

Minutes of the Resources and Transformation Scrutiny Committee

Thursday, 18th June, 2015 at 6.00 p.m.
In Committee Room 2, The Council House, Dudley

Present:

Councillor D Blood (Chair)
Councillor B Cotterill (Vice-Chair)
Councillors C Baugh, S Clark, T Herbert, P Miller, M Mottram, M Rogers, E Taylor and Q Zada

Officers:

M Bowsher (Chief Officer (Adult Social Care)) – Lead Officer to the Committee, M Williams (Chief Officer (Corporate and Customer Services)), S Beckett (Customer Services Manager), C Ludwig (Finance Manager) and K Griffiths (Democratic Services Officer) – Directorate of Resources and Transformation

1 Welcome

The Chair welcomed all those present to the meeting and introduced Council officers.

2 Declaration of Interest

Councillor Zada declared a pecuniary interest in any matters that might arise at the meeting in connection with him being a leaseholder.

3 Minutes

Resolved

That the minutes of the meeting of the former Corporate Performance Management, Efficiency and Effectiveness Scrutiny Committee held on 5th March, 2015, be approved as a correct record and signed.

4 Public Forum

There were no issues raised under this agenda item heading.

5 **Terms of Reference**

A report of the Strategic Director (Resources and Transformation) was submitted on the terms of reference for the Resources and Transformation Scrutiny Committee.

Resolved

That the terms of reference for the Scrutiny Committee, as set out in the appendix to the report submitted, be noted.

6 **Annual Scrutiny Programme 2015/16**

The Committee considered a report of the Lead Officer and Strategic Director (Resources and Transformation) on the items proposed for inclusion in the Annual Scrutiny Programme for detailed consideration during 2015/16, these being:

- The latest Welfare Reforms and their impact upon Dudley;
- How we provide improved and more cost effective customer access to Council services through use of Channel Shift.

The Chief Officer – Corporate and Customer Services indicated that a presentation would be given on each item proposed to be scrutinised over the 2015/16 municipal year. The objective of the presentations at this stage was to give Members an overview and to identify specific areas for scrutiny.

The Finance Manager then gave a presentation on the latest Welfare Reforms and their impact upon Dudley, particularly:-

- The abolition of housing benefit and its replacement with Universal Credit,
- The Council's role in delivering Universal Credit.
- Changes to the Local Welfare Assistance Scheme, which provided crisis and community care awards, and
- A review of the localised Council Tax Reduction Scheme, which provided assistance to low income households in paying their council tax.

A copy of the presentation was circulated to Members with the agenda papers and a copy was available on the Committee Management Information System (CMIS).

The presentation detailed changes to the welfare benefit system that had been implemented during the last Parliament, the rationale for welfare reforms and highlighted key areas, which included:-

- Universal Credit, including the main features; illustration of how Universal Credit topped up earnings; the timetable for roll-out; the national experience and Dudley's experience with the roll-out
- Underoccupancy and Discretionary Housing Payments,
- Local Housing Allowance,
- Benefit Cap,
- Local Welfare Assistance,
- Council Tax Reduction Scheme,
- Personal Independence Payments,
- Issues relating to matters concerning the Welfare Reforms,
- Further planned reduction in benefits cost; and
- Issues for the Scrutiny Committee to consider in more detail.

The Finance Manager indicated that the changes to Universal Credit would impact mostly on the residents in the Borough as it was intended to bring together the six major working-age benefits. Currently these benefits were administered by either the Department for Work and Pensions (DWP), Her Majesty's Revenues and Customs (HMRC) or local authorities. As part of the Welfare Reform, it was proposed that Universal Credit would be administered entirely by DWP.

During the presentation by the Finance Manager, Members asked questions and made comments, which were responded to as follows:-

- Mention was made to potential problems regarding which member of the household would receive payments for those claiming joint benefits. In responding, the Finance Manager indicated that a nominated bank account would need to be given that benefits would be paid into and controlled by the household. The Chief Officer (Corporate and Customer Services) explained that each household would be responsible to ensure that any expenses covered by the benefit payments were made.
- In referring to the current issues experienced in relation to slow communications and inconsistencies by the Department for Work and Pensions, the Finance Manager reported that the main issue had been due to the loss of experienced (DWP) employees, however, an officer meeting had been arranged to discuss the matter further.

- Reference was made to the impact for Dudley in relation to underoccupancy. A Member queried the possible turnover when houses became void as a result of underoccupancy. In responding, the Finance Manager indicated that timescales to occupy void properties varied depending on the required work to properties, however, she indicated that the area of work relating to voids came under the remit of the Place Scrutiny Committee and that it would be looked at in more detail by that Committee.
- Mention was made to the decision to reduce funding to £200,000 per annum from 2015/16 onwards to the Local Welfare Assistance Scheme to provide crisis and community care awards. It was queried whether the reason for the reduction in funding was as a result of the local authority underspending its allocation in the previous two years. In responding, the Chief Officer – Corporate and Customer Services indicated that previously, the Department for Work and Pensions issued cash awards to people eligible for crisis loans and community care grants. He stated, however, that the grants had been transferred to local authorities in April 2013. Dudley had adopted a cashless scheme, providing vouchers for food and fuel and household goods being provided direct. The demand had reduced and it was reported that the allocated funding for 2015/16 onwards was now in line with current spending activities.

Reference was made to whether the provision for clothing was included in the allocation awarded to the local authority, the criteria and process used to assess whether a person was eligible for a grant and whether £200,000 was an adequate allocation per annum. The Chief Officer (Corporate and Customer Services) indicated that there had not been a high demand for grants in relation to clothing in previous years. The scheme had been amended from time to time to better reflect the needs of applicants.

The Customer Services Manager indicated that adequate checks were carried out on a number of factors and referred to specific issues in terms of the definition of what constituted a crisis award or community care award. He stated that the Local Welfare Assistance scheme was continually reviewed to ensure that help was being given to those in need.

- Mention was made to the consultation process to be followed when the Council decides to consult about changes to the Local Council Tax Reduction Scheme for 2016/17. A report on the consultation exercise would be submitted to the Cabinet on 25th June, 2015. Should the Cabinet approve the recommendation, consultation would take place over the summer with the outcome being reported back to the Committee. It was suggested that results of the previous consultation exercise (in 2013) be circulated to all Members of the Committee.

Following the presentation, it was suggested that an officer from the Department of Work and Pensions (DWP) attend a future meeting of the Committee to discuss Welfare Reform in more detail and to answer any concerns and questions Members might have.

Members requested that a breakdown of detailed statistics be provided to a future meeting of the Committee on the impact that each proposed area highlighted in the presentation would have on the residents in different parts of the Borough. This would include, an estimate on the number of people that were likely to be affected, the potential financial implications and identify areas of the Borough that would require the most support.

The Customer Services Manager then gave a presentation on how the Council could provide improved and more cost effective customer access to Council services through use of Channel Shift, particularly:-

- Whether strategies and plans would be successful in realising a shift to digitally-enabled access to services, meeting the needs of all of communities.
- That strategies supported traditional channels where appropriate.
- That Dudley's approach achieved the required savings whilst ensuring ongoing investment in service delivery.

A copy of the presentation was circulated to Members with the agenda papers and a copy was available on the Committee Management Information System (CMIS).

The presentation gave detailed information on key areas such as the terms of reference, definitions, context, the reason for adopting digital services, successes to date and the cost of transactions.

The presentation also referred to the current position and work required to achieve Channel Shift and links to the Council Plan 2015/16.

During the presentation by the Customer Services Manager, Members asked questions and made comments, which were responded to as follows:-

- In raising general comments, Members indicated that the Authority needed to ascertain what method of communication was best suited to individuals. People used a variety of different methods to contact the Authority depending on their preferences and the view was expressed that the Authority should not always discontinue a service if it fulfilled a customer's need.

- Members acknowledged the benefit of a system where customers could access council services digitally through Channel Shift, however, a query was made in relation to whether an officer would be available to respond to issues raised during the early hours of the morning.

In responding, the Customer Services Manager indicated that in the event of an emergency being reported, the issue would be dealt with by an appropriate officer as a matter of urgency. More routine issues would be recorded on a system and dealt with in order of priority.

- The Committee undertook a detailed discussion on the implications of Channel Shift, including the needs of customer groups, particularly those who could not or preferred not to use electronic communications.
- Reference was made to the significant challenges associated with culture change to implement new systems and different ways of working given the diverse nature of the Council's operations.
- Members discussed how Dudley Council Plus dealt with the large volume of e-mail enquiries and telephone calls. Particular reference was also made to the Councillor Contact Service.
- It was recognised that progress had been made and consideration had been given to good practices adopted by other local authorities, however, it was noted that organisations used different methods and systems of work.
- Particular reference was made to increases in electronic transactions for making payments.
- In response to comments made by Members, the Customer Services Manager referred to the electronic application developed by the Council for customers to report issues to the Council. Members recognised the importance of and risks associated with the decisions relating to Channel Shift, in terms of the implications on customers and the need to balance this with value for money and budgetary issues. Ongoing customer expectations also needed to be taken into account in the context of these challenges.

The Lead Officer then reported on the proposed timetabling of the matters scheduled for consideration at future meetings of the Committee, as follows:-

14th September, 2015

- (1) Feedback on the impact of Welfare Benefit Reform, to include:-
 - Ward level mapping,
 - Personal financial impact,
 - Deprivation indices.
- (2) Department for Work and Pensions (to invite a representative of DWP).
 - Quality communications with local people in relation to Universal Credit,
 - Improvement points.
- (3) Local Welfare Assistance Fund (criteria/demand/use of resources).
- (4) Council Tax Reduction Scheme 2016/17 – Public Consultation Update.

17th November, 2015

Budget Scrutiny.

18th January, 2016

Channel Shift, to include:-

- Timeliness of response,
- Business case for Dudley,
- Local focus groups/feedback, including customer experience
- Success criteria,
- Associated implications and practical issues.

7th March, 2016

Revisit financial impact of Welfare Benefit Reform.

Resolved

- (1) That the issues for scrutiny in 2015/16 as agreed by the Overview and Scrutiny Management Board, as set out above and in the report now submitted, be approved.

- (2) That the results of the previous consultation exercise in relation to changes to the Local Council Tax Reduction Scheme (in 2013) be circulated to all Members of the Committee.

The meeting ended at 8.00 p.m.

CHAIR