

**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee - 23 June 2020

Subject: Update on COVID-19 activity

Report of: Deputy Chief Executive and City Treasurer

Summary

In light of the current national and international public health emergency situation, Manchester and Greater Manchester (GM) declared a major Incident on Friday 20 March 2020. This activated the multi agency response arrangements in line with the GM generic response plan and the pandemic flu plan. The Prime Minister's unprecedented announcement at 8.30pm on Monday 23 March set out the seriousness of the situation and the expectations of all residents, businesses and public services. Reports to the Executive on 6 May and 3 June 2020 set out in detail the Council's response to this crisis. Over recent days and weeks, the lockdown guidance has eased and a number of further specific guidance notes have been received which are informing our actions and response.

This note is intended to provide Scrutiny with a brief summary of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas within the remit of this committee. Further detail on specific issues will be available as required.

Wards Affected: All

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

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	This unprecedented national and international crisis impacts on all areas of our city. The 'Our Manchester' approach has underpinned the planning and delivery of our response, working in partnership and identifying innovative ways to continue to deliver services and to establish new services as quickly as possible to support the most vulnerable in our city.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

Contact Officers:

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

Background documents (available for public inspection):

Not Applicable

1. Purpose

- 1.1 In light of the current national and international public health emergency situation, Manchester and Greater Manchester (GM) declared a major Incident on Friday 20 March 2020. This activated the multi-agency response arrangements in line with the GM generic response plan and the pandemic flu plan. The Prime Minister's unprecedented announcement at 8.30 pm on Monday 23rd March set out the seriousness of the situation and the expectations of all residents, businesses and public services. Over the last days and weeks, the lockdown guidance has eased and a number of further specific guidance notes have been received which are informing our actions and response.
- 1.2 This note is intended to provide scrutiny with a brief summary of the current situation in the city in relation to COVID-19 and an update on the work progressing in Manchester in relation to areas covered within the remit of this committee. Further detail on specific issues will be available as required.

2. Public Health

- 2.1 As of 14 June 2020, there were 1,671 confirmed cases of COVID-19 in Manchester, a rate of 305.1 per 100,000 population. There were 362 registered deaths involving COVID-19 up to 29 May 2020 amongst Manchester residents, and of these 73, or 20.2%, had occurred in care homes. The infection rate and the number of deaths involving COVID-19 in Manchester is continuing to fall. This is evidenced by the fact that there is now 48.1% capacity in Manchester hospital mortuaries and the planned additional mortuary capacity has been stood down.
- 2.3 The national contact tracing service (NHS Test and Trace) was launched on 28 May 2020 and people who test positive for COVID-19 are now automatically referred into the service. Local Authorities (LAs) have started to receive daily data reports on the number of residents who have been contacted. A national £300 million ring fenced fund has also been made available to LAs to support the development of local COVID-19 Management plans. The confirmation of the Manchester allocation has now been received, however, further discussions are taking place with Greater Manchester (GM) colleagues to consider the resources needed at a GM and locality level.
- 2.4 Greater Manchester (GM) has been selected as one of 11 national Beacons (pilots) for Test and Trace, and Tameside will be the host authority. This is in recognition of the work that has been undertaken to develop a GM model that is aligned to the national service.
- 2.5 The Director of Public Health (DPH) at the City Council will lead the development of the Manchester COVID-19 Management Plan with local partners. The plan will cover the management of outbreaks in all settings including care homes, schools and the workplace. In Manchester there will also be a focus on groups that may be at particular risk, such as the homeless

population. The Plan will be signed off by the Leader of the Council and Chief Executive on 30 June 2020.

- 2.6 The National Health Service will undertake contact tracing by phone and work closely with local teams in Manchester and Greater Manchester (Public Health England) to respond to outbreaks in various settings and deal with more complex cases.
- 2.7 The success of the service will be dependent on an effective testing strategy and Manchester has made excellent progress on this to date. Manchester, along with Trafford, implemented a local policy to test all hospital patients prior to discharge to care homes, well in advance of the national directive.
- 2.8 Manchester key workers also have very good access to the regional testing centres at the Etihad and Airport and the Army Mobile Testing Units (MTUs) However, it will be important for data from these centres and MTUs to be made available to the GM and Manchester teams. This is so that appropriate trace and isolate actions can be taken and outbreak plans implemented. It is expected that data will be made available to LAs before the end of June.
- 2.9 Similarly, the new national model for Care Home testing will give more control to LAs through the DPH and Director of Adult Social Services. This will ensure that extra care, mental health and learning disability facilities will have better access to testing.
- 2.10 The governance of the Manchester Plan will be through the Health and Wellbeing Board, chaired by the Leader of the Council and will be part of the portfolio of the Executive Member for Adult Health and Wellbeing

3. MCC Financial Impacts

- 3.1 To date, £33.756m of emergency grant funding has been received from the Government for Council related costs and income losses arising from COVID-19, of this £389k was applied to costs in 2019/20 leaving £33.367m for 2020/21.
- 3.2 From April 2020, every Local Authority has been required to submit monthly returns to MHCLG setting out the forecast financial implications of COVID-19. The second return for the Council was submitted on 15 May, and for 2020/21 includes an estimated £40.3m of additional costs of which £7.8m is expected to be funded by the CCG or GMCA and £2m relates to the HRA, leaving £30.5m against the Council's mainstream budget.
- 3.3 Alongside this there is a forecast loss of income totalling £139.5m of which £3.5m will fall to other preceptors in relation to the loss of Business Rates and Council Tax, with the remaining £136m relating to the Council. The overall net impact on the Council is £166.5m (including £0.4m from 2019/20). The impact on the budget will fall in both 2020/21 and 2021/22 due to the way the Collection Fund operates for Business Rates and Council Tax whereby in year losses (or surpluses) are not applied until the following year, the Airport dividend is applied a year in arrears and Bus lane and parking lane

enforcement income shortfall impact the level of reserves rather than the current year budget.

- 3.4 Taking into account the grant and the adjustment between financial years, together with expected continuing pressures which will arise it is currently forecast that there will be a budget gap of c£33m in 2020/21, rising to £157m in 2021/22. This report goes on to set out the details behind these figures. A further breakdown of the additional costs and impact is set out for this Committee below.

Additional Costs

- 3.5 The additional costs/income shortfalls reported for 2020/21 against the grant to the Council of £33.756m are as shown in the table below. Whilst the total reported pressures are £180.3m this includes costs which are being funded by other sources including the ring-fenced HRA, CCG funded support for discharge/admission prevention via specific COVID-19 grant to CCGs and funding from the GMCA for some homelessness costs. In addition £3.484m of the income loss against business rates and council tax relates to precepts due to GMCA. The net effect on the Council's general fund is £166.931m.
- 3.6 This represents a **shortfall of £133.2m** for the Council against the General Fund (£135.2m including the HRA) after the MHCLG grant of £33.7m has been applied.

	MCC General Fund Only	HRA	Other (CCG/ GMCA)	MHCLG Return*
	£m	£m	£m	£m
2019/20 cost pressures	0.389			0.389
2020/21 forecast cost pressures*	30.499	1.965	7.847	40.311
Total forecast cost pressures	30.888	1.965	7.847	40.700
Forecast Income Shortfalls	136.043	0.040	3.484	139.567
Total	166.931	2.005	11.331	180.267

- 3.7 The table below shows the breakdown of the £40.3m additional costs (including those funded by others) reported for 2020/21.

Section B1			
Breakdown for MHCLG Return (inc CCG and GMCA funded):	April 2020 £'m	May 2020 £'m	Forecast Cost £m
1a - Adult Social Care - additional demand	0.561	0.652	9.624
1b - Adult Social Care - supporting the market	0.351	0.784	2.467
1c - Adult Social Care - workforce pressures	0.030	0.137	0.479
1d - Adult Social Care - other (including PPE)	0.289	0.356	4.722
Adult social care total	1.231	1.929	17.292
2a - Children's Social Care - workforce pressures	0.019	0.019	0.23
2b - Children's Social Care - residential care	0.240	0.440	1.494
2c - Children's Social Care - care leavers	0.017	0.017	0.208
2d - Children Social Care - other	0.504	0.704	3.504
Children's services - total	0.780	1.180	5.436
3a - Education - SEND			
3b - Education - Home to school transport	0.072	0.072	1.465
3c - Education - Other	0.044	0.029	0.145
Education - total	0.116	0.101	1.610
4 - Highways and Transport	0.193	0.175	0.573
5 - Public Health		0.191	0.596
6a - Housing - homelessness services			
6b- Housing - rough sleeping - accommodating and supporting those brought into alternative accommodation	1.099	1.099	6.786
6c - Housing - other excluding HRA			
Housing total excluding HRA	1.099	1.099	6.786
7a - Cultural & related - Sports, leisure and community facilities	0	0.654	0.872
7b - Cultural & related – other			

Cultural & related total	0	0.654	0.872
8a - Environmental and regulatory services (including excess death management)	0.028	0.281	0.519
8b - Environment & regulatory - waste management			0.618
8c - Environment & regulatory - other			
Environment & Regulatory - total	0.028	0.281	1.137
9 - Planning and Development			
10 - Police, Fire and rescue			
11a - Finance & corporate - ICT, remote working	0.216	0.111	1.145
11b - Finance & corporate - Revenue & benefits expansion	0.005	0	0.042
11c - Finance & corporate - other	0.165	0.099	0.58
Finance & corporate - total	0.386	0.210	1.767
12a - Other - Shielding	0.000	0.157	1.028
12b - Other - PPE (non-Adult Social Care, HRA)			
12c - Other - costs associated with unachieved savings/delayed projects	0.083	0.083	1.25
12d - Other - excluding service areas above			
Other total (includes Shielding)	0.083	0.240	2.278
TOTAL SPENDING PRESSURE (General fund)	3.916	6.060	38.347
13a - Housing Revenue Account (HRA) - workforce pressures			
13b - HRA - supplies and materials including PPE			
13c - HRA other	0.291	0.291	1.965
HRA total spending pressure	0.291	0.291	1.965
Total General Fund (inc CCG/GMCA funded costs) + HRA	4.207	6.351	40.312

Impact on Income

- 3.8 The total income loss is now **£139.528m** (with a further £0.040m against the HRA in respect of voids and the increased turnaround time). This includes sums due to other preceptors from Business Rates and Council Tax. The net

impact on income (allowing for reliefs announced as part of the budget and to support businesses through COVID-19) is as follows:

Main Income Category	Loss £m
Business Rates*	23.870
Council Tax*	18.705
Sales, Fees and Charges	19.688
Commercial	77.265
Total	139.528
HRA (void turnaround times)	0.040

**note this is the 100% collection figure for Business Rates and Council Tax and includes income due to other preceptors such as GM Mayor (inc Fire) and Police*

- 3.9 The impact on the Council's General Fund revenue budget will largely fall in 2021/22 because business rates and council tax reductions go through the Collection Fund and impact on the revenue budget in the following financial year, rather than the year in which the income is (or is not) collected. Likewise the Council has an airport dividend reserve which means that a significant proportion of the income (£56m) is used a year in arrears. Finally the figures have now been adjusted for bus lane and parking lane enforcement income which impacts on the level of the reserve to fund future commitments.

Impact on MCC Budget

- 3.10 The impact on the budget for 2020/21 and 2021/22 is set out in the table below, again based on the position from the May returns.

	2019/20	2020/21	2021/22
	£m	£m	£m
COVID-19 Emergency Funding	0.389	33.367	0
Additional Costs (MCC Element only)	0.389	30.499	20.858
Income			
Loss of Income (MCC Element only)*		136.043	106.054
<i>Adjustment for element of airport dividend (£70.7m) not budgeted to use in year</i>		(55.809)	(8.729)
<i>2020/21 Council Tax and Business Rates shortfalls impact a year in</i>		(39.091)	39.091

<i>arrears</i>			
<i>Bus Lane and Parking Income - impact on reserves capacity</i>		(5.358)	0.000
Budget impact of lost income	0.000	35.785	136.416
Total Costs and Net income losses	0.389	66.284	157.274
COVID 19 Emergency Funding	(0.389)	(33.367)	0
Budget shortfall after application of grant	0.000	32.917	157.274

**Loss of income netted down for sums that would fall on other preceptors (not MCC) of Council Tax and Business Rates which totals £3.484m*

- 3.11 As part of the work to reduce costs in this financial year whilst work is carried out to address the options for the longer term financial impact on the council a series of savings proposals are going to the July Executive. These include sensible and practical measures such as freezing vacancies and uncommitted budgets. These have been developed following a line by line budget review with Heads of Service.
- 3.12 In total the additional net savings and further income identified for 2020/21 is £21.1m of which £8.9m are Directorate related savings, with the remainder including income from interest on commercial loans, additional grant funding and savings negotiated corporately, e.g. utilities, which will be offset against the associated cost reductions within services. The ones relevant to this committee are set out in the table below. The position, alongside the use of reserves, will be reviewed as the financial impact becomes clearer.

Initial Savings/Efficiencies Identified

Description of Efficiency/Increased Income	2020/21 £000	2021/22 £000	FTE
Employee savings - 117 FTE mainstream funded vacant posts across the services within the remit of Resources & Governance currently been assumed that there will be no external recruitment before October 2020, breakdown by services below:			
Revenues and Benefits employee savings	79		1.8
Shared Service Centre employee savings	232		10.2
Customer Services employee savings	273		22.8
Financial Management employee savings	207		7

Audit and Risk Management employee savings	76		10
Procurement and Commissioning employee savings	71		2
Communications employee savings	22		2
ICT employee savings	89		15
HROD employee savings	96		8.5
Innovation and Reform employee savings	71		2
Executive employee savings	24		1
Performance Research and Intelligence employee savings	113		7.6
Policy and Strategy employee savings	10		3.8
Commercial Governance employee savings	23		0
Non Staffing Savings			
Release of uncommitted ICT project budget.	263	-	-
In year election savings due to fallow year.	50	-	-
Transport/running cost budgets.	35	-	-
Pension savings - from upfront funding of contributions (3 years)	250	250	-
Corporate Core Total	1,984	250	93.7
Operational Property - Employee savings	122		3
Investment Estate - Employee Savings	229		7
Facilities Management - Employee Savings	283		13.3
Growth & Development Total	634		23.3
Grand Total	2,618	250	117

3.13 The staff savings identified in the table above are based on the estimated time required to externally recruit to posts in the current situation. It is assumed that most posts will not be filled externally before October 2020. The impact on services is being managed with prioritisation of essential requirements.

3.14 The measures required to address the longer term financial position, some of which may need to be introduced in this financial year, are being developed for Executive Members to consider in the Autumn. This work will include the

scrutiny process and involvement of elected members as well as other key stakeholders.

- 3.15 It has been reported that the government will deliver a ‘mini budget’ in July which is likely to include measures to boost the economy and may include further support for local government. The Council will continue to work with Core Cities and GM Authorities to make representations to the Government to seek solutions to address the funding shortfall.

COVID-19 Related Government Funding

- 3.16 As well as the direct support of £33.7m from MHCLG towards the Council’s COVID-19 directly related costs the following additional government support has been received. A significant proportion of which is providing direct support to businesses. A separate report was taken to the June Executive setting on the position on the funding streams.

Funding Source	Manchester £000
COVID-19 Emergency Funding for Local Government - (£1.6bn nationally) - first allocation	18,589
COVID-19 Emergency Funding for Local Government - (£1.6bn nationally) - second allocation	15,167
Council Tax Hardship Fund (£500m nationally)	7,458
Emergency Support for Rough Sleepers (£3.2m nationally)	68
Care Home Infection Control Fund (£600m nationally)	3,342
Reopening High Streets Safely Fund (£50m nationally)	489
Test and Trace service (£300 nationally)	4,837
Additional Hardship Funding (£63m nationally)	tbc
<u>Support for Businesses</u>	
Expanded Retail Discount 2020/21 (excludes 1% for Fire Authorities)	138,477
Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund (£12.3bn nationally)	121,032

Local Authority Discretionary Grants Fund	5,432
-------------------------------------------	-------

4. Response and planning ahead for the recovery

4.1 The Covid-19 crisis has had a very significant impact across the City of Manchester. The initial focus was on the immediate coordinated response to support the city during the lockdown period. Although the response work will continue for some time, preparations are now underway to manage the phased opening up of the city, and to plan ahead for the longer term challenges that will begin to become clearer as we emerge from the lockdown period.

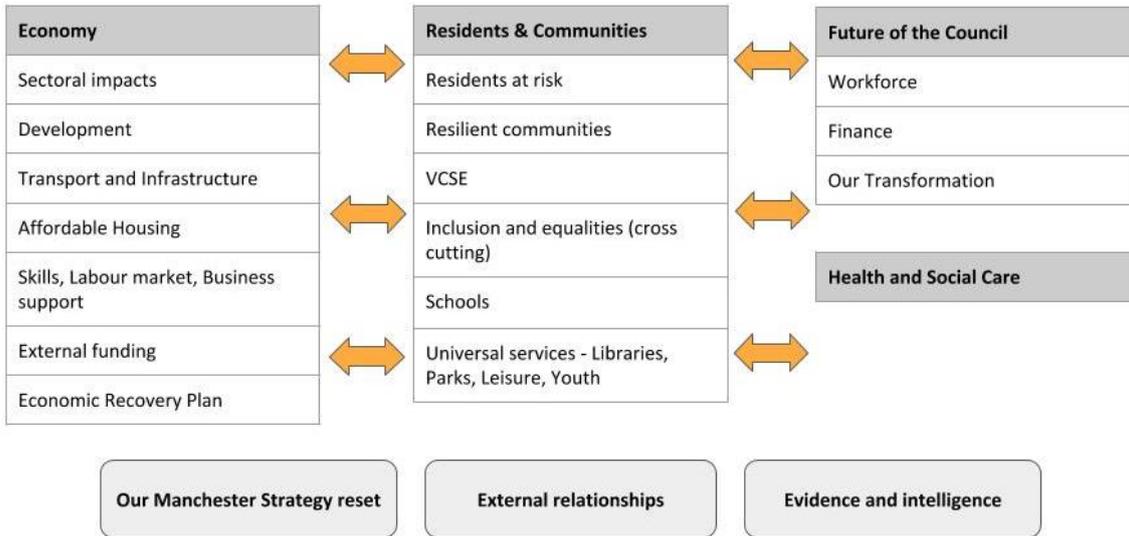
4.2 This forward planning work will help to plan for the city’s recovery including its economy, residents and communities, as well as the impact on the Council including its services and finances. This work will be undertaken with key stakeholders in the city in order to develop the best possible joint plans.

4.3 Four workstreams are being progressed in order for the City and the Council to prepare effectively for the recovery. These are highly interdependent with each other, as illustrated in the diagram below. Each workstream involves a significant portfolio of work, and each is in the process of identifying short, medium and longer term priority actions. The workstreams are:

- Economy
- Residents and Communities
- Impact on the Council / Future Council
- Health and Social Care

Underpinned by:

- Evidence base and impact for each of the above workstreams
- External relationships with a range of key partners
- Reset of the Our Manchester Strategy



5. Our Manchester Strategy reset

- 5.1 There is a need to review and reset the Our Manchester Strategy 2016-2025 for the City, to respond to the post-COVID-19 challenges the city now faces. The forward planning work will start this reset with a consultation that is firmly rooted in the Our Manchester approach, addressing the significant challenges but also some of the opportunities over the next five. This work will be led by the Our Manchester Forum and will conclude in February 2021.
- 5.2 The global, national and local context in 2020 is very different to 2015-2016 when the strategy was developed. As well as the highly uncertain impacts of the COVID-19 pandemic, the need to tackle climate change has become even more urgent and is one of the defining challenges for the city's economy, transport, energy, buildings, and green and blue infrastructure. Inclusion and equalities is also expected to be a key theme in the strategy reset, heightened by the disproportionate impact that COVID-19 has had on different groups across the city.

6. Workforce

- 6.1 The total workforce is c7,300 fte of whom c2,800 people working from either their usual workplace or a new workplace, a further 3,400 are working from home with around 800 people are not able to work because they are either shielded, vulnerable or the roles or a suitable alternative cannot be found. The exact numbers will continue to fluctuate in-line with staff returning from isolation, sickness absence or redeployment of staff. The overall number of staff that have been redeployed has been c 216.
- 6.2 The total number of COVID-19 related absences has continued to reduce week on week with the current total standing at 81 compared to 529 at the start of the lockdown period. Symptomatic staff in essential roles across Children's and Adults are continuing to be referred for testing, in the main via the internal booking system (rather than the government website) as it means we can better track rates of Covid positive staff and support colleagues to return to work if they test negative.
- 6.3 A Resourcing Hub has been established to support the move of staff into roles required to support the response or recovery work. The redeployment process continues to work well and circa 147 staff have volunteered to move via targeted reach outs, broadcasts or redeploying agency staff that weren't required in their substantive area. Areas which have required additional staff include the Resilience Hub and phone line to provide support to vulnerable residents.
- 6.4 Following the Government's latest advice on 10 May regarding the initial relaxation of lockdown measures. A workforce planning exercise has been undertaken to understand the number of services and staff intending to return. This work is supported by HR, Estates and Health & Safety to ensure appropriate measures are in place to ensure a safe return for staff. None of these staff will return to work until all health and safety requirements are met

and the estate is fitted with additional sanitizer, self clean packs and signage which both clearly marks out safe working spaces and the responsibility of staff to minimise the risk in the workplace. Given the lead in time for this activity we are aiming for Monday 8 June for additional staff returning to the workplace (circa 124).

- 6.5 The 800 employees who are not working at all are a focus of attention as this situation obviously cannot continue indefinitely. A detailed plan of action is being drawn up to ensure that work can be completed by this group, many of whom work in the community on front line activities so will be able to return to work shortly, it is hoped. A small group from this 800 have been identified as being in posts which can access government money for furloughing, this does not affect the individual employee who will receive the same salary as now but does mean the City Council can access some limited government funding.
- 6.6 An all staff survey is underway and the final results will be shared at the committee, but early results indicate the following trends:
- Staff and managers generally feel well supported to work at home
 - Equipment and particularly good chairs are an issue for significant minority
 - The mental health of staff is poorer following the covid crisis than before although most people are coping well
 - Staff who are working from home feel they are mostly able to be as, if not more, productive than they were in the office
 - With regard to returning to the workplace (mostly office) most staff do not want that to be full time but rather on a pattern which is mutually beneficial. One or two days a week is the most common pattern mentioned.
 - Commuting and the use of public transport, and safety fears on public transport are often mentioned as reasons why working from home is preferred.
 - Many staff need children to go back to school, probably in September, before they can start returning to the workplace, although over half of the respondents at the time this report was written did not have caring responsibilities.
- 6.6 The Human Resources and Organisation Development (HROD) teams are now moving from an incident response position to one which is more long term in outlook and are developing, with colleagues, a view on how we will be working for the foreseeable future, probably less based in the workplace and more flexible and mobile, including home working.
- 6.7 COVID-19 policy positions were negotiated with Trade Union colleagues covering:
- Redeployment - establishing the policy position underpinning the Resourcing Hub, and creating the ability to rapidly respond to resourcing pressures, during both the response and recovery phases.

- Pay Policy position - providing reassurance and clarity on pay arrangements for those unable to work due to the nature of their role, or because they or a family member has underlying health conditions. The policy position also established a position for regular casual workers, honouring their normal pay over the appropriate holiday pay reference period, as well as establishing that COVID-19 related sickness absence would not trigger stages under the existing Management of Attendance Policy.
- Annual Leave - in response to Coronavirus Working Time Regulations Amendment clarity was provided on carry forward of statutory annual leave untaken due to COVID-19 response, whilst reiterating the Council's policy position on the cancellation of additional leave acquired through the Annual Leave Purchase Scheme (ALPS).

7. Policy, Performance and Reform (PPR)

- 7.1 PPR is supporting a wide range of corporate and directorate work on the recovery and response to Covid-19. This includes the reset of the Our Manchester strategy for the city and the Council's Corporate Plan and Business Plan, which describe the priorities for the Council in delivering the strategy for the city.
- 7.2 PPR provides overall programme management of the Recovery Coordination Group and each of the individual workstreams on Economy, Future Council, Residents and Communities, and Health and Social Care. PPR has developed key data and intelligence products such as the corporate Covid-19 dashboard and specific commissions on economic intelligence and residents and communities, as well as the overall Covid-19 action plan for the Council. Equalities and inclusion issues for the city underpin all of the recovery workstreams and are being led through PPR, as well as close working with HROD on the next steps following the Council's Race Review of our workforce.
- 7.3 Key business as usual areas that have continued include the Local Plan, City Centre Transport Strategy, Census preparations, State of the City preparations, Liquid Logic reporting, Corporate Complaints, European funded programmes, and implementation of the Zero Carbon action plan.
- 7.4 Reform and Innovation priorities are:
- Development of the Council's updated Corporate Plan and Business Plan alongside the refresh of the 2020/21 Budget
 - Future Council work of the recovery including
 - Working with Finance and Directorates on the initial thinking around the 2021/22 Budget
 - Our Transformation including implementation of Microsoft 365, our ways of working, lessons learned from the Covid-19 period, and the residents and business digital experience programme
 - Health and Social Care integration, including development of the recovery workstream for the Transformation Accountability Board (TAB), supporting

the work commissioned by TAB to review our system ambitions, and the Local Care Organisation Partnership Board

- Significant support on Adult Social Care (ASC) planning and delivery of Covid-19 work and also Homelessness
- Programme management of Residents and Communities recovery work
- Coordinating the overall Covid-19 action plan
- Bringing Services Together for People in Places (BST PIP) - accelerating the development of teams around each neighbourhood and multi-agency support in neighbourhoods for those who are most at risk from Covid-19
- Working with partners to join up recovery planning through the Our Manchester Investment Board
- Our Manchester campaigning and engagement activities

7.5 City Policy priorities are:

- Reset of the Our Manchester Strategy through the Our Manchester Forum
- Economic recovery workstream, including development of the Local Economic Recovery Plan, external funding, supporting the cultural sector, and transport and infrastructure planning for the recovery
- Local Plan development
- Transport and infrastructure including City Centre Transport Strategy, Clean Air Zone development, active travel, working with Transport for Greater Manchester (TfGM)
- Planning ahead to maximise the future external funding opportunities for the Council and the City
- Coordination of the Zero Carbon Action Plan for the Council including overall programme management and support to each workstream, work to secure external funding, reporting of reductions in carbon emissions, and the city-wide plan through the Climate Change Partnership
- Our Manchester voluntary and community sector including future funding strategy and resilience of the sector
- Supporting the development of the digital strategy
- External influence and relationships with international partners, lobbying of Government, Manchester's role within the Core Cities network and Greater Manchester

7.6 Equality, Diversity and Inclusion priorities are:

- Development of city-wide work on inclusion and equalities, with a particular focus on supporting our most disadvantaged communities that have been most impacted by Covid-19
- Developed streamlined equalities impact assessment tool and support to services with using the tool to inform decision making
- Working with HROD on the implementation of the Council's Race Review of our workforce, and other equalities issues within our workforce

7.7 Performance, Research and Intelligence priorities are:

- Development and regular updates to the Covid-19 overall impact monitor

- Developing the economic intelligence asks within the Economic Recovery workstream
- Development of future demand models for directorates that will also inform the Future Council and Budget 2021/22 work
- Wide range of work on Health and Social Care including
 - Reporting on ASC capacity and control centre to Manchester and GM
 - H&SC demand modelling and demand analysis
 - Integrated reporting and logic modelling for MLCO
 - Care market reports
- Coordination of the Manchester list of shielded residents, analysis of the Community Response Hub and food support offer, and working with directorates and key partners to ensure there is an effective support offer in place
- Bringing together data from multiple sources to inform the multi-agency support for those at risk within BST PIP
- Development of the Early Years and Education System (EYES) and improvements to Liquid Logic reporting
- Implementation and adoption of new Complaints management system
- Coordination of the annual State of the City report alongside the Our Manchester Strategy reset
- Preparations for the 2021 Census
- Information management and governance workstream of Our Transformation

8. ICT

8.1 The ICT Infrastructure has historically supported circa 200 users at a time working remotely, and is currently supporting 7000 devices working remotely (both MCC and personal devices), and this includes some using both a personal and a MCC device. There has also been a 480% increase in mobile data usage. Since 16 March:

- 600 additional laptops have been purchased and distributed
- 800 additional mobile phones
- 200 desktops machines enable to be used at home

8.2 The New Telephony system procurement was completed in March 2020, and was anticipated to be a two year programme, to replace our obsolete telephony that did not support users working remotely. The project was re-prioritised so as to allow critical services to be restarted or to allow those taking calls to work remotely. Go live dates were:

- ICT Service Desk - live 19th May
- Covid Helpline - live 21st May
- Social Care, Financial Assessments and Emergency Control - live 27th May
- Major Incident Line - live 27th May
- The Revenues and Benefits and the Neighbourhoods lines are currently being prepared to work remotely

8.3 ICT has prioritised its activities, that are critical to give resilience and improve functionality including

- Supporting users remotely
- Data Centre Migration
- Telephony Migration
- End User Device Procurement
- Council Network Procurement
- Office 365 / Teams Migration
- Civica Pay / Making Tax Digital

8.4 Planning is already taking place to make sure the facilities and the systems are in place to support the Council and its services going forwards, as it recovers from the current incident including escalating the requirements gathering and the development of business cases.

9. Customer Service Organisation

9.1 The Covid-19 Community Response Hub was opened on 30 March 2020, offering a service to vulnerable Manchester residents who may need essential support with shopping, collecting essential items, etc.

- This free phone service is available Monday to Saturday 8:30am to 5:30pm including Bank Holidays 10am to 2pm
- Staffing of the hub is provided by volunteers from across the council and is managed by the Customer Service Organisation.
- To date support has been provided to 15,172 Manchester residents.

9.2 Roll-out of homeworking technology: Contact Centre Services identified as critical are now supported by new functionality implemented as part of the wider Telephony Programme which enables telephone calls to be handled from home related to these services, these services are:

- The Covid-19 Hub went live with homeworking telephony capability on 20 May
- Adults and Children's Social Care, Adult Social Care Financial Assessments and the Emergency Control Service which went live with homeworking telephony capability on 27 May 2020

9.3 The remaining contact centre services which includes the Council Tax, Benefits, Business Rates and Neighbourhood Services contact centre services are now in scope for the next phase of rollout of the new contact centre home working technology. This next phase is currently being developed and worked through in conjunction with ICT colleagues as part of the wider Telephony Programme and are expected to go live early July.

9.4 Social Care Contact Centre: This critical service continues to be maintained as business as usual. The average customer wait time for May 2020 was 3 minutes 22 seconds. The average customer wait time for quarter 1, 2020/21 to date is 2 minutes 57 seconds.

- The 24 hour provision for Adults and Children's Social Care and the Councils Emergency Control Service has been maintained.
- All staff operating across these services now have the ability to work from home.
- Neighbourhoods - approx 357 emails per day
- The telephone lines for these services will be reopened once staff have the ability to take calls from home which is now being progressed as part of the next phase of the Telephony Programme.

9.5 Customer Service Centre - The CSC was closed at 5pm on 18 March to ensure the protection of the staff and the public. Service Managers are now working to develop a new operating model for the service. Details will be shared when developed.

10. Shared Service Centre

10.1 Shared Service moved all staff to work from home from 24 March in response to Covid-19 guidelines. This is a priority one service providing back office support across key areas for Payroll, Pensions and Finance. Financial year end across these functional areas was completed in compliance with required legislation.

10.2 Work has continued to support the business as usual practice across Payroll, Pensions and Finance whereby staff have engaged with and supported when different processes have been required to be adopted to deliver the service.

10.3 Pensions and Payments to staff and suppliers is an emotive area and has been well managed and supported to avoid any delays or issues. There has been extra activity on additional payment runs and payment support for suppliers. During April and May:

- April payment runs - value £123,622,655; 19,610 payments made
- May Payment runs - value £84,522,437; 15,217 payments made
- Provided guidance and Support to Schools for furlough queries
- Payrolls processed and reconciled for the Council and also 3rd party clients that buy our service
- Supported and set up new payroll for the Factory as 3rd party client
- P60s generated for all staff
- Provided technical pension support for new admission agreements
- 14,908 invoices paid
- £196,679 paid out in total as faster payments since 26 March to support free school meals, carers, welfare reform and hardship payments
- Supporting PPE urgent payments on the Council's lodge card
- Liaised with all the travel providers in relation to staff travel passes

11. Revenues and Benefits

11.1 Business Rates

11.1.1 Covid Business Rates Reliefs and Grants: The general reliefs and grants provided by the Government are now well underway. To date we have paid out 7,430 grants totalling £92.915 million, which is 82.7% of expected payments. Significant time is being spent chasing up businesses that have not claimed, as well as time dealing with those businesses that do not meet the criteria and feel that they should get a grant.

	Grants/relief awarded and value	Outstanding on <u>potential</u> eligibility
SBR Grant - £10k	Total 5,675 (83.9%) paid £56.75m	1,086
Retail Leisure and Entertainment (RLE) Grant - £10k/£25k	Total: 1,755 (78.4%) paid 36.165m	469
Extended Retail relief – 100% paid to BRates account	3,918, total £145.5m	Complete
Nursery relief paid to BRates account	77, total £855k	Complete

11.1.2 Covid Discretionary Grant Scheme to small businesses: The new discretionary scheme has now closed following a two week window that closed on 10th June. This is supported by a full communications plan. Approximately 1,200 applications have been received, much less than was originally expected.

11.1.3 Business Rates Recovery: Business Rates collection is down around 7% compared to last year, but this will have been exacerbated by the moratorium on Direct Debits. All Business Rates direct debits have been reprofiled and collection will start them from 21 June 2020. We are planning to start soft recovery in July. This will include mandating a softer initial approach by Enforcement Agents.

11.2 Council Tax

11.2.1 The majority of the Council Tax staff that were moved across to support the business rates grant activity have now moved over to deal with core Council Tax work. We are now dealing with customer contacts including re-setting payment plans, payment holidays etc.

11.2.2 The collection rate is 1.5% down compared with last year. As with Business Rates, the aim is to start soft recovery in July/August after the Council Tax credits have been allocated to accounts. At this point we will be able to ensure that residents have claimed CTS and the additional credit, and where

necessary assess demand on the discretionary scheme as it is at this point that many residents respond to the Council Tax account.

11.3 Impact of COVID on Housing Benefit / Council Tax Support claims

11.3.1 New claims received (includes Universal Credit New Claim Records indicating a possible new claim for CTS, not all result in a paid claim):

- Week ending 2/6/19 = 579
- Number received 1/4 - 2/6/19 = 6,210
- Week ending 31/5/20 = 447
- Number received 1/4 - 31/5/20 = 8,884

11.3.2 Following a period of high demand, the number of new claims received is falling to pre-Covid levels - we anticipate further periods of fluctuation in the coming months and will monitor activity closely

11.3.3 Changes reported (all claim types):

- Week ending 2/6/19 = 1,731
- Number received 1/4 - 2/6/19 = 18,327
- Week ending 31/5/20 = 2,805
- Number received 1/4 - 31/5/20 = 22,885

11.3.4 Changes reflect usual workflow plus Covid-19 driven changes such as people being furloughed, adjustments to Tax Credit awards, or reporting changes in circumstances that are moving them from legacy benefits onto UC.

12. **Discretionary Spend including Welfare Provision and Hardship**

12.1 Government has provided £7,458,231 to the Council to support Covid hardship with specific advice on how the majority of the grant should be spent, by providing all working age recipients of CTS with a Council Tax Credit of up to £150 towards their 2020/21 Council Tax bill.

12.2 Based on a recent snapshot of the Council Tax Support caseload, paying this would cost £5.12 million. However, as we are also expected to pay new claimants the grant, there is an expectation that due to the economic position and the large number of pending UC claims that this could result in a significant number of additional CTS claims. It is therefore prudent to assume a further 20% (which is £1.024 million on top of the £5.12 million) to deliver the scheme. This takes the costs to £6.144 million, leaving £1.314 million of the £7.548 million to support other welfare priorities.

12.3 The balance of this funding is being used for the following priorities:

- School meals
- Support for carers
- Welfare Support due to COVID

- Council Tax hardship including elderly people and people not in receipt of CTS
- Food poverty

12.4 The budget and spend on these areas may change as impacts are more clearly understood so that the Council can respond most effectively to residents in need. There has been a recent request to use £100k of this funding to support activity to mitigate digital exclusion especially for hard to reach and vulnerable groups. This is being costed and will be considered in due course.

12.5 In terms of Council Tax Support, we are now working through the working age CTS caseload to grant a Council Tax credit of up to £150 (most will get £150, only those with a bill of less than £150 will receive less than this). This will start with joint tenants and moving on to single and family households. We have to consider the impact on the Council Tax account and this includes resetting payment plans and direct debits and where appropriate organising refunds.

13. Welfare Provision Scheme: Covid activity

13.1 Free School Meals: The Council has provided an additional grant scheme to support families with free school meals up until the point that the government agreed a voucher scheme for both term time and some of the school holidays.

- 6,821 applications received and processed
- 4,331 approved to a value of £233,970
- Access to the Council's local FSM scheme closed on 31 May 2020.

13.2 It should be noted that some of these funds will be recovered from schools who will have received government funding for the period but did not have a process to distribute payments. There will be some residual spend that this budget will pick up and this will be for children and families that do not qualify for the government scheme or were waiting for UC claims to be processed.

13.3 All families in the city that qualify for free school meals are now able to access the government voucher scheme that has been operational during term time. At this point the government has not stated that it will provide the voucher scheme over the summer holidays. This award will be critical for many families in the city as this is an exceptional year in that many of the usual support systems for some of these families are not available as they have been previously and this extended award of FSM would give many of our families some peace of mind.

13.4 The financial impact of the extended scheme and the impact on Manchester families is as follows. From the January 2020 school census, there were 28,276 pupils eligible for FSM which is 31.6% of pupils. Based on the families of all these children claiming the agreed £15 per week for 6 weeks (£90), this equates to more than £2.5 million for the six week period. This excludes children from families that are classed as no recourse to public funds, for

which there are a number in Manchester that the government has also agreed to support. To note, some families will not claim, and secondly there will have been an increase in UC claims meaning that the number of children entitled will have risen since January.

- 13.5 Carers Grant: From mid-May, the Council has provided an additional grant scheme supporting carers through the Covid pandemic. Up to now, 179 applications have been received and processed representing 389 'items' requested such as bed, bedding, cash-grant, travel, utilities and white goods. Of these, 98 requests have been approved to a value of £7,086.
- 13.6 Welfare Provision Covid-19 support (Covid 'indicator' as reason for request for support added to 'form' 27/4/20)
- 457 applications received and processed representing 842 'items'* requested
 - 245 requests approved to a value of £12,234
- 13.7 Discretionary Housing Payments and Welfare Provision. The teams continue to support household within the core schemes with Discretionary Housing Payments and Welfare Provision Support

14. Audit and Risk Management

- 14.1 Planned service deliverables, including delivery of the draft Internal Audit Plan for 2020/21 and a service review / restructure, has been largely suspended for six months with the work of the service refocused on priority areas including the assurance process for the payment of business rates grants, the delivery of PPE, urgent insurance matters and support for building, service and individual risk assessments. The main areas of work are outlined below:
- 14.2 Coordination of Council wide demands for Personal Protective Equipment (PPE) and support to Manchester Trafford Mutual Aid Hub including:
- Assessment across Council services of current and future PPE demand requirements in response to Public Health guidance and service risk assessments
 - Support to schools with emergency packs to support reasonable PPE needs and facilitate safe operations within schools and other education settings
 - Operation of the New Smithfield Market PPE Hub in the collation of requests for equipment, arranging stock deliveries and supporting system wide colleagues to ensure that critical demands have been met. This has involved provision of over 2.5 million items of equipment to date.
 - Provision of face fit testing to care home and health provider staff to support effective and appropriate use of PPE; and training of Manchester Local Care Organisation staff to deliver this work moving forward
 - Managing PPE stock and financial controls, including financial reporting to Manchester CCG, Trafford CCG and Trafford Council. Work is ongoing to

develop a recharge model to include recovery of relevant Council costs from partners for the operation of the hub.

- Forward planning of demand and stock inbound, including liaison with Gm Combined Authority and GM Health and Social Care Partnership on GM level procurement activity.
- Support to donations and quality assurance of stock inbound against clinical guidance and product quality standards. This has included assessment of stock provided from overseas and from local donations to ensure that it meets clinical standards and is provided for the appropriate purpose.

14.3 Over the last three months the risk and resilience service has worked to support effective governance and situation reporting, including the provision of updates to SMT and directorate leadership teams on key risks and issues. This was an active process at the onset of the crisis to enable timely decision making and action to address issues arising; and helped ICT, HR and other core services to access the intelligence needed for the timely deployment of critical support. These arrangements ensured that swift actions could be taken to redeploy staff, source equipment, secure PPE and obtain other support whilst the more formal governance and reporting structures were being established.

14.4 The team has focused on ongoing support to services on risk and continuity matters and is finalising a lessons learned review to feed into recovery workstreams. This has been based on a range of interviews with key stakeholders and review of governance and decision making arrangements; and will be used alongside the staff survey and other sources of intelligence to help inform a review and refresh of business continuity arrangements and future ways of working. This will also inform the next update of the Corporate Risk Register in the coming weeks. A similar review has been undertaken for Bolton Council as part of service partnership arrangements.

14.5 Significant time has been spent on activities led by the Health and Safety Service to support the continued safe operation of services. This has included risk assessments for all services who have continued to operate during the crisis; as well as new or adapted services that had to be developed in response to urgent demands. This has been complex given the unprecedented changes required to service delivery and commissioning arrangements with a focus on four layers of assessment

- Service - to ensure services operate safely and suitable protections are in place to safeguard staff; and service users, citizens and residents.
- Premises / Site - to ensure premises are Covid19 Secure for the use of staff, partners and visitors. These have been completed for all premises based on Government Guidance and other good practice. Liaison with partners is being carried out in respect of shared sites and support is being provided to Manchester CCG for the risk assessment of their Parkway site. A coordination group is being established for building assessments across the City where Council, health or other partners are co-located to ensure

alignment and consistency of approaches - including cleaning, signage and ways of working safely.

- Individual - to ensure personal safety is ensured for the workforce and that changes to roles, responsibilities and ways of working are implemented where required. This includes particular focus for those groups of staff who are most vulnerable to Covid19.
- Home Working - to ensure staff working from home are supported to work in a safe and healthy way. Given the scale of staff working from home these assessments and the arrangements to support staff are being further developed through a HR, Safety, ICT and Equalities Team project group. The approach being developed includes a more complex support process for higher risk / higher need staff and mechanisms for provision of ICT hardware, software and peripherals; accessibility; furniture; and equipment; advice and guidance (including wellbeing); and occupational health support.

- 14.6 Service, premises and individual risk assessments continue to be updated with Heads of Service to reflect changes in service delivery models and Government guidance; and are shared with the Trades Unions for their valuable input and comments. This will remain an ongoing area of significant focus for next three months.
- 14.7 Support has been provided to Manchester Schools including the development of risk assessments and the performance of a quality assurance role for the Director of Education to review all assessments and provide feedback to Head Teachers on areas for suggested further focus. The duty to complete assessments remains with schools but the team are supporting the Director to ensure that appropriate steps are taken to safeguard staff and pupils.
- 14.8 Additional advice and policy amendments have been progressed by the insurance team, including support for areas of significant service change such as homelessness and the PPE Hub. Alongside this the team has continued to support complex projects such as Our Town Hall, completed year end financial transactions and responded to liability and premises insurance claims. Based on risk assessment the team is now conducting safe site visits as part of the process of claim inspection and review.
- 14.9 Some assurance activity and reporting has continued although the focus of much of the audit team has been on the validation of proposed business grant payments. This has involved close working with the Revenues and Benefits Service in the development of application, process and payment arrangements; and the review the validity and accuracy of claims for payment; using data interrogation tools to check for duplicate or invalid claims. This work will continue over the next three months as the team will focus on review and investigation and of claims assessed as paid in error or claimed fraudulently.

14.10 Other audit work has included provision of substantial advice and guidance to services in new ways of operating whilst maintaining effective financial, risk management and governance controls; for example over revised payment and procurement processes. Core deliverables for the audit team currently include:

- finalisation of work, where possible, from the 2019/20 Internal Audit Plan;
- delivery of directorate fraud risk awareness sessions;
- Investigation of allegations of fraud or error;
- Input to key ICT projects including the data centre and Office365 programmes; and
- preparation of reports for July SMT and Audit Committee including the annual audit opinion 2019/20 and the proposed plan for 2020/21 to reflect service activity and planned assurances in the year.

15. Capital Programmes

15.1 A Capital Programme review is underway to prioritise projects within the resources available to fund the agreed schemes including assessment of the financial implications of deferring or holding schemes.

15.2 Work is continuing with completing the design for approved schemes and delivering those projects currently on site including the Special Education Needs school places programme, SEN schemes are all on site at Northridge / Roundwood / Camberwell / North Hulme. and Alexander House, albeit activity slowed due to social distancing measures on sites.

15.3 A review of all deferred projects is also being undertaken in terms of tendered costs and the status of these costs plus mobilisation timescales. This applies to the following:

- Piccadilly Gardens (although there are proposals to demolish the small wall once PP achieved)
- Hammerstone Road
- Medieval Quarter
- Manchester Aquatic Centre
- National Cycling Centre
- Abraham Moss rebuild
- Gorton Hub - to continue a COVID clause is required in the contract and there would be additional stand still costs.
- West Gorton Park has halted

15.4 The Minor Works teams are engaged in design work for schools maintenance programme and smaller schemes linked to the corporate estate, essential repairs and health and safety works.

15.5 The Town Hall Project and The Factory are continuing on site, albeit productivity has been impacted due to COVID-19. The Our Town Hall - Notice to Proceed (NTP) for the main construction works has been deferred until later in June to enable the management contractor LendLease and the Council to assess the potential impact on productivity and programme of Covid-19. An

agreed programme to conclude the NTP process is awaited from LendLease with a review period required before a go/no go decision is taken and a recommendation made to the Council.

16. Commissioning and Procurement

- 16.1 Officers from the Council are working with the Cabinet Office on the national procurement consultation and considerations as part of the support to suppliers during COVID-19. Internal guidance was provided for services on how to consider and agree relief to suppliers in line with national guidance issued in March and this has been updated to support review of arrangements made reflecting additional sources of support to businesses coming on stream. This guidance is being further updated following new procurement guidance issued by the Cabinet Office on 10th June.
- 16.2 As part of the financial resilience pipeline, officers are reviewing current contracts and contracts coming up for tender over the next 2 years for opportunities to review and to align to any savings proposals. This analysis is currently underway, focused initially on the highest value and most critical contracts, the outputs of which are then being drawn up for discussion at DMTs. A key line of enquiry is how Covid-19 is likely to affect the future contractual position, both in terms of potential pressures but also in terms of how service delivery might need to change, which could also open up new opportunities.