20 for the Manchester City Council capital programme is £292.7m, compared to a proposed revised budget of £290.4m. Spend to date is £78.0m. The latest forecast for the capital programme on behalf of Greater Manchester is £151.2m, compared to a proposed revised budget of £151.2m. Spend to date is £28.1m.

The programme is subject to continual review to establish whether the forecast remains achievable. Whilst the intention is for the City Council to progress the programme as stated, some projects and their sources of funding may require re-profiling into future years.

The Greater Manchester programme is hosted by the City Council, but is managed by the Greater Manchester Combined Authority (GMCA) which also monitors the projects. Following the granting of the relevant borrowing powers to the CA, the debt associated with the programme novated last financial year, and during this financial year a number of the loans provided to third parties have transferred across.

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

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Report to the Executive 13<sup>th</sup> February 2019 – Capital Strategy and Budget 2019/20 to 2023/24

- Report to the Executive 13<sup>th</sup> March 2019 – Capital Programme – Capital Programme Update
- Report to the Executive 26<sup>th</sup> June 2019 - Capital Programme Outturn 2018/19
- Report to the Executive 26<sup>th</sup> June 2019 - Capital Programme - Capital Programme Update
- Report to the Executive 24<sup>th</sup> July 2019 – Capital Programme – Capital Programme Update
- Report to the Executive 11<sup>th</sup> September – Capital Programme – Capital Programme Update
- Report to the Executive 16<sup>th</sup> October - Capital Programme - Capital Programme Update

## **1 Introduction**

1.1 The purpose of the report is to:

- Provide an update to members on the progress of the capital programme in the six months to the end of September 2019.
- Inform members of the latest estimates of capital expenditure for 2019/20 and to show forward commitments into the 2020/21 to 2024/25 capital programme.
- Confirm that there are adequate levels of resources available to finance the capital programme.

1.2 This report will provide information on the activities undertaken in delivering the programme and the risks associated with the works, as well as the financial monitoring and changes required.

1.3 A summary of each part of the programme is included within the report, providing details on the major projects and risks for that area. This is presented alongside a summary of the financial position, and any changes to the budget that are required.

1.4 Appendix A details the virements requested across the programme since Executive approved the revised capital budget in June 2019. Appendix B details the revised capital budget for each project, taking into account the virements requested, and any re-profiling between years which has been identified. Appendix C notes the prudential indicators.

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

2.1 To reflect the climate change emergency that the Council has declared, the capital expenditure business case template has been updated to include a carbon measure for both during the project progression stage and the ongoing lifecycle post completion. The intention is that the carbon footprint of a scheme is considered as part of the decision making process. This work is ongoing and will reflect the decisions taken by the Council on how it will meet the future carbon reduction targets in order to become carbon neutral by 2038.

## **3 Capital Budget**

3.1 The Capital Budget for the period 2019/20 to 2024/25 is currently £1,331.8m. This is a decrease of £0.7m compared to the budget approved at outturn by the Executive in June 2019, which in the main relates to transfers to revenue within the ICT programme.

3.2 The profile before changes proposed in this report, is shown below:

<b>Capital Programme 2019-2025</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>Total Programme</b>
	£m	£m	£m	£m	£m	£m	£m
Capital Budget (June 19)	509.3	434.1	244.7	96.1	48.2	0.0	<b>1,332.5</b>
Capital Programme Update (Approved June 19)	3.2	-3.2	0.0	0.0	0.0	0.0	0.0
Capital Programme Update (Approved July 19)	0.4	-2.3	-0.9	0.0	0.0	0.0	-2.7
Capital Programme Update (Approved September 19)	0.7	0.3	0.4	0.0	0.0	0.0	1.4
Capital Programme Update (Approved October 19)	0.7	-0.1	0.0	0.0	0.0	0.0	0.6
<b>Revised Capital Budget</b>	<b>514.3</b>	<b>428.8</b>	<b>244.3</b>	<b>96.1</b>	<b>48.2</b>	<b>0.0</b>	<b>1,331.8</b>
<i>Of which:</i>							
Manchester City Council Programme	363.1	390.9	244.3	96.1	48.2	0.0	<b>1,142.7</b>
Programme on behalf of Greater Manchester	151.2	37.9	0.0	0.0	0.0	0.0	<b>189.1</b>

#### **4 Projects carried out on behalf of Greater Manchester**

- 4.1 The Housing Investment Fund, which was administered by the City Council on behalf of the Greater Manchester Combined Authority and forms the “Programme on behalf of Greater Manchester” budget, is in the process of being novated across to the Authority following changes to the borrowing powers the Authority holds. Whilst the current programme is forecasting spend of £151.2m against a budget of £151.2m, a variance of nil, this is likely to be significantly lower.
- 4.2 In practice the debt associated with the programme novated last financial year, and during this financial year a number of the loans provided to third parties have transferred across. The Council will be left with a handful of loans which are due to be fully repaid during this financial year.
- 4.3 The rest of this report will focus on the Council’s Capital Programme.

#### **5 Capital Programme Forecast 2019/20**

- 5.1 The latest forecast of expenditure for the Manchester City Council Capital Programme in 2019/20 is £292.7m compared to the current revised budget of £363.1m. The variations, by service area, are shown in the table below.

- 5.2 The tables in this report now show the budget approved by the Executive in February 2019 as part of the budget process, alongside the current revised budget and the latest forecast. The intention is that, by including this information, there is clear transparency in how budgets have changed.

*Capital Programme 2019/20 budget, forecast and spend to date at 30<sup>th</sup> September 2019*

<b>Manchester City Council Programme</b>	<b>Budget set in Feb 19 £m</b>	<b>Revised Budget £m</b>	<b>Forecast £m</b>	<b>Variance £m</b>	<b>Spend to Date £m</b>	<b>Spend to Date as % of Forecast</b>
Highways	56.3	58.7	63.5	4.8	22.3	35.1%
Neighbourhoods	25.6	14.0	13.3	-0.7	2.5	18.8%
Growth and Development	127.1	127.9	114.1	-13.8	30.6	26.8%
Town Hall Refurbishment	24.4	26.9	21.9	-5.0	4.7	21.5%
Housing - GF	24.7	28.8	17.5	-11.3	4.5	25.7%
Housing - HRA	30.0	31.7	25.4	-6.3	3.7	14.6%
Children's Services	39.0	42.7	13.4	-29.3	4.1	30.8%
ICT	11.3	8.0	6.6	-1.4	2.9	43.9%
Corporate Services	20.7	24.4	17.1	-7.3	2.7	15.9%
<b>Manchester City Council Programme</b>	<b>359.1</b>	<b>363.1</b>	<b>292.7</b>	<b>-70.4</b>	<b>78.0</b>	<b>26.7%</b>
Programme on behalf of Greater Manchester	146.5	151.2	151.2	0.0	28.1	18.6%
<b>TOTAL</b>	<b>505.6</b>	<b>514.3</b>	<b>443.9</b>	<b>-70.4</b>	<b>106.1</b>	<b>23.9%</b>
			<b>Reprofiling</b>	-69.7		
			<b>Cost Variations</b>	-3.0		
			<b>Net over (under) spend</b>	2.3		

- 5.3 Since the February 2019 budget report there have been additional projects added to the capital programme, and at outturn for 2018/19 financial year the budgets were revised to reflect the outturn position and the expected future profile of spend. This will explain the majority of the differences between the two budgets for 2019/20 shown. The explanations for the variances reported at outturn can be found in the previous monitoring report.
- 5.4 The programme also contains some budgets which are yet to be allocated to specific projects but are reserved for a specific purpose, such as Education Basic Need funding for additional school places, the Highways Investment Fund and the ICT Fund. This is predominantly because the future projects are not yet at the stage where procurement can take place, or are dependent on other projects completing. The current forecast profile of spend is based upon service's view as to the expected timescales for project initiation, completion and cost, and once projects are approved through the Council's capital

approval process the budgets will be allocated and the Capital Budget updated accordingly.

- 5.5 This creates some uncertainty in the programme, but ensures that the programme reflects the likely use of resources and enables agile approval processes for relevant projects as they are developed. These budgets are carefully monitored throughout the financial year and, if the expected programme of works changes, the impact on the forecast will be reported at the earliest opportunity.

## **6 Summary of Main Changes to the Revised Budget**

- 6.1 The main changes to the programme since the revised budget reported to Executive in June are as follows:
- Within the Education Basic Need Programme £20.2m of the unallocated budget has been moved in to next financial year whilst a review is undertaken of the number of school places required in the context of both the Council's Basic Need Programme and the Government's Free School Programme.
  - The Factory budget has been re-profiled in line with the construction programme and revised fees. As a result £10.0m has been moved in to future years.
  - Due to changes in design following discoveries in the ground, £7.1m of the Integrated Working – Gorton Health hub budget will be re-profiled in to next financial year.
  - Following the contract reports being signed, the Education Basic Need Special Educational Needs (SEN) Programme schedule of works across four schools has now been re-profiled, meaning there is a requirement to move £6.5m in to 2020/21.
  - The planned programme and timescales for the Marginal Viability Fund - New Victoria scheme have been adjusted following the revised business case and grant agreement, meaning that £6.0m budget will be moved in to future years.
  - The Our Town Hall Project budget has now been re-profiled based on the revised programme and following the appointment of the Mechanical Electrical and Plumbing (MEP) stage 1 contractor. £5.0m will be moved in to future years.
- 6.2 Other smaller changes to the programme since the revised budget include:
- The total budget of £2.4m for Extra Care will be moved to next financial year as the Council reviews the approach to Extra Care capital schemes, seeking the optimum balance between Manchester City Council led schemes and those led by Registered Providers supported by the Council.
  - Acceleration of £2.0m for the Carriageway Preventative scheme due to progress against the programme being better than anticipated.
  - The Hammerstone Road project is currently paused pending a review of individual project element costs. The main contract works and the post-



contract fees are now scheduled to begin in 2020/21. Therefore, £1.8m has been moved into next financial year.

- Movement of £1.4m budget in to next year for the Medieval Quarter Public Realm scheme as the project is currently postponed until the Arena Memorial works are incorporated into the wider scheme.

6.3 The above variances and other smaller variances are explained in greater detail by service area below. The position will be closely monitored with the final outturn position being highly dependent on schemes commencing and continuing on schedule and delivering to plan.

#### Programme Risks

- 6.4 The Capital Budget is prepared on the best estimate of the spend profile for each scheme across its life. As schemes develop the profile of spend may change, depending on circumstances. The format of this report is intended to highlight the total life and cost of schemes, and the risks associated with their development.
- 6.5 All projects carry risk such as delivery risk, third party risk and market risk, including build cost inflation risk which is discussed below. Whilst the updated forecasts reflect officers expectations based on existing and planned works, these may change as projects develop and in response to wider market changes.
- 6.6 General inflation in the North West (NW) construction market has not reduced as predicted over the 2018/19 period and Manchester Market has become more pronounced due to the large volume of construction work that has taken place (and continues to take place) over the past 3–4 years. Forecasting inflation indices for the general North West region over the coming years are predicted by leading cost consultancy companies to maintain a fairly flat and low trend. The predicted indices are showing an increase of 1.5% per annum for the next 3 years. Building Construction Information Service (BCIS), part of the Royal Institute of Chartered Surveyors (RICS) are indicating a slightly higher increase for the UK average, although this does factor in London.
- 6.7 There is a view that whilst in the general NW region activity will cool off slightly over the next few years, the level of activity in the centre of Manchester will continue for some time yet. There is a 'wave' of city centre commercial projects all set to move forward over the next few years which, it is anticipated, will take up any reduction in activity in the residential construction sector. In terms of Central Manchester therefore over the coming few years construction output still see prices being high, inflation at above average levels (up to 4-5% per annum) and not much evidence of downturn in demand or workload.
- 6.8 Specific risks have been identified across the capital programme and are detailed in the relevant section below. Whilst efforts have and will be made to mitigate these risks, they cannot be removed and therefore the future forecast may change. Directorate teams are required to monitor and report risk as part

of their regular capital monitoring processes. This information will continue to form part of the monitoring reports to members throughout the financial year.

## 7 Highway Services Programme

- 7.1 The schemes within the current Highways portfolio include the highways improvement investment fund, projects to improve and increase the use of cycle routes which relieve congestion and reduce air pollution from CO<sub>2</sub> emissions, improvements to pedestrian access in areas in the City, improvements to safety measures and schemes to reduce energy consumption for street lighting.
- 7.2 The main variances from the original budget set in February 2019 and before the proposals noted in this report are as follows:
- During the final quarter of 2018/19, various projects within the Highways Planned Maintenance Programme progressed better than expected, resulting in £3.7m budget being accelerated from 2019/20. Similarly, the contractor for the Street Lighting PFI project remained ahead of programme meaning £1.4m was accelerated from 2019/20.
  - As a result of the main contractor going into administration, £2.3m for the Manchester/Salford Inner Relief road (MSIRR) project was moved in to this financial year.
- 7.3 The Highways capital programme is currently forecasting to spend £63.5m compared to a budget of £58.7m, a variance of £4.8m. Spend to date is £22.3m, or 35.1% of the current forecast. The programme is shown in the table below:

	19/20 Spend to date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
<b>Highways</b>								
Highways Planned Maintenance Programme	8.4	18.1	14.4	20.1	5.7	108.1	107.6	-0.5
Manchester/Salford Inner Relief Road (MSIRR)	5.4	5.6	7.9	9.2	1.3	13.9	15.2	1.3
Street Lighting PFI	4.1	12.0	10.6	10.6	0.0	32.7	32.7	0.0
Mancunian Way and Princess Parkway National Productivity Investment Fund (NPIF)	0.4	4.5	6.2	5.3	-0.9	8.8	8.8	0.0
Other Projects	3.9	17.0	19.6	18.2	-1.3	115.2	117.6	2.4
<b>Total Highways</b>	<b>22.3</b>	<b>57.2</b>	<b>58.7</b>	<b>63.5</b>	<b>4.8</b>	<b>278.7</b>	<b>281.9</b>	<b>3.2</b>
				<b>Reprofiling</b>	<b>3.6</b>			

<b>Cost Variations</b>	<b>-0.7</b>
<b>Net over (under) spend</b>	<b>1.9</b>

### Activities

- 7.4 All carriageway resurfacing and road marking works for the MSIRR project are being reported at 99% completed, with footway works and verges on all junctions at 90% complete. Work remains ongoing to confirm this assessment. The project social value is reported to be at a similar completion stage.
- 7.5 A consultation has taken place with residents and businesses regarding the A6 Stockport Road Pinch point widening proposals and other improvement works to reduce journey times through Longsight. The detailed design, works information and road safety audit report for this project were all completed in June 2019.
- 7.6 Preliminary works for the Mancunian Way and Princess Parkway National Productivity Investment Fund (NPIF) project commenced on site in July 2019. The main highways work commenced in October 2019 and the project is on schedule to complete by June 2020.
- 7.7 Works at the next 10 sites of the Schools Crossings programme will commence in the next period, with works currently complete at over half of the sites.
- 7.8 The funding agreement has now been signed with Airport City for the Green Bridge project. Work can now progress on the design and a grant payment has been made to Airport City. A further payment is expected to be made in November 2019.
- 7.9 Planning for Highways major schemes, wherever possible, is being based on lessons learned from issues on the Manchester/Salford Inner Relief Road project, seeking to maximise weekend and evening working to avoid travel disruption as far as possible. Works are also considered as part of a wider programme in an effort to minimise the impact on the network by avoiding scheduling too many schemes during the same time period.

### Variances – All Years

- 7.10 There is an underspend of £0.5m on the Planned Highways Maintenance Programme following the final accounts of schemes completed in 2015/16 and 2016/17, which will be re-appropriated and utilised against highways schemes in 2019/20.
- 7.11 An overspend of £1.3m has been reported against the Manchester/Salford Inner Relief Road project based on risk items and administrators costs. Due to the contract type, the Council is liable for additional costs incurred and therefore the project is kept under careful review.

- 7.12 As per the spend profile received from Stockport MBC for the Stockport SEMMMS A6 scheme, there is currently additional expected spend of £2.3m in 2019/20 and 2021/21 that will be covered by grant funding from the Department for Transport (DfT).
- 7.13 A budget increase is required for the Safe Routes to Loreto High School scheme as costs have increased by £0.1m since the design stage due to additional works being required.

#### Variances – In Year

- 7.14 The main variances reported are:

##### *Highways Maintenance Programme*

- The Carriageway Preventative and Carriageway Resurfacing schemes continue to progress well, resulting in an acceleration to the programme of £2.5m in 2019/20.
- Similarly, as per the current programme of works the Drainage programme requires £2.5m of acceleration in to this financial year.
- Other in year variances to the Highways Maintenance Programme require total acceleration in to 2019/20 of £0.7m.

##### *NPIF*

- There is a need to move £0.9m budget in to 2020/21 for the Mancunian Way and Princess Parkway NPIF scheme as a result of a redesign following concerns raised by residents and members. This initial delay should not affect the overall expected completion date of the project.

##### *Other Projects*

- Within the Public Realm budget, £0.8m has been moved in to 2020/21 in relation to the Automatic Bollard replacement scheme, as the specification needs to be amended before the tender process. There will also be some market testing, meaning construction will start later in the year.
- The £0.2m budget against the Congestion Target Performance scheme has been replaced by a new scheme called A6 Stockport Road. The budget has therefore been removed from the Capital Programme.
- There is an expected underspend of £0.3m against the Princess Road Safety review scheme due to a change in the design of the scheme. This has been moved into 2020/21 to allow the scheme to complete and for the underspend to be confirmed.

#### Risks

- 7.15 The Highways programme for 2019/20 contains a high number of large and strategically important projects for the highway network and the service is working to ensure that the works can be delivered to the timescales indicated.

Works are assessed and scheduled based on potential impact to the network in an effort to minimise disruption to commuters wherever possible.

- 7.16 With the nature of the projects in Highways, there are inherent risks around external factors, such as weather conditions, which can hinder the schedule of works. The availability of appropriately skilled resources has also been identified as a significant risk to the timely delivery of projects, with recent and planned recruitment activity seeking to mitigate associated resourcing risks.
- 7.17 Extensive consultation with stakeholders is undertaken to ensure proper engagement and input in to the schemes being delivered, as well as to manage expectations within available budgets and realistic timescales. The intention is to minimise the risk of scope creep and raise awareness of the impact of schemes on journey times. Where need is identified, additional funding opportunities through partners are also routinely explored in order to increase project scope.

## 8 Neighbourhoods Programme

- 8.1 The Neighbourhoods programme is shown in the table below, and is split across three main themes, the details of which are provided separately below:

*Neighbourhoods Capital Programme 2019/20 (August 19)*

<b>Neighbourhoods</b>	<b>Budget set in Feb 19 £m</b>	<b>Budget £m</b>	<b>Forecast £m</b>	<b>Variance £m</b>	<b>Spend to Date £m</b>	<b>Spend to Date as % of Forecast</b>
Environment and Operations	7.4	7.6	7.6	0.0	0.9	11.8%
Leisure	17.3	5.5	5.0	-0.5	1.4	28.0%
Libraries	0.9	0.9	0.7	-0.2	0.2	29.5%
<b>Total Neighbourhoods</b>	<b>25.6</b>	<b>14.0</b>	<b>13.3</b>	<b>-0.7</b>	<b>2.5</b>	<b>18.8%</b>
				<b>Reprofiling</b>	<b>-0.7</b>	
				<b>Cost Variations</b>	<b>0.0</b>	
				<b>Net over (under) spend</b>	<b>0.0</b>	

- 8.2 Within the 2018/19 Capital Programme Outturn report, the £13.0m budget for the Football Association (FA) Hubs project was re-profiled in to future years pending confirmation of grant funding. This has now been removed from the Capital Programme. More information can be found in paragraph 8.15.

*Environment and Operations Programme*

- 8.3 The schemes within the Environment and Operations Programme are centred on improving the environment with the main focus on the control of waste disposal and promoting recycling.

- 8.4 The Environment and Operations programme is forecasting to spend £7.6m compared to a budget of £7.6m. Spend to date is £0.9m, or 11.8% of the current forecast. The programme is shown in the table below:

Environment and Operations	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Outturn £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Waste Reduction Measures	0.1	1.5	1.5	1.5	0.0	4.7	4.7	0.0
Waste Contract	0.8	5.9	5.9	5.9	0.0	11.5	11.5	0.0
Other Projects	0.0	0.0	0.3	0.3	0.0	1.3	1.3	0.0
<b>Total Environment</b>	<b>0.9</b>	<b>7.4</b>	<b>7.6</b>	<b>7.6</b>	<b>0.0</b>	<b>17.5</b>	<b>17.5</b>	<b>0.0</b>
<b>Reprofiling</b>					<b>0.0</b>			
<b>Cost Variations</b>					<b>0.0</b>			
<b>Net over (under) spend</b>					<b>0.0</b>			

#### Activities

- 8.5 Works to procure residual bins to encourage recycling in communal properties and residential housing are expected to complete by December 2019.
- 8.6 The Waste Contract scheme is a loan to Biffa for the purchase of vehicles for the Council within the waste and street cleansing contract. Biffa have purchased a further five vehicles and further purchases are now being considered.

#### Variances – In Year

- 8.7 There are currently no variances projected against budget for the Environment and Operations programme.

#### *Leisure Programme*

- 8.8 The Leisure Programme provides leisure, sports and park facilities and services to communities across the City to promote health and wellbeing. It includes improvements to energy equipment to reduce consumption to realise economic and environmental benefits. The programme also includes improvements to facilities which are used for events with the intention of also providing an economic benefit.
- 8.9 The Leisure programme is forecasting to spend £5.0m compared to a budget of £5.5m, a variance of £0.5m. Spend to date is £1.4m, or 28.0% of the current forecast. The programme is shown in the table below:

Leisure	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Outturn £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Parks Programme	0.8	2.8	1.7	1.7	0.0	21.2	21.2	0.0
Indoor Leisure – Abraham Moss	0.5	1.7	2.0	2.0	0.0	14.8	14.8	0.0
Indoor Leisure – Moss Side	0.0	0.0	0.1	0.1	0.0	8.7	8.7	0.0
Other Projects	0.1	12.8	1.7	1.2	-0.5	39.0	26.0	-13.0
<b>Total Leisure</b>	<b>1.4</b>	<b>17.3</b>	<b>5.5</b>	<b>5.0</b>	<b>-0.5</b>	<b>83.7</b>	<b>70.7</b>	<b>-13.0</b>
					<b>Reprofiling</b>			<b>-0.5</b>
					<b>Cost Variations</b>			<b>0.0</b>
					<b>Net over (under) spend</b>			<b>0.0</b>

### Activities

- 8.10 Abraham Moss Leisure Centre designs progressed to RIBA stage 4 in September 2019. The current design suggests significant pressures against the existing budget and further work is required. A planning application submission was submitted in October 2019.
- 8.11 All planned social value associated with the Moss Side Leisure Centre has been reported as delivered including apprenticeships, jobs created and work placements. A total of 193 apprentice weeks were banked and 9 new jobs created.
- 8.12 Works at King George V Park, Heaton Park South Play and the additional works at Platt Fields are now complete. A number of further Leisure and Park projects are under development including Non-Turfed Cricket Wickets and Manchester City Football Club in the Community park enhancement works including Ladybarn Park and Scotland Hall Road Park, with business cases expected to be brought forward this financial year.
- 8.13 Works are ongoing at the Manchester Aquatics Centre (MAC) and National Cycling Centre (NCC) to develop designs to RIBA Stage 2 to support major refurbishments at both venues. Full business cases are to follow in January 2020.
- 8.14 In the interim, works to develop office accommodation at the NCC for British Cycling have now completed. Leisure are also reviewing proposals for building a wind tunnel in East Management for British Cycling's use. Site options are currently being considered, and works would be on a spend to save basis with British Cycling currently spending £250k annually to travel to use a facility in Southampton.

### Variations - All Years

- 8.15 The first priority site for the Football Association (FA) Hubs project is Hough End. A master plan for the site is currently in development which will inform future provision and the operating model. Due to the change in scope, the initial budget of £13.0m to be funded through borrowing has been removed from the Capital Programme and an alternative scheme utilising this will be brought forward. Further alternative plans will be developed in the future for any additional sites.

#### Variances - In Year

- 8.16 The £0.5m budget for Boggart Hole Clough has been re-profiled in to next financial year whilst the project is paused and a full scheme is developed and consultation with key stakeholders and members is undertaken.

#### *Libraries Programme*

- 8.17 The library programme seeks to bring up to date accessible technology to communities, provide high quality exhibition areas attracting visitors and residents and create new community meeting spaces.
- 8.18 The Libraries programme is forecasting to spend £0.7m against a budget of £0.9m. Spend to date is £0.2m, or 29.5% of the current forecast. The programme is shown in the table below:

Libraries	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Budget £m	19/20 Outturn £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Open Libraries	0.1	0.5	0.5	0.3	-0.2	0.5	0.5	0.0
Other Projects	0.1	0.4	0.4	0.4	0.0	2.7	2.7	0.0
<b>Total Libraries</b>	<b>0.2</b>	<b>0.9</b>	<b>0.9</b>	<b>0.7</b>	<b>-0.2</b>	<b>3.2</b>	<b>3.2</b>	<b>0.0</b>
					<b>Reprofiling</b>			<b>-0.2</b>
					<b>Cost Variations</b>			<b>0.0</b>
					<b>Net over (under) spend</b>			<b>0.0</b>

#### Activities

- 8.19 Works have completed at Withington Library and Wythenshawe Forum as part of the open libraries programme. Project officers are currently assessing building information in order to deliver open libraries works at the Avenue Library.

#### Variances - In Year

- 8.20 There is a requirement to move £0.2m budget into the next financial year for the open libraries project, specifically in relation to Chorlton Library. Investigations are underway for installation of the system at the library and works are expected to complete in 2020/21.



## Risks

- 8.21 External funding can form a significant part of available budgets to support parks improvements but is subject to lengthy negotiation and is not always successful. The risk profile has been updated to include the ability to secure match funding from external partners including Historic England and the Heritage Lottery Fund. This will be monitored by the programme board.
- 8.22 Recruitment to the Parks Development Programme team needs to be successfully completed to enable the feasibility studies and options appraisals required to support future investment. The project team are reporting all recruitment will be complete by December to support the timely delivery of the programme.

## 9 Growth and Development Programme

- 9.1 The Growth and Development programme is shown in the table below, and is split across four main themes, the details of which are provided separately below:

### *2019/20 Growth and Development Programme (September 19)*

<b>Growth and Development</b>	<b>Budget set in Feb 19 £m</b>	<b>Budget £m</b>	<b>Forecast £m</b>	<b>Variance £m</b>	<b>Spend to Date £m</b>	<b>Spend to Date as % of Forecast</b>
Culture	55.3	44.3	34.3	-10.0	12.4	36.2%
Corporate Estates	34.8	27.9	25.7	-2.2	4.4	17.1%
Development	25.0	35.7	34.1	-1.6	8.6	25.3%
Other Growth and Development	12.0	20.0	20.0	0.0	5.2	25.9%
<b>Total Growth and Development</b>	<b>127.1</b>	<b>127.9</b>	<b>114.1</b>	<b>-13.8</b>	<b>30.6</b>	<b>26.8%</b>
				<b>Reprofiling</b>	<b>-13.5</b>	
				<b>Cost Variations</b>	<b>0.0</b>	
				<b>Net over (under) spend</b>	<b>-0.3</b>	

### *Culture Programme*

- 9.2 The Factory will act as a driver of the next stage of Manchester's and the North's regeneration – with clear cultural, economic, educational and social benefits for the city and the wider region. It will be a new type of venue – one that can commission, produce and present the widest range of opera, dance, theatre, visual arts and popular culture, with an emphasis on new cross-art form collaborations, for a much wider audience than any traditional venue.
- 9.3 Prior to the changes noted in this report, the Factory budget was updated at outturn for the revised programme cash flow from the contractor, following the project receiving notice to proceed (NTP).

- 9.4 The Culture programme is forecasting to spend £34.3m compared to a budget of £44.3m, a variance of £10.0m. Spend to date is £12.4m or 36.2% of the forecast. The programme is shown in the table below:

Culture Programme	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
The Factory	12.4	55.3	44.3	34.3	-10.0	139.4	139.6	0.2
Other Projects	0.0	0.0	0.0	0.0	0.0	26.8	26.8	0.0
<b>Total Cultural</b>	<b>12.4</b>	<b>55.3</b>	<b>44.3</b>	<b>34.3</b>	<b>-10.0</b>	<b>166.2</b>	<b>166.4</b>	<b>0.2</b>
<b>Reprofiling</b>					<b>-10.0</b>			
<b>Cost Variations</b>					<b>0.0</b>			
<b>Net over (under) spend</b>					<b>0.0</b>			

#### Activities

- 9.5 Steel works continue to progress well, and the concrete superstructure of the truck lift is now complete. Public realm plans are expected in November 2019 with planning submission in early 2020.
- 9.6 The Network Rail land transfer agreement and the Princes Bridge agreement have both been signed and are with Network Rail for sealing. Land transfer issues relating to small parcels of land leased to Arch Co are almost resolved with Heads of Terms agreed and a surrender agreement drafted for the company's signature. This will enable the certificate of title to be shared providing for the drawdown of funding.

#### Variances - All Years

- 9.7 There is a total overspend of £0.2m which relates to an increase in professional and legal fees, and the requirement for a greater service connection to the site. This will be addressed in the next iteration of the cost plan and associated budget reductions.

#### Variances – In Year

- 9.8 As the project has now received Notice to Process (NTP), the updated forecast for 2019/20 has been re-profiled in line with the construction programme and revised fees. The cashflow forecast is now responding to the implications of the revised programme and preliminaries profile. As a result £10.0m has been moved in to future years.

#### Risks

- 9.9 The risk profile for the Factory focuses on ensuring the project is delivered within the agreed budget and timescales, with the delivery and installation of

the steel required for the building construction, which is being managed on a section by section basis, forming the critical programme path.

### *Corporate Estates Programme*

- 9.10 The programme supports the provision of fit for purpose accommodation for corporate and community use and proactively maintaining and managing the corporate estate which includes reducing carbon emissions.
- 9.11 The main changes since the budget set in February 2019 and prior to the proposals highlighted in this report are as follows:
- Various schemes within the Asset Management Programme were re-profiled to future years following a rescheduling of works for some large scale projects including Heaton Park and Hall. The 2019/20 budget is now £10.0m.
  - The Hammerstone Road scheme is currently being reviewed taking into account the potential impact of the HS2 project. As a result, the 2019/20 budget was re-profiled at outturn from £7.1m to £2.9m.
  - Upon receipt of the detailed investment grade proposals for the Carbon Reduction programme, the 2019/20 budget was revised to £6.1m at outturn.
- 9.12 The Corporate Estates programme is forecasting to spend £25.7m compared to a budget of £27.9m, a variance of £2.2m. Spend to date is £4.4m, or 17.1% of the current forecast. The programme is shown in the table below:

<b>Corporate Estates</b>	<b>19/20 Spend to Date £m</b>	<b>19/20 Budget set in Feb 19 £m</b>	<b>19/20 Revised Budget £m</b>	<b>19/20 Forecast £m</b>	<b>19/20 Variance £m</b>	<b>All Years Budget £m</b>	<b>All Years Forecast £m</b>	<b>All Years Variance £m</b>
Asset Management Programme	3.2	11.8	10.0	10.4	0.4	29.6	30.0	0.4
Hammerstone Road Depot	0.0	7.1	2.9	1.1	-1.8	15.0	15.0	0.0
Carbon Reduction Programme	0.0	8.5	6.1	6.1	0.0	10.2	10.2	0.0
Estates Transformation	1.1	7.4	6.8	6.3	-0.4	18.0	18.0	0.0
Other Projects	0.1	0.0	2.1	1.7	-0.4	2.3	1.9	-0.4
<b>Total Corporate Estates</b>	<b>4.4</b>	<b>34.8</b>	<b>27.9</b>	<b>25.7</b>	<b>-2.2</b>	<b>75.1</b>	<b>75.1</b>	<b>0.0</b>
					<b>Reprofiling</b>	<b>-2.2</b>		
					<b>Cost Variations</b>	<b>0.0</b>		
					<b>Net over (under) spend</b>	<b>0.0</b>		

### Activities

- 9.13 Works are progressing on schedule for the 2019/20 Asset Management Programme (AMP).
- 9.14 Corporate Estates have recently opened the new Hulme District Office on

Stretford Road, which includes LED lighting and Solar Photovoltaic panels on the roof.

- 9.15 The next phase of Estates transformation activity will see Alexandra House and the nearby underground car park being fully refurbished. Taking place from September 2019 to November 2020, the refurbishment will improve the working environment for staff. Additionally, the introduction of numerous energy-saving methods, such as LED lighting and thermally efficient windows, will help the Council's target of becoming a sustainable city. The building and car park are scheduled to reopen in December 2020.
- 9.16 The detailed plan of works for the Carbon Reduction Programme has been agreed with the contractor who will be located with the Estates team from October onwards as the project moves into its delivery phase.

#### Variances – All Years

- 9.17 A virement of £0.4m has been actioned from the Ross Place budget to the Asset Management Programme (AMP) as the approved budget is now not required in full. Further works to be undertaken in AMP using this budget are being progressed through Estates Board.

#### Variances - In Year

- 9.18 The Hammerstone Road project is currently paused pending a review of individual project element costs including construction inflation pressures. As the main contract works and post-contract fees are now forecast to begin in 2020/21, £1.8m budget will be moved in to next financial year.
- 9.19 Following the contract programme and activity schedule for Alexandra House being agreed and work commencing on site on 2<sup>nd</sup> September, the project has been re-profiled and £0.4m has been moved in to next financial year.

#### Risks

- 9.20 There is a carefully planned rolling programme of activity to assess and address end of life replacements through the Asset Management Programme with close collaboration with Capital Programmes colleagues to ensure momentum is maintained. This may lead to a change in priorities during the year.
- 9.21 The Carbon Reduction programme is retrofitting efficiency measures to existing buildings of varying ages and conditions meaning there is a possibility that unknown items such as sub-standard electrical infrastructure or asbestos could be uncovered. To mitigate this, the programme has allowed for a 15% works contingency. A detailed building by building risk log will be maintained and managed throughout the delivery phase with key risks being escalated to the Carbon Reduction Programme Board, reporting into the Estates Board.
- 9.22 Ability to secure resources and suppliers in a buoyant market is a risk to the Estates Transformation Programme. It is being mitigated through early and

ongoing planning to inform pipeline decision making about resource availability and allocation.

### *Development Programme*

- 9.23 The Development Programme seeks to provide sustainable growth and transformation of the City, not only to support internal growth but also to retain international competitiveness by promoting opportunities to develop the City's fabric, infrastructure, business and skills base and connecting local communities to employment opportunities.
- 9.24 Prior to the changes noted in this report, and reported at outturn, the £3.9m set aside for the acquisition of land for the joint venture within the Northern Gateway scheme, was re-profiled in to 2019/10 whilst discussions were ongoing. Due to a shift in grant drawdown timings, City Labs 2 and Digital Business Incubators saw re-profiling of £4.0m collectively in to this financial year.
- 9.25 The Development programme is forecasting to spend £34.1m compared to a budget of £35.7m, a variance of £1.6m. Spend to date is £8.6m, or 25.3% of the current forecast. The programme is shown in the table below:

Development	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Digital Asset Board (MCDA)	2.4	1.2	5.2	5.2	0.0	27.1	27.1	0.0
Strategic Acquisitions Board	1.9	4.3	4.0	4.0	0.0	22.9	22.9	0.0
Northern Gateway	0.0	2.3	6.2	6.2	0.0	25.0	25.0	0.0
Eastern Gateway	1.8	5.3	3.8	3.6	-0.2	70.7	70.4	-0.3
City Centre	2.5	11.9	16.5	15.1	-1.4	62.4	62.4	0.0
Enterprize Zone	0.0	0.0	0.0	0.0	0.0	5.9	5.9	0.0
<b>Total Development</b>	<b>8.6</b>	<b>25.0</b>	<b>35.7</b>	<b>34.1</b>	<b>-1.6</b>	<b>214.0</b>	<b>213.7</b>	<b>-0.3</b>
					<b>Reprofiling</b>			<b>-1.3</b>
					<b>Cost Variations</b>			<b>0.0</b>
					<b>Net over (under) spend</b>			<b>-0.3</b>

### Activities

- 9.26 Bids for the design of the Arena Memorial were received in September, with approval for the final design expected in December 2019. This will enable the Medieval Quarter, postponed to enable the incorporation of the Arena Memorial into the wider works, to commence on site in May 2020.

- 9.27 Capital Programmes staff are currently undertaking a review of proposals for Piccadilly Gardens. A contractor and design team will be appointed later this year and this will be followed by public consultation on design proposals.
- 9.28 The development of Lincoln Square is progressing on programme and will include a new Peace Park area. Discussions are taking place with the Friends of the Peace Gardens to move the Messenger of Peace statue to a site in Mulberry Square.
- 9.29 The agreement for the remaining Digital Business Incubators grant funding has been signed. The grant has now been passported to the 3<sup>rd</sup> party, allowing the works at the Bonded Warehouse to commence. Completion is expected by the end of 2019.

#### Variances – All Years

- 9.30 There is an anticipated underspend of £0.3m on the Eastern Gateway – New Islington Marina project following the forecast being updated to reflect the cost plus award fee (CPAF) figure now signed off by the client.

#### Variances – In Year

- 9.31 Further to the underspend noted in paragraph 9.30, there is a requirement to accelerate £0.1m in to 2019/20 for the Eastern Gateway – Central Retail Park Scheme due to professional fees, security and utility costs being incurred earlier than expected.
- 9.32 As noted in paragraph 9.26, the Medieval Quarter Public Realm project is currently postponed until the Arena Memorial works are incorporated into the wider scheme. As a result £1.4m of the budget has been moved in to 2020/21 when it is expected that the scheme will commence.

#### Risks

- 9.33 It should be noted that there are a number of significant elements of the Growth and Development programme, such as the 2019/20 Strategic Acquisitions programme, which are dependent on negotiations with third parties in order to achieve a successful outcome e.g. for land acquisitions. As a result the budget profile is a best estimate and is likely to change. The programme is continually subject to a detailed review and prioritisation exercise.

#### *Other Growth and Development Programme*

- 9.34 Prior to the changes highlighted in this report, it was reported at outturn that the Heron House and Registrars work had completed in 2018/19, however the fit out of floors 4 and 5 was reprofiled into 2019/20 as a consequence of various contract negotiations. As a result the remaining £4.5m budget was moved in to this financial year.

9.35 In line with the position reported to Executive, the legal agreements for the Civic Quarter Heat Network were signed and the programme of work updated meaning the budget was adjusted accordingly at outturn with the need to re-profile £3.6m in to 2019/20.

9.36 The Other Growth and Development Programme is forecasting to spend £20.0m compared to a budget of £20.0m, a variance of nil. Spend to date is £5.2m, or 25.9% of the forecast. The programme is shown in the table below:

Other Growth and Development	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Heron House and Registrars	1.5	0.0	4.5	4.5	0.0	20.6	20.6	0.0
Civic Quarter Heat Network	3.7	11.5	15.1	15.1	0.0	26.0	26.0	0.0
Other Projects	0.0	0.5	0.5	0.5	0.0	6.0	6.0	0.0
<b>Total Other Growth and Development</b>	<b>5.2</b>	<b>12.0</b>	<b>20.0</b>	<b>20.0</b>	<b>0.0</b>	<b>52.6</b>	<b>52.6</b>	<b>0.0</b>
<b>Reprofiling</b>					<b>0.0</b>			
<b>Cost Variations</b>					<b>0.0</b>			
<b>Net over (under) spend</b>					<b>0.0</b>			

#### Activities

9.37 Works have commenced onsite for the Civic Quarter Heat Network project, with road closures on Mount Street enabling the dig down for heat pipes and power cables to be laid. Project communications have been taking place in line with stakeholder and events plans with a 'First Pipe in the Ground' event held on 9th July attended by project staff and off-takers of energy and heat from the network.

#### Variations

9.38 There are currently no variances to budget for the Other Growth and Development Programme.

#### Risks

9.39 The Civic Quarter Heat Network project will need to ensure a return on investment to repay costs over the contract term. The scheme will need to offer competitive commercial terms to off-takers to ensure it appears attractive. To provide this, a continual review of project costs will be undertaken as well as value engineering exercises across the entire scope and project cost.

## **10 Our Town Hall Refurbishment**

- 10.1 The Our Town Hall programme is a major scheme to update the architectural masterpiece that is the Manchester City Centre Town Hall, to protect and improve it for both Manchester and the nation, restoring and re-opening in 2024.
- 10.2 At outturn, £2.5m of the Our Town Hall budget for 2018/19 was moved in to this financial year due to the re-phasing of early works, plus costs and the drawdown profile being updated to reflect the commercial agreement following the finalisation of the Management Contractor terms. The 2019/20 budget is now £26.9m.
- 10.3 The Our Town Hall Refurbishment programme is forecasting to spend £21.9m compared to a budget of £26.9m, a variance of £5.0m. Spend to date is £4.7m, or 21.5% of the current forecast. The programme is shown in the table below:

Our Town Hall	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Our Town Hall Refurbishment	4.7	24.4	26.9	21.9	-5.0	305.2	305.2	0.0
<b>Total Our Town Hall Refurbishment</b>	<b>4.7</b>	<b>24.4</b>	<b>26.9</b>	<b>21.9</b>	<b>-5.0</b>	<b>305.2</b>	<b>305.2</b>	<b>0.0</b>
					<b>Reprofiling</b>	<b>-5.0</b>		
					<b>Cost Variations</b>	<b>0.0</b>		
					<b>Net over (under) spend</b>	<b>0.0</b>		

### Activities

- 10.4 Works on the Town Hall are on schedule with the latest programme still scheduling practical completion for December 2023 and the building re-opening in the New Year. The Mechanical, Electrical and Plumbing (MEP) stage 1 contractor has now been appointed with the total package worth c£40.0m. A paper on carbon aspirations for the building is to be presented to the Town Hall Project Strategic Capital Board at the end of November.
- 10.5 The project cost plan and risk register have been updated to account for decisions taken by the Strategic Board when approving the RIBA Stage 3 design. Within the programme, Notice to Proceed (NTP) publication is scheduled for February 2020. Therefore, papers will be taken through the January committee meeting cycle with cost surety of between 60-70% achieved at this stage.
- 10.6 The Our Town Hall project team hosted three public 'meet the team events' at the end of June with plans available to demonstrate how the building and



public realm will be developed as part of the project.

### Variances – In Year

- 10.7 Since outturn the budget has been re-profiled for the client side fees and updates to the design team fees. The construction forecast is now based on the revised programme and work packages and has been re-profiled to reflect this. The appointment of the MEP stage 1 contractor means that a fee has now been agreed and contingency budgets have been re-phased. As a result, there is a requirement to move £5.0m budget in to future years.

### Risks

- 10.8 Due to the size, duration and nature of the programme, risk will be carefully managed through and across the various work packages. Site investigations and early works are vital to inform the design and cost aspects.
- 10.9 At this early stage of the project the spend profile remains uncertain. Once the project receives Notice to Proceed (NTP) a more detailed timeline of work will be agreed. It is likely that the budget profile will change.
- 10.10 In addition, external factors such as supply chain uncertainty and the availability or otherwise of sufficient and appropriate specialists to ensure the quality of the finished work, will require careful monitoring to ensure early action can be taken to reduce any negative impact on cost and programme.

## **11 Housing - General Fund**

- 11.1 The Private Sector Housing programme focuses on providing affordable housing including the facilities, adaptations and community focus required.
- 11.2 As reported at outturn, £4.7m budget for the Marginal Viability Fund New Victoria scheme was accelerated in to this financial year to reflect the expected receipt of grant income in 2019/20. Subsequently, this has proved not possible and the project has been re-profiled accordingly.
- 11.3 The Private Sector Housing programme is forecasting to spend £17.5m compared to a budget of £28.8m, variance of £11.3m. Spend to date is £4.5m, or 25.7% of the current forecast. The programme is shown in the table below:

Private Sector Housing (General Fund)	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Brunswick PFI Land Assembly	0.9	1.7	1.5	1.7	0.2	9.5	9.5	0.0
Disabled Facilities Grant	3.3	7.9	7.8	7.8	0.0	53.9	53.9	0.0

Extra Care	0.0	2.4	2.4	0.0	-2.4	6.0	6.0	0.0
Ben St Regeneration	0.0	0.6	1.3	1.3	0.0	15.6	8.7	-6.9
Marginal Viability Fund – New Victoria	0.0	1.8	6.5	0.5	-6.0	10.5	10.5	0.0
Other Projects	0.3	10.3	9.3	6.2	-3.1	88.6	86.4	-2.2
<b>Total Private Sector Housing (General Fund)</b>	<b>4.5</b>	<b>24.7</b>	<b>28.8</b>	<b>17.5</b>	<b>-11.3</b>	<b>184.1</b>	<b>175.0</b>	<b>-9.1</b>
					<b>Reprofiling</b>			<b>-9.0</b>
					<b>Cost Variations</b>			<b>-0.1</b>
					<b>Net over (under) spend</b>			<b>-2.2</b>

### Activities

- 11.4 Disabled Facilities Grant works are reportedly on schedule for this financial year with a request to draw down £2.4m reserves from prior years to enable additional works in the next financial year approved.
- 11.5 Approval to spend has been granted for the New Victoria Marginal Viability Fund scheme, which will enable the delivery of 520 new homes in the City Centre. The funding allocation from the Government's Housing Infrastructure Fund will be allocated to a developer in order for them to undertake the works on behalf of the Council.
- 11.6 The contract report for the West Gorton Park and Community Spaces project has now been signed after the successful completion of a tender exercise. Works commenced in September 2019, with expected completion in April 2020.

### Variances - All Years

- 11.7 There is a total underspend of £6.9m against the Ben Street Regeneration project as the phase 2 redevelopment of the Alpine Street site is now being delivered by One Manchester who are legally committed to delivering 66 homes. No additional funding is required to help deliver this housing scheme and so the budget will be removed from the capital programme.
- 11.8 There is a further underspend of £2.2m against the Armitage Nursery and Community Facility as there are currently no plans for expenditure. This budget will be removed from the capital programme until a new scheme is developed and presented to the Strategic Capital Board.

### Variances – In Year

- 11.9 Acceleration of £0.2m budget for the Brunswick PFI Land Assembly scheme is required due to the expected completion of a number of commitments and compensation payments.

- 11.10 The £2.4m budget for Extra Care will be moved into the next financial year as the Council continues to review Extra Care schemes, seeking the optimum balance between Manchester City Council led schemes and those led by Registered Providers supported by the Council.
- 11.11 A revised business case was submitted in June 2019 for the Marginal Viability Fund - New Victoria scheme, which details a revised profile of spend as a result of the grant agreement taking longer than anticipated. The planned programme and timescales have been adjusted accordingly meaning that £6.0m budget will be moved in to future years.
- 11.12 The £0.5m budget for 3 sites at Eccleshall Street has been moved in to 2020/21 whilst a full scheme for each of the sites is developed.
- 11.13 There are various other projects within the Private Sector Housing portfolio that collectively require budget re-profiling in to future years of £0.4m.

### Risks

- 11.14 Delays with acquisitions, refurbishment works or sales could potentially result in the Empty Homes Programme being delayed with action needed to minimise the amount of time the Council is responsible for the properties. Similarly, delays to Extra Care schemes could impact on savings projected by Adult Services and the availability of funding from third parties. Given the early stage of this project this risk is not quantifiable but will be closely monitored.

## **12 Housing Revenue Account (HRA)**

- 12.1 The Public Sector Housing programme seeks to bring the estate up to and maintain Decent Homes standard including statutory health and safety regulations and the reduction of CO2 emissions.
- 12.2 The Northwards programme was re-profiled by £0.6m at outturn due to potential savings identified and changes in the schedule of works across some minor schemes. A capital budget increase was requested in March for North Manchester New Builds 3, with work expected to begin in 2019/20, and so £0.9m was moved in to this financial year. These are the main changes to the budget set in February 2019 prior to those noted in this report.
- 12.3 The Public Sector Housing (HRA) programme is forecasting to spend £25.4m compared to a budget of £31.7m, a variance of £6.3m. Spend to date is £3.7m or 14.6% of the current forecast. The programme is shown in the table below:

Public Sector Housing (HRA)	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Northwards	3.2	27.3	27.9	23.3	-4.6	120.8	120.8	0.0
North Manchester New Builds (NMNB)	0.3	0.7	1.6	1.6	0.0	21.4	21.4	0.0
Other Projects	0.2	2.0	2.2	0.5	-1.7	48.3	48.3	0.0
<b>Total Public Sector Housing (HRA)</b>	<b>3.7</b>	<b>30.0</b>	<b>31.7</b>	<b>25.4</b>	<b>-6.3</b>	<b>190.5</b>	<b>190.5</b>	<b>0.0</b>
<b>Reprofiling</b>					<b>-6.3</b>			
<b>Cost Variations</b>					<b>0.0</b>			
<b>Net over (under) spend</b>					<b>0.0</b>			

### Activities

- 12.4 The Northwards 2019/20 programme focuses on decent home provision, fire safety and the delivery of all 2018/19 delayed works. Northwards have confirmed the completion of their responsive investment works for this period which involves decent homes standard improvements to void properties. A further 9 projects and programmes are reported as currently live on site and 63 major adaptations delivered to date this year.
- 12.5 Currently £1.8m European Regional Development Fund (ERDF) has been granted to the Ground Source Heat Pump initiative with match funding of £2.8m budgeted from the HRA. The project will provide communal heating for 270 properties and will provide significant carbon savings.
- 12.6 An Affordable Housing New Build Board has been established to review existing schemes and identify future opportunities.

### Variances – In Year

- 12.7 Across the whole of the Northwards programme of works, there is a requirement to move £4.6m budget into next financial year, including £1.7m for the installation of sprinkler systems for multi storey blocks and £1.5m on the kitchens and bathrooms programme, caused by issues in agreeing the target cost with the contractor.
- 12.8 There is £0.5m slippage against the Collyhurst Estate Regeneration programme, as confirmation of funding from Central Government is awaited.
- 12.9 The fire precautions works to high rise and shared public homes is due to be delivered by Northwards. The commissioning process has taken longer than originally anticipated and so the £1.2m budget has been re-profiled into 2020/21.

### Risks

- 12.10 The Northwards programme relies on the performance of a number of contractors to deliver projects which creates a risk of delays. Ongoing monitoring of performance and regular communication with partners are used to manage risks in these areas.
- 12.11 There are risks around obtaining listed building consent and planning approvals required for some of the projects, to be managed through timely collaboration with colleagues in Planning and design teams.
- 12.12 Northwards have updated their risk profile to include an expected increase in fire risk assessment costs on the high rise blocks due to an increase in the scope of work following detailed surveys, an increase in contractor costs due to demands on capacity and an increase in insurance costs in relation to accountability and risk.

### 13 Children's Services

- 13.1 The main focus of the children's services programme is to provide additional school places for children across the City and maintain the school buildings, ensuring that there is investment in modern, energy efficient and high quality education infrastructure which drives reductions in carbon across the estate of schools, 85% of materials are locally sourced and contractors recycle more than 75% of waste products.
- 13.2 The main changes noted at outturn and prior to those within this report include various contingency budgets within the Education Basic Need Programme totalling £0.7m being moved in to 2019/20, until it became clear how much, if any would need to be utilised. An additional £1.2m Special Educational Needs grant was awarded from the Department for Education (DfE) which was added to the budget in March 2019 and moved in to 2019/20.
- 13.3 The Children's Services programme is forecasting to spend £13.4m compared to a budget of £42.7m, a variance of £29.3m. Spend to date is £4.1m, or 30.8% of the current forecast. The programme is shown in the table below:

Children's Services	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Basic Need and SEND Programme	0.2	29.6	30.3	3.6	-26.7	206.0	205.6	-0.4
School Maintenance programme	2.0	5.3	5.2	5.2	0.0	16.4	16.4	0.0
Other Projects	1.9	4.1	7.2	4.6	-2.6	8.4	8.4	0.0
<b>Total Children's Services</b>	<b>4.1</b>	<b>39.0</b>	<b>42.7</b>	<b>13.4</b>	<b>-29.3</b>	<b>230.8</b>	<b>230.4</b>	<b>-0.4</b>
					<b>Reprofiling</b>			<b>-29.3</b>

<b>Cost Variations</b>	<b>0.0</b>
<b>Net over (under) spend</b>	<b>0.0</b>

### Activities

- 13.4 The programme contract for the Education Basic Need (EBN) Special Educational Needs (SEN) programme has now received sign-off and contractors have been informed. The programme is across 4 sites - Roundwood Social, Emotional, and Mental Health (SEMH) School, North Hulme SEMH School, Monsall Road Pupil Referral Unit (PRU) and Camberwell Park SEN School. Works are expected to commence on site Spring 2020 across all 4 schemes. Elsewhere within the EBN Programme, projects are progressing as planned for 2019/20.
- 13.5 The Schools Maintenance Programme for summer 2019 consisted of 20 schemes, of which 10 are now fully completed. For minimal disruption, the remainder will be completed during weekends and evenings. Investigatory works are being undertaken for potential additional schemes to add to the programme without impacting school business and to be funded from within the agreed budget. Any additional projects will be approved by the Schools Organisation and Strategy Board prior to seeking approval to spend.
- 13.6 The Special provision capital fund scheme has been agreed to expand North Ridge High School, to develop a standalone sixth form provision at the Abraham Moss Centre. A contractor has been appointed and the contract is expected to be agreed March 2020. A consultation will be held with special schools to determine how the additional £1.1m within the fund can be invested.

### Variances - All Years

- 13.7 The unallocated Basic Need programme has been reduced by £0.4m. This is an accounting adjustment, based on demolition costs for the Beaver Road primary expansion being funded from elsewhere in the programme in previous years and a subsequent agreement that the costs can now be included in the Basic Need scheme.

### Variances – In Year

#### *Basic Need Programme*

- 13.8 Following the contract reports being signed as noted in paragraph 13.4, the Education Basic Need SEN Programme schedule of works across the four schools has now been re-profiled, meaning there is a requirement to move £6.5m in to 2020/21.
- 13.9 Elsewhere within the Education Basic Need Programme, £20.2m of the unallocated budget has been moved in to next financial year whilst a review is undertaken of the number of school places required across the City in the

context of both the Council's Basic Need Programme and the Government's Free School Programme.

#### *Other Projects*

- 13.10 Due to changes in design, specifically in relation to the square footage of the building and other highways requirements, a revised programme has been produced for the Northridge SEN programme meaning there is a requirement to move £2.6m in to next financial year. Pre-construction activity has now commenced and the contract period is expected to commence in March 2020.

#### Risks

- 13.11 As the DfE have confirmed that Manchester will receive no Education Basic Need funding in 2020/21 due to significant investment planned in free schools, the forward plan for the Education Programme will be dependent on the decision on the next wave of free schools. The statutory duty to provide places belongs to the City Council and the relationship with the DfE is key in ensuring that the free school places are delivered on time in order that the duty can be met.
- 13.12 There is a further risk around the Council's ability to meet the continued growth of pupil numbers – particularly in-year school admissions which is more difficult to accurately project and manage. There is also a risk around the pace of residential development and the demand for school places outweighing the available supply in particular areas of the City. To offset these risks, the Director of Education is currently developing a School Places plan for 2020 to 2025 using forecasted demand to ensure that there is sufficient high quality school places available in the right areas across the City although this is dependent on identifying appropriate sites in the right areas.

### **14 ICT Capital Programme**

- 14.1 The aim of the ICT programme is to reduce key risks, decommission legacy platforms and to create a simpler, more robust, resilient and easier to support environment. The programme will move towards a modern infrastructure whilst adding business value.
- 14.2 Following the appointment of the Interim Strategic Director of ICT, a review of the ICT Capital Plan resulted in the £8.8m ICT Investment Plan unallocated budget being moved in to future years. Kit for the Data Centre Network Design and Implementation project that was scheduled to arrive at the end of March arrived in early 2019/20, and hence £1.4m was re-profiled in to this financial year at outturn. These are the main variances from the budget set in February 2019, prior to the changes highlighted in this report.
- 14.3 The ICT programme is forecasting to spend £6.6m against a budget of £8.0m, a variance of £1.4m. Spend to date is £2.9m, or 43.9% of the current forecast. The programme is shown in the table below:

ICT	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
New Social Care System	0.7	0.5	1.7	2.4	0.7	3.7	4.4	0.7
ICT Investment Plan unallocated	0.0	8.8	0.0	0.0	0.0	23.8	23.8	0.0
Other Projects	2.2	2.0	6.3	4.2	-2.1	23.9	23.9	0.0
<b>Total ICT</b>	<b>2.9</b>	<b>11.3</b>	<b>8.0</b>	<b>6.6</b>	<b>-1.4</b>	<b>51.4</b>	<b>52.1</b>	<b>0.7</b>
					<b>Reprofiling</b>			<b>-2.1</b>
					<b>Cost Variations</b>			<b>0.0</b>
					<b>Net over (under) spend</b>			<b>0.7</b>

### Activities

- 14.4 The Interim Director of ICT has reconstituted the ICT Board including revised membership and terms of reference, using the ICT Directorate Leadership Team and Directorate ICT Boards as part of a revised governance approach for the Portfolio. A review of the ICT capital plan has resulted in forecast spend reducing for 2019/20 based on a more pragmatic approach to delivery, some delays in commissioning and decisions on approach being agreed.
- 14.5 Hardware for the Data Centre was received in June 2019 to enable works to be delivered on upgrading the facility. The programme is reporting a RED status, under special measures to ensure the exit of Sharp in January 2020 remains on track. Network handover will be in October 2019, with 12 weeks of business application and service migrations to the new Data Centres to follow.
- 14.6 The New Social Care System Liquid Logic, which incorporates a new social care payments system ContrOCC, went live at the end of July 2019. A lessons learned review is being undertaken.
- 14.7 The majority of the SAP migration to Nutanix took place during October as agreed with the business. There is one remaining element to be completed in November.
- 14.8 ICT is commencing work with existing suppliers to understand how and if it can baseline its current carbon footprint and how future projects can improve this position. As part of social value contributions, ICT has asked suppliers for donations for the Manchester Care Awards, which they continue to provide support for.

### Variances – All Years

- 14.9 There is a £0.7m overspend in 2019/20 on the New Social Care System project due to additional staffing resources required to bring the project to a close. A business case to cover the additional resources until December 2019 from revenue has recently been submitted.



### Variances - In Year

- 14.10 The Communications Room Replacement Phase 2 requires movement of £0.4m budget in to next financial year, due to a delay in the recruitment of the project manager and the project being at initiation stage longer than anticipated. The documentation to support the procurement of a supplier is currently being developed with the appointment estimated by 31<sup>st</sup> December 2019.
- 14.11 Due to the interdependency between the two projects, it is proposed that the budget for End User Computing is utilised for the Collaboration Platform Replacement project as this will be completed first. It is possible that the scope of the End User computing project may change as a result of the Collaboration work and so a further business case will be brought forward in the future to address this and to request any additional funding that may be required. Therefore, the existing budget has been reprofiled by £1.7m in to next financial year to allow for the Collaboration project to begin. Further information is included in the Capital Update report elsewhere in the agenda.

### Risks

- 14.12 ICT projects are often interdependent which can lead to adjustments to the schedule of activity should changes occur in a particular project. Some projects may need external support and advice to be delivered and this may create delays as such work is completed.
- 14.13 ICT projects are subject to external factors such as cyber security risks as an incident could result in data unavailability or loss, impacting the Council's critical applications and services. The Council has Public Services Network (PSN) compliant infrastructure and up to date anti-virus software to mitigate this. The use of end of life software and hardware form part of the ICT risk profile to ensure ongoing operation of systems and hardware.
- 14.14 Ongoing risks around expiration of licenses and support contracts are managed through monitoring and review at operational and strategic level, taking into account costs associated with maintaining or changing existing arrangements into future years.

## **15 Corporate Services Programme**

- 15.1 Included in the Corporate Services programme is Gorton Health Hub which will bring together key organisations responsible for tackling worklessness and low skills. This will have a positive impact providing new opportunities for local residents and will contribute to sustainable economic growth by replacing a number of old, poorly maintained and high carbon producing buildings into a more modern, energy efficient purpose built building.
- 15.2 The main variances from the budget set in February 2019 and reported at outturn include:

- Discoveries in the ground at the Integrated Working - Gorton Health Hub site led to a project review and £0.4m being re-profiled in to this financial year.
- Due to the company being ahead of progress as set out in the business plan, a variation in the BioMedical Investment work programme led to a pe-phasing in timing of the loan drawdown, meaning £2.5m was moved in to 2019/20.

15.3 The Corporate Services programme is forecasting to spend £17.1m compared to a budget of £24.4m, a variance of £7.3m. Spend to date is £2.7m, or 15.9% of the current forecast. The programme is shown in the table below:

Corporate Services	19/20 Spend to Date £m	19/20 Budget set in Feb 19 £m	19/20 Revised Budget £m	19/20 Forecast £m	19/20 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Integrated Working – Gorton Health Hub	0.8	10.2	10.6	3.5	-7.1	22.8	22.8	0.0
BioMedical Investment	1.3	5.5	8.0	8.0	0.0	21.3	21.3	0.0
Other Projects	0.6	4.1	5.8	5.6	-0.2	133.7	133.7	0.0
<b>Total Corporate Services</b>	<b>2.7</b>	<b>19.8</b>	<b>24.4</b>	<b>17.1</b>	<b>-7.3</b>	<b>177.8</b>	<b>177.8</b>	<b>0.0</b>
					<b>Reprofiling</b>	<b>-7.3</b>		
					<b>Cost Variations</b>	<b>0.0</b>		
					<b>Net over (under) spend</b>	<b>0.0</b>		

#### Activities

- 15.4 The draft Heads of Terms have been agreed by partner organisations for the Gorton Health Hub project. The legal agreement for the lease is currently being progressed, with a planning application now submitted for the scheme.
- 15.5 The BioMedical programme is an investment to support research in the life science sub-sectors of Health and Medical Technologies – encompassing precision medicine, digital health, and diagnostics. To date, a £4.0m equity stake has been purchased, and £1.8m of the loan facility passported to the new vehicle.

#### Variances – In Year

- 15.6 The Integrated Working – Gorton Health Hub project has slippage of £7.1m due to discoveries in the ground and findings with utilities on site leading to a re-design of the building and therefore a delay. An updated construction programme is also now required. Planning submission was submitted in July and the updated start on site date is now January 2020. A full business case with revised costs and timescales is expected in November 19.
- 15.7 A potential £0.2m underspend has been indicated against the Pay and Display machines project, and as a result this has been moved in to next financial year until this is confirmed.

## Risks

- 15.8 The nature and scope of the schemes within the Corporate Programme mean that the Council is highly reliant on third parties in determining the likely profile of spend and there is therefore a risk of external factors causing delays.

## **16 Capital Programme Re-phasing and Variations 2019/20 to 2024/25**

- 16.1 Based on the monitoring information above, it is proposed that the capital programme budget is re-phased to reflect the planned delivery of projects in 2019/20 to 2024/25. The cumulative impact of these adjustments are shown in the table below.

### *Proposed Capital Programme variations 2019/20 to 2024/25*

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	Total Programme £m
Capital Budget (September 2019)	514.3	428.8	244.3	96.1	48.2	0.0	1,331.8
Forecast Re-profile	-69.7	11.9	29.1	25.8	3.0	0.0	0.0
Cost Variations	-3.0	-20.0	-0.4	0.0	0.0	0.0	-23.3
<b>Proposed Capital Budget</b>	<b>441.6</b>	<b>420.7</b>	<b>273.0</b>	<b>121.9</b>	<b>51.2</b>	<b>0.0</b>	<b>1,308.5</b>
<i>Of which:</i>							
Manchester City Council Programme	290.4	382.8	273.0	121.9	51.2	0.0	1,119.4
Programme on behalf of Greater Manchester	151.2	37.9	0.0	0.0	0.0	0.0	189.1

- 16.2 Further details regarding the proposed adjustments to the programme are given below.

### *Budget re-profiling:*

- 16.3 As highlighted in the narrative of this report, various schemes throughout the capital programme are now forecast to be accelerated into 2019/20, or have been moved to 2020/21 or future years. The budgets for these projects will be re-profiled to reflect the changes, and the revised budget profiles are shown at Appendix B.

### *Virements*

- 16.4 Various schemes across the programme require virements in 2019/20 - 2021/22, as shown in Appendix A.

- 16.5 The Council is recommended to approve virements over £0.5m within the capital programme as outlined in Appendix A.
- 16.6 The Executive is recommended to approve virements under £0.5m within the capital programme as outlined in Appendix A.

## 17 Social Value

- 17.1 All capital business cases are required to provide information on social value impact likely to be generated as part of the scheme. These include details of employment of local residents, training of local residents, improvements in key health outcomes, support of community cohesion, improvement in key education outcomes, help to other excluded groups and promoting environmental sustainability. These are considered as part of the scheme approval process via the Checkpoint system. Work is on-going as part of improving overall contract monitoring to review the monitoring of these activities.

## 18 Capital Resources

- 18.1 The capital programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital spend are in place and the future years programme is fully funded. Work will continue to ensure that the resources required to finance the capital programme are secured and the level of prudential borrowing remains affordable.
- 18.2 The table below summarises the current funding assumptions, and this will continue to be reviewed for the remainder of the financial year to ensure that the optimum value for money is being achieved through the programme:

*Draft funding position for 2019/20 Capital Programme:*

	<b>Draft Funding £m</b>
Grants	55.3
Contributions	31.1
Capital Receipts	174.3
Revenue Contributions to Capital	28.3
Capital Fund	5.0
Borrowing	149.9
<b>Total</b>	<b>443.9</b>

- 18.3 The Deputy Chief Executive and City Treasurer will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the City Council.

- 18.4 The requirements of the capital programme over the next five years are significant and both spend and funding streams will require close monitoring, particularly with the level of uncertainty for future funding allocations.

## **19 Change in PWLB borrowing rates**

- 19.1 On the 9th of October the Public Work Loans Board, and executive agency of the Treasury, increased the cost of borrowing available to the Council by 100 basis points. This means that the future cost of borrowing for the Council has increased, and has implications for local authority debt markets.
- 19.2 Further details on this change, and its implications, can be found in the report on capital financing which was discussed at Resources and Governance Scrutiny Committee on the 5th of November.

## **20 Prudential Indicators Monitoring**

- 20.1 Previously the monitoring of activity against the prudential indicators set during the budget process has been reported in the global revenue monitoring report. However, following the changes to the Prudential Code and the changes to the required indicators almost all the indicators relate to capital spend and financing, and it is therefore sensible to include them as part of the capital monitoring report so that they reflect the forecast position.
- 20.2 Details of forecast performance, based on the monitoring position above, against the prudential indicators is shown in appendix C.

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

### **(a) A thriving and sustainable city**

- 21.1 The capital programme contributes to various areas of the economy, including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.

### **(b) A highly skilled city**

- 21.2 The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.

### **(c) A progressive and equitable city**

- 21.3 The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.

### **(d) A liveable and low carbon city**

- 21.4 Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.

**(e) A connected city**

- 21.5 The capital programme includes investment in highways infrastructure, and broadband expansion.

**22 Key Policies and Considerations**

**(a) Equal Opportunities**

- 22.1 By investing in building adaptations, access for people with mobility difficulties is made easier.

**(b) Risk Management**

- 22.2 The capital programme is based on forecast costs and funding, and as such there are risks to achieving the programme from external factors such as shortage of labour or materials, alongside market risks such as price fluctuations and interest rate charges. The Strategic Capital Board, and associated Portfolio Boards for each part of the programme, are tasked with regular monitoring of costs, delivery, quality and affordability, to help manage and mitigate these risks.

**(c) Legal Considerations**

- 22.3 None.

## Appendix 1 – Proposed Virements

<b>Project Name</b>	<b>2019/20 In yr virement proposed</b>	<b>2020/21 In yr virement proposed</b>	<b>2021/22 In yr virement proposed</b>
Drainage	2,425	1,481	2,051
Large Patching repairs	1,796	30	531
Carriageway Resurfacing	-923	-1,511	-2,582
Carriageway Preventative	-3,263	-29	-1,049
Other Improvement works	722	1,710	2,487
Project Delivery Procurement	-757	-1,681	-1,438
<b>Total Highways Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
Asset Management Programme	420		
Ross Place Refurbishment	-420		
<b>Total Strategic Development Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
Charlestown - Victoria Ave multistorey window replacement and ECW	-12		
External cyclical works		-8	
External cyclical works Ancoats Smithfields estate	7		
ENW distribution network phase 4 (various)	80		
Dam Head - Walk up flats communal door renewal	13		
Newton Heath - Croyden Drive Security Improvements	100	88	
Various Estate based environmental works	100	100	100
Delivery Costs		369	124
2/4 Blocks Heating replacement with Individual Boilers		-108	
Lift replacement / refurbishment programme	-2		
Decent Homes mop ups ph 9 and decent homes work required to voids	30		
Whitemoss Road and Cheetham Hill Road Local Offices - Improvements		-3	
Ancoats - Victoria Square lift replacement	108		
Aldbourn Court/George Halstead Court/Duncan Edwards Court works	-3		
Boiler replacement programme	-17	-341	
Kitchen and Bathrooms programme	-693		
Harpurhey - Monsall Multis Internal Works		292	
Higher Blackley - Liverton Court Internal Works	845		

Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	104		
Charlestown - Rushcroft/Pevensey Court Internal Works	1,343	218	
Fire precautions multi storey blocks	-702		
Installations of sprinkler systems - multi storey blocks	-1,029		
Replacement of Prepayment Meters in High Rise Blocks		-20	
ERDF Heat Pumps	-55	-381	-17
Charlestown - Rushcroft/Pevensey Courts Lift Refurb			525
Multi Storey blocks door entry system renewal Sandyhill/Bradford Crts	5	31	
One off type work (rewires/boilers/doors)	100	300	
Delivery Costs	156	827	88
Various Locations - bringing bedsits back into use		21	75
Delivery Costs	2	4	10
Improvements to Homeless accommodation city wide		-164	
Improvements to Homeless Accommodation		164	
Delivery Costs		38	
Delivery Costs		4	
Public Sector Northwards Adaptations	200		
Adaptations	100	700	
Northwards Housing Programme	-780	-2,131	-905
<b>Total Public Sector Housing (HRA) Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
Holy Trinity Primary	47		
Lytham Rd	-100		
Co-op Academy expansion	-443		
Plymouth Grove Refurbishment	-285		
Beaver Rd Primary Expansion	-84		
Lily Lane Primary	-91		
St. James Primary Academy	-65		
Crossacres Primary School	-180		
Ringway Primary School	-77		
Webster Primary Schools	-87		
KS3/4 PRU Pioneer Street	70		
Basic need - unallocated funds	1,295		
Universal Infant Free School Meals - Unallocated	6		
Broad Oak Primary School Kitchen	553		
All Saints Prim Rewire	477		
Armitage Prim Windows	121		



Bowker Vale Prim Heating	262		
Buton Lane Prim Roof	192		
Cheetwood Prim Heating	126		
Crosslee Comm Heating	80		
Crowcroft Park Roof Repairs	146		
Grange School Sports Hall	163		
Higher Openshaw Rewire	849		
Lily Lane Prim Windows	53		
Moston Fields Joinery	221		
Ringway Prim Roof	231		
Sandilands Prim Windows	123		
St Mary's Junior Windows	43		
Alma Park Gas Improvement	1		
Schools Capital Maintenance -unallocated	-3,641		
Healthy Pupil Capital Funding	-6		
<b>Total Children's Services Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
Solaris	2		
PSN Windows 2003	-42		
Data Centre UPS Installation	-10		
End User Computing	69		
End User Experience	-69		
ICT Investment Plan	50		
<b>Total ICT Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Manchester City Council Capital Programme</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total GM projects</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total CAPITAL PROGRAMME</b>	<b>0</b>	<b>0</b>	<b>0</b>

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**Appendix B - revised capital budget for each project**

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
<b>Highway Programme</b>							
Planned Highways Maintenance Programme	400	75	0	0	0	0	475
Drainage	3,395	2,051	2,051	0	0	0	7,497
Large Patching repairs	2,884	1,311	1,311	0	0	0	5,506
Carriageway Resurfacing	5,835	4,213	3,697	0	0	0	13,745
Footway schemes	918	4,050	3,831	0	0	0	8,799
Carriageway Preventative	6,096	6,325	3,054	0	0	0	15,475
Bridge Maintenance	370	3,782	3,048	0	0	0	7,200
Other Improvement works	500	6,217	7,311	0	0	0	14,028
Hyde Road (A57) Pinch Point Widening	1,737	3,377	0	0	0	0	5,114
Manchester/Salford Inner Relief Road (MSIRR)	7,857	100	0	0	0	0	7,957
Great Ancoats Improvement Scheme	2,576	5,388	105	0	0	0	8,069
Mancunian Way and Princess Parkway NPIF	5,306	2,983	87	0	0	0	8,376
School Crossings	4,746	924	0	0	0	0	5,670
Cycle City Phase 2	2,318	2,000	0	0	0	0	4,318
Green Bridge at Airport City	1,990	975	0	0	0	0	2,965
A6 Stockport Road Pinch Point Scheme	169	613	14	0	0	0	796
Etihad Expansion - Public Realm	0	59	0	0	0	0	59
Velocity	54	0	0	0	0	0	54
Safe Routes to Loreto High School	107	0	0	0	0	0	107

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
20mph Zones (Phase 3)	96	370	0	0	0	0	466
Flood Risk Management - Hidden Watercourses	0	49	0	0	0	0	49
Flood Risk Management - Higher Blackley Flood Risk	0	41	0	0	0	0	41
Cycle Parking	15	0	0	0	0	0	15
Shadowmoss Rd / Mossnook Rd	12	0	0	0	0	0	12
Princess Rd Safety Review	186	300	0	0	0	0	486
Public Realm	1,163	1,199	400	0	0	0	2,762
Street Lighting PFI	10,626	2,031	0	0	0	0	12,657
Didsbury West S106	24	0	0	0	0	0	24
A56 Liverpool Road	80	0	0	0	0	0	80
A56 Chester Road	51	0	0	0	0	0	51
Sunbank Lane S278	40	0	0	0	0	0	40
Sharston Roundabout SCOOT	40	0	0	0	0	0	40
Derwent Avenue S106	14	0	0	0	0	0	14
Woodhouse Park	55	10	0	0	0	0	65
Christie Extension RPZ	61	294	0	0	0	0	355
Residents Parking schemes	224	454	0	0	0	0	678
Arena Security Measures	197	0	0	0	0	0	197
Ladybarn District Centre	243	0	0	0	0	0	243
Levenshulme Mini Holland Cycling and Walking scheme	651	0	0	0	0	0	651
Local Roads (temp SEMMMS A6 Stockport)	255	0	0	0	0	0	255
SEMMMS A6 to Manchester Airport	50	0	0	0	0	0	50
Bus Priority Package - Oxford Road	50	257	0	0	0	0	307

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Bus Priority Package - Princess Street/Brook Street	153	0	0	0	0	0	153
<b>Total Highways Programme</b>	<b>61,544</b>	<b>49,448</b>	<b>24,909</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>135,901</b>
Waste Reduction Measures	1,459	0	0	0	0	0	1,459
Waste Contract	5,929	0	0	0	0	0	5,929
Smart Litter Bins	258	0	0	0	0	0	258
Hollyhedge Park Drainage IMPS	2	0	0	0	0	0	2
Heaton Park Pay & Display	8	0	0	0	0	0	8
Park Events Infrastructure	289	0	0	0	0	0	289
Parks Development Programme	584	2,965	2,965	2,965	2,965	0	12,444
Heaton Park Bowls	48	0	0	0	0	0	48
Somme 100 Year Memorial	33	0	0	0	0	0	33
Painswick Park Improvement	30	0	0	0	0	0	30
Heaton Park Southern Play Area	370	0	0	0	0	0	370
Wythenshawe Park Sport Facilities	139	0	0	0	0	0	139
Northenden Riverside Park	75	0	0	0	0	0	75
King George V Park	81	0	0	0	0	0	81
Indoor Leisure - Abraham Moss	2,008	9,076	3,107	0	0	0	14,191
Indoor Leisure - Moss Side	93	0	0	0	0	0	93
Boggart Hole Clough - Visitors Centre	0	535	0	0	0	0	535
Mount Road	32	0	0	0	0	0	32
Velodrome Track	71	0	0	0	0	0	71
HSBC UK NCC Immediate Works	499	0	0	0	0	0	499
Active Lifestyle Centre Artificial Grass Pitch Replacement	198	0	0	0	0	0	198

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	2024/25 Proposed Budget	All Total Budget
Interactive Football Wall - Platt Fields Park	84	0	0	0	0	0	84
MAC - Booth St Car Park	148	0	0	0	0	0	148
Culture Website	42	0	0	0	0	0	42
Festive Lighting Strategy	138	0	0	0	0	0	138
Relocation of Manchester Visitor Info Centre	59	0	0	0	0	0	59
GM Archives Web Portal	128	0	0	0	0	0	128
Central Library Wolfson Award	32	0	0	0	0	0	32
Roll Out of Central Library ICT	7	0	0	0	0	0	7
Newton Heath Library	17	0	0	0	0	0	17
Open Libraries	258	200	0	0	0	0	458
Contact Theatre loan	200	0	0	0	0	0	200
<b>Total Neighbourhoods Programme</b>	<b>13,319</b>	<b>12,776</b>	<b>6,072</b>	<b>2,965</b>	<b>2,965</b>	<b>0</b>	<b>38,097</b>
First Street Cultural Facility	14	0	0	0	0	0	14
The Factory (Build)	34,077	42,652	20,367	0	0	0	97,096
The Factory (Public Realm)	253	1,717	212	0	0	0	2,182
Asset Management Programme	10,432	11,650	7,915	0	0	0	29,997
MAC feasibility works	933	0	0	0	0	0	933
Town Hall Complex Transformation Programme	67	0	0	0	0	0	67
Hammerstone Road Depot	1,126	8,637	4,494	0	0	0	14,257
Carbon Reduction Programme	6,095	3,791	191	0	0	0	10,077
Estates Transformation	0	0	800	0	0	0	800

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Estates Transformation - Hulme District Office	702	0	0	0	0	0	702
Estates Transformation - Alexandra House	5,639	5,994	133	0	0	0	11,766
Ross Place Refurbishment	434	0	0	0	0	0	434
Proud Trust - Sidney Street	250	0	0	0	0	0	250
The Space Project - Phase 2	987	0	0	0	0	0	987
The Sharp Project	600	0	0	0	0	0	600
Digital Asset Base - One Central Park	3,651	0	0	0	0	0	3,651
Strategic Acquisitions Programme	4,010	3,000	1,323	0	0	0	8,333
Sustaining Key Initiatives	0	0	5,000	8,600	0	0	13,600
Northern Gateway	6,175	6,675	7,275	4,875	0	0	25,000
Eastern Gateway - Central Retail Park	300	2,679	0	0	0	0	2,979
Eastern Gateway - New Islington Marina	3,571	12	0	0	0	0	3,583
Hall and Rogers	57	0	0	0	0	0	57
St Peters Square	799	0	0	0	0	0	799
Medieval Quarter Public Realm	170	1,493	0	0	0	0	1,663
City Labs 2	2,023	0	0	0	0	0	2,023
Manchester College	10,000	0	0	0	0	0	10,000
Digital Business Incubators	2,000	0	0	0	0	0	2,000
Lincoln Square	0	0	1,200	0	0	0	1,200
Hulme Hall Rd Lighting	36	0	0	0	0	0	36
New Smithfield Market	469	0	0	0	0	0	469
Heron House	3,073	0	0	0	0	0	3,073
Registrars	1,400	0	0	0	0	0	1,400

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Civic Quarter Heat Network	15,064	4,000	4,000	0	0	0	23,064
<b>Total Growth and Development Programme</b>	<b>114,407</b>	<b>92,300</b>	<b>52,910</b>	<b>13,475</b>	<b>0</b>	<b>0</b>	<b>273,092</b>
Our Town Hall refurbishment	21,889	75,384	71,616	91,460	32,518	28	292,895
<b>Total Town Hall Refurbishment Programme</b>	<b>21,889</b>	<b>75,384</b>	<b>71,616</b>	<b>91,460</b>	<b>32,518</b>	<b>28</b>	<b>292,895</b>
Brunswick PFI Land Assembly	1,726	558	0	0	0	0	2,284
Collyhurst Regeneration	178	3,700	0	0	0	0	3,878
Collyhurst Environmentals	55	0	0	0	0	0	55
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	0	505	565	0	0	0	1,070
Collyhurst Land Assembly	33	0	0	0	0	0	33
Collyhurst Land Acquisitions	210	799	0	0	0	0	1,009
Eccleshall Street - 3 Sites	0	500	0	0	0	0	500
Site Investigation and Early Works HIF Pilot Sites	250	0	0	0	0	0	250
Miles Platting PFI Land Assembly	556	0	0	0	0	0	556
Disabled Facilities Grant	7,801	6,200	6,200	0	0	0	20,201
Toxteth St CPO & environmental works	15	141	0	0	0	0	156
Bell Crescent CPO	0	0	0	0	482	0	482
HCA Empty Homes Cluster	509	1,183	0	0	0	0	1,692
Princess Rd	100	0	0	0	0	0	100
Empty Homes Scheme	2,000	0	0	0	0	0	2,000



<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Redrow Development Phase 2 onward	23	0	0	0	0	0	23
West Gorton Compensation	4	0	0	0	0	0	4
West Gorton Demolition & Commercial Acquisitions	448	904	0	0	0	0	1,352
HMRF	50	40	104	0	0	0	194
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	-3	664	0	0	0	0	661
Extra Care	0	2,445	0	0	0	0	2,445
Moston Lane Acquisitions	0	0	0	0	7,500	0	7,500
Equity Loans	0	397	0	0	0	0	397
West Gorton Community Park	1,831	0	0	0	0	0	1,831
Ben St. Regeneration	1,256	0	0	0	0	0	1,256
Marginal Viability Fund - New Victoria	505	6,705	3,290	0	0	0	10,500
<b>Total Private Sector Housing Programme</b>	<b>17,547</b>	<b>24,741</b>	<b>10,159</b>	<b>0</b>	<b>7,982</b>	<b>0</b>	<b>60,429</b>
Charlestown - Victoria Ave multistorey window replacement and ECW	5,510	8,806	862	0	0	0	15,178
External cyclical works	9	15	0	0	0	0	24
Harpurhey Lathbury & 200 Estates external cyclical works	-18	31	0	0	0	0	13
Environmental works	19	0	0	0	0	0	19
Harpurhey Shiredale Estate externals	0	15	0	0	0	0	15
Moston Miners Low Rise externals	14	4	0	0	0	0	18

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Newton Heath Limestone Drive externals	0	6	0	0	0	0	6
Renewal of 4 automatic pedestrian gates at Victoria Square	45	0	0	0	0	0	45
External cyclical works Harpurhey - Jolly Miller Estate	0	82	0	0	0	0	82
External cyclical works Moston Estates (Chauncy/Edith Cliff/Kenyon/Thorveton Sq)	0	2	0	0	0	0	2
External cyclical works Ancoats Smithfields estate	109	0	0	0	0	0	109
External cyclical works Charlestown Chain Bar low rise	0	45	0	0	0	0	45
External cyclical works Charlestown Chain Bar Hillingdon Drive maisonettes	0	15	0	0	0	0	15
External cyclical works Crumpsall Blackley Village	28	6	0	0	0	0	34
External cyclical works Higher Blackley South	28	30	0	0	0	0	58
External cyclical works Newton Heath Assheton estate	0	27	0	0	0	0	27
External cyclical works Newton Heath Troydale Estate	0	89	0	0	0	0	89
External cyclical works New Moston (excl corrolites)	0	38	0	0	0	0	38
Environmental improvements Moston corrolites	67	0	0	0	0	0	67

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Charlestown - Victoria Ave multistorey replacement door entry systems	0	18	0	0	0	0	18
ENW distribution network (various)	382	0	0	0	0	0	382
Dam Head - Walk up flats communal door renewal	140	0	0	0	0	0	140
Newton Heath - Croyden Drive Security Improvements	100	88	0	0	0	0	188
Various Estate based environmental works	100	100	100	0	0	0	300
Delivery Costs	881	1,224	124	0	0	0	2,229
2/4 Blocks Heating replacement with Individual Boilers	0	7	0	0	0	0	7
Decent Homes mop ups and decent homes work required to voids	90	0	0	0	0	0	90
One offs such as rewires, boilers, doors, insulation	11	22	0	0	0	0	33
Ancoats - Victoria Square lift replacement	373	0	0	0	0	0	373
Aldbourne Court/George Halstead Court/Duncan Edwards Court works	12	0	0	0	0	0	12
Boiler replacement programme	8	0	0	0	0	0	8
Kitchen and Bathrooms programme	265	924	0	0	0	0	1,189
Harpurhey - Monsall Multis Internal Works	1,874	888	0	0	0	0	2,762
Higher Blackley - Liverton Court Internal Works	845	0	0	0	0	0	845

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	2,668	15	0	0	0	0	2,683
Charlestown - Rushcroft/Pevensey Court Internal Works	1,343	218	0	0	0	0	1,561
Collyhurst - Mossbrook/Roach/Vauxhall/Humphri es Court Internal Works	2,569	228	0	0	0	0	2,797
Decent Homes mop ups phase 10 and voids	417	345	0	0	0	0	762
One off work - rewires, boilers, doors	158	0	0	0	0	0	158
Fire precautions multi storey blocks	341	1,035	0	0	0	0	1,376
Installations of sprinkler systems - multi storey blocks	676	896	0	0	0	0	1,572
ERDF Heat Pumps	500	3,468	150	0	0	0	4,118
Charlestown - Rushcroft/Pevensey Courts Lift Refurb	0	0	525	0	0	0	525
Multi Storey blocks door entry system renewal Sandyhill/Bradford Crts	5	31	0	0	0	0	36
One off type work (rewires/boilers/doors)	100	300	0	0	0	0	400
Delivery Costs	1,658	1,073	88	0	0	0	2,819
Bringing Studio Apartments back in use	17	8	0	0	0	0	25
Various Locations - bringing bedsits back into use	0	21	75	0	0	0	96
Delivery Costs	2	4	10	0	0	0	16

<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
Improvements to Homeless accommodation city wide	1	36	0	0	0	0	37
Plymouth Grove Women's Direct Access Centre	0	28	0	0	0	0	28
Improvements to Homeless Accommodation	335	819	0	0	0	0	1,154
Delivery Costs	46	115	0	0	0	0	161
Northwards Acquisitions	0	3	0	0	0	0	3
Stock Acquisitions	0	28	0	0	0	0	28
Delivery Costs	0	4	0	0	0	0	4
Public Sector Northwards Adaptations	200	0	0	0	0	0	200
Adaptations	820	700	0	0	0	0	1,520
Northwards Housing Programme	535	10,269	23,556	0	0	0	34,360
Collyhurst Maisonette Compensation & Dem	89	0	0	935	0	0	1,024
West Gorton Low & High Rise Demolition	26	0	0	0	0	0	26
Collyhurst Estate Regeneration	200	9,195	10,235	1,841	0	0	21,471
Buy Back Properties - Right to Buy	155	0	0	0	0	0	155
Collyhurst Regen - Highways	0	190	97	1,394	0	0	1,681
Collyhurst Regen - Churnett Street	0	0	0	790	0	0	790
Collyhurst Regen - Needwood & Overbrook acquisition / demolition	0	125	0	0	0	0	125
Willert Street Park Improvements	10	0	0	0	0	0	10
North Manchester New Builds	546	0	0	0	0	0	546
North Manchester New Builds 2	442	10,700	0	0	0	0	11,142
North Manchester New Builds 3	645	0	0	0	0	0	645

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	2024/25 Proposed Budget	All Total Budget
Parkhill Land Assembly	0	0	4,270	0	0	0	4,270
Fire precautions multi storey blocks	0	1,200	0	0	0	0	1,200
<b>Total Public Sector Housing (HRA) Programme</b>	<b>25,396</b>	<b>53,536</b>	<b>40,092</b>	<b>4,960</b>	<b>0</b>	<b>0</b>	<b>123,984</b>
Holy Trinity Primary	47	0	0	0	0	0	47
Lytham Rd	100	0	0	0	0	0	100
Plymouth Grove Refurbishment	112	0	0	0	0	0	112
Beaver Rd Primary Expansion	113	0	0	0	0	0	113
Lily Lane Primary	73	0	0	0	0	0	73
St. James Primary Academy	34	0	0	0	0	0	34
Crossacres Primary School	30	0	0	0	0	0	30
Ringway Primary School	5	0	0	0	0	0	5
Webster Primary Schools	30	0	0	0	0	0	30
Dean Trust Expansion	1,000	2,784	0	0	0	0	3,784
Brookside Rd Moston	472	4,037	2,499	47	0	0	7,055
North Hulme Adv Playground	405	3,626	324	17	0	0	4,372
Monsall Road (Burgess)	376	4,229	376	25	0	0	5,006
Roundwood Road	480	4,096	2,393	47	0	0	7,016
KS3/4 PRU Pioneer Street	70	0	0	0	0	0	70
Basic need - unallocated funds	261	18,912	43,286	0	0	0	62,459
Universal Infant Free School Meals - Unallocated	341	0	0	0	0	0	341
Moston Lane - re-roof	19	0	0	0	0	0	19
Abbott Primary School Fencing	11	0	0	0	0	0	11
Broad Oak Primary School Kitchen	669	0	0	0	0	0	669
All Saints Prim Rewire	477	0	0	0	0	0	477

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	2024/25 Proposed Budget	All Total Budget
Armitage Prim Windows	121	0	0	0	0	0	121
Bowker Vale Prim Heating	262	0	0	0	0	0	262
Buton Lane Prim Roof	192	0	0	0	0	0	192
Cheetwood Prim Heating	126	0	0	0	0	0	126
Crosslee Comm Heating	80	0	0	0	0	0	80
Crowcroft Park Roof Repairs	146	0	0	0	0	0	146
Grange School Sports Hall	163	0	0	0	0	0	163
Higher Openshaw Rewire	849	0	0	0	0	0	849
Lily Lane Prim Windows	53	0	0	0	0	0	53
Moston Fields Joinery	221	0	0	0	0	0	221
Ringway Prim Roof	231	0	0	0	0	0	231
Sandilands Prim Windows	123	0	0	0	0	0	123
St Mary's Junior Windows	43	0	0	0	0	0	43
Alma Park Gas Improvement	1	0	0	0	0	0	1
Schools Capital Maintenance - unallocated	1,366	3,000	3,000	0	0	0	7,366
Paintpots	9	0	0	0	0	0	9
Early Education for Two Year Olds - Unallocated	52	0	0	0	0	0	52
Gorton Youth Zone	1,275	0	0	0	0	0	1,275
Healthy Pupil Capital Funding	257	0	0	0	0	0	257
North Ridge SEN	310	2,720	9	0	0	0	3,039
Special Educational Needs grant	1,160	0	0	0	0	0	1,160
Seymour Road	1,200	0	0	0	0	0	1,200
<b>Total Children's Services Programme</b>	<b>13,365</b>	<b>43,404</b>	<b>51,887</b>	<b>136</b>	<b>0</b>	<b>0</b>	<b>108,792</b>

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	2024/25 Proposed Budget	All Total Budget
Solaris	2	0	0	0	0	0	2
New Social Care System	1,699	0	0	0	0	0	1,699
End User Computing	117	0	0	0	0	0	117
Core Infrastructure Refresh	109	0	0	0	0	0	109
Internet Resilience	50	0	0	0	0	0	50
New Rent Collection System	33	0	0	0	0	0	33
Communications Room Replacement 2	148	2,472	3,746	0	0	0	6,366
Care Leavers Service	14	0	0	0	0	0	14
Data Centre Network Design and Implementation	2,667	0	0	0	0	0	2,667
End User Experience	601	3,523	0	0	0	0	4,124
Replacement Coroners System	143	0	0	0	0	0	143
Telephony	0	200	200	0	0	0	400
ICT Investment Plan	0	538	6,654	8,900	7,690	0	23,782
Compliance Bus case	278	0	0	0	0	0	278
Wider Area Network Redesign	22	0	0	0	0	0	22
<b>Total ICT Programme</b>	<b>5,883</b>	<b>6,733</b>	<b>10,600</b>	<b>8,900</b>	<b>7,690</b>	<b>0</b>	<b>39,806</b>
ONE System Developments	11	0	0	0	0	0	11
Pay and Display Machines	750	174	0	0	0	0	924
Phase 1 Implementation - Locality Plan Programme Office	585	0	0	0	0	0	585
Integrated Working - Gorton Health Hub	3,515	16,312	2,067	0	0	0	21,894
Alcohol Treatment for Fibrosan Machine	40	0	0	0	0	0	40



<b>Project Name</b>	<b>2019/20 Proposed Budget</b>	<b>2020/21 Proposed Budget</b>	<b>2021/22 Proposed Budget</b>	<b>2022/23 Proposed Budget</b>	<b>2023/24 Proposed Budget</b>	<b>2024/25 Proposed Budget</b>	<b>All Total Budget</b>
BioMedical Investment	7,958	6,100	2,700	0	0	0	16,758
Band on the Wall	200	0	0	0	0	0	200
Manchester Jewish Museum Loan	290	0	0	0	0	0	290
Manchester Airport Car Park Investment	3,700	1,900	0	0	0	0	5,600
<b>Total Corporate Capital Programme</b>	<b>17,049</b>	<b>24,486</b>	<b>4,767</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,302</b>
<b>Total Manchester City Council Capital Programme</b>	<b>290,399</b>	<b>382,808</b>	<b>273,012</b>	<b>121,896</b>	<b>51,155</b>	<b>28</b>	<b>1,119,298</b>
Housing Investment Fund	151,166	37,951	0	0	0	0	189,117
<b>Total GM projects</b>	<b>151,166</b>	<b>37,951</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>189,117</b>
<b>Total CAPITAL PROGRAMME</b>	<b>441,565</b>	<b>420,759</b>	<b>273,012</b>	<b>121,896</b>	<b>51,155</b>	<b>28</b>	<b>1,308,415</b>

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## Appendix C – Prudential Indicators Monitoring

No	Prudential Indicator		Target		Expected Mar 20	Target Breached Y/N
			£m	£m		
1	Ratio of Financing Costs to Net Revenue Stream	Non – HRA	7.74		7.74	N
		HRA	3.82		3.82	N
2	Capital Expenditure	Non – HRA	475.5		418.5	N
		HRA	30.1		25.4	N
		<b>Total</b>	<b>505.6</b>		<b>443.9</b>	N
3	Capital Financing Requirements	Non – HRA	1,331.9		1,370.4	Y
		HRA	298.1		298.1	N
		<b>Total</b>	<b>1,630.0</b>		<b>1,668.5</b>	Y
				Actual as at end of Sept 19 £m		
4	Authorised Limits for External Debt	Borrowing	1,351.4		739.5	N
		Other Long Term Liabilities	170.0		156.0	N
		<b>Total</b>	<b>1,521.4</b>		<b>892.9</b>	N
5	Operational Boundaries for External Debt	Borrowing	940.8		739.5	N
		Other Long Term Liabilities	170.0		156.0	N
		<b>Total</b>	<b>1,110.8</b>		<b>892.9</b>	N
6	Upper Limits for Principle Sums Invested for over 364 days		0		0	N
			<i>Lower Limit</i>	<i>Upper Limit</i>	%	
7	Maturity Structure of Borrowing	under 12 months	0%	70%	23	N
		12 months and within 24 months	0%	100%	20	N
		24 months and within 5 years	0%	80%	16	N
		5 years and within 10 years	0%	70%	1	N
		10 years and above	40%	80%	40	N

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