

North Tyneside Council Report to Cabinet Date: 12 September 2016

ITEM 6e
Title: **Supporting Vulnerable
Residents**

Portfolio(s): Elected Mayor
Finance and Resources

Cabinet Member(s): Norma Redfearn
**Councillor Ray
Glindon**

Report from Service Area; **Finance**
Responsible Officer: **Janice Gillespie, Head of Finance.** **Tel: (0191) 643 5701**

Wards affected: All

PART 1

1.1 Executive Summary:

- 1.1.1 The Welfare Reform Act 2012 brought many changes that affected the finances of our residents. Some examples of the changes are the Benefit Cap, and the Social Sector Size Criteria (SSSC) often referred to as the “Bedroom Tax”.
- 1.1.2 A Mayoral Task Group on Welfare Reform was established in November 2011 to determine the potential impact on the Welfare Reform changes on our residents, the Authority and its partners, and to put in place support mechanisms to help residents, particularly those households that are financially vulnerable. On taking office the current Elected Mayor continued and developed this work with partners to do whatever was possible to help residents who lives were affected by Welfare Reform.
- 1.1.3 This report sets out a summary of the work undertaken and support offered by the Mayor’s Task Group for Welfare Reform to date. It also acknowledges that further work is required to meet ongoing support needs as further legislation changes brought about by the Welfare Reform and Work Act 2016 take effect.
- 1.1.4 It is important to recognise at this stage of the report the excellent working relationship that the Mayor’s Task Group has established between the Authority, Department for Work and Pensions (DWP), Job Centre Plus, Citizens Advice Bureau (CAB) and multiple other partners, which did not previously exist. It really has been a focus on working together and removing any barriers to support for our residents.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (a) note the content of this report; and
- (b) agree to receive further updates from the Mayor's Task Group as appropriate.

1.3 Forward plan:

- 1.3.1 Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 25 July 2016.

1.4 Council plan and policy framework

- 1.4.1 This report links directly to the priority 'Our people will be cared for and kept safe if they become vulnerable' in the Our North Tyneside Plan 2016-2019.

1.5 Information

- 1.5.1 The Welfare Reform Act 2012 brought about many changes that affected the finances of our residents. In preparation for the changes being implemented a Mayoral Task Group was formed in 2011. On taking office the current Elected Mayor continued and developed this work with partners to do whatever was possible to help residents whose lives were affected by Welfare Reform.
- 1.5.2 This group has developed over time and formed excellent working arrangements with our community and voluntary sector partners, Department for Work and Pensions, business sector, unions and multiple service areas of the Authority. The group also had a number of Cabinet Members in attendance demonstrating the importance that was placed upon supporting our residents.
- 1.5.3 The work of the group led to both regional and national recognition. The Association of North East Councils (ANEC) report on Welfare Reform highlighted the good work done at North Tyneside in working with partner organisations, particularly in the work done on benefit sanctions. At a national level the Authority was showcased on the national CAB website as an example of best practice. This was with regard to working with partners and consulting with residents so they fully understood the implications of the Welfare Reform changes. It demonstrated the Authority worked with, and listened to, the views of both residents and the community and voluntary sector and this engagement feedback was used in decision making. An example of this is the extensive consultation that was done before introducing the Local Council Tax Support Scheme.

Some highlights of the work delivered

- 1.5.4 One of the key tasks of this group was accessing relevant information on the welfare changes at local, regional and national level to understand potential implications for our residents and indeed for the Authority and its partners. This also meant creating local schemes to deliver on our statutory responsibilities.
- 1.5.5 There were community engagement events delivered across the borough making our residents aware of the changes ahead of them being implemented. These were delivered

in North Shields Centre, Seaton Burn, Wallsend, Whitley Bay and Meadowell. Members briefings were also delivered so members were aware of changes if residents visited their ward surgeries.

Community outreach sessions are also delivered by CAB, to support our residents with benefit and budgeting advice. These are delivered at Oxford Centre, John Willie Sams, White Swan Centre, The Meadows, Bewick Medical Centre and the Bangladesh Community Centre & Islamic Centre in Whitley Bay. This allows residents that are unable to get to CAB main centres in Wallsend, North Shields and Whitley Bay to obtain support.

Mark Almond, the Citizens Advice Bureau Director, has made the following comment about the work of the Mayor's Welfare Reform Task Group:

“Citizens Advice North Tyneside feels that the Mayor's Welfare Reform Task Group, is an excellent example of cooperative working. North Tyneside Council's approach to Welfare Reform, is so well regarded, that it was showcased by National Citizens Advice as an example of best practice in partnership working. The collaboration within the Task Group was instrumental in helping Citizens Advice North Tyneside to reach more people, more effectively. In the last 4 years since the Task Group was established, Citizens Advice North Tyneside, helped clients gain £19,487,019 in extra benefits and dealt with £40,472,741 of client debt. Truly, better together.”

- 1.5.6 The Authority delivered its Local Council Support Scheme in time for the legislative deadline of January 2013.
- 1.5.7 The Authority delivered its Welfare Assistance Scheme to support vulnerable residents who would previously have gone to the Job Centre for a Crisis Loan. This was done with reduced financial resource, but the Authority and its partners ensured that a holistic approach was taken in supporting our residents. It was no longer a quick fix of a Crisis Loan being offered but working with the residents to understand underlying issues and seeking a longer term solution.
- 1.5.8 North Tyneside Homes contacted all 2,000 residents that were being affected by the bedroom tax offering advice and support around moving properties where possible or improving household budgeting to meet any additional expenditure. These discussions led to changes to the Housing Lettings Policy to enable tenants with a low level of arrears to be able to apply to move home, particularly if arrears were beginning to accrue because of the bedroom tax.
- 1.5.9 The Task Group developed the Discretionary Housing Payments (DHP) Policy that was approved by Cabinet on 8 July 2013, and the Task Group has reviewed this each year since to ensure it delivers maximum support for our most vulnerable residents within the finances available from the fund. The Policy gave prioritised support to claimants in financial difficulty living in significantly adapted properties because of a disability. It also prioritised families in financial difficulty that have a formal agreement for child access in place and require a larger home to accommodate overnight visits to support family links between separated families and ensures they are not damaged by welfare reforms.
- 1.5.10 Recent changes mean that those making a claim for a DHP are referred for budgeting or debt advice to the CAB when it is considered that the claimant may benefit from this help. Feedback from CAB advises that this referral process is working well and claimants are

engaging with the help offered. It ensures that help is provided at an early stage and issues can be worked through whilst financial support is in place.

1.5.11 Our Education to Employment Team have been working closely with families affected by the Benefit Cap, providing advice and support to manage this change and develop skills to allow the opportunity to move into employment.

Success on Sanctions

1.5.12 A key success, which was recognised both regionally and nationally, was the work this group delivered on benefit sanctions. Community and voluntary groups at the Task Group reported back to the Mayor that the number of residents that were having their benefit stopped (sanctioned), because they were allegedly not meeting the requirements set by the Job Centre were increasing. It was causing severe hardship for many, leading to an increased demand at our food banks.

1.5.13 As the Job Centre play a key role in the Task Group it was agreed that a sub group would look at why sanctions were happening in North Tyneside and explore ways we could make changes within the Job Centre and the Authority, as well as getting residents to understand their responsibilities to look for work and complete agreed actions to avoid being sanctioned.

1.5.14 A leaflet was jointly produced by Job Centre, CAB, other community groups and the Authority which was widely available in our public buildings. Leaflets were also put in with every food parcel given out as the foodbank reported back that sanctions was a main reason people asked for help. It was recognised that due to literacy issues, not all residents accessed information through leaflets and a YouTube Video was produced explaining what residents needed to do to avoid being sanctioned. We actually had residents volunteering to be part of the video to make it real for others.

1.5.15 This was a great success in that changes to working practices within the Job Centre and the Authority as well as great support from the community and voluntary sector groups in working with residents, to understand their responsibilities led to a 40% reduction in sanctions in the North Tyneside area and the lowest level of sanctions in the North East region. This clearly proved that partnership working within the group was delivering real outcomes for our residents.

“I am really proud to be an active member of the Welfare Reform Task Group which has worked passionately over the last four years to identify and manage the impact of Welfare Reform change on North Tyneside residents. The group epitomises how a spirit of open and honest communication, collaboration and co-operation can be used to improve the wellbeing of all and in particular those residents who need additional help, protection and support. As a DWP Senior Partnership Manager I sometimes bring testing challenges to the group and I have always been a welcomed, appreciated and valued contributory member”

Michael Armstrong DWP Senior Partnership Manager

Going Forward – Universal Credit

1.5.16 The focus of the Task Group for the past twelve months has been ensuring that support already in place is working well, but also preparing our residents for the introduction of

Universal Credit in North Tyneside. Universal Credit for single claimants was introduced in North Tyneside in November of 2015. It is anticipated full roll out of Universal Credit to families will occur in North Tyneside in May of 2017.

1.5.17 A Universal Credit Delivered Locally Group (UCDL) has been set up as a sub group to the Mayor's Task Group on Welfare Reform and provides updates to the Task Group on a monthly basis. The DWP and the Authority have entered into a Delivery Partnership Agreement to deliver support to residents in budget management and IT skills. This support is mainly provided by CAB and the Authority's Education to Employment Team.

1.5.18 Numbers of residents referred to and attending CAB for budgeting advice and debt management along with the outcomes are presented to the UCDL on a monthly basis. Likewise numbers of residents presenting for IT access at the libraries or referred for IT skills support with the Education to Employment Team are also presented.

1.5.19 The Mayor's Task Group will also monitor the changes proposed in the Welfare Reform and Work Act 2016 and preparing actions to support residents at the appropriate time. Council Members along with partner organisations are being kept up to date as changes in legislation occur.

1.6 Decision Options

1.6.1 The following decisions are available to Cabinet:

Option 1: Accept the recommendation at point 1.2 of this report.

Option 2: Reject the recommendation at point 1.2 of this report.

Option 1 is the recommended option.

1.7 Reasons for recommended option:

1.7.1 Option 1 provides for further information to be provided to Cabinet on the work of the Mayor's Task Group and allows Cabinet members to be updated on the ongoing work being undertaken to support our residents.

1.8 Appendices:

Appendix 1 – Composition of Mayor's Task Group.

1.9 Contact officers:

Janice Gillespie – Head of Finance, Tel. (0191) 6435701

Andrew Scott – Senior Client Manager Revenues, Benefits and Customer Services,
Tel. (0191) 643 7150

Tracy Hunter – Client Manager Revenues, Benefits and Customer Services,
Tel. (0191) 643 7228

1.10 Background information

The following background papers/information have been used in the compilation of this report and are available at the office of the author.

[Welfare Reform Act 2012](#)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and Other Resources

2.1.1 There are no financial implications directly arising from this report, as it is for information only. Any financial implications of the individual amendments to legislation brought about by Welfare Reform changes are presented to Cabinet when any decision options are required.

2.2 Legal

2.2.1 There are no legal implications directly arising from this report.

2.3 Consultation/community engagement

2.3.1 Consultation and engagement has taken place with residents and community groups on many individual aspects of the welfare reform changes. Some of this engagement is mentioned within this report.

2.4 Human rights

2.4.1 There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

2.5.1 Equality Impact Assessments are carried out on any policies or schemes that have been required due to the Welfare Reform changes

2.6 Risk management

2.6.1 There are no risk management implications directly arising from this report.

2.7 Crime and disorder

2.7.1 There are no crime and disorder implications directly arising from this report.

2.8 Environment and sustainability

2.8.1 There are no environmental and sustainability implications directly arising from this report.

PART 3 - SIGN OFF

- Deputy Chief Executive X
- Head(s) of Service X
- Mayor/Cabinet Member(s) X

- Chief Finance Officer
- Monitoring Officer
- Head of Corporate Strategy