

Manchester City Council Report for Information

Report to: Resources and Governance Scrutiny Committee – 21 June 2022

Subject: Update from the Revenues and Benefits Unit

Report of: Deputy Chief Executive and City Treasurer

Summary

This report provides an update on the activity of the Revenues and Benefits Unit as set out in the October 2021 Scrutiny Report, including details of Covid schemes and cost of living schemes delivered by the service. The report covers:

- Benefits administration, including Council Tax Support and the management of the Welfare Provision Scheme and other discretionary schemes;
- The financial support provided as part of the Test and Trace Scheme;
- The financial support provided by the Household Support Fund scheme;
- The financial support provided by the Energy Grant Scheme; Performance in the collection of council tax and how we balance collection, whilst working in an ethical way and supporting those residents on a low income; and
- Performance in the collection of business rates. The financial support provided to businesses through various Business Rates Reliefs and grants. The report will provide data for the 2021/22 financial year and available data to show activity during the early part of the 2022/23 financial year.

Recommendations

The Committee is recommended to consider and comment on the information in the report.

Wards Affected: The services provided by the Revenues and Benefits Unit are provided across all wards in the city. The wards with higher deprivation have higher levels of residents in receipt means tested benefits and discretionary awards.

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

The Council's transformation work and response to covid restrictions has meant that the service has worked hard to avoid unnecessary travel by looking to provide services online, by phone or in the local area where possible.

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

The report provides an update on Revenues and Benefits activity and performance impacting Manchester residents and businesses. Consideration of equality, diversity

and inclusion issues for Manchester residents and businesses have been taken into account in the development and delivery of the schemes covered in the report.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The policies that support the work of the Unit are in the spirit and in accordance with policies to maximise financial well-being and ensure that the economy is supported to recover post-covid.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The report provides details on our covid discretionary grant schemes that have been developed to support the city's economic recovery and support good employers that are committed to the employment of Manchester residents and the provision of the living wage.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	This report provides details of how we provide support to residents on a low income as well as our approach to recovery, which is fair and consistent and allows residents to manage other household bills.
A liveable and low carbon city: a destination of choice to live, visit, work	The report provides details on our covid discretionary grant schemes that have been developed to support the city's economic recovery
A connected city: world class infrastructure and connectivity to drive growth	The report provides details on our covid discretionary grant schemes that have been developed to support the city's economic recovery

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Contact Officers:

Name: Carol Culley
 Position: Deputy Chief Executive and City Treasurer
 Telephone: 0161 234 3406
 E-mail: carol.culley@manchester.gov.uk

Name: Lee Owen
 Position: Head of Revenues, Benefits & Customer Services
 Telephone: 0161 245 7525
 E-mail: lee.owen@manchester.gov.uk
 Name: Charles Metcalfe
 Position: Head of Corporate Revenues

Telephone: 0161 219 6382
E-mail: charles.metcalfe@manchester.gov.uk

Name: Matthew Hassall
Position: Head of Corporate Assessments
Telephone: 0161 234 5451
E-mail: matthew.hassall@manchester.gov.uk

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's support for families living in poverty
Economy Scrutiny 9 September 2021
Executive 15 September 2021
<https://democracy.manchester.gov.uk/documents/s26082/Manchesters%20support%20for%20families%20living%20in%20poverty.pdf>

Manchester Poverty Truth Commission Key Findings
<https://www.mhcc.nhs.uk/wp-content/uploads/2021/07/Agenda-Item-1.3-Manchester-Poverty-Truth-Commission-201921-key-findings-and-impact-report.pdf>

Enforcement Agency Code of Practice 2021/22
https://www.manchester.gov.uk/downloads/download/5938/enforcement_agency_code_of_practice_council_tax_201415

Taper cut: Analysis of the Autumn Budget changes to Universal Credit - The Resolution Foundation 6 Nov 2021
<https://www.resolutionfoundation.org/publications/taper-cut/>

Welfare Provision Scheme Policy
https://secure.manchester.gov.uk/downloads/download/5237/welfare_provision_scheme_policy_2020-21

Discretionary Housing Payments Policy
https://www.manchester.gov.uk/downloads/download/4494/discretionary_housing_payments_-_2013_council_policy

1.0 Introduction

This report provides an update on the activity of the Revenues and Benefits Unit as set out in the October 2021 Scrutiny Report, including details of Covid schemes and cost of living schemes delivered by the service.

The report will also cover the activity of the Unit as part of the Council's wider role in the administration of support to residents and businesses.

1.1 Support to residents

The Council has worked hard to ensure that any funding that is available, either from local or government funds, has the best impact for our residents and on our communities, supporting the Council's policies and the Our Manchester Strategy.

When considering support, the national context is considered, especially in relation to the wider welfare benefits regime. Whilst the Council is unable to mitigate for all changes to the welfare reform system there are important contextual factors which impact on the level of demand for discretionary support. The Government response to the cost of living pressures provides a range of nationally and locally delivered government funded schemes; while increasing inflation and financial pressures indicate a continuing and substantial need for welfare support.

The report provides details of the discretionary support that is provided. This includes the business as usual schemes and the additional Covid and cost of living related schemes.

1.2 Council Tax

The council tax that is collected is extremely important and enables the Council to deliver essential services.

The pandemic had a huge impact on residents' ability to pay Council Tax. The 2021/22 in-year collection rate was 89.81%, which was 0.34% lower than 2020/21's rate of 90.15%, and 2.92% lower than 2019/20's collection rate of 92.73%. Residents are still suffering the effects in 2022/23 and although it is recovering, the collection rate has not yet reached 2019/20 levels, meaning reduced levels of revenue for the city.

The Council's Revenues Service is aware of our responsibility to be proportionate and reasonable in the collection of council tax that is owed and where possible works to engage with residents to deliver and sustain payment arrangements. The report details the approach to the collection of money owed and how vulnerable and low-income households are supported.

1.3 Support to businesses

As with council tax, the money collected in business rates has a direct impact on the Council's budget. Unless funded by the government any discretionary reliefs and grants are met by the council and ultimately by council taxpayers in the city.

Businesses' ability to pay the business rates liability has been hugely impacted by the pandemic. Despite all the grants and reliefs that have been awarded over the last 17 months, the business rates collection rate for 2021/22 was 94.79%, up 6.88% on 2020/21's rate of 87.91%, but down 2.79% on 2019/20's collection rate of 97.58%. There has been some recovery during 2021/22 and early 2022/23 but businesses are still struggling in many sectors of the city's economy.

Unlike council tax, the government provided some support for the Council to mitigate some of the reduction in Business Rates income.

1.4 Scope

This report does not provide details of the extensive financial and other support that is provided to residents by all areas of the Council. This was covered in a separate report that went to Economy Scrutiny and the Executive in September 2021.

This report is split into the following areas:

- Introduction to the Unit
- Changes to Universal Credit and welfare support 2021/22
- Additional support to residents provided during the pandemic Additional cost of living support provided for 2022/23
- MCC welfare support schemes, including Council Tax support, the Welfare Provision Scheme and other discretionary schemes
- Performance in the administration of Benefits including Council Tax Support
- Support to businesses
- Summary of covid related schemes now ended and what is in place for 2022/23
- Performance in the collection of council tax and how we balance collection, whilst working in an ethical way and supporting those residents on a low income
- Performance in the collection of business rates.

The report will provide data for the 2021/22 financial year and year to date data for the 2022/23 financial year.

2.0 Background

2.1 Introduction to the Unit

The Revenues and Benefits Unit delivers two large service areas: billing, collection and recovery of money due to the Council and the assessment and payment of several areas of benefits and financial support paid to residents.

The Revenues Service is responsible for the collection of all council tax, business rates, benefit overpayments, miscellaneous income and adult social care debt as the result of a financial assessment for care.

The Benefits Service assesses entitlement and makes payments for Housing Benefit, Council Tax Support, the Welfare Provision Scheme, Adult Social Care charges and several areas of discretionary support, as required to support the Council's priorities.

2.2 The impact of Covid on our activity

As with many areas of the Council, the impact of the pandemic has been significant.

During the pandemic the service was maintained throughout. This was because we already have a mature model and regime for colleagues' homeworking that has been in place for many years and was extended to include the remainder of the workforce at short notice. The only people that had to remain in the office were those staff that had to deal with post, including scanning and indexing.

In addition, further activity to support residents to submit and manage accounts and applications for financial support was introduced, including the acceptance of photographic evidence to support claims.

The service also picked up significant, additional work as a result of the pandemic, including the development of grant schemes and other support across many areas, including welfare support, council tax and business rates. Delivery of these schemes was achieved by careful planning and resource management and the flexibility, commitment and professionalism of our colleagues at a time when many of them had personal challenges due to the pandemic.

For some services, the Council acts as an agent and partner of the government, for example the administration of Housing Benefit or administering reliefs and grants. As a result, the rate of immediate change and fast-moving government policy decisions have had an impact on the work that we had to do. In many cases this has resulted in colleagues working across service areas and picking up new work areas.

It is worth recognising that the temporary £20 uplift to Universal Credit, as well as the one-off hardship grant to provide a grant of £150 towards the council tax for some low-income residents (funded by government in 2020/21 and the Council in 2021/22) had a positive impact and in some areas reduced demand on discretionary schemes.

There were also a range of grant schemes to support businesses in the city that were intended to mitigate the impact of covid on businesses and the economy.

Further detail on these areas is included in the following sections linked to functional areas.

2.3 Government changes to Universal Credit and Working Tax Credit impacting on residents' income.

2.3.1 Withdrawal of the temporary uplift to UC

Universal Credit was increased by £20 a week (or £1,040 a year) in April 2020 as part of a government support package when the country first went into lockdown. This uplift had a positive impact on residents and the economy of the city.

The government withdrew this additional UC payment from 6 October 2021. This withdrawal has had a negative impact on low-income households in the city, including those that are working, and impacted on discretionary budgets including the Welfare Provision Scheme.

Single people under 25 were hardest hit by the change, because they have the lowest standard allowance for Universal credit. The withdrawal of the uplift saw their UC fall by about 25%.

- For single people under the age of 25, the standard allowance with the uplift was £344. When the uplift was cut this fell by more than 25% to £257.33. From April 2022 the standard allowance is £265.31
- For single people over 25, the standard allowance went down from £411.51 to £324.84. A 21% decrease in monthly income. From April 2022 the standard allowance is £334.91
- For couples under 25, the amount paid reduced by almost 18% from £490.60 to £403.93. From April 2022 the allowance is £416.45
- For joint claimants where at least one is over 25, it reduced from £596.58 to £509.91 - a 14% decrease. From April 2022 the allowance is £525.72

2.3.2 Adjustment to Universal Credit (UC) taper rate

In December 2021 the UC taper rate was reduced from 63% to 55% and the work allowance, for those who receive it, was increased by £500 per annum. The DWP described this as a tax cut for the lowest paid in society advising that 1.7 million households will on average keep around an extra £1,000 on an annual basis.

The reduction of the taper will only benefit UC Claimants in work of which there are 27,985 (March 2022) in Manchester representing 37.4% of claimants. The adjustment is of more benefit to those who do not receive a Work Allowance in their UC calculation. This work allowance allows residents to earn up to a certain amount before their UC is reduced. It is only available to those who are responsible for a child or young person, or the claimant or partner are living with a disability or health condition which affects their ability to work. The level of Work Allowance reduces for residents who also receive help towards their rent in their UC award by £229. Of the 64,420 Manchester households in receipt of UC, 62.6% receive Housing Support, about the same as the national average. Figures on how many people in Manchester receive the work allowance in their UC calculation are not available.

Research by the Resolution Foundation suggests that the change in the taper rate will be of most benefit to families with higher earnings at the limit of UC eligibility.

They estimate that 73% will be worse off under this change than they would if the £20 per week uplift had been retained. This could impact more in Manchester where 71% of claimants receive less than £1,000 per month in UC compared to 68% nationally.

2.3.3 Assessment of the impact of the removal of the UC uplift and adjustment to the UC taper on the city's residents and economy

The number of UC claimants in the city doubled at the start of the pandemic. The number remained relatively stable at just under 80,000 during the first half of 2021. In July 2021 there were 78,132 UC claimants in Manchester and in April 2022 the number had fallen to 75,722.

19.1% of working age people are claiming Universal Credit in Manchester, 2.7% more than the average for English Core Cities and approximately 5.4% above the national average. The reduction of the taper will only benefit UC Claimants in work of which there are 27,985 (March 2022) representing 37.4% of claimants and will be of more benefit to those who do not receive credit toward their housing costs as this reduces the amount of Work Allowance by £229. Of the 64,420 Manchester households in receipt of UC during February 2022, 62.6% receive Housing Support. This is about the same as the national average.

Research by the Resolution Foundation suggests that the change in the taper rate will be of most benefit to families with higher earnings at the limit of UC eligibility. They estimate that 73% will be worse off under this change than they would if the £20 per week uplift had been retained. This could impact more in Manchester where 71% of claimants receive less than £1,000 per month in UC compared to 68% nationally.

The Council has tried to model the financial impact based on data held. After removing those households in receipt of no financial award and considering the small variation in decrease in benefit applicable to different household structures, there is a loss of benefit income for Manchester residents totalling £4.95m per month as a direct result of the uplift being removed. This will impact an estimated 57,075 (February 2022) Manchester households receiving Universal Credit. This equates to £59.36m per annum or £1.14m per week loss of benefits income.

The largest household group who has been impacted by the removal of the uplift are single claimants with no children. There are 28,429 such claimants as of February 2022. 19,291 single claimants with children are impacted, 1,627 couples without dependent children and 7,716 couples with dependent children are impacted. N.B. Rounding has been applied for statistical reasons therefore these figures plus the nil award households do not sum to the overall total.

2.3.4 Adjustment to the rate of Working Tax Credit

In April 2020 the basic rate of Working Tax Credit (WTC) was increased by £20 a week. In order to ensure that residents got to keep this extra money, changes were made to the way Housing Benefit and our Council Tax Support (CTS) scheme were calculated. If these changes had not been made residents would have found their

Housing Benefit and CTS reduced as the increase in WTC would have been considered as extra income. This £20 increase remained in place until April 2021. In March 2021 the government announced that this extra £20 a week would be replaced by a one-off payment of £500 paid in April 2021. This £500 payment was disregarded for Housing Benefit and CTS calculation purposes.

2.3.5 Increase to the Local Housing Allowance Rates

In April 2020, as a result of covid, the government unexpectedly increased the Local Housing Allowance (LHA) rates on which Housing Benefit is based. The rates were adjusted to meet the 30th percentile of the rented properties in the LHA area. The LHA rates were kept the same in April 2021 and April 2022 meaning that the value of the 2020 increases will be lost if further uprating of LHA rates is not applied in future years.

The table below shows the current rates for the two areas we use in Manchester. Most people in the city fall within the Manchester Central area.

Central	Shared	One Bed	Two Bed	Three Bed	Four Bed
April 2020	£75.50	£138.08	£149.59	£166.85	£218.63
Southern	Shared	One Bed	Two Bed	Three Bed	Four Bed
April 2020	£82.82	£120.82	£149.59	£172.60	£253.15

3.0 Additional and discretionary Support provided by the Council 2021/22

The following sections detail some of the discretionary support provided by the Council and administered by the Revenues and Benefits Unit. Some of these are new schemes in response to covid and some are business as usual. In addition to this, some are covered by government grants and others are wholly funded by the Council.

3.1 Free School Meals – Alternative Support

During 2021/22 government directed schemes providing funding of £15 for each eligible child were delivered by the Council. The Council ensured that pupils in school nursery classes and 6th forms received support in addition to children eligible for Free School Meals. Vouchers were provided via schools and other key groups following an approach developed by Children’s Services. The following amounts were paid out:

- Easter and May half-term 2021 - £1.6m
- Summer 2021 - £3.2m
- Autumn half-term 2021 - £0.637m
- Christmas 2021 - £1.180m
- February half-term 2022 - £0.63m

3.2 Discretionary Housing Payments

3.2.1 2021/22

DWP DHP funding of £1,969,859 was received for the year with the Council providing an additional £1m of funds.

To be eligible for consideration for DHP assistance a resident must already qualify for Housing Benefit or Universal Credit (Housing Element). DHP payments are typically made in the form of short-term awards to ease transitions and to give residents time to seek resolution of their difficulties. Support includes easing the impact of the household benefit cap; mitigating the application of size criteria in the social rented sector; and assistance for residents in short-term homelessness accommodation to address rent arrears that may otherwise constrain move on options. Each application is considered on the circumstances of the case.

£2,910,661 was paid out with decisions made on 4,106 cases resulting in 2,380 awards. 265 of the 4,106 applications referenced Covid19 as a contributing factor for the DHP request and 77% were paid.

All the DHP cases due to end between 1 April and 31 July 2021 were reviewed and where appropriate extended to either 13 September 2021 or 29 November 2021. 378 cases were extended to 13 September and 160 were extended to 29 November 2021. These extensions did not require a new application in recognition of the very limited opportunities available to residents to secure cheaper accommodation or secure employment. Because these cases were extended without contact from the resident or landlord, we do not know how many of these would have indicated Covid-19 as a factor in requiring DHP but it is reasonable to assume that a proportion would have done so.

3.2.2 2022/23

The DWP have provided Discretionary Housing Payments funding of £1,367,767, representing a one-third reduction in DWP funding compared to 2021/22. An additional £1 million funding has been provided by the Council. At 1 June 2022 we have paid and committed £840,100.

Based on current spend the full DWP and Council contributions will be used within the financial year. Demand for and spend against the DHP budget is closely monitored and if need for an additional Council contribution is identified this will be raised at the time.

3.3 Discretionary Council Tax Payment Scheme (DCTP)

3.3.1 2021/22

£6,388,389.57 was paid in Council Tax Hardship Payments in the form of £150 credits towards the council tax bill for 43,915 households.

This award means that for those households in the lowest bands, their council tax is almost paid for the financial year. The table at Appendix One shows the number of working age CTS recipients across the different council tax property bands and the amount that they had left to pay after maximum CTS and the £150 hardship payment had been made.

In addition to above DCTP was applied as follows:

- £187,627 paid out to support 349 care leaver council tax cases;
- £92,066 was paid out to 305 households impacted by the 2-child limit within the benefit regulations; and
- £95,529 was paid out in support of 465 other Discretionary Council Tax Payment applications. These would have been considered on the individual merits of each case in accordance with the Council's policy.

3.3.2 2022/23

At 1 June 2022, £63,660 has been paid out to support 88 care-leaver cases and £8,600 paid out in support of 43 other Discretionary Council Tax Payment applications. These have been considered on the individual merits of each case in accordance with the Council's policy

232 cases affected by the 2-child limit have been identified and work on awarding Discretionary Council Tax to support these families is currently underway.

All DCTP is funded by the Council.

3.4 Welfare Provision Scheme

3.4.1 2021/22

Demand for support from the core WPS reflects the continuing impact of Covid and the cost of living pressures on residents and the number of households moving from temporary homelessness accommodation into general needs housing where WPS support is provided.

The core WPS budget of £600,000 was topped up in response to the level of demand with an additional £216,000 of Council contingency funding drawn down to cover the additional spend.

Spend against reported application reasons up to 31 March 2022 is shown below:

Reason for Application	Number Approved	Value of Awards
Moving Home / Resettlement	1,663	£707,331
Other Reason	1,267	£87,023
Carers Emergency Fund	609	£76,260
Disaster	269	£21,117
Travel	13	£470
Total	3,821	£892,200

3.4.2 2022/23

Demand for support from the core WPS remains high. This reflects rising cost of living pressures and the number of households moving from temporary homelessness accommodation into general needs housing where WPS support is provided.

Spend against reported application reasons up to 30 April 2022 is shown below:

Reason for Application	Number Approved	Value of Awards
Moving Home / Resettlement	159	£68,874
Other Reason	208	£9,800
Carers Emergency Fund	83	£7,887
Disaster	30	£1,048
Travel	1	£60
Total	481	£87,668

Based on current demand and projected spend the £600,000 would need to be increased if the present level of support is to be maintained throughout the year. Particularly with the impact of emergency fuel poverty, that can be supported by the existing scheme criteria. However, additional funding would need to be identified

3.5 Support for Carers

3.5.1 2021/22

The £100,000 budget in 2021/22 was funded by the Council. This element of the wider WPS service was developed for 2021/22 in consultation with Carers Manchester Contact Point (CMCP), Manchester Carers' Forum and Carers' Commissioning. Access to this budget is now directed through the CMCP and Carers Team. In 2020/21 £76,260 was paid to 609 Carers' Emergency Fund cases.

3.5.2 2022/23

The £100,000 budget was retained for 2022/23 and fully funded by the Council. As at 30 April 2022, a total of £7,887 has been paid to 83 cases.

3.6 Food Poverty

3.6.1 2021/22

£100,000 was directed to the Our Manchester Food Partnership to administer and distribute to help alleviate food poverty in the city. This represents a City-wide approach to food support provision which is responsive to locality-based needs ensuring that food support is made available across all 32 wards and that our most vulnerable residents' needs are being met.

3.6.2 2022/23

£100,000 will be directed to the Our Manchester Food Partnership in the Autumn of 2022 to administer and distribute to help alleviate food poverty in the city.

3.7 Test and Trace Support Payment Scheme

3.7.1 Background

Government introduced the Test and Trace Support Payment Scheme in late September 2020. The scheme ran from 28 September 2020 to 23 February 2022. Timeframes for applications meant that payments to eligible people were maintained up to 7 April 2022. The scheme and associated funding has ended.

The aim of the scheme was to support residents whose earnings were affected by staying at home and isolating for ten days. Eligible residents applied to their local authority for a one-off payment of £500. The scheme was extended by the government several times since its inception. Because of how the budget has been incrementally agreed and passed to local authorities, the Council had to be cautious in our administration of discretionary budgets.

The Council set up a team to administer this scheme ensuring appropriate linkages with public health colleagues. The team was selected from our benefit operations staff.

3.7.2 Criteria and scheme detail

The £500 Test and Trace Support Payment was for people on a low income required to self-isolate. The details of the scheme are shown at Appendix Two.

3.7.3 Payments and Budget position

The table below shows the number of and value of awards made over the lifetime of the scheme, and numbers of applications declined, at 12 April 2022.

Status	Main scheme allocation	Discretionary scheme allocation	Total combined allocation
Approved	4,491 (£2,245,500)	4,993 (£2,496,500)	9,484 (£4,742,000)
Declined (can work from home or no loss of income)	837	310	1,147
Declined – not asked to isolate by Test and Trace	314	224	538
Declined – not employed/self employed	240	64	304

Declined – not in receipt of benefit	52	1	53
Declined – other reason	3,446	5,311	8,757
Total declined	4,889	5,910	10,799
Pending (email sent for further information)	0	1	1
Total outcomes	9,380	10,904	20,284

In respect of the main scheme the main reasons for a claim being declined using the reason 'other' are as follows:

- The start date of the self-isolation was prior to 28 September 2020
- No loss of income for s/e people who are getting maximum Universal Credit
- No reply to request for information
- Live outside of MCC area and need to claim from another council.

In respect of the discretionary scheme, the largest percentage of refusals are because they do not meet the broad financial eligibility criteria agreed with other Greater Manchester authorities, cognisant of the budgets that were available at the time.

The final reconciliation process with government is underway. Manchester City Council and government data are in close alignment and indications have been received that government will cover the full cost of payments made.

3.8 Household Support Fund

3.8.1 2021/22

The Government first announced the Household Support Fund scheme in September 2021 running for a six-month period from October 2021 to end of March 2022. Manchester City Council received £6.453m to support residents. No new burdens funding was provided.

Government guidance required that at least 50% of the total funding must be spent on families with children. In terms of type of support, the expectation was that the Household Support Fund should primarily be used to support households in the most need with food, energy and water bills.

The Council's approach was designed to maximise the provision of support to the poorest Manchester residents during the winter period.

The Council administered the Household Support Fund scheme in four key parts to support Manchester residents:

Support to families to provide free school meals during the holidays

Free school meal voucher payments of £15 per pupil per week for the Christmas and February half-term school holidays in the 2021/22 financial year distributed to eligible households on a pupil basis via schools.

A total of £1,887,650 was paid to an eligible cohort of around 40,000 children.

A universal offer to recipients of Council Tax Support and other key groups

A payment to all households in the city in receipt of CTS (used as broad universal indicator of need and responsibility for housing costs and that avoided a new claim process). Other key groups, including care leavers responsible for the Council Tax bill in their property and residents who are exempt from council tax due to being severely mentally impaired, were also covered.

The universal offer provided a one-off cash grant of £100 to households with dependent children and £70 to households without children. Payments were made by cheque.

Payments were issued to 55,548 Households to a value of £4.3m

A discretionary Household Support scheme

A discretionary scheme using £300k of the grant funding and accessed through an online form, was administered by the Welfare Provision Team.

The discretionary scheme was designed for households with responsibility for household bills and in receipt of means tested benefits who were not identified for support via the Universal Offer. This included residents not in receipt of Council Tax Support and residents living in shared or other accommodation who do not have a liability for Council Tax but have responsibility for household bills, for example utility bills.

Payments were issued to 2,653 Households to a value of £258,120. The remainder of the discretionary budget is accounted for by PayPoint payments made to residents unable to cash their cheque and who required an alternative payment option.

Third sector support offer

The Council set aside a further £250k for distribution via Citizens Advice Manchester and Macc. A further £50k was directed to the Manchester Food Partnership. Payments of £100 to households with dependent children and £70 to households without children in line with the Universal Offer and based upon an assessment of presenting need were issued to 2,366 households to a value of £226,971. £23,030 was funded the administration overhead costs to Citizens Advice and Macc.

3.8.2 2022/3

The government has announced three phases of Household Support Fund support covering three six-month blocks from October 2021 to March 2023. Each phase provides £6.453m to Manchester to administer and allocate to help households who are not eligible for other kinds of help or need further support. The Household Support Fund helps those in most need with the cost of essentials such as food, clothing and utilities.

Government guidance requires that at least one-third of the total funding must be spent on families with children and one-third spent on pension age households. The expectation is that the Household Support Fund should be used to support households who need it most to receive vital support to meet essential household costs; in particular with food, clothing, energy and water bills.

The Council is administering the Household Support Fund scheme in 2022/23 in three key parts to support Manchester residents:

Support to families with children who are eligible for Free School Meals

£2.2m of the fund (34%) is directed to this group. This consists of

- £15 payment for each eligible child based upon school census data and distributed in late May.
- A further payment of c£40 to £45 for each eligible child based upon school census data, distributed in the summer.
- Money distributed to households on a pupil basis via Manchester schools. A reciprocal arrangement applies across Greater Manchester Authorities for children attending schools outside Manchester
- The payment is not a substitute for Free School Meals. The Free School Meal eligibility criteria is being used as a proxy for need and the schools voucher payment mechanism used as the fastest method of issuing support.

A universal offer to recipients of Council Tax Support and other key groups

One-off cash grants to all households in receipt of Council Tax Support, being used as a broad universal indicator of need and responsibility for household costs. To be issued by BACS payments (where bank details held) or as Post Office vouchers. This is to consist of:

- A grant of £160 per pension age household in receipt of Council Tax Support (c.£2.15m of the fund or 33%).
- A grant of £50 per working age household in receipt in Council Tax Support (c£1.7m of the fund or 26%).
- A grant of £50 to care leavers and severely mentally impaired (SMI) residents who receive discounts or exemptions from Council tax (c£120k or 2% of the fund).

Third sector support offer

The Council has set aside a further £300k for distribution via Citizens Advice Manchester and Macc including further work with the Manchester Food partnership.

4.0 Help with energy bills and the cost of living

4.1 The Government is providing a £37 billion package of support which includes the Energy Bills Support Scheme.

4.1.1 All domestic energy customers in Great Britain will receive a £400 grant to help with the cost of their energy bills through the Energy Bill Support Scheme. This will be automatically added to customers' energy accounts over six months from October 2022 and will not need to be paid back. The Council is not involved in this scheme.

4.1.2 Households liable for Council Tax in Bands A-D in England will also receive a £150 Council Tax Rebate, also known as the Energy Grant, to help with the rising cost of bills. Local authorities also have a discretionary fund to make further payments of up to £150. This is administered by council's and full detail of Manchester's discretionary scheme is available in Appendix Three.

4.1.3 In addition the Government announced the following:

- All pensioner households will receive an extra £300 to help them cover the rising cost of energy in November or December 2022. This payment will go as a top up to the over 8 million pensioner households who receive the Winter Fuel Payment. For most pensioner households, this will be paid by direct debit, is not taxable and does not affect eligibility for other benefits. The government will make these payments directly to households across the UK.
- 2.2 million low-income households currently receive a £140 warm homes rebate on their energy bills. From 2022, proposed changes will see the scheme be worth £475 million a year with nearly 3 million households receiving a £150 rebate.
- The Winter Fuel Payment Scheme provides payments of £200 for households with someone of State Pension Age, or £300 for Households with someone aged 80 or over. This increases the baseline payment from £100 to £200.
- Cold Weather Payments of £25 extra a week are paid to poorer households when the temperature is zero or below. This is an established scheme and not an additional level of support.

4.2 £650 Cost of Living payment for those on benefits

More than 8 million households on means tested benefits will receive a payment of £650. This includes all households who receive Universal Credit, Income-based Jobseekers Allowance, Income-related Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit, Pension Credit. Department of Work and Pensions will make the payment in two lump sums – the first in Autumn 2022, . Payments from HMRC for those on Tax Credits only will follow shortly after each to ensure there are no duplicate payments. The government will make these payments directly to households across the UK.

4.3 £150 Disability Cost of Living Payment

People with disabilities will receive an extra £150 to help with the particular extra costs they face. Six million people who receive Disability Living Allowance, Personal Independence Payment, Attendance Allowance, Scottish Disability Benefits, Armed Forces Independence Payment, Constant Attendance Allowance and War Pension Mobility Supplement will receive the support as a one-off payment in September 2022. These payments will be exempt from tax, will not count towards the benefit cap, and will not have any impact on existing benefit awards. The government will make these payments directly to households across the UK.

5.0 Benefits administration

5.1 Caseload

The transfer of cases to Universal Credit continues. This means that although Universal Credit claims increased substantially during the pandemic the number of claims for Housing Benefit administered by the Council continues to reduce. This is because new claims for benefit from working age people are made through Universal Credit and this includes most housing costs. The Council will now only receive new Housing Benefit claims from residents of pension age and people in temporary or supported accommodation.

It should be noted that although residents claim housing costs as part of their UC claim any discretionary support for rent costs is still directed to the Council administered Discretionary Housing Payment scheme.

Following completion of the roll-out of Universal Credit in the summer of 2018 average monthly reductions in the caseload in October 2021 were:

- HB working age caseload 1.28%;
- HB pension age caseload 0.32%; and
- CTS caseload 0.13%.

Between November 2021 and April 2022 the average monthly reductions were:

- HB working age caseload 0.95%;
- HB pension age caseload 0.20%; and
- CTS caseload 0.79%.

The pandemic saw the CTS caseload rise from its lowest reported level of 50,609 on 1 April 2020 to a peak of 53,387 at 1 September 2020 before dropping to a new lower level of 49,195 at 1 April 2022.

The ongoing government response to the cost-of-living pressures mean that it is difficult to offer a definitive assessment of the future demand on HB and CTS. However, it is reasonable to expect that the HB caseload will continue to reduce while fluctuations in the CTS caseload may occur during 2022/23.

The following table shows the caseload from March 2019 to the present across Housing Benefit and CTS. It may be helpful to note that not all residents in receipt of HB or UC have council tax liability and so numbers of CTS cases do not correlate to HB here, or UC figures elsewhere in the report.

	March 2021	September 2021	December 2021	March 2022
Total Caseload HB / CTS	59,578	57,804	56,386	55,628
HB live claims	36,575	34,913	34,104	33,507
Social Housing	30,091	28,976	28,425	28,105
Private	6,470	5,937	5,679	5,402
Under 60 and working	4,281	3,962	3,732	3,479
CTS live claims	52,836	51,581	50,263	49,195
Claiming Universal Credit	18,075	18,169	17,618	17,530

5.2 Speed of processing

Despite the pressures of the pandemic, Benefits Operations achieved good average speed of processing outcomes helping to ensure that residents received timely financial support:

HB & CTS	2020/21	2021/22				2022/23
	Q4	Q1	Q2	Q3	Q4	Apr '22
New claim -avg days	19.18	18.73	18.20	15.86	18.90	20.09
Changes - avg days	5.39	8.56	10.13	8.26	5.91	8.63

6.0 Council Tax Support

Council Tax Support (CTS) is a local means tested support scheme funded by the Council that provides financial support to residents towards their council tax liability.

The Council's scheme provides means tested support to working age residents of up to 82.5% of the council tax that is due. Government has determined that pensioners must still be assessed for means tested support towards their council tax based on 100% of the council tax that is due, resulting in a more generous scheme for residents of pension age.

In Manchester the scheme is broadly split with one third pensioners and two thirds working age residents. This is across both claimant numbers and amount paid.

The table at appendix one provides this data split by council tax band by claimant numbers

Residents' benefits will be changing all the time as their circumstances change, this includes coming on and off benefits. Examples of other changes include address changes, family composition, income details and work status. The levels of transience within the caseload and the number of people going on and off benefits, along with the high levels of deprivation in the city make the administration of Council Tax Support and the collection of council tax challenging and complex. The Council

has worked hard to make the process of claiming CTS as simple as possible. This includes linking into the DWP UC claim process and using claim details.

Council Tax Support costs the Council around £39m per year and any increase in council tax charged results in the same percentage increase in the costs of the scheme.

7.0 Support to Businesses during the Pandemic

Covid Business support administered by the Council

In addition to wider support provided by the government to businesses affected by the pandemic, including business loans and furlough and the self-employed income scheme, the Council has been required to administer several schemes on behalf of the government.

These have included business rates relief (reducing the amount of business rates that are due) and a series of grants; some prescribed and funded by government and others where the council was given an amount of money and was expected to determine criteria based on local economic priorities.

Any business rates relief is paid as a reduction to the amount of business rates payable rather than a cash grant to the business. If the account then goes into credit a refund is paid.

7.1 2020/21 Financial year

7.1.1 Expanded Retail Discount

Since 2019/20, the Government has provided a 'Business Rates Retail Discount' of 33% for retail properties. This was to be increased to 50% in 2020/21. In direct response to Covid, this was expanded to include properties in the leisure and hospitality sectors and increased to provide full relief (100%) from the business rates that were due to be paid for the financial year. It was renamed as 'Expanded Retail Discount' (ERD). To award the discounts we used the Council's local discretionary powers (under S47 of the Local Government Finance Act) and claimed full reimbursement from the government.

Businesses eligible for the Expanded Retail Discount included the following:

- Shops;
- Restaurants, cafés, bars or pubs;
- Cinemas or live music venues;
- Assembly or leisure properties - for example, a sports club, a gym or a spa; and
- Hospitality properties - for example, a hotel, a guest house or self-catering accommodation.

In 2020/21, 4,981 businesses (18.3% of the city's businesses) received this relief and the amount of relief awarded was £148.882m.

7.1.2 Nursery relief

The government also provided a specific discount to childcare providers. This was called Nursery Relief and provided full relief from the business rates that were due to be paid for the financial year. As with ERD scheme above, the amount paid was reimbursed by the government.

To qualify a nursery had to be liable for business rates and:

- included on Ofsted's Early Years Register; and
- be a provider of care and education for children up to 5 years old (early years foundation stage).

In 2020/21, 81 nurseries received this relief and the amount of relief awarded was £0.896m.

7.2 2021/22 Financial Year

7.2.1 Expanded Retail Discount

On 3 March 2021 the government confirmed that the Expanded Retail Discount and the Nursery Relief would continue to apply in 2021/22 at 100% for three months, from 1 April 2021 to 30 June 2021, and at 66% for the remaining period, from 1 July 2021 to 31 March 2022. This means that eligible businesses will only have to pay 25% of their Business Rates for the whole of the year.

The timing of the award meant that the Council had to re-bill the affected businesses in July 2021.

The government confirmed that there would be no cash cap on the relief received for the period from 1 April 2021 to 30 June 2021. From 1 July 2021, relief is capped at £105,000 per business, or £2 million per business where the business is in occupation of a property that was required, or would have been required, to close, based on the law and guidance applicable on 5 January 2021, the date the second national lockdown commenced.

Allowing for national caps and the reduced scheme provision from July, we estimate that £91.5m of business rates relief would be awarded in 2021/22. This estimate was provided to the government and was fully funded via Section 31 grant with a full reconciliation at year end with any excess award being funded by the government and conversely any reduced award being returned. To 31 March 2022 £76.577m was awarded in Expanded Retail Discount and £0.632m in Nursery Relief.

7.2.2 Covid-19 Additional Relief Fund (CARF)

The fund is available to support those businesses affected by the pandemic but are ineligible for existing support linked to business rates. The relief is available to reduce chargeable amounts in respect of the 2021/22 financial year only. On that basis, this

relief is only payable to businesses that had a business rates liability during this period.

The scheme is to support businesses who have not been able to submit an appeal to the Valuation Office Agency to reduce their business rates because of the pandemic following a change in the rules by the Government.

The following property types are not eligible:

- shops, restaurants, cafes, drinking establishments, cinemas and live music venues
- those used for assembly and leisure
- hotels, guest and boarding premises and self-catering accommodation

We have had two application windows for businesses to apply for this support – the first opened in January 2022 and closed on 15 April 2022. We are currently paying awards from this window, and we are on target to pay circa £15m.

A second application window opened from 1 June 2022 and will run until 15 July 2022. Take up of this scheme by businesses has been slow across all Council's despite considerable local publicity. It is anticipated that once this application window closes, there will be a residue amount of CARF remaining and a universal payment will be made to all remaining business rate accounts that are eligible.

The Council's £23.9 million allocation of CARF must be used by the end of September 2022 therefore the scheme will run for the first 6 months of 2022/23, but can only be used to cover losses incurred during 2021/22.

8.0 Business Grants determined by government

8.1 Background

In addition to relief from business rates payable, the government has also provided for a range of cash grants administered by billing authorities where it prescribed and determined the amount of, and eligibility for, the grants.

These grants have been paid from March 2020 with the final scheme ending on 31 March 2022. The grant periods and amounts have broadly been a direct response to the country moving through the various Covid restrictions, lockdowns and impact of the Omicron variant. The intention was to provide direct support to those businesses where the government determined that they had to close completely or were significantly impacted by the restrictions. The grants were part of a wider package of business support that included furlough etc.

Initially, the government support took the form of one-off grants in the spring/summer of 2020/21 to small business and those in the retail, hospitality and leisure sector, with £105.87m being awarded to 8,490 businesses up to the end of September 2020.

From October 2020, there was then a series of Local Restriction Support Grant (LRSG) payments made to eligible businesses as the city moved into tier three restrictions, followed by local restrictions and national lockdowns; and closed with another stage of one-off grants in April 2021 linked to businesses re-opening (Restart Grants).

There was also a one-off Christmas Support Payments where £1,000 was awarded to wet let pubs, and Closed Business Lockdown Payments ranging from £4,000 to £9,000 depending on the size of the business and its RV.

On 21 December 2021 in response to the rise of the Omicron variant Government introduced the Omicron Hospitality and Leisure Grant (OHLG) to provide support to hospitality, leisure and accommodation businesses. Grant payments ranged from £2,667 to £6,000 depending on the size of the business.

The amount and eligibility of grants paid within these schemes was based on government criteria, including having a liability for business rates. Where possible, the Council only required one application, and payments to businesses were made automatically as new payment periods became due.

To ensure that we paid out to all those businesses that were eligible, we undertook a significant amount of take up activity.

8.2 Summary of grants and dates

Grant	Business type	Eligible from date											
		11-Mar	27-May	10-Jun	05-Aug	28-Sep	23-Oct	01-Nov	05-Nov	02-Dec	31-Dec	05-Jan	01-Apr
Small Business Rate Grant	All businesses in receipt of small business rate relief	SBRG											
Retail Hospitality and Leisure Grant	All businesses in receipt of retail relief	RHLG											
Discretionary Fund Grant	All business not entitled to SBRG or RHLG												
(Sector)	Nightclubs & sexual entertainment venues												
Tier 2 (Open V1)	breakfast, leisure businesses & Tier 3 (Open)												
Tier 3 (ClosedV1)	Pubs, bars, casinos, betting shops, soft play centres, adult gaming												
Additional Restrictions Grant	Not eligible for local and/or national restriction grants and in the hire and supply chain												
National (Closed)	ClosedV1, non-essential retail, leisure, hospitality accommodation, personal care facilities												
Christmas Support Payments	Wet-led pubs												
Closed Business Lockdown Payments	Retail, hospitality and leisure businesses												
Expanded Additional Restrictions Grant	Not eligible for additional restrictions grant or local restrictions support grant												
Restart Grant	Non-essential retail, hospitality, accommodation, leisure, personal care & gym businesses												
Restart ARG	Essential and non-essential retail, and hospitality, accommodation, leisure, personal care & gym, tourism, culture, airport and the supply to ...												

NB this table includes all grants administered during the period including discretionary grants covered in section 12 onwards, excluding Omicron related grants announced in December 2021.

8.3 Payments for business grants determined by government

8.3.1 Background

The table in section 11.4 below shows a breakdown of government allocations, awards to businesses and amounts to be returned across the support schemes from March 2020 to 31 March 2022.

The main thing to note is that the government allocations were based on the property descriptions held by the Valuation Office Agency (Special Category Codes or SCAT codes). Broad assumptions were made on business activity over the pandemic based on these codes. These codes were, and remain, inaccurate in both description and property activity.

The grant funding was therefore a projected estimation of potential spend rather than an accurate picture of eligibility or a target. Unfortunately, the Council does not have any discretion and can only award funds to a business if they meet the criteria determined by government.

8.4 Payment summary against estimated funding

The table below shows that £242.264m Small Business Grant; Retail, Hospitality & Leisure Grant; various Local Restriction Support Grant (LRSG), Restart and Omicron grant has been received by the Council, £198.816m was allocated to businesses to 31 March 2022 and £43.448m is returned, or to be returned, to the government.

The Council does not have any discretion with this and can only use the funding to award based on the detailed criteria set by the government. We also cannot use any unspent money on other schemes.

Business Support Scheme	Govt Funding	Number of Payments	Allocation	Balance to return to Govt
	£000	count	£000	£000
Small Business Grant	115,600	6,464	64,640	9,730
Retail, Hospitality & Leisure Grant		2,026	41,230	
LRSG Closed (Tier 3)	502	370	335	78
LRSG Sector		64	89	
LRSG Closed Addendum (National Lockdown)	11,187	3,942	7,018	4,168
Christmas Support Payments	250	245	245	5
LRSG Closed version 2	4,791	1,432	3,011	572
LRSG Closed Addendum Tier 4		3,787	1,208	
LRSG Closed Addendum post January	34,359	7,920	21,687	12,672
Closed Bus Lockdown Payment	33,552	3,930	21,057	12,495

Restart Grant Strand 1: Non-essential Retail	35,935	1,224	4,147	3,382
Restart Grant Strand 2: Hosp, Accom, Leis, Pers Care & Gym		2,618	28,406	
Omicron Hospitality & Leisure Grant	6,090	1,413	5,744	347
Total SBG, RHL, LRSG, Restart & Omicron	242,264	35,435	198,816	43,448

NB. The number of payments shown in the table above reflects the number of payments made by the Council not the number of businesses that received a grant. It may be possible a single business received several payments over the COVID 19 period.

9.0 Discretionary business grants where the Council acted as Principal and had some discretion on eligibility

9.1 Discretionary business grant schemes

In addition to the main business support grants, the Council has managed four discretionary schemes:

- Local Authority Discretionary Grant Fund;
- Local Restrictions Support Grant (Open) (LRSG Open);
- Additional Restrictions Grant (ARG); and
- Additional Restriction Grant (Omicron)

For these grants the government allocated an amount of money to each local authority. Any unspent grant had to be returned to Government. Any excess awarded was not funded by government and would be a pressure on the Council. We have returned £10k relating to Local Authority Discretionary Funding Grant, with a further £5k to be returned shortly. This represents just 0.046% of the discretionary funding given by the Government.

9.2 Discretionary schemes spend

The following table provides a summary of funding and spend across all areas of discretionary spend with further details below.

Business Support Scheme	Govt Funding	Number of Payments	Allocation	Balance to return to Govt
	£000	count	£000	£000
Local Authority Discretionary Funding Grant	5,432	958	5,423	10
LRSG Open	7,864	1,918	7,861	3
ARG for businesses with RV	20,920	1,480	3,637	1
ARG for businesses with no RV		1,541	5,987	

ARG for Taxi drivers		3,164	1,240	
ARG for Childcare / Day-care		592	1,503	
ARG for Cultural / Entertainment		147	2,632	
ARG for Charity		110	867	
ARG for Business of Economic Importance		16	1,113	
ARG Restart RV		240	1,277	
ARG Restart Non RV		345	1,466	
ARG Emergency Business Support		282	1,196	
ARG Omicron	999	657	997	2
Total LADFG, LRSG Open and ARG	35,215	11,450	35,199	15

NB. The number of payments shown in the table above reflects the number of payments made by the Council not the number of businesses that received a grant. It may be possible a single business received several payments over the COVID 19 period.

An ARG top up grant of £4.311m was provided to the Council on 16 July 2021, as the original allocation of £16.609m was fully applied by 14 June 2021, meeting the government's criteria on which to apply for further top-up funding. This brings total ARG funding to £20.920m.

A further £0.999m was provided in December 2021 to fund the ARG Omicron scheme.

Further detail on each of the schemes is included in the following sections.

10.0 Local Authority Discretionary Grant Fund

10.1 Background and funding

The Local Authority Discretionary Grant fund was designed to help businesses with no business rates liability, but with fixed property costs, that did not qualify for the Small Business Grant or the Retail, Hospitality and Leisure Grant in the spring/summer of 2020. The level of funding provided was £5.4 million.

10.2 Eligibility and payments

The scheme provided support for start-up and micro businesses, small business in the digital and creative sector, businesses within enterprise zones, charities and independent hospitality and retail businesses. To qualify, businesses had to show they were a small business, sole trader, micro business or charity with ongoing, fixed costs of more than £1,500 per year. They had to have been trading on or before 11 March 2020 and they had to demonstrate that they had suffered a reduction in income due.

Payments ranged between £2,500 and £25,000 depending on the level of fixed building costs shown. In total, 958 businesses received a total of £5.42m with the vast majority receiving £5,000 (839). The funding was £10k underspent and returned to government.

11.0 Local Restrictions Support Grant (Open)

11.1 Background and funding

The Local Restrictions Support Grant (Open) was for rate-paying businesses not required to close due to Tier 2 or 3 restrictions (over the summer of 2020) but were severely impacted. The level of funding provided to Manchester was £7.864m.

11.2 Eligibility and payments

This scheme was retrospectively announced by the government in October 2020 and we were advised that it was to provide support to the hospitality, leisure and accommodation sectors or other affected businesses in the city from 5 August 2020, until they had to close as part of local or national restrictions. They could then receive funding under Local Restrictions Support Grant (Closed).

Due to the timing of when the scheme was launched, payments were made to qualifying businesses where they had been deemed eligible for a Local Restrictions Support Grant (Closed) payment. This meant that businesses only had to submit one application form via the Council's website in order to receive all the funding they were due under both schemes.

Payments made mirrored the split by RV in the main scheme and businesses received payments of between £2,635 and £6,900 based on their size and how they were affected by the various tiers. Payments were made in addition to other grants.

The full allocation of £7.864m was paid to 1,918 eligible businesses. The £3k underspend represents returned or recovered grant after the scheme closed in May 2021.

12.0 Additional Restrictions Grant

12.1 Background and funding

The cumulative government funding for Manchester was £20.920m. This was made up of an initial allocation of £11.698m on 24 Nov 2020, a further £4.911m allocation on 18 January 2021 following national lockdown announcements and a top up amount of £4.311m received on 16 July 2021 as the first two allocations were fully applied by 14 June 2021.

A further £0.999m was received on 13 January 2022 to facilitate the ARG Omicron scheme.

The Additional Restrictions Grant had a main scheme that broadly mirrored the main grants for businesses required to close or severely impacted but not eligible for other grants. This was then followed by several local sub schemes.

12.2 Additional Restrictions Grants for businesses with a rateable value

12.2.1 Eligibility and payments

This part of the discretionary scheme was aimed at businesses that were registered for business rates that were not required to close during the periods of lockdown but were seriously impacted. Initially, this was aimed at businesses in the supply chain to personal care services, hospitality, accommodation or leisure sectors, recognising that demand had significantly reduced.

Grants were paid to these businesses for the period from 23 October 2020 up to 31 March 2021, based on the business RV, along with a one-off payment. After 1 April 2021 support under Additional Restrictions Grant was made in the form of a one-off payment to all recipients of a payment under the scheme outlined above, called a Restart Grant.

The table below shows the maximum a business could have received if they had received all the available parts of the scheme.

Rateable value	ARG 23.10.20 to 31.3.21	One-off payment Paid from 1.2.21	Restart ARG paid from 1.4.21	Maximum Payment
Up to £15k	£7,622.57	£4,000	£5,600	£17,222.57
£15k to £51k	£11,428.71	£6,000	£8,400	£25,828.71
Over £51k	£17,142.57	£9,000	£12,600	£38,742.57

The scheme was extended further from 5 January 2021 to include businesses registered for business rates that were significantly impacted by a downturn in the daytime economy or in tourism or cultural sectors or the airport supply chain, recognising the impact of the significant reduction in visitors to the city centre in particular. Again, grants were paid up to 31 March 2021.

Examples of the grants that a business could qualify for under this scheme are contained in appendix four.

12.3 ARG for Businesses without a Rateable Value

12.3.1 Background

This part of the scheme recognised that many businesses that were affected did not conform to the standard operating model of leasing premises and paying business rates. It was designed to support businesses that were not registered for business rates but were still required to close under the periods of lockdown or that were not required to close but were seriously impacted.

12.3.2 Eligibility and payments

This was initially aimed at businesses forced to close or severely impacted and in the supply chain of the hospitality, accommodation or leisure sectors. Grants were paid for the period from 23 October 2020 to 31 March 2021.

From 11 February 2021, the scheme was expanded to offer support to those businesses in the daytime economy whose trade had been significantly affected by the absence of workers, commuters and tourists in the city due to the lockdown restrictions. It also included self-employed company directors or sole traders without fixed property-related costs.

Businesses who received grants under this scheme also received a one-off payment from 1 February 2021 and, as above, a Restart Grant for the period after 1 April 2021.

The table below shows the maximum a business could have received if they had received all the available parts of the scheme.

Fixed costs	ARG 23.10.20 to 31.3.21	One-off payment paid from 1.2.21	Restart ARG paid from 1.4.21	Maximum possible payment
Up to £15k	£7,942.72	£4,000	£5,600	£17,542.72
£15k to £51k	£13,857.28	£6,000	£8,400	£28,257.28
Over £51k	£17,142.57	£9,000	£12,600	£38,742.57

Examples of the grants that a business could qualify for under this scheme are contained in appendix four.

12.4 Additional Restrictions Grant sub-schemes

In January 2021, the Executive agreed sub-schemes to provide additional support to some key business areas in the city. This was based on the eligible funding at that point.

12.4.1 Cultural Sub Scheme - £2.632m

To be eligible for support under this scheme, a properly constituted organisation had to:

- Have a lease, license or similar arrangement over a building or part of a building in the Manchester area which provides cultural, entertainment or convention facilities, and which includes liability for fixed property costs and/or business rates.
- Have been trading on 5 November 2020 and to still be trading.

In addition, where it is a facility that is managed by a company which operates on a national basis, they had to declare that the funding will be invested entirely in the Manchester-based venue that is eligible for the award.

Grants were paid at the following levels

- Small - (rateable value of £0 to £15,000) received a payment of £13,395.85 or £16,744.80 if they qualified for a heritage premium*
- Medium - (rateable value of £15,001 to £50,999) received a payment of £20,093.76 or £25,117.20 (if they qualified for a heritage premium*).
- Large - (rateable value of £51,000 to £499,999) received a payment of £30,140.64 or £37,675.80 (if they qualified for a heritage premium*).
- Very Large - rateable value of £500,000 or over received a payment of £45,210.96 or £56,513.70 (if they qualified for a heritage premium*)

*The heritage premium was issued to facilities that were listed or which are on the Council's heritage assets list. Any heritage assets operated by a university did not receive the additional heritage premium. A further payment was made in December 2021 to provide additional support to cultural businesses.

After due consideration, 88 eligible organisations were paid a total of £2,631,752.

12.4.2 Charities sub scheme - £0.867m

Eligibility for support under this scheme was determined based on the following criteria:

- Being a registered charity;
- Having fixed property related costs (rent, mortgage); and
- Being required to close under government restrictions or having been severely impacted.

Charities undertaking religious or political activities were excluded and grants were paid at three levels:

- Small - (rateable value of £0 to £15,000) received a payment of £6,163
- Medium - (rateable value of £15,001 to £50,999) received a payment of £9,245
- Large - (rateable value of £51,000 to £249,999) received a payment of £13,867
- After due consideration, 110 groups were paid a total £867,460.

12.4.3 Strategic business support sub scheme - £1.113m

This scheme focused on businesses that suffered a significant negative impact on trade, which in turn has affected the safeguarding of skills and jobs that are vital to the economic recovery and growth of the city. Unlike other sub schemes, applications were requested under this scheme. Qualifying criteria included:

- Businesses that employ over 75 staff or businesses with fewer than 75 employees but who provide jobs with skills in high demand, or which attract higher wages
- Businesses that provide well paid and secure work, with good terms and conditions which is crucial in reducing Manchester's high rate of in-work poverty and family poverty, for example businesses that are signed up to the Greater Manchester Good Employment Charter and pay the Manchester Living Wage
- Businesses that provide permanent lower or entry level skilled jobs in high volumes that support local communities
- Businesses in sectors which will support future growth and the creation of opportunities for residents in sustainable industries and support Manchester's 2038 zero carbon commitment
- Specialist or highly skilled businesses that support the Airport supply chain or aviation sector

Grant values were allocated based on the businesses' annual fixed property costs and the size of their operating losses.

Under this scheme, 15 businesses were given grants totaling £1,113,108.

12.4.4 Nurseries and childcare providers - £1.503m

This scheme focused on supporting the childcare sector in Manchester, which had remained open and responsive to the needs of keyworker and vulnerable children throughout the pandemic and which plays a key role in supporting the local economy.

Eligibility for support under this scheme was determined based on the following criteria:

- They had to remain open; and
- Had to be registered with Ofsted and actively delivering childcare and claiming Govt childcare funding through the Early Years Access & Sufficiency Team in the Autumn term 2020 and Spring term 2021.

Qualifying businesses were paid three separate instalments based on their rateable value:

- Small - (rateable value of £0 to £15,000) received a total payment of £8,000
- Medium - (rateable value of £15,001 to £50,999) received a total payment of £12,000
- Large - (rateable value of £51,000 to £249,999) received a total payment of £18,000

In addition, 172 childminders were each granted a one-off award of £500, a total grant allocation of £86,000, for providing childcare opportunities throughout the pandemic.

In total 311 organisations and individuals received a total of £1,503m under this scheme and, despite the challenges presented by the pandemic, sufficient childcare was maintained in the city for those that needed it.

12.4.5 Licensed Taxi trade - £1.240m

Taxi drivers are generally self-employed and can access government schemes for financial support due to lost earnings. Any funding included in this scheme was in addition to earnings support, for example furlough, self-employed support etc. One of the criteria set by government was that it should not cover wages or salary payments.

Eligibility for the scheme was determined on the basis that:

- The recipient is an existing vehicle licence holder with the Council (and had no compliance related issues outstanding) and would be granted the relevant amount to cover:
 - the fee for the next annual renewal of their vehicle licence and the requisite number of tests required by the Council (each vehicle is required to be tested 1, 2 or 3 times throughout the year dependent on age)
- As a vehicle licence holder, they are classed as a small business with a fixed asset cost (the vehicle)
- As a vehicle licence holder we know definitively that their business as a transport provider was severely affected between March 2020 and March 2021 by the various lockdowns and restrictions on supply industries i.e. hospitality – this was evidenced in January 2021 in reports to Committee detailing the mileage reductions recorded on licensed vehicles compared to previous years
- The maximum amount that any one recipient could receive in relation to their licence was £482 (average = £300).

In total £1,240,238 was paid to eligible licence holders.

13.0 2022/23 Financial Year

13.1 Expanded Retail Discount

The Government confirmed that the Expanded Retail Relief would continue for 2022/23 but renamed it the Retail, Hospitality and Leisure Relief Scheme. The amount of relief awarded was reduced to 50% for the whole year and the cap was increased to £110,000. Businesses in the retail, hospitality and leisure sectors will qualify for any period that they are in occupation and trading. There are no business rates grants schemes for 2022/23.

14.0 Conclusions

The Revenues and Benefits Unit has performed well during a challenging period, responding to covid to delivery business as usual and undertaking significant new activity.

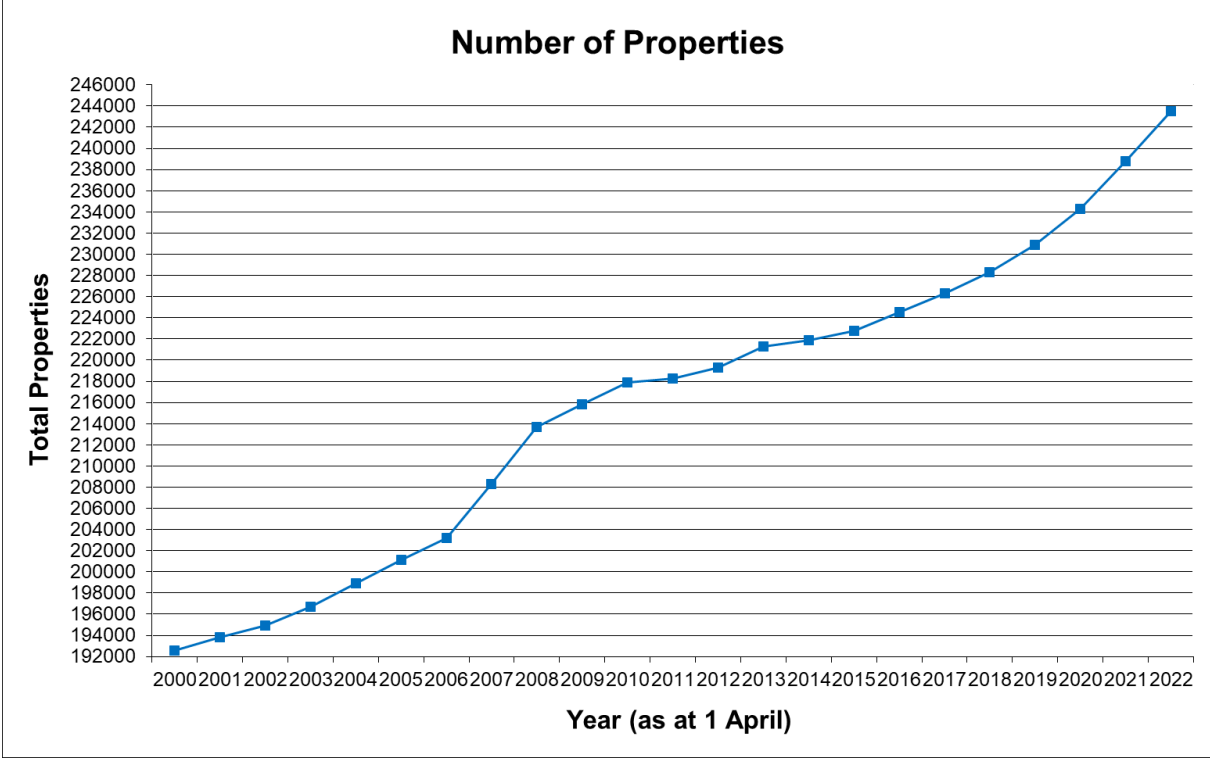
15.0 Performance in the collection of council tax and how we balance collection whilst working in an ethical way and supporting those residents on a low income

15.1 Background

Council tax is essentially a property tax which is levied on the broad capital value of domestic properties. The Valuation Office split all domestic properties into eight bands from A to H, with an amount charged linked to each band. Calculation of the amount payable follows a weighted calculation set by central government. Properties in Band A pay two thirds of the tax levied on Band D properties; those in Band H pay twice the tax levied on Band D.

15.2 Properties in the city

The number of properties within the city has been increasing annually and has increased from 192,588 in 2000, to 243,478 at the end of March 2022, a 26% increase.



56% of the properties in the city are in band A, with 95% being in bands A-D (inclusive) and less than 1% (1,380 properties) are in the top two bands of G and H.

A full breakdown of properties split into bands and across wards based on March 2022 data is shown as appendix two.

15.3 Council Tax Debit

The following table shows data across the last two financial years including the total number of banded properties, the associated debit, the amount of council tax support that was paid, the 2020/21 hardship award and the remaining balance to be collected.

	Banded properties	Council Tax to be collected	Council Tax Support paid	Balance to be collected
2019/20	234,284	£243,222,000	£38,933,000	£204,289,000
2020/21	238,807	£262,859,000	£49,141,000*	£213,718,000
2021/22	243,478	£281,417,000	£49,025,000	££232,392,000

*Includes £6.643 million in 2020/21 and £5.899 million in 21/22 (current snapshot rather than full year) of covid hardship payments.

15.4 Collection Performance

15.4.1 Background

Council tax collection is measured by the percentage of the collectible debit that is collected in the year that it relates to. Every year the Council sets a target for collection. In recent years the Council has seen an incremental improvement until the pandemic.

The level of deprivation and transience has an impact on collection, and we spend significant activity tracing and chasing residents that have moved property and have not provided a forwarding address.

We also measure the amount of arrears that we collect from previous years. The ultimate collection rate is circa 96.5%, however this takes several years to achieve. This is because we often make plans that extend longer than the financial year and we will stack debt into long term affordable arrangements so that council tax is not paid at the expense of other household bills.

When considering council tax debt our approach in recent years has been to take a holistic approach to recovery, where possible collecting the current year plus an amount towards the arrears. Emphasis is placed on finding a sustainable payment arrangement based on wider household responsibilities (especially property costs and priority debt) with residents who engage with us. Whilst taking this approach recovery levels have improved.

Where the Council does not hold any intelligence on a household's financial status and they fail to engage, there is very little that a council is able to do to recover council tax that is owed other than go through an agreed legal process. The next step if a resident will not engage with us and has not responded to the multiple letters, the

summons and the liability order and we do not hold employer or benefit details, is to send the account to the enforcement agents for them to collect. In 2019/20, enforcement agents collected around £3.24 million in council tax owed to the Council.

Ultimately a resident can be made bankrupt or committed to prison for failing to pay their council tax. This is rare and is usually where the household has significant arrears and is failing to engage with the council and or the magistrates' court. For bankruptcies, the resident would have to have significant equity (over £25,000 at least) before action was initiated).

15.4.2 Collection rate and arrears collection from previous years

The following table shows the collection rates and arrears collection over recent years. Arrears collection has increased significantly when compared to previous years, beyond performance levels seen during 2019/20 which was an exceptional year due to the success of the HMRC attachment of earnings trial. This is likely to be because of residents repaying Council Tax that was not paid in year during 2019/20 and 2020/21 when collection performance dropped because of the Covid-19 outbreak.

	2017/18	2018/19	2019/20	2020/21	2021/22
Collection rate	93.01%	92.81%	92.73%	90.15%	89.8%
Arrears collected	£6.8m	£6.2m	£7.2m	£6.4m	£9.1m

15.4.3 Year to date performance 2022/23

Collection in the current financial year is still being affected by the pandemic. The impact of the pandemic on collection rates has been mitigated to some extent by the £150 hardship payment. However, the collection rate is still lower than it was two years ago but the recovery of arrears from previous years is higher, shown in the table below that shows a snapshot of performance as at the end of August.

	30 April 2020	30 April 2021	30 April 2022
In-year collection rate	9.15%	10.09%	9.41%
Arrears collection	£1.01m	£1.40m	£1.72m

Ongoing and historic pressures caused by the pandemic continue to have a detrimental impact on residents' incomes and collection rates over the last three years have reflected this.

15.5 Proportionate and reasonable collection methods

15.5.1 Recovery data

Where possible, and based on intelligence about the city over many years, we take a fair and proportionate approach to recovery of the council tax that is due, -seeking to engage with residents and agree affordable payment plans.

The table below shows the annual data for the number of council tax accounts, along with the number of reminders and summons issued. It also shows the number of bankruptcies and the number of residents that were committed to prison for non-payment.

This shows that although the number of properties has been rising year on year and until last year, the number of CTS claimants reducing, the number of accounts receiving reminders, summons has been incrementally reducing. Unfortunately, the nature of council tax debt and the importance of the money that is collected to the Council, means that we will always have recovery activity. However, the aim is that we engage with residents in the most effective way and build a relationship that avoids costs and escalation wherever possible.

	2017/18	2018/19	2019/20	2020/21	2021/22
Properties	228,296	230,896	234,284	238,807	243,478
Reminders	120,300	118,500	110,400	72,000	107,580
Summons	57,800	56,000	52,000	20,500	39,574
Bankruptcies	11	5	7	0	1
Committals	0	0	0	0	0

Over 37,000 fewer reminders were issued during 2020/21 compared to 2019/20. However, 35,580 more reminders have been issued during 2021/22 compared to 2020/21. The principal reasons for this are increases in the numbers receiving maximum Council Tax Support combined with the payment of £150 hardship payment that was paid out to anyone in receipt of Council Tax Support, around 30,000 residents. This meant that, in many cases, residents had virtually nothing to pay, meaning no reminder was issued. While the number of reminders for 2021/22 has increased from 2020/21, the number is 2,820 less than 2019/20.

Summons issued and Liability Orders granted were much reduced during 2020/21. This was mainly because the Magistrates Court was closed for much of the year, and only reopened for online hearings with very limited courts available to all the Greater Manchester local authorities. These restrictions have continued in to 2021/22 with hearings only available once every two months. This caused an inevitable delay in taking recovery action.

Over the last five years there have been 24 residents made bankrupt and none have been committed to prison for non-payment of Council Tax.

15.5.2 Extended payment arrangements and Direct Debit take up

The Council offers a range of payment methods and instalments at no additional cost to the resident. Although the cheapest and most efficient way for the Council is collection by monthly direct debit, other payment arrangements including local payzone and post office payments where cash can still be used are available.

Payment plans can also be set for the full twelve months rather than the standard ten-month arrangement on request.

Direct debit payments have been increasing year on year with many residents opting for a 12 monthly direct debit arrangement. This is partly because of the various sign-up channels being maximised via the Council's website, but also because payment by direct debit is the automatic choice for many people moving into the city.

£149.6m (£135.2m in 2020/21) was collected by direct debit during 2021/22, an increase of 10.7% when compared with the year before. This is due to the increase in the council tax from April 2020, as well as more residents choosing to pay by this method. It should be noted that the amount collected by direct debit as a percentage of the total amount due reduced slightly, indicative of the impact of the coronavirus outbreak.

The table below shows the total council tax due and the amount and percentage collected by direct debit:

	2017/18	2018/19	2019/20	2020/21	2021/22
Total Council Tax due	£177.9m	£188.5m	£204.3m	£213.7m	£232.4
Amount collected by DD	£113.2m	£120.8m	£130.9m	£135.2m	£149.6
% debit collected by DD	63.6%	64.1%	64.1%	63.2%	64.4%

For many residents in receipt of Council Tax Support there was no subsequent Council Tax to pay due to the allocation of hardship payments.

There are 209,834 live council tax accounts with a balance to pay including residents in receipt of some CTS. The table below shows the number of people who have some council tax to pay and the number and percentage paying by direct debit. Following a dip last year, the percentage of residents paying by direct debit is now higher than in March 2020.

	2017/18	2018/19	2019/20	2020/21	2021/22
Accounts with something to pay	198,000	201,000	204,484	209,834	212,816
DDs	108,300	110,500	112,271	114,744	123,448
% paying by DD	54.7%	54.9%	55.0%	54.7%	58.0%
% change in number Of DDs	3.6%	2.0%	1.6%	2.2%	6.0%

15.6 Enforcement agents (EAs)

15.6.1 Reducing referrals to enforcement agents

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

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

No cases for 2020/21 debt were passed to the bailiff during the 2020/21 financial year, as a result of this total referrals to EAs was 23,000 during 2021/22 as residents with debts from 2020/21 who have not engaged with the Council have been passed on, along with those with debts from the current year. A further 16,000 cases require vetting as residents have failed to engage, which may mean that higher levels of cases are referred again during 2022/23.

15.6.2 EA code of conduct

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

- The professional standards they must adhere to;
- The procedures they must follow;
- Guidance on how quickly the money should be repaid; and
- When it is inappropriate to take action.

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

15.6.3 Management of EA costs

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

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

15.6.4 Impact of the pandemic on EA work

- All recovery action was suspended between March and September 2020. When it resumed, additional steps were built into the recovery process to minimise costs. This includes longer payment arrangements being offered by Council staff and enforcement agents.
- No 2020/2021 accounts were passed to EAs.
- The Debt Recovery Policy and Enforcement Agent Code of Practice were amended to specifically recognise the impact of the pandemic on residents in the city.
- EAs supported the Council by visiting businesses to encourage grant take up.

15.7 Discretionary Council Tax Payment scheme

The Council has a discretionary scheme to provide financial help to residents who face pressures additional to those on Universal Credit. Details were provided in sections 3.15 and 3.24.

15.8 Care Leavers' Discount

The Care Leavers' Discount is available to people under the age of 25 who have a Council Tax Liability and were in care at their 16th birthday. Care leavers qualify for a 100% discount if they live alone and a reduced level of help if they live with others. The Unit works closely with colleagues in Children's Services to ensure that discounts are captured. This will often include wider work including writing off costs etc where contact has been late.

The Council also agreed a reciprocal agreement across Greater Manchester local authorities so that all care leavers wherever they are living across GM can access the same level of support.

Other discretionary schemes including DHP and WPS reference care leavers and ex armed forces as special groups that may need tailored and additional support with council tax and discretionary support.

15.9 Manchester Poverty Truth Commission

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

One of the key areas as part of the commission's work was the approach to the collection of council tax. One of the recommendations which is being taken forward is further work within the community.

The Commission suggested piloting a new approach with a different dialogue to find a way that supports early contact and a more supportive and responsive relationship

that builds on existing trust, relationships, networks and expertise in our communities.

This included the Council working with the resident to:

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

These principles have been shared across the service and reinforce the requirements of council staff to support and inform the dialogue that we have with residents.

15.10 Working with partners - pilot with the Oasis Centre, Gorton

Following the outcomes from the Poverty Truth Commission, we considered ways in which we could improve engagement with residents who may not normally contact us. As part of a pilot we have been looking at ways to improve targeted outreach work with those residents that we have struggled to engage with.

After discussions with the management team at the Oasis Centre, we gave their staff direct access to four named individuals in the council tax back office. On one day a week, they can contact these staff and discuss and resolve issues brought up by the local community who visit the centre.

Although the number of contacts is low, the service has been extremely well received by staff at the Oasis Centre, as well as those residents that have been helped. It is hoped that, once the residents have come to understand and trust the service, that it could be upgraded by having a Council Tax Officer at the Oasis Centre to allow face to face contact.

As well as the above, development staff from the Revenues and Benefits Unit have provided some free training to volunteers at the Oasis Centre to improve their understanding of Council Tax Support and Council Tax exemptions and discounts.

Having evaluated this model, we are now seeking to replicate this good practice model and learning with other organisations in other areas of the city.

16.0 Performance in the administration collection of business rates

16.1 Business Rates in the city

There are 27,380 properties registered to pay business rates in the city. Business rates are charged on most non-domestic properties, including (not an exhaustive list):

- shops
- offices
- pubs
- warehouses
- factories
- holiday rental homes or guest houses
- car parking spaces
- advertising units

16.1.1 How business rates are calculated

Business rates are calculated using a property's 'rateable value' (RV). The RV is a property's estimated rental value on the open market and is assessed by the Valuation Office Agency (VOA), an arm of central government. There are specialist valuation methods for things like pubs and larger, unique venues like football stadia, hospitals and airports. The government then decides on the business rates multiplier which is applied to the RV. The business rates multiplier is currently 51.2 pence (49.9 pence for small businesses) so a business with an RV of £100,000 will pay £51,200 in business rates this year.

The last revaluation, conducted by the VOA and which came into effect on 1 April 2017, refers to values as of 1 April 2015. Revaluations usually take place every five years to ensure it reflects relevant market rental values. The next revaluation is due in 2023 (delayed by the pandemic) and the frequency may reduce to three years from then

Businesses with an RV of less than £12,000 qualify for 100% Small Business Rates Relief (SBRR) and businesses with an RV of between £12,000 and £15,000 get a tapered amount of relief.

Since 2017, the ten Greater Manchester authorities, including Manchester, are part of the Greater Manchester 100% of Business Rates pilot. As 1% of business rates is transferred to the Greater Manchester Combined Authority (fire and rescue element) the Council retains 99% of business rates.

Any business rates income in excess of Manchester's assessed funding need is still paid back to central government to be redistributed in the form of tariffs and top ups but the Council now retains all the growth it achieves in its business rates base. Under the new regime Revenue Support Grant and Public Health grant are not received but are met from within the Business Rates income with the assessed funding need adjusted accordingly.

The collection of business rates income and the impact on the budget is not covered within this report and is included in the Council's revenue budget reports.

16.2 Collection Performance

The following table shows the income and collection performance over the past 4 years. The table shows the significant impact that the pandemic has had on business rates collection in the city.

	In year cash collection	Percentage collected
2017/18	£344,644,000	95.66%
2018/19	£356,005,000	96.91%
2019/20	£363,617,000	97.58%
2020/21	£203,087,000*	87.91%
2021/22	£282,293,000	94.79%

*This figure has been reduced by £148.9 million due to the introduction of the 100% Expanded Retail Discount which meant that retail, hospitality and leisure businesses in the city had nothing to pay for 2020/21 (see below).

The government introduced the Tax Income Guarantee (TIG) scheme to help mitigate the impact of the pandemic on Council's revenue collection in December 2020.

TIG is calculated by comparing the predicted level of collection for 2020/21 with the actual level of collection for 2020/21. Adjustments are made for retained Enterprise Zone income above the baseline, costs of collection, Section 31 grants received and adjusted for allowable appeals. Central government then funds 75% of any resulting loss. For Manchester, this amounts to £19.219 million.

17.0 Conclusions

The Revenues and Benefits Unit has performed well during a challenging period, responding to covid to deliver business as usual and undertaking significant new activity.

18.0 Recommendations

The Committee is recommended to consider and comment on the information in the report.