

ADULT, COMMUNITY AND HOUSING SERVICES
SCRUTINY COMMITTEE

Monday, 12th August, 2013 at 6.00 p.m.
in Committee Room 2 at the Council House, Dudley

PRESENT:-

Councillor Islam (Chair)
Councillor James (Vice Chair)
Councillors Body, Burston, Evans, Herbert, J Martin, Mottram, Vickers and M Wilson

Officers

Assistant Director, Customer Services (Lead Officer to the Committee), Policy and Performance Manager and Team Manager, Customer Services (All Directorate of Corporate Resources), Assistant Director, Housing Services, Head of Housing Options Head of Business Management and Team Manager (Income), North (All Directorate of Adult, Community and Housing Services) and Mrs K Buckle (Directorate of Corporate Resources)

Observer

Councillor Branwood

8 **APOLOGY FOR ABSENCE**

An Apology for absence from the meeting was submitted on behalf of Councillor Miller.

9 **APPOINTMENT OF SUBSTITUTE MEMBER**

It was reported that Councillor Burston had been appointed as a substitute member for Councillor Miller for this meeting of the Committee only.

10 **DECLARATION OF INTEREST**

Councillor Body declared a Non-Pecuniary interest in Agenda Item No. 6 – Welfare Reform, as his son was a Council Tenant.

11 **MINUTES**

RESOLVED

That, the minutes of the meeting of the Committee held on 12th June, 2012, be approved as a correct record and signed.

12 WELFARE REFORM

A report of the Lead Officer was submitted on the specific areas that Members, at the meeting on 12th June, 2013, identified for Scrutiny.

The Head of Business Management gave a power point presentation in relation to Under Occupation Subsidy commonly referred to as the Bedroom Tax.

The Head of Business Management outlined the purpose of the presentation referring to the impact upon Dudley since the implementation of the under occupation subsidy on 1st April, 2013.

An analysis of responses from those customers who were affected by the tax was circulated to Members.

Details relating to how customers were made aware of the implementation of the tax were referred to and the number of households that were identified as being affected by the tax together with details of the fact sheets that were forwarded to each household. The establishment of a Welfare Reforms telephone hotline and a graph detailing the percentage of established contact with those identified was displayed together with details of the responses received in relation to the tax. The advice provided to those customers who would be affected by the tax was outlined.

The impact on Dudley from 1st April, 2013 to 30th June, 2013 during quarter one was referred to together with the impact on the number of rent accounts.

Details of the increase in rent arrears were referred to and the potential loss of rent to the Council given the worse case scenario.

The Head of Business Management referred to the emerging trends, including the low demand for two bedroom flats and three bedroom maisonettes and the high and competing demands for one bedroom stock and the excessive demand for two bedroom houses.

The current situation was reported on together with the advice and assistance that continued to be provided to those affected and the continued publication of the tax.

In concluding the presentation the Head of Business Management outlined the developing work including the work that continued with West Midlands Best Practice Group.

Arising from the presentation Members asked questions, made comments and recommendations.

In responding to Members questions the Head of Housing Options advised as follows:-

- There had always been a low demand for two bedroom flats and three bedroom maisonettes.
- That there was a large demand for one bedroom housing stock and those applying for these properties were in competition with older people who wished to downsize.
- That those applying for council housing stock were sign posted to various Housing Associations throughout the Borough.
- The Council's Policy not to offer high-rise flats to those with children could be reviewed however even if those properties were offered to those with children it was unknown whether these properties would be accepted.
- That the Council were investigating methods of providing new homes and regenerating the housing stock that they already had.

Councillor Body recommended that all those who were residing in three bedroom flats who had two children should be excluded from the bedroom tax, as this should not be charged in cases where alternative accommodation cannot be offered to tenants in this position. It was agreed that the recommendation be noted and referred to the Cabinet Member for Adult, Community and Housing Services.

Councillor M Wilson recommended that those with children should not be allocated three bedroom maisonettes and flats, as high-rise flats were unsafe for children to reside in and children required gardens for recreational activities.

She also commented that those with an extra bedroom should not be penalised by the bedroom tax.

In responding to a Member's question regarding the Council's housing stock being unable to meet the demands of tenants, the Assistant Director of Housing advised that work would be undertaken to investigate the possible re-classification and re-modelling of council housing stock together with the financial implications of this and a future business plan would be prepared.

The Assistant Director of Housing advised that Council tenants could not be exempt from bedroom tax as this arose from legislation and not a decision that the Council had made.

The Team Manager for Income North provided statistics and details of those who were termed as tenants who can't pay/won't pay and undertook to email the detailed information to Members.

The Head of Housing Options advised that there were three hundred families on the Council's housing waiting list who required larger properties.

The Housing Finance Manager undertook to provide Members with benchmarking data relating to the average turnover of voids.

The Housing Finance Manager referred to the work undertaken with House Mark and a group of other authorities including a number of housing associations in order to ascertain trends regarding the void property rate.

The Housing Finance Manager undertook to provide Members with comparison data in relation to the fluctuation of rent arrears during the last four years.

She also advised that private sector rents were more expensive than Council House rents and some work had been undertaken in preparation for rent setting. Collected data had established that there were more one and two bedroom properties available in the private sector as many house conversions had been carried out however housing benefit was only payable up to a certain limit which may impact upon some tenants being able to afford to rent in the private sector. The Housing Finance Manager undertook to provide Members with the data collected in relation to the above.

The Team Manager (Income) North reported that there were seasonal trends in relation to rent arrears however the rise in arrears may be a combination of seasonal trends and the introduction of the bedroom tax.

The Assistant Director of Housing reported that housing stock was only usually remodelled where properties were adapted and it was not commonplace to re-classify properties as there were implications when re-classifying properties.

The Head of Housing Options advised that the Homelessness service operated for anyone in the Borough and initially where there was a possibility of a tenant losing their property advice would be given in an attempt to prevent this.

The Head of Housing Options undertook to re-consider the Council's policy in relation to housing those with secondary school age children in flats.

The Head of Housing Options advised that the financial costs associated with moving house may impact upon council tenants decision not to move into alternative properties.

The Housing Finance Manager outlined the calculation to determine the extra percentage of rent that would be payable in relation to bedroom tax.

It was also reported that duplex conversions had been undertaken by the Council in the past and the possibility of new builds, estate regeneration and using some of the Council's empty sites for re-builds would be investigated. Potential problems with ground surveys were outlined.

The Housing Finance Manager outlined facilities and advice provided to families who were in rent arrears.

The Head of Business Management undertook to investigate the possibility of Council vehicles being used to assist those who could not afford removal costs.

The Housing Finance Manager reported that Government contracts to provide those seeking asylum with housing had been granted to the private sector two years previously.

Members were requested to provide Housing Services with details of questions their constituents asked in relation to the bedroom tax and answers to these could be included in the frequently asked questions update, leaflets and the internet site. The Head of Business Management undertook to provide Members with the list of frequently asked questions and answers to these.

Councillor Islam referred to the Welfare Reforms leaflet and the Head of Business Management undertook to distribute the leaflet to Members.

The Head of Housing Options advised that the West Midlands Best Use of Stock Group had reached an agreement on the policy for those who could exchange with rent arrears in order to assist with people moving into alternative accommodation and this Policy would be reported on at a future meeting of the Committee.

RESOLVED

- (1) That the information contained in the report submitted, on Welfare Reform and the presentation on Under Occupation Subsidy, be noted.
- (2) That the relevant Officers be requested to provide responses and data as outlined above.
- (3) That the Lead Officer to the Committee be requested to advise the Cabinet Member for Adult, Community and Housing Services that Members supported the recommendation of Councillor Body referred to above.
- (4) That the Director of Adult Community and Housing Services be requested to submit reports to a future meeting of this Committee in relation to:-
 - (a) The possible re-classification and re-modelling of council housing stock, the financial implications of this and a future business plan.
 - (b) The impact on Dudley regarding the bedroom tax following the third quarter after implementation on 1st April, 2013.
 - (c) The possibility of using council vehicles to assist those who were unable to afford removal costs.
 - (d) The Policy regarding tenants with rent arrears as referred to above.

DISCRETIONARY HOUSING PAYMENTS

The Policy and Performance Manager gave a power point presentation on Discretionary Housing Payments advising that these were discretionary awards used to cover the shortfall between Housing Benefit and the full rent. Details of who these payments could be provided to and the main features of the scheme were referred to.

The main criteria for determining payments together with the qualifying factors were reported on. Details of the budget, the amount of successful and unsuccessful claims, the total claims received and the average claim paid were outlined.

Details of the Governments contribution to the scheme and the total fund were provided together with national comparisons which determined the percentage increase of applications received on the previous year.

Data in relation to the Governments contribution to the scheme, the total fund and the amount of awards, refusals and those yet to be adjudicated by neighbouring authorities were referred to.

Details of future considerations in order to administer the scheme including the health and welfare of applicants and staff, whether to change the scheme and the potential to require top up of the fund which required consideration at member level were provided.

Arising from the presentation Members asked questions and made comments and the Policy and Performance Manager responded as follows:-

- That details were awaited of the criteria to be met for a successful application to the Government for a top up of the Discretionary Housing Payment fund.
- Details of the predicted overspend of the fund were referred to.
- That as at 5th August, 2013 509 applications had been approved and 328 rejected.
- That those who were homeless and not in employment could apply for jobseekers allowance and could apply for accommodation via the Council's homelessness service.
- Every applicant who was refused was signposted to the Live 4 Less service.

The Lead Officer to the Committee advised that the amount of the Governments contribution to the fund had been determined for 2013 and 2014, however further information was awaited in relation to the amount that would be available for future years.

RESOLVED

- (1) That the information contained in the presentation and reported on in relation to Discretionary Housing Payments, be noted.
 - (2) That the Lead Officer be requested to submit reports to future meetings of the Committee after each quarter on the financial position in relation to the Discretionary Housing Payment fund.
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THE LOCAL WELFARE ASSISTANCE SCHEME

The Team Manager of Customer Services gave a power point presentation on the Local Welfare Assistance Scheme, advising that the Department for Work and Pensions Community Care Grants and Crisis Loans had been abolished on 31st March, 2013 and replaced by locally administered schemes now administered by the Council's Benefit Services and Dudley Council Plus.

Funding for the scheme and administration and set up costs were referred to and the two types of awards of crisis awards and Community care awards were referred to together with the main criteria for the awards and details of how needs were met were provided.

Details of local welfare activity during the first three months including the number of calls handled, applications submitted, awards granted, refused and withdrawn and the amount of the crisis and community care spend were provided.

The types of awards made including food, energy, furniture, carpets, household goods and white goods were referred to.

Details of the reasons for the awards and a sample of reasons for refusal of awards were provided.

The successes of the scheme together with lessons learnt following the implementation of the scheme were outlined and the possibility of a policy review. The continuing work to raise awareness of the scheme which would include monitoring and reviewing the scheme and continuing to develop working relationships in relation to the scheme was referred to.

Arising from the presentation Members asked questions and the Team Manager of Customer Services responded as follows:-

- The allocated budget for the fund for the following two years was £700,000
- That the Council had an agreement with Geoff Hill to provide new white goods at cost price.
- That the Department of Work and Pensions had a recorded message on their call centre telephones advising customers that the above service had been transferred to Local Authorities.
- That a number of briefings had taken place with health care professionals in order to make the public aware of the new arrangements in relation to the scheme.
- It had been recognised by the Government that the previous cash and loan award element of the scheme had been open to abuse and it was accepted that some calls had been aborted once it had been explained that cash and loan awards would no longer be available.
- That the supermarket vouchers provided cannot be identified as being issued by the Council.
- That members of the public could apply direct to the food bank.
- That the general public could apply direct to St Thomas' Community Network, however the Council could make multiple awards to applicants and offer a more comprehensive service.
- That the Council were reviewing the amounts that they were awarding to applicants and details of the review would be distributed to Members.
- That work details of the number of those who had received assistance as a result of violent relationships would be provided to members.
- That there was a right of appeal against refusal of an application to the Head of Service and then to the Assistant Director.

Members raised concerns in relation to the significant under spend since the scheme was transferred to the Council and the Lead Officer to the Committee agreed to provide Members with details of the awards made by the Department of Work and Pensions for the periods 2011/12 and if available 2012/13.

The Lead Officer to the Committee also agreed to conduct further work in relation to publicising the scheme in order to raise awareness.

RESOLVED

- (1) That the information contained in the presentation and reported on in relation to the Local Welfare Assistance Scheme, be noted.
- (2) That the Lead Officer to the Committee be requested to:-
 - (a) Submit a report to a future meeting of the Committee on the progress of applications for Local Welfare Assistance.
 - (b) Distribute to members details of the review in relation to the amounts awarded to applicants.

- (c) Provide Members with details of the number of applicants worked with who had been subjected to violent relationships.
- (d) Circulate to members details of the awards made by the Department of Work and Pensions for the periods 2011/12 and if available 2012/13.

The meeting ended at 9.10 p.m.

CHAIR