

Co-operative and Communities Scrutiny Committee Scrutiny of the Welfare Benefit Reforms

The Co-operative and Communities Scrutiny Committee considered the following:

- Council Tax Support Scheme and transitional grant
- Discretionary Housing Payment Policy & Council Tax Support Hardship Award
- Local Crisis Assistance & Local Resettlement Assistance Policy (replacement Social Fund).

Background

The Welfare Benefit Reforms and the transfer of responsibility for Localised Council Tax Support and the design and administration of the replacement Social Fund to local authorities.

Problem or issue being addressed:

28% of households in the borough are in receipt of Council Tax or Housing benefit (42% of pension age and protected) meaning over 12,000 households are affected by the changes. The Council estimated that £5.5m of benefits coming into the borough would be cut on 1st April. The issue was how to best manage and minimize the impact of the changes on benefit customers affected and in a way that is affordable and manageable for the Council.

An additional challenge for scrutiny was the extreme pressure of workload of the benefits team which meant that from a practical point of view officer resources for scrutiny were limited and had to be used very efficiently.

Principal objectives

To ensure the policies developed are as fair as possible for benefit customers and manageable within the resources available to the authority.

Timescale October 2012 and January-March 2013. Work was scheduled to fit into the policy development and decision making cycle for the policies under scrutiny.

Outcomes

1. **Local Council Tax Support Scheme** – scrutiny was pro-actively engaged as consultee on LSCT proposals and also looked in detail at the option of the Transitional Grant in advance of it being considered by Cabinet. Scrutiny considered the proposed scheme, modeling of alternative options, other authorities' proposals where known and CTS Transitional Grant option. Outcomes were:
 - a) Recommendation fed into Policy Review (a pre-decision Cabinet meeting) not to apply for the Transitional Grant with the reasons and this was agreed. The recommendation subsequently went to Full Council with the scrutiny recommendation included as part of the report.
 - b) Recommendation to Policy Review supporting the proposed LCTS scheme but with further recommendations about awareness raising with the public and the application of Council Tax on empty properties.

Impacts: identified most financially beneficial LCTS option for the Council that is as fair as possible to benefit customers.

2. **Discretionary Housing Payment and Council Tax Support Hardship Payment Policy.** Officers pro-actively involved scrutiny in the development of the Policy prior to decision by Cabinet. As a consequence of scrutiny's work the Policy was amended in several ways improve clarity for the public or improve the internal systems, namely:
- a) Strengthening the process for monitoring of the fund
 - b) Clarity on whether applicants would be met by a decision maker
 - c) Clarity for customer on what "pension age" means to qualify for protection from the benefit changes and clarity on the age of working age customers eligible to apply for awards
 - d) Clarity for customers on the length of time for decisions to be made and for payments to be made to a customer
 - e) Clarity on publicity
 - f) Scrutiny also raised a number of other issues which were looked at and responded to but did not directly impact on the Policy itself.

The scrutiny work was included in the final report which went to Cabinet and recognized by the Cabinet member in his presentation of the report to Cabinet.

Impacts: strengthened Policy for customers, monitoring issues looked at to ensure applicants are not disadvantaged by when they apply and the funds are distributed fairly.

3. **Local Crisis Assistance & Local Resettlement Assistance Policy (replacement Social Fund)**

Officers pro-actively involved scrutiny in the development of the Policy. The positive impacts were:

- a) Suggestions about staff training, member briefing, non-duplication of funding streams, exploring an agreement with a retailers for clothing assistance, verification of "appointees" to acting on behalf of the applicant and linking into credit unions were taken on board and have informed further work.
- b) Changes to the policy included removing the exclusion of prisoners on bail from eligibility and inclusion of the requirement for people in temporary accommodation to take good provided with them when they move into more permanent accommodation. Scrutiny's concerns about the inclusion of payment of rent in advance as an essential expenditure was reflected as a recommendation in the Cabinet report to explore widening the use of the Council's Bond scheme as an alternative to funding rent in advance through the Assistance Policy.

Impacts: identified ideas to safeguard the Council's budget and minimize the risk of fraud, ensure customers assistance are linked to relevant support organizations.

Evidence

Witnesses (e.g. people who use services and the public, frontline staff, voluntary and civil society organizations, local businesses, independent experts):

Other information (e.g. benchmarking, site visits, performance data, mystery shopping):

Witnesses included:

- Officers
- Cabinet members at Policy Review
- CEO of a local RSL

Evidence included:

- The relevant draft policies

- Statistical information about the numbers of people in the borough affected by each benefit change
- Relevant financial information and modeling of alternative options to demonstrate impacts on particular groups
- The consultation strategy and feedback
- Information about other authorities' schemes
- Detailed reports and briefings on the changes and communication of the changes to the public
- Issues raised by residents with members about the changes
- Issues raised by partner organizations with members