

**Manchester City Council  
Report for Resolution**

**Report to:** Resources and Governance Overview and Scrutiny  
Committee – 9 September 2010

**Subject:** Information and Overview Report

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

---

**Summary**

To provide information about relevant issues affecting the Committee's remit to aid members to manage and develop the work programme.

**Recommendation**

1. The Committee is requested to consider the topics highlighted in the report and either:
    - Note the information
    - Request a briefing note to provide further details
    - Add the item to the Committee's Work Programme
  2. The Committee is asked to agree the work programme attached at Appendix 4.
- 

**Contact Officer:**

Name: Courtney Brightwell  
Position: Team Leader, Scrutiny Support  
Telephone: 0161 234 3376  
E-mail: c.brightwell@manchester.gov.uk

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

None

## **1. Suggestions for the Work Programme**

No suggestions have been received this month.

## **2. Forward Planning**

The Executive Forward Plan lists key decisions to be taken by the City Council within the next four months.

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

To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or

To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500,000 providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

Relevant extracts from the Executive Forward Plan are included below to this report to enable members to incorporate scrutiny of key decisions into its work programme.

Subject Area for Decision	Key Decision Objective /Consultation arrangements /Point of Contact	Anticipated date of decision Documents to be considered	Decision Taker (Executive or Chief Officer)
<p><b>CORPORATE SERVICES</b> <b>Approval of schemes in the Capital Programme</b></p>	<p><b>Key Decision Objective:</b> To obtain approval to commit expenditure on schemes included in the approved capital programme, thus providing departments with the authority to place orders and accept tenders for capital projects</p> <ul style="list-style-type: none"> <li>▪ Corporate Asset Management and DDA works</li> <li>▪ Spend to Save Schemes</li> <li>▪ Surestart Children’s Centre Programme</li> <li>▪ Building Schools for the Future, including Academies</li> <li>▪ NDS Devolved Capital 2010/11</li> <li>▪ Housing Market Renewal</li> <li>▪ Primary School Rebuilding Programme 2010/11                             <ul style="list-style-type: none"> <li>○ Old Moat</li> <li>○ Pike Fold</li> <li>○ Varna Street</li> </ul> </li> <li>▪ Wythenshawe Town Centre</li> <li>▪ Maine Road Remediation</li> <li>▪ Cheetham District Centre</li> <li>▪ Customer Service Centre</li> <li>▪ Sustainability</li> <li>▪ Local Transport Plan – Maintenance (bridges, assessment and strengthening, strategic road and footway maintenance)</li> <li>▪ Transport NFS (Neighbourhood Funding Strategy)</li> <li>▪ Retained HRA and Northwards Housing Programmes 2010/11</li> </ul>	<p>September 2010 – January 2011 Formal capital expenditure approval requests, including pro formas</p>	<p>City Treasurer (in consultation with the Executive Members for Finance and Human Resources)</p>

	<ul style="list-style-type: none"> <li>▪ Private Sector Housing Programme 2010/11</li> <li>▪ CRM/Information Strategy/SAP Roll-Out</li> <li>▪ Corporate Contact Centre</li> <li>▪ Manchester Partnership Programme</li> <li>▪ Transformation Partnership Programme</li> <li>▪ Town Hall Complex Transformation Programme - CAPEXs</li> <li>▪ West Gorton Land Assembly</li> <li>▪ Closed school and other demolitions</li> <li>▪ ICT infrastructure</li> <li>▪ Miles Platting Community Hub</li> <li>▪ Strategic Land Acquisition</li> <li>▪ Proposed acquisition of Manchester Wholesale Flowers building, New Smithfield Markets</li> <li>▪ National Football Museum – Relocation to Urbis</li> <li>▪ Oxford Road Corridor Public Realm</li> <li>▪ Cooperative Estate Redevelopment</li> <li>▪ Footpath at Manchester Business Park</li> <li>▪ Theatre Royal, Peter Street</li> <li>▪ Recent additions to the Capital Budget</li> </ul> <p><b>Consultees:</b> This is one of the final parts of the scheme procurement procedure. Departments have previously consulted with stakeholders during (a) budget preparation and (b) detailed scheme formulation stages. All capital expenditure proposals are considered in consultation with the Executive Member for Finance and Human</p>		
--	--	--	--

	Resources.		
<b>CORPORATE SERVICES Revenue Budget - allocations from the Central Contingency</b>	<p><b>Key Decision Objective:</b> To fund currently unplanned expenditure or expenditure the exact amount of which has yet to be determined.</p> <p><b>Consultees:</b> City Treasurer, Executive Member for Finance and Human Resources</p>	September 2010 – January 2011 Report to Executive Committee as part of Global Monitoring Report	Executive
<b>CORPORATE SERVICES Development Fund – requests for funding</b>	<p><b>Key Decision Objective:</b> To fund expenditure by means of internal loan in accordance with the criteria for use of the Development Fund</p> <p><b>Consultees:</b> City Treasurer Executive Member for Finance and Human Resources</p>	September 2010 – January 2011 Report to Executive Committee as part of Global Monitoring Report	Executive (or City Treasurer where specific delegation has been given)
<b>CORPORATE SERVICES Allocations from the Service Improvement Fund</b>	<p><b>Key Decision Objective:</b> Approval of allocations from the Fund</p> <p><b>Consultees:</b> Chair of the Executive and Executive Member for Finance and Human Resources</p>	September 2010 – January 2011 Description of scheme(s) to be supported by the Fund, providing justification in	City Treasurer and Chief Executive

		accordance with the aim of the Fund and identify outcome to be achieved.	
<b>CORPORATE SERVICES</b> <b>Approval of Audited Annual Accounts</b>	<b>Key Decision Objective:</b> Approval of the audited Annual Accounts.	September 2010 The draft Accounts and accompanying reports from External Audit and the City Treasurer	Audit Committee
<b>CORPORATE SERVICES</b> <b>Timing of Precept Payments for 2010/11</b>	<b>Key Decision Objective:</b> Agreement of payment dates <b>Consultees:</b> Other GM authorities; Police and Fire Authorities	December 2010 Report to Executive in November	Council
<b>CORPORATE SERVICES</b> <b>Approval of Medium Term Financial</b>	<b>Key Decision Objective:</b> Approval of Strategy	December 2010 Report	Executive

<b>Strategy</b>			
<b>CORPORATE SERVICES</b> <b>Setting the Council Tax Base and determining the Collection Fund year end surplus or deficit</b>	<p><b>Key Decision Objective:</b> To determine the council tax base and the forecast collection fund surplus/deficit at 31.3.2011 to be used for setting the 2011/12 council tax level</p> <p><b>Consultees:</b> Executive Member for Finance and Human Resources</p>	January 2011	City Treasurer
<b>CORPORATE SERVICES</b> <b>Disposal of Council land: land at Coupland Street, Hulme; Crown Square, Manchester (Spinningfields), Birley Fields, Land at First Street and Little Peter Street, Land at Rondin Road, Disposal of leasehold interests</b>	<p><b>Key Decision Objective:</b> Regeneration/capital receipt</p> <p><b>Consultees:</b> Ward councillors at the time of marketing Executive Member for Finance and Human Resources City Treasurer, Head of Valuation and Property</p> <p><b>Contact Officer:</b> Helen Jones 0161 234 1202, Malcolm Murray 0161 234 1284</p>	September 2010 – January 2011 Memo advising of proposed sale, details of transaction together with a recommendation from Head of Valuation and Property	Chief Executive

<p><b>of land at Spinningfields, Land at Grimshaw Lane/Briscoe Lane, Newton Heath following acquisition from HCA</b></p>			
<p><b>CORPORATE SERVICES Acquisition of lease – Victoria Mill</b></p>	<p><b>Key Decision Objective:</b> Council occupation <b>Consultees:</b> Stakeholders in writing to Corporate Property</p>	<p>September 2010 – January 2011 Draft lease and supporting documents.</p>	<p>Chief Executive/ City Treasurer</p>
<p><b>CORPORATE SERVICES Acquisition of lease - Deepstore Cheshire</b></p>	<p><b>Key Decision Objective:</b> Storage in connection with Town Hall Project <b>Consultees:</b> Stakeholders in writing to Corporate Property</p>	<p>September 2010 – January 2011 Lease terms and supporting documents</p>	<p>Chief Executive/ City Treasurer</p>
<p><b>CORPORATE SERVICES Proposed acquisition of lease at St. Joseph’s</b></p>	<p><b>Key Decision Objective:</b> Relocation of Manchester Learning Disability Partnership (MLDP) to provide better provision and capital savings within Asset Management Programme <b>Consultees:</b> Staff and service users in writing to Corporate Property</p>	<p>September 2010 – January 2011 Chapman Place &amp; St Joseph’s briefing note from</p>	<p>Chief Executive/ City Treasurer</p>



<b>Religious Centre</b>		Corporate Property	
<b>CORPORATE SERVICES</b> <b>Amendment to Sport City Stadium Lease – financial terms</b>	<b>Key Decision Objective:</b> Financial terms of Stadium lease <b>Consultees:</b> Chief Executive, Head of Leisure, Head of Corporate Property, City Treasurer, City Solicitor, in writing to City Treasurer	September 2010 – January 2011	Executive
<b>CORPORATE SERVICES</b> <b>Town Hall Complex Transformation Programme – Refurbishment Projects and Public Realm (including Town Hall Extension, Central Library, St. Peters Square, Library Walk and Lloyd Street)</b>	<b>Key Decision Objective:</b> To approve funding and procurement arrangements for the provision of enabling works and main contractor appointment to carryout the refurbishment of the central Library, Town Hall Extension and the completion of the St. Peters Sq. public realm. <b>Consultees:</b> Scrutiny, Committee Members, Members Panel <b>Contact: Officer:</b> Dave Carty <a href="mailto:d.carty@manchester.gov.uk">d.carty@manchester.gov.uk</a> Dawn Royle, <a href="mailto:d.royle@manchester.gov.uk">d.royle@manchester.gov.uk</a>	September 2010 – January 2011 Report to Scrutiny Committee and decision makers for Leases and Construction works  Formal capital expenditure approval requests, including pro formas, for the construction works through Capital	Chief Executive/ City Treasurer and Director of Transformation, in consultation with the Executive Member for Finance and Human Resources

		Programme Gateway	
<p><b>CORPORATE SERVICES</b> <b>Town Hall Complex Transformation Programme – Main projects (including First Street, Elliot house, sharp Building, Overseas House, Zion Centre, Universal Square, Maple Wood Street and Piccadilly Tower)</b></p>	<p><b>Key Decision Objective:</b> To approve funding and procurement arrangements for the provision of temporary property facilities and the associated construction works <b>Consultees:</b> Scrutiny, Committee Members, Members Panel</p>	<p>September 2010 – January 2011</p>	<p>Chief Executive/ City Treasurer in consultation with the Executive Member for Finance and Human Resources for construction works</p>
<p><b>CORPORATE SERVICES</b> <b>Hire of Small Plant</b></p>	<p><b>Key Decision Objective:</b> Framework of providers for the hire of small plant equipment <b>Consultees:</b> OJEU Open Tender Process <b>Contact: Officer:</b> Colin Butterworth, Senior Procurement Manager, tel: 234 3434 or Gary Campin. Transport and Plant Manager, tel: 957 8300</p>	<p>September 2010 – January 2011 December 2010 Recommendations following the tender process</p>	<p>Director of Neighbourhood Services</p>

<p><b>CORPORATE SERVICES</b> <b>Supply of Mechanical Sweepers</b></p>	<p><b>Key Decision Objective:</b> Hire of fleet to begin in April 2010 to replace present fleet. Maintenance will be carried out in house. The tender will give an option for 3, 6, or 9 years. Annual spend is circa £500k <b>Consultees:</b> Stakeholders <b>Contact Officer:</b> Steve Power – Street Scene Services Project manager 0161 908 5820, Gary Campin, Transport and Plant Manager 0161 957 8300 or Sue Albecker 234 3253</p>	<p>September 2010 – January 2011 Contract report and recommendation</p>	<p>Director of Neighbourhood Services</p>
<p><b>CORPORATE SERVICES</b> <b>North West Construction Hub Frameworks</b></p>	<p><b>Key Decision Objective:</b> Seek approval to appoint new partners to a number of regional framework contracts of four years' duration (3 years with option of 1 year extension), following a full OJEU procurement process. <b>Consultees:</b> Manchester City Council is the NWIEP Construction Hub lead authority. Capital Programme Division Management are stakeholders in the use of these services, together with client / sub regional representatives including Cumbria, Lancashire, Greater Manchester, Cheshire and Merseyside. Also MCC Corporate Procurement Team and MCC Legal.</p>	<p>September 2010 – January 2011 Framework tender reports requesting approval to appoint new partners onto new Framework Agreements</p>	<p>Chief Executive/ City Treasurer</p>
<p><b>CORPORATE SERVICES</b> <b>The Supply, delivery and collection of concrete</b></p>	<p><b>Key Decision Objective:</b> The supply, delivery and collection of concrete following a tender exercise. The contract is for a two year period with an option to extend for up to a further two years with an annual value of £500,000 <b>Consultees:</b> Stakeholders <b>Contact Officer:</b> Mike Brogan, Operations Manager, Trading Services Tel: 0161 908 5840, Stacey McNamee, Procurement Officer, Corporate Services</p>	<p>September 2010 – January 2011 Contract report with recommendation</p>	<p>Director of Neighbourhood Services</p>

<p><b>CORPORATE SERVICES</b> <b>The Provision of Event Security, Stewarding &amp; Taxi Marshalling</b></p>	<p><b>Key Decision Objective:</b> The provision of event security, stewarding and taxi marshalling following a tender exercise. The contract is for a two year period with an option to extend for up to a further two years with an annual value of £5000,000 <b>Consultees:</b> Stakeholders <b>Contact Officer:</b> Mike Parrott, Senior Events Manager, Trading Services Tel: 0161 234 5242, Yvonne Winskill, Procurement Officer, Corporate Services Tel 234 3273</p>	<p>September 2010 – January 2011 Contract report with recommendation</p>	<p>City Treasurer</p>
<p><b>CORPORATE SERVICES</b> <b>The supply of office furniture – Corporate Contract</b></p>	<p><b>Key Decision Objective:</b> Renewal of the Corporate Contract for the supply of office furniture for a two year period commencing November 2010 with an option to extend for up to an additional two years <b>Consultees:</b> Stakeholders <b>Contact Officer:</b> Chris Johnson, Corporate Procurement Service, Tel 234 308 5</p>	<p>September 2010 – January 2011 Contract report and recommendation</p>	<p>Chief Executive/ City Treasurer</p>

### 3. Monitoring Previous Recommendations

Date	Item	Recommendation	Action	Contact Officer
24 June 2010	<b>RG/10/40 Revenue and Benefits – Annual Performance Update</b>	To recommend that the service carry out ‘mystery shopper’ exercises to test the performance of bailiff companies operating on the Council’s behalf.	The Head of Revenues and Benefits will explore how the Council can carry this out. A response to this recommendation will be reported back to the Committee.	Julie Price, Head of Revenues and Benefits
24 June 2010	<b>RG/10/41 Work Programme 2010/11 – Development and Support</b>	<p>To request that the Committee’s support officer explores options for commissioning external trainers on best practice techniques in scrutiny investigations, questioning and listening skills and prioritizing topics for the workprogramme for the Committee.</p> <p>To request that the risk management seminar which the Committee has requested is organised to take place in the near future.</p>	A report will be submitted to the Overview and Scrutiny Co-Ordinating Group on 16 September with details of the training requested by each of the scrutiny committees and proposals for commissioning training. This will include details for the risk management seminar.	Courtney Brightwell, Team Leader, Scrutiny Support and Tom Powell, Head of Internal Audit
22 July 2010	RG/10/46 Information and Overview Report	To agree the work programme subject to the addition of an item in the autumn looking at how the Council will implement the national requirement to make details of expenditure above	This has been scheduled for the Committee’s next meeting (21 October).	Richard Paver, City Treasurer

		£500 available to members of the public.		
22 July 2010	RG/10/48 State of the City Reports	To request that the report that had gone to the Manchester Board on setting its priorities is circulated to Committee members so that it could see the evidence of how the information in the State of the City reports was used to set priorities.	This has report has been circulated to Committee members.	Jane Abdulla, Head of Corporate Partnerships and Performance
22 July 2010	RG/10/49 Section 106 Annual Monitoring Report	To request that the Head of Planning produces information for circulation to committee members which shows the level and key details of section 106 contributions in the different wards represented by committee members.	This information is being collated for circulation.	Peter Babb, He

#### 4. Items for Information Only

<b>Subject</b>	<b>Impact of the 2010 Budget on Benefits and Council Tax in Manchester</b>
<b>Contact Officers</b>	Richard Paver, City Treasurer Tel: 0161 234 3564 E-mail: r.paver@manchester.gov.uk

#### Summary

This report provides members with details of the recent changes to the benefits regime as a result of the June 2010 emergency budget and how these changes will impact on Manchester residents. The report also includes details of the government consultation paper '21<sup>st</sup> Century Welfare'.

#### Recommendations

Committee is requested to note the contents of the report.

#### Wards Affected:

The functions and services covered in the report are provided to all wards in the city and are mainly covered by central government legislation.

The changes already announced and proposed will have a detrimental financial impact on residents in all wards of the city.

#### Contact Officers:

Richard Paver E-mail	City Treasurer richard.paver@manchester.gov.uk	234 3564
Julie M Price E-mail	Head of Revenues and Benefits j.price2@manchester.gov.uk	953 8202

#### 1. Introduction

This report provides members with details of the changes to the benefits regime, the timescales for these changes and how they will impact on Manchester residents. Where possible this will include an assessment of the numbers of affected households.

Because households could be affected by a number of changes the report provides appendices with a series of examples outlining how households would be affected by the changes both in respect of the policy area and the financial impact.

Also included is a summary of the consultation process announced at the end of July 2010 under the heading of 21<sup>st</sup> Century Welfare. The paper sets out plans for fundamental structural reform of the Welfare System.

#### 2. Background

Housing Benefit made headlines in this year's emergency budget with cuts amounting to £220m nationally next year rising to £1,765m a year by 2014/15. The government's intention is to reduce and mitigate the escalating cost of Housing Benefit (particularly for the private rented sector), and to support accommodation that is not larger or better than what ordinary working people can afford, achieving substantial savings towards the overall cuts the government wants to make.

At this stage the full detail of all the changes is not yet known. The government has already made it clear that there will be no transitional protection from the LHA changes (but there will be increased funding for local authorities to mitigate the worst effects through Discretionary Housing Payments) and there is no suggestion of any transitional protection from the other cuts.

### **3. The Manchester position**

At the end of March 2010 of the 218,000 properties in the city, the Council was paying out benefit to 74,192 households.

- 13,087 council tenants including Northwards and PFI;
- 36,437 tenants of registered social landlords; and
- 13,856 private tenants.
- 10,484 Council Tax Benefit only, primarily owner-occupiers plus 328 Second Adult Rebate cases;

This has been growing at the rate of 7% per year since 2008 and at the end of July was up to 75,068.

Any changes to the benefits regime will have an impact on these households and the recent changes suggest that many will see an increase in the amount of rent they have to pay each week from their household income.

From an initial assessment of the impact compared to our caseload, the cuts will affect working age claimants much more than elderly claimants; single parents will be particularly affected and the capping at the 4-bed rate is likely particularly to hit families from ethnic minorities, though the numbers are small, at most 100 families.

Multiple, technical changes to what already is a complex scheme, will make the claim process even more challenging for customers. The changes will also result in increased work for the Councils' advice services and the Revenues and Benefits Unit.

Many households in the city will be affected by several changes that have distinct dates from which they become effective. Several scenarios showing the cumulative impact of the changes on households are shown as appendices one and two, with appendix one showing LHA changes only and appendix two showing examples of the various changes.

### **4. Changes to the Local Housing Allowance (private rented tenants only)**



Background to the LHA scheme including the broad rental market areas (BRMA) and room rates is included as appendix 3.

#### **4.1 From April 2011**

##### **4.1.1 Restriction to room rates**

Local Housing Allowance levels will be capped to the 4 bedroom rate. For new claims the change will apply straightaway and for existing claims the changes will apply from their next LHA anniversary review date after the change.

Within this Manchester there are currently 100 households receiving LHA at the 5 bedroom rate. This change will reduce the rent paid for these households on average by approximately £42 per week though the maximum loss could be £108.74 a week. (This is based on the Southern Greater Manchester broad rental market area where the five bedroom LHA rate is £315.86 and the four bedroom rate is £207.12)

The reason that the average impact across the caseload is lower than expected is because the majority of large households that qualify for the five bedroom rate actually live in smaller accommodation than their LHA bedroom rate due to a lack of larger affordable homes across the city.

##### **4.1.2 Restricted upper limits**

A new upper limit will be introduced for each property size, with upper limits set at:

- £250 a week for a 1 bedroom property
- £290 a week for a 2 bedroom property
- £340 a week for a 3 bedroom property
- £400 a week for a 4 bedroom property or larger.

As things stand this will have no impact on Manchester as our rates are much lower but there will be serious consequences for tenants in London and the South East.

##### **4.1.3 LHA in excess of rent paid**

Under the current scheme if a claimant secures a property where the rent due is below the LHA that they are entitled to, then they are allowed to keep up to £15 per week of this excess.

This £15 weekly excess provision will be removed as planned although this is a year earlier than originally announced by the previous government. Based on current figures, of the 10,900 current Local Housing Allowance claims 4,778 receive a payment of up to £15 in excess of their rent. All these households will lose this income from their first LHA anniversary review date following 1 April 2011.

##### **4.1.4 Additional payments for non resident carers**

The size criteria will allow for an additional bedroom for a non-resident carer where a disabled customer has an established need for overnight care.

For example this means that a disabled claimant who has a carer staying overnight can claim the LHA rate for a two bedroom property. At this stage it is not know how many households will fall into this category. The DWP have estimated that they would expect up to 10,000 claimants nationally to gain from this change and this would equate to around 100 cases in Manchester.

As with all the changes the impact of the change is complex and cannot be assessed in isolation as claims would also be affected by other changes to the Local Housing Allowance scheme. See appendices for specific examples.

## **4.2 From October 2011**

### **4.2.1 LHA Rates and how they are set**

The Local Housing Allowance will be set at the 30th percentile of rents in each Broad Rental Market Area, rather than the median.

In simple terms, this means that the Valuation Office Agency will continue to compile its list of all rents for each property size then, instead of taking the middle value, they will take the one 30% from the bottom. This doesn't mean that LHA rates will be 60% (30% divided by 50%) of the present rate as most rents are clustered around the middle but we anticipate that Manchester LHA rates will be about 90% of their present level.

The change is supposed to mean that around 30% of the private rented sector is let at rents that claimants should be able to afford. As claimants make up more than 40% of tenants in the private rented sector in Manchester (excluding student accommodation) this means the number with shortfalls, particularly in South Manchester and the city centre, is likely to increase considerably and their chances of finding accommodation within LHA rates will be worse.

Based on an initial assessment based on the Council's March 2010 Local Housing Allowance caseload of 10,210 households, 82% of these households will see the amount of their Local Housing Allowance reduce by around £12 per week, taking approximately £5.1 million out of the local private rented sector. This shortfall will either be made up by tenants paying the shortfall or private landlords accepting the reduced rent payment.

## **4.3 From 2013**

### **4.3.1 LHA Rates and how they are set**

The Government also announced its intention to reform the way Local Housing Allowance rates are set in future. From 2013/14 onwards, LHA rates will be uprated on the basis of the Consumer Prices Index, rather than on the basis of local rents. At this stage we have interpreted this to mean that the Valuation Office Agency stops compiling evidence of rents, LHA rates will lose touch with the housing market and there will be no basis for setting LHA levels if Broad Rental Market Area boundaries are changed. This is effectively a form of rent control.

## 5. Non-Dependant Deductions

Non dependant deductions are deducted from any Housing Benefit and Council Tax Benefit due to the claimant based on the income of other adults (not the partner) living in the household.

Current non dependant deduction rates for Housing Benefit are as follows:

18-24 and on Income Support or Jobseekers Allowance	Nil
Others aged 18 or over	£7.40
Age 18 or, working 16 hours or more and not on Pension Credit	
Gross income £120 - £177.99	£17.
Gross income £178 - £230.99	£23.35
Gross income £231 - £305.99	£38.20
Gross income £306 - £381.99	£43.50
Gross income £382 or more	£47.75

There will be staged increases in the rates of non-dependant deductions in the income-related benefits from April 2011 which by April 2014 will bring the rates to the level they would have been had they been fully uprated since 2001 to reflect growth in rents and Council Tax.

At this stage it is difficult to predict the impact of the increase in the rate of non-dependant deductions. The government's intention is to increase them in line with an unknown index of rent and Council Tax costs and the increase will be phased in gradually. However, if the top rate of non-dependant Housing benefit deduction (£47.75 a week) were to be increased in line with the Retail Price Index since it was last uprated, the deduction would now be £61.90 a week; if increased by an estimate for the rise in housing costs including mortgages it may be £68 or £69 a week. Clearly the impact will be sharp. The government has yet to publish an impact assessment of the change.

These changes will leave some non-dependants paying most, or all of the householder's housing costs and this is likely to have consequences in family stresses, people moving to their own accommodation and increased non-declaration of non-dependants or their circumstances.

## 6. Over-accommodation in the social rented sector (from April 2013)

From April 2013, Housing Benefit for working age social rented sector claimants will be restricted for those who are occupying a larger property than their household size and structure would warrant.

The Department for Work and Pensions are going to consult on the detailed design of this policy so we cannot anticipate yet how it will work or to what extent anyone will be protected from the effects.

Given that the Council has more than 49,000 claimants in the social rented sector this could have major implications for Manchester.

Areas where this could have significant impact include the following households:

- Single person or a couple where adult children have moved out and the claimant carries on living in the social housing family type accommodation.
- Single person or a couple living in two bedroom non-family type or hard-to-let accommodation (for example a two 2 bedroom multi storey flat).

## **7. Cuts for the long-term unemployed**

Housing Benefit claimants who are claiming Jobseeker's Allowance will only receive their full Housing Benefit award for a period of 12 months. After that period, their benefit will be reduced by 10%, and they will continue to be ineligible for the full out of work Housing Benefit rate until they have left the benefit system and been in work for a period.

At this stage, it is not yet known whether this will apply to Council Tax Benefit as well.

There are currently 8,146 claims where there is a 'live' claim of either income based or contributory Jobseekers Allowance. It is not yet known how many of these have, or will continue to be, in receipt of benefit for more than twelve months.

Other changes, reviewing the ability of those on Incapacity Benefit to undertake work and making benefit for single parents conditional on job-seeking once children reach school age, mean that the numbers of those classed as unemployed will increase significantly with many of the increased number finding it harder than most to find work in what we expect in any case to be a challenging job market.

## **8. Discretionary Housing Payments**

In order to provide additional support for the hardest cases, the sum allocated by Government for Discretionary Housing Payments will increase by £10 million in 2011 and by £40 million a year thereafter. This is aimed at giving more flexibility to local authorities to help a greater number of new and existing customers who face a shortfall in rent because of changes to the Housing Benefit rules.

This means that next year (2011/12) the Council will get a share of £30m rather than £20m (the national allocation since the scheme started), and a share of £60m for the following year onwards. At this stage we cannot predict the Council's share as that will depend on the scale of rent shortfalls, the effect of cuts, caseload changes and spending levels across the country. Because of this there can be no assumption that the Council's share will increase in the same proportions as the national allocation.

Due to the nature of the changes and the increased challenges to mitigate and prevent homelessness the Council's policy will have to be reviewed and updated.

## **9. Other changes that were announced**

### **9.1 Mortgage Interest**

The method of uprating benefits and the calculation of help towards mortgage interest are changing.

The rate at which interest can be paid is currently fixed at 6.08 per cent. However, the Government has announced that from October 2010, it will be paid at the level of the Bank of England's published Average Mortgage Rate. This rate is currently between around 3.63 per cent and 3.99 per cent, depending on the type of mortgage. This change will mean that the amount that a claimant receives will change monthly, as Bank of England rates rise and fall.

Shelter is campaigning for the rate to be paid at the rate of interest that people are currently being charged instead.

## **9.2 Child Benefit**

The level of Child Benefit is frozen for three years. Although Child Benefit is paid to everyone, freezing it has a higher impact on those families on low incomes as it makes up a higher proportion of their household income.

For families on the lowest incomes and in receipt of maximum Child Tax Credit (CTC), this loss will be more than offset by the increase in CTC. This will not be the case however for families with a baby under one as they will no longer get the £545 baby element due to be cut in 2011 (see section 11 - Tax Credits).

## **9.3 Free school meals**

Plans to extend the provision of free school meals to low income workers have been shelved.

## **10. Council Tax**

The government will be seeking to agree arrangements that will mean Council Tax levels are frozen next year. Full details of how this will work, along with any financial compensating arrangements for councils have not yet been announced.

Government are looking at re-branding Council Tax Benefit as Council Tax Rebate in the belief that this will increase take-up.

## **11. Tax Credits**

Cuts amounting to £3,220m a year by 2014/15 were announced including changes to the taper, the disregard on income changes, the cut-off point and the extent of backdating. The baby component of Child Tax Credit is cut next year and the 50 Plus component of Working Tax Credit the year after.

## **12. 21<sup>st</sup> Century Welfare Consultation Paper**

Iain Duncan Smith has launched the '21<sup>st</sup> Century Welfare' Command Paper, setting out plans for fundamental structural reform to the welfare system – to include;

- Incentives to work – moving away from a system which provides incentives for remaining on benefits rather than moving to employment
- Structural reform to address the complexities of the existing system
- A balance between rewarding work and responsibility, and continuing to protect and support those most in need
- Use of smart systems to deliver support more efficiently
- Possible steps to make to make aspects of the welfare system more localised

The summary proposals are as follows:

### 12.1 Structural reform

This paper outlines that the number and types of benefits and tax credits available, and the way in which entitlements are withdrawn as individuals move into and progress into work would be addressed. The paper outlines a new approach;

- There would be a new universal credit, bringing together income-related and out-of-work benefits and tax credits into a single integrated system.
- People entering paid work would ideally see no reduction in their universal credit until earnings rose over a certain level (depending on household circumstances) – in other words a new type of earnings disregard.
- To further improve the incentive a single unified taper could also be applied (covering overall benefit eligibility rather than individual benefits). This would serve as a single withdrawal rate once earnings were above the disregard level, and would remove the complexities that cause high Marginal Deduction Rates.

### 12.2 Conditionality

Claimants who are able to look for or prepare for work would be required to do so as a condition for receiving benefit, with benefit sanctions for those who do not comply. This would build on the existing conditionality system (which applies to Jobseeker's Allowance) to a system where conditionality is related to the reason for receiving benefits, rather than the type of benefit.

### 12.3 Localisation

The view is that the UK welfare system is highly centralised in design and delivery, and other countries operate systems which are better aligned to local circumstances. The new system could address this issue.

### 12.4 Delivery

Existing technologies would be developed to create a single integrated IT system to manage claims and a single payment system. This would mean that households make a single application for all entitlements, and would reduce the potential for error and fraud. Further work will be undertaken to explore the most cost-effective approach and how to best define the relationship between DWP delivery agencies, HM Revenue and Customs and local authorities.

## 12.5 Consultation

The DWP has invited contributions to the consultation by 1 October 2010, with a view to legislating on changes to reform the benefits and tax credits systems in early 2011. The Council's Policy Team will be coordinating a response on behalf of the Council.

## 13. Next steps

For the changes announced in the budget the next step is for the government to lay primary legislation to the Social Security Advisory Committee (SSAC). The SSAC have asked for comments on the proposals by 10 September 2010 and DWP have advised that they plan to lay the regulations in November or December 2010.

Within the Council, the Council's Revenues and Benefits Unit will be working with the Council's Housing Strategy Unit, Manchester Advice and the Communications Directorate to set up a formal project plan for the implementation of the changes that have been announced. This will include working closely with partners and stakeholders and ensuring that affected households are notified as soon as possible about the impact on their benefit entitlement.

## 14. Conclusions

There are significant changes to the benefits regime that will undoubtedly have a negative financial impact on private tenants and landlords in the city. Some private tenants will be affected by several changes that could have a serious ongoing detrimental impact.

Furthermore the timescales of the effective date of changes on a household could result in some households having several negative changes to their benefit entitlement over a one to two year period.

The Council will continue to work with Manchester residents and other agencies to ensure that residents receive their full entitlements, ensure that the changes are fully communicated and publicised so that residents understand the impact on them and where possible work with residents and other agencies to mitigate serious financial hardship.

The changes could have a negative impact on both rent and Council Tax collection levels as households have less household income.

Richard Paver  
City Treasurer

**Appendix One- Examples of the impacts of the changes to Local Housing Allowance**

These examples are illustrated using the Central Greater Manchester broad rental market area LHA rates for June 2010 and also the 30<sup>th</sup> percentile point of these rates for the October 2011 change.

**\*These examples are based on LHA tenancies using the June LHA rates. This would mean that their claim anniversary date (CAD) is June 2011 and as a result some of the changes would not apply until the June after they are implemented (£15 excess and LHA capped at 4 bedroom rate), unless the claimant changes address or has a change of the number of bedrooms they need.**

Scenario	Current position	April 2011 changes Loss of excess LHA & LHA capped at the four bed LHA rate*	October 2011 changes LHA rates set at the 30 <sup>th</sup> percentile point of the rents in the broad rental market area	Summary of the impact
<b>Five bedroom examples- Weekly LHA Rate £253.85</b>				
Claimant needing five bedrooms paying a weekly rent of £260	We use £253.85 to work out HB. Total used is £253.85 Rent shortfall is £6.15	Four bed LHA rate, £184.11 used. Loss is £69.74 Rent shortfall is £75.89	Rent used reduced from £184.11 to £166.85 Loss is £17.26 Rent shortfall is £93.15	Current HB £253.85 Less £75.89 (CAD June 2011) Less £17.26 (Oct 2011) Total loss is £93.15 Cut is about 37% Rent shortfall is £93.15
Claimant needing five bedrooms paying a weekly rent of £230	We use the full rent to work out HB, plus a £15 excess to work out HB. Total used is £245 Rent shortfall is nil	They lose the excess & the four bed LHA rate is used £184.11 Loss is £60.89 Rent shortfall is £45.89	Rent used reduced from £184.11 to £166.85 Loss is £17.26 Rent shortfall is £63.15	Current HB £245 Less £60.89 (June 2011) Less £17.26 (Oct 2011) Total loss is £78.15 Cut is about 32% Rent shortfall is £63.15
Claimant needing five bedrooms paying a weekly rent of £180	We use the full rent to work out HB, plus a £15 excess.	They lose the excess Loss is £15 Rent shortfall is nil	Rent used reduced from £180 to £166.85 Loss is £13.15	Current HB £195 Less £15 (June 2011) Less £13.15 (Oct 2011)



	Total rent used is £195 Rent shortfall is nil		Rent shortfall is £13.15	Total loss is £28.85 Cut is about 15% Rent shortfall is £13.15
Claimant needing five bedrooms paying a weekly rent of £150	We use the full rent to work out HB, plus a £15 excess. Total rent used is £165 Rent shortfall is nil	They lose the excess. Loss is £15 Rent shortfall is nil	No change	Current HB £165 Less £15 (June 2011) Total loss is £15 Cut is about 9% Rent shortfall is nil
<b>Four bedroom examples- Weekly LHA Rate £184.11</b>				
Claimant needing four bedrooms paying a weekly rent of £190	We use £184.11 to work out HB Total rent used is £184.11 Rent shortfall is £5.89	No change	Rent used reduced from £184.11 to £166.85 Loss is £17.26 Rent shortfall is £23.15	Current HB £184.11 Less £17.26 (Oct 2011) Total loss is £17.26 Cut is about 9% Rent shortfall is £23.15
Claimant needing four bedrooms paying a weekly rent of £170	We use the full rent to work out HB, plus a £14.11 excess. Total rent used is £184.11 Rent shortfall is nil	They lose the excess Loss is £14.11 Rent shortfall is nil	Rent used is reduced from £170 to £166.85 Loss is £3.15 Rent shortfall is £3.15	Current HB £184.11 Less £15 (June 2011) Less £3.15 (Oct 2011) Total loss is £18.15 Cut is about 10% Rent shortfall is £3.15
Claimant needing four bedrooms paying a weekly rent of £145	We use the full rent to work out HB, plus a £15 excess Total rent used is £160 Rent shortfall is nil	They lose the excess Loss is £15 Rent shortfall is nil	The rent is still below the revised LHA rate of £166.85 No change	Current HB £160 Less £15 (June 2011) Total loss is £15 Cut is about 9% Rent shortfall is nil
<b>Three bedroom examples - Weekly LHA Rate £138.08</b>				
Claimant needing three bedrooms paying a weekly rent of £145	We use £138.08 to work out HB. Total rent used £138.08 Rent shortfall is £6.92	No change	Rent used is reduced from £138.08 to £126.58 Loss is £11.50 Rent shortfall is £18.42	Current HB £138.08 Less £11.50 (Oct 2011) Total loss is £11.50 Cut is about 14% Rent shortfall is £18.42

Claimant needing three bedrooms paying a weekly rent of £130	We use the full rent to work out HB, plus a £8.08 excess Total rent used £138.08 Rent shortfall is nil	They lose the excess Loss is £8.08 Rent shortfall is nil	Rent used is reduced from £130 to £126.58 Loss is £3.42 Rent shortfall is £3.42	Current HB £138.08 Less £8.08 (June 2011) Less £3.42 (Oct 2011) Total loss is £11.50 Cut is about 8% Rent Shortfall is £3.42
Claimant needing three bedrooms paying a weekly rent of £120	We use the full rent to work out HB, plus a £15 excess. Total rent used is £135 Rent shortfall is nil	They lose the excess Loss is £15 Rent shortfall is nil	The rent is still below the revised LHA rate of £126.58 No change	Current HB £135 Less £15 (June 2011) Total loss is £15 Cut is about 11% Rent shortfall is nil
<b>Two bedroom examples - Weekly LHA Rate £126.58</b>				
Claimant needing two bedrooms paying a weekly rent of £130	We use £126.58 to work out HB. Total rent used is £126.58 Rent shortfall is £3.42	No change	Rent used is reduced from £126.58 to £113.92 Loss is £12.66 Rent shortfall is £16.08	Current HB £126.58 Less £12.66 (Oct 2011) Total loss is £12.66 Cut is about 10% Rent shortfall is £16.08
Claimant needing two bedrooms paying a weekly rent of £115	We use the full rent to work out HB, plus a excess of £11.58 Total rent used is £126.58 Rent shortfall is nil	They lose the excess Loss is £11.58 Rent shortfall is nil	Rent used is reduced from £115 to £113.92 Loss is £1.08 Rent shortfall is £1.08	Current HB £126.58 Less £11.58 (June 2011) Less £1.08 (Oct 2011) Total loss is £12.66 Cut is about 10% Rent shortfall is £1.08
Claimant needing two bedrooms paying a weekly rent of £100	We use the full rent to work out HB, plus an excess of £15 Total rent used is £115 Rent shortfall is nil	They lose the excess Loss is £15 Rent shortfall is nil	The rent is still below the revised LHA rate of £113.92 No change	Current HB £115 Less £15 (June 2011) Total loss is £15 Cut is about 13% Rent shortfall is nil

<b>One bedroom examples - Weekly LHA Rate £103.56</b>				
Claimant needing one bedroom paying a weekly rent of £110	We use £103.56 to work out HB. Total rent used is £103.56 Rent shortfall is £6.44	No change	Rent used is reduced from £103.56 to £92.05 Loss is £11.51 Rent shortfall is £17.95	Current HB £103.56 Less £11.51 (Oct 2011) Total loss is £11.51 Cut is about 11% Rent shortfall is £17.95
Claimant needing one bedroom paying a weekly rent of £95	We use the full rent to work out HB, plus an excess of £8.56 Total rent used is £103.56 Rent shortfall is nil	They lose the excess Loss is £8.56 Rent shortfall is nil	Rent used is reduced from £95 to £92.05 Loss is £2.95 Rent shortfall is £2.95	Current HB £103.56 Less £8.56 (June 2011) Less £2.95 (Oct 2011) Total loss is £11.51 Cut is about 11% Rent shortfall is £2.95
Claimant needing one bedroom paying a weekly rent of £85	We use the full rent to work out HB, plus an excess of £15 Total rent used is £100 Rent shortfall is nil	They lose the excess Loss is £15 Rent shortfall is nil	The rent is still below the revised LHA rate of £92.05 No change	Current HB £100 Less £15 (June 2011) Total loss is £15 Cut is 15% Rent shortfall is nil
<b>One room in a shared house examples - Weekly LHA Rate £65.</b>				
Claimant in a shared house paying a weekly rent of £70	We use £65 to work out HB Total rent used is £65 Rent shortfall is £5	No change	Rent used is reduced from £65 to £59.84 Loss is £5.16 Rent shortfall is £10.16	Current HB £65 Less £5.16 (Oct 2011) Total loss is £5.16 Cut is about 8% Rent shortfall is £10.16
Claimant in a shared house paying a weekly rent of £60	We use the full rent to work out HB, plus an excess of £5 Total rent used is £65 Rent shortfall is nil	They lose the excess Loss is £5 Rent shortfall is nil	Rent used is reduced from £60 to £59.84 Loss is £0.16 Rent shortfall is £0.16	Current HB £65 Less £5 (June 2011) Less £0.16 (Oct 2011) Total loss is £5.16 Cut is about 8% Rent shortfall is £0.16

<p>Claimant in a shared house paying a weekly rent of £50</p>	<p>We use the full rent to work out HB, plus an excess of £15 Total rent used is £65 Rent shortfall is nil</p>	<p>They lose the excess Loss is £15 Rent shortfall is nil</p>	<p>The rent is still below the revised LHA rate of £59.84 No change</p>	<p>Current HB £65 Less £15 (June 2011) Total loss is £15 Cut is about 23% Rent shortfall is nil</p>
---	--	---	---	---

## **Appendix Two- Examples of affected households**

### **(Range of scenarios and changes all based on Central Greater Manchester BRMA)**

#### **Example one**

##### Current position

Single disabled person living in a two bedroom ground floor property. He has a carer staying five nights per week.

His current rent is £116 per week and he currently receives the one bedroom rate of £103.56. He currently has a shortfall of £12.44 per week that he funds from his Disability Living Allowance.

##### Based on new legislation

Under the new scheme, he would qualify for the two bedroom rate of £126.58 from April 2011 so from this date he would receive the full amount of his rent £116.

However, from October 2011, the additional changes limiting LHA to the 30<sup>th</sup> percentile come in. This means his LHA will reduce from £126.58 to £113.92 from April 2012 (the anniversary date of him being entitled to the two bedroom rate). This would then leave a shortfall in the rent of £2.08 per week.

#### **Example two**

##### Current position

Couple living with their three children in a three bedroom private rented property that they moved into in June 2010.

They have been in receipt of jobseekers Allowance (JSA) from 2008 when the partner lost his job. Their current rent is £145 per week and they currently receive the 3-bedroom LHA rate of £138.08. They have a shortfall in their rent of £6.92 that they fund themselves.

##### Based on new legislation

Under the new scheme from October 2011 (when the LHA is based on the 30<sup>th</sup> percentile) their LHA rate will reduce to £126.58. This will leave them with a shortfall in their rent of £18.42.

From 2013, as they will have been in receipt of jobseekers allowance for more than 12 months, their benefit will be cut by a further 10% by £12.66

This will reduce their LHA to £113.92 from June 2013 (their next anniversary review) and will leave a shortfall in their rent of £31.08 per week.

#### **Example three**

##### Current position

Single parent, living in a five bedroom private rented property since June 2010.

She is on Income Support and needs a five-bedroom property as she has seven 7 children (aged between four and nineteen), the 19 year old is working (non-dependant) and earning £150 per week. Her LHA level for a five bedroom property is £253.85 per week.

Her rent is £235 per week, so she also gets excess LHA of £15 per week as her rent is £18.85 below the LHA level.

From this £250 she then has a non dependant deduction taken of £17 per week. This means she currently gets £233 per week (£250 less £17) and pays £2 towards her rent each week.

#### Based on new legislation

From April 2011 (non dependant deduction increases)

If the non dependant deduction increases by £10 per week to £27 (please note this amount is not yet confirmed), the rent paid to this household would reduce to £223 and would leave a shortfall in the rent of £12 per week

From June 2011 (her LHA anniversary review date) as a result of the changes restricting the room rate to four bedrooms, her present LHA rate is reduced from £253.85 to £184.11 a week. The non dependant deduction of £27 will then be taken from the £184.11 leaving her with £157.11 towards her rent each week (a shortfall of £77.89)

From October 2011 when-LHA is based on the 30th percentile this will further reduce the LHA rate from £184.11 to £166.85 from June 2012 (her next LHA anniversary review date). After taking the £27 non dependant deduction she will get help of £139.85 towards her rent each week (£166.85 - £27). This would leave a rent shortfall of £95.15 per week.

Finally, from 2013 as she will have been in receipt of jobseekers allowance for more than 12 months, their benefit will be cut by a further 10% by £13.99. This will reduce the amount of benefit paid to £125.86 and will leave a shortfall in their rent of £109.14 per week

#### **Example four**

##### Current position

Single woman aged 22 has been on JSA for more than twelve months living in a one bed flat. Her rent is currently £68 per week.

Because she is under 25 she is only entitled to the shared room LHA rate that is currently £65 per week. She already has a shortfall of £3 per week that she funds from her Jobseekers Allowance.

##### Based on new legislation

From October 2010, as a result of the changes using the 30<sup>th</sup> percentile her LHA payment is reduced from £65 to £59.84

From 2013 as she would have been employed for 12 months, the benefit is cut by a further 10% (£5.98) to 90% of the shared accommodation LHA rate. This would mean that her benefit would be £53.86 leaving a rent shortfall of £14.14 per week.

### **Appendix three – Local Housing Allowance background information**

The Local Housing Allowance (LHA) is the maximum rent we can use to work out Housing Benefit for most private tenants.

Council tenants and housing association tenants aren't affected by LHA.

If the rent is less than the LHA rate we use the full weekly rent, plus up to a maximum of £15 more than the rent to work out the benefit. Manchester has two broad market rental areas (BMRA) for LHA; the postcode for the property determines which BMRA the property is in.

The LHA rate is based on the number of bedrooms that a household needs, which may be different from the number of bedrooms in the property, see the 'How many bedrooms' box. From 6 April 2009, the most LHA we can pay is the five-bedroom rate.

#### **LHA – Central Greater Manchester broad rental market area**

##### **All Manchester City Council postcodes, including those included in this table**

All postcodes in: M22 4AA to M22 4WB, except: M22 4NY, M22 4UG, M22 4UY, which are in Southern Gtr M/c.			M22 5SX M22 5WS M22 5XE	M22 5XH M22 8RZ M22 8WY	M22 8WZ M22 8XA M22 9AA	M22 9AF M22 9NY M22 9QE	M22 9SB M22 9WU M22 9WX
M23 0RB M23 0UX M23 0UY	M23 0UZ M23 0WE M23 0WX	M23 0XA M23 0XE M23 0XF	M23 0XZ M23 1SG M23 1WG	M23 1WS M23 1WT M23 1WU	M23 2EA M23 9JF M23 9PF	M23 9RR M23 9WN M23 9WU	M23 9XU M23 9XY M23 9XZ

#### **LHA – Southern Greater Manchester broad rental market area**

All postcodes in M22 except for those listed in the table above, but including M22 4NY, M22 4UG, M22 4UY							
All postcodes in M23 except for those listed in the table above							
M19 1RR M19 1RW	M19 1TL	M19 2SD M19 2SH	M19 2SQ	M19 3JN M19 3JU	M19 3TD M19 3UZ	M19 3YN M19 3ZF	

If the postcode is M19 1HZ, M19 1TF, M19 2QD, M19 3JL or M19 3WH the LHA could be in either BRMA. Claimants in these areas have to contact the Benefits Service or the Rent Service for their LHA rate.

#### **Local Housing Allowance rates for June 2010**

<b>Central Gtr M/c BRMA</b>			
No of bedrooms	Weekly LHA rate	4 weekly LHA rate	Monthly LHA rate
Shared Accommm	£65.00	£260.00	£281.67
1 bed	£103.56	£414.24	£448.76
2 bed	£126.58	£506.32	£548.51
3 bed	£138.08	£552.32	£598.35
4 bed	£184.11	£736.44	£797.81
5 bed	£253.85	£1,015.40	£1,100.02

<b>Southern Gtr M/c BRMA</b>			
No of bedrooms	Weekly LHA rate	4 weekly LHA rate	Monthly LHA rate
Shared Accommm	£63.29	£253.16	£274.26
1 bed	£103.56	£414.24	£448.76
2 bed	£126.58	£506.32	£548.51
3 bed	£149.59	£598.36	£648.22
4 bed	£207.12	£828.48	£897.52
5 bed	£298.03	£1,192.12	£1,291.46

#### **How many bedrooms?**

The LHA is based on the size of home that a household needs and depends on who lives at the property.

The rules provide one bedroom (up to a maximum of five) for each of the following:

- a couple;
- a single adult or young person (aged 16 or over);
- any two children of the same sex aged under 16;
- any two children of different sexes aged under 10;
- any other child.



**Resources and Governance Overview and Scrutiny Committee  
Work Programme 2010/11 –September 2010**

<b>9 September 2010 – report deadline Friday 27 August 2010</b>				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Town Hall Transformation Programme Update	To look at the progress on implementing the Town Hall Transformation programme, including an update on the Customer Service Centre and how it relates to the Customer Contact Centre.	Councillor Priest	Elaine Bowker	
Community Hubs	To look at the use of community buildings in neighbourhoods to support neighbourhood working and the Neighbourhood Focus Strategy.	Councillor Priest	Vicky Rosin Lydia Morrison	Invitation to Chair of Communities and Neighbourhoods Scrutiny Committee.
Combined Authority – Scrutiny function	To comment on proposals to review the scrutiny function undertaken with respect to the AGMA Executive Board and AGMA Commissions in light of the decision to establish a Combined Authority for Greater Manchester.	Councillor Leese	Steve Mycio	Report to AGMA Executive Board 25 June 2010. Comments due to AGMA end of September.
Neighbourhood Funding Strategy: Communications Protocol	To report on the effectiveness of communications with elected members on the Neighbourhood Funding Strategy, including the role of the communications protocol and how it is working. To update the Committee on the status of the current year's NFS proposals.	Councillor Priest	Vicky Rosin Maria Boylan	Requested May 2010

Information and Overview Report	Update on the impact of the coalition Government's budgetary measures in Manchester, including case studies of the effect of changes to benefits schemes on residents and on tax and rent collection.	Councillor Priest	Richard Paver Sarah Henry Carol Culley Julie Price Jacqui O'Neil	
---------------------------------	---	-------------------	--	--

**21 October 2010 – report deadline Monday 11 October 2010**  
**Venue: Manchester Central Convention Complex**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Manchester Central Convention Centre - Business Plan	To look at the business plan for Manchester Central and how their operation has developed.	Councillor Priest	Richard Paver Lesley Tomlinson, Manchester Central	
Insurance and Claims Handling	To receive a report on the Council's insurance arrangements and potential for collaboration on an AGMA level. To look at the Council's claims handling processes – both for claiming on its insurance and defending claims against the Council.	Councillor Priest	Richard Paver Tom Powell Susan Orrell Liz Treacy George Pinder	
Publication of Council Expenditure	To look at details of how the Council will implement the national requirement to make details of expenditure above £500 available to members of the public. To look at how the information will be made accessible to the public.	Councillor Priest	Richard Paver Carol Culley Susan Orrell	

Commissioning: Reviewing Needs and Recommissioning	To look at how reviewing needs and recommissioning is done as part of the Commissioning cycle. To include details of commissioning pilots. To look at the Use of Resources Action Plan (Section 2.1 re Commissioning) – referred from Audit Committee (3 December 09 AC/09/48.)	Councillor Leese	Liz Bruce	See minute RG/09/62
Business Plans - selection	To select a number of business plan self-assessments to look at in the next meeting.	Councillor Priest	Richard Paver Sarah Henry James Hand	
Information and Overview Report				

**18 November 2010 – report deadline Monday 8 November 2010**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Pensions	To look at the outcome of the Government's public sector pensions review and what effect the changes will have in Manchester. To cover the main differences between local government pension schemes and those of public sector partners in police, fire, transport and health.	Councillor Priest	Richard Paver Peter Morris Director Of Pensions (Tameside)	Invitation to Councillor Smith  Report of Greater Manchester Pension Fund plus supplementary information from MCC.

Business Plans - review	To look at the business plan self-assessments selected at the last meeting.	Various	Richard Paver Sarah Henry James Hand Other service leads	
Budget - Highway's Services	To look at the Highway's Services budget, its funding sources and what they can be used for.	Councillor Andrews	Vicky Rosin Pele Bhamber	
Corporate Property – Performance in Jacobs' contract.	To look at performance in the contract with Jacob's.	Councillor Priest	Helen M Jones Lydia Morrison	
Information and Overview Report				

**16 December 2010 – report deadline Monday 6 December 2010**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Half Yearly Performance Report	To look at performance indicators for the period April – September 2010	Councillor J Battle	Sarah Henry Jane Abdulla Andy Blore	To be sent out early: Deadline TBC
City Region – Review of AGMA Funding	To look at the review of AGMA funding to support the strategic priorities in the Greater Manchester Strategy. To look at how this will affect the business planning of the AGMA authorities.	Councillor Leese	Steve Mycio Geoff Little Carol Culley Sarah Henry Jane Abdulla	Will be ready for meeting in January 2011.

CASH Grants	To look at the CASH Grants programme and how community engagement is encouraged. To include: - grants awarded over last 3 years broken down by ward and organisation - details of which wards have used community engagement events in administering CASH grants – such as U Decide. - How the process of administering CASH grants relates to the Council’s community engagement and transformation approaches.	Councillor Priest	Maria Boylan	
New Traffic Signals Maintenance contracts	To look and comment on the process used to tender for new Traffic Signals Maintenance Contracts covering installation, maintenance of variable message signs, red-light violation cameras, speed cameras and access controls.	Councillor Priest Councillor N Murphy	John Rice Ian Brown David Lea	December 2010. Decision due to be taken around February 2011.
Business Plans	To select a list of business plans to look at at the next meeting.	Various	Sarah Henry, James Hand and business planning leads	
Information and Overview Report				

**13 January 2011 – report deadline Monday 3 January 2011**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
------	---------	-----------------------	--------------	----------

Business Planning	To look at the business plans selected for scrutiny by this committee at its last meeting. To include high level overviews with key messages and context in which to read the rest of the plan.	Various	Sarah Henry and business planning leads	
Business Planning – Business Continuity	To look at how Council service areas are planning for business continuity and how the plans have changed since last year, the report should include case studies.	Councillor Priest	Sarah Henry James Hand Fiona Worrall Tom Croall	
Business Planning – Neighbourhood Funding Strategy	To look at how Council service’s budgets have changed since the introduction of the NFS, the report should include case studies.	Councillor Priest	Sarah Henry James Hand Maria Boylan	
Information and Overview Report				

<b>10 February 2011 – report deadline Monday 31 January 2011</b>				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Council Strategy Framework – Information Gathering	To receive an overview of the principal Council Strategies and which sections of the Council and Manchester Partnership lead on their design and implementation.	Councillor Leese	Sarah Henry Jacqui O’Neil	To be delivered as a briefing session
Council Strategy Framework	To look at how the Council’s strategies collectively support the delivery of the Community Strategy.	Councillor Leese	Sarah Henry Jacqui O’Neil	

Information and Overview Report				

**28 February 2011 – report deadline Thursday 17 February 2011**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Budget	To receive and comment on the Executive's budget proposals and the proposed opposition budget amendment.	Councillor Priest	Richard Paver	

**10 March 2011 – report deadline Monday 28 February 2011**

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Information and Overview Report				

<b>Items To Be Scheduled</b>				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Sportcity (Part B)	Outcome of rental renegotiations	Councillor Amesbury	Richard Paver Eammon O'Rourke	To come to the Committee prior to the Executive.
Bailiffs	The Committee has requested an update on the three issues raised by Mr Wolfe in the March 2010 meeting and if and how these issues can be addressed.	Councillor Priest	Richard Paver Julie Price Rachel Christie	
Analyse and Improve Manchester (AIM): Benchmarking	To look at how the Directorate of Transformation prioritises areas to transform, and how benchmarking is used in the transformation process and in designing improvements.	Councillor Priest	Elaine Bowker Nicola Bamford Nicky Parker	Requested in May 2010
Section 106 Annual Monitoring Report	Annual report on Section 106 activity, including significant agreements in each ward and changes in the total value of agreements over the past 5 years.	Councillor N Murphy	Peter Babb	Due July 2011. See Minutes July 2009 – RG/10/49
Corporate Property – Annual Report	Annual report on Corporate Property activity – including the Asset Management Plan, property review and performance in the contract with Jacobs.	Councillor Priest	Helen Jones Lydia Morrison	Due July 2011. See Minutes July 2009 – RG/10/50
National Performance Framework	An update on what is proposed to replace the CAA when this becomes clear.	Councillor Leese	Jane Abdulla	Requested in May 2010



<p>Manchester Partnership Innovation Fund – Project Evaluations</p>	<p>To receive an evaluation of the different projects funded by the Manchester Partnership Innovation Fund once they have been completed.</p> <p>To include information regarding the location of the residents involved in the Residents Wages Project, the savings achieved and how the lessons learnt were being embedded in to the City Region “Better Life Chances” pilots in Cheetham &amp; Broughton and Ardwick.</p>	<p>Councillor Priest</p>	<p>Julie Connor Mark Rainey Jane Abdulla Mark Duncan</p>	<p>Requested June 2010.</p>
<p>Proposal to veto excessive Council Tax increases</p>	<p>To look at the Department for Communities and Local Government’s proposal to require local authorities to hold a referendum if they set council tax levels above a certain limit. The referendum would be to veto the increase.</p>	<p>Councillor Priest</p>	<p>Richard Paver</p>	<p>Date to be determined</p>