

Minutes of the Resources and Transformation Scrutiny Committee

Monday 14th September, 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 P Bradley, C Baugh, P Harley, T Herbert, P Miller, 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)), and K Griffiths (Democratic Services Officer) – Resources and Transformation Directorate

Also in attendance

C Murphy, Senior Operations Leader for Dudley and J Plant, Operations Leader at Dudley Jobcentre – for agenda item no. 6 (Presentation from the Department for Work and Pensions – Universal Credit)
C Ludwig – Finance Manager and Y Steele, Team Manager (Income) – for agenda item no. 7 (Welfare Reform – modelling the impact of the Government's welfare reforms across the Borough)
S Whale, Policy and Performance Manager and C Harvey, Deputy Head of Benefits – for agenda item no. 8 (Localised Council Tax Reduction Scheme 2016/17)

7 Welcome

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

8 Apologies for Absence

Apologies for absence from the meeting were received on behalf of Councillors B Etheridge, S Clark and M Mottram.

The Chair, on behalf of the Committee, expressed best wishes to Councillor M Mottram and wished him a speedy recovery.

9 **Appointment of Substitute Members**

It was reported that Councillors P Bradley and P Harley had been appointed to serve in place of Councillors B Etheridge and S Clark for this meeting of this Committee only.

10 **Declaration of Interest**

No declarations of interest, in accordance with the Members' Code of Conduct, were made in respect of any matter to be considered at this meeting.

11 **Minutes**

Resolved

That the minutes of the meeting of the Committee held on 18th June, 2015, be approved as a correct record and signed.

12 **Public Forum**

There were no issues raised under this agenda item.

13 **Presentation from the Department of Work and Pensions – Universal Credit**

A presentation was given by the Senior Operations Leader for Dudley and the Operations Leader at Dudley Jobcentre giving an overview on the impact of Universal Credit.

The presentation highlighted key areas, which included:-

- A brief overview of Universal Credit,
- What's different about Universal Credit,
- Who do we think may require Universal Support – delivered locally?
- Universal Support – delivered locally typical local delivery partners,
- Universal Support – delivered locally: Partnership arrangements,
- Personal Budgeting Support – Why?
- Personal Budgeting Support – Overview.

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 Operations Leader at Dudley Jobcentre indicated that bi-monthly meetings with partners were held to discuss ongoing issues, methods and improvements to ensure that customers were receiving the expected level of support and advice.

During the presentation by the Senior Operations Leader for Dudley and the Operations Leader at Dudley Jobcentre, Members asked questions and made comments, which were responded to as follows:-

- Mention was made to the method adopted, with particular reference to the “means-testing” to determine who was eligible for receiving Universal Credit. In responding, the Senior Operations Leader for Dudley indicated that full assessments were conducted at local Benefit Centres by fully trained officers prior to any award being given.
- Reference was made to payment options and the impact on the claimant should earnings vary each month resulting in work payments being made in excess of the threshold currently in place. In responding, the Senior Operations Leader for Dudley indicated that Universal Credit was calculated on a calendar monthly basis and payments would vary depending on monthly earnings.
- In responding to a question in relation to the percentage of claimants that achieve successful long term employment, the Operations Leader at Dudley Jobcentre outlined the statistics. She stated, however, that actual figures were difficult to calculate because the system used for Universal Credit allowed applicants’ claims to remain open while working. She further stated that Universal Credit was for people of working age, in or out of work and designed to top up their income to a minimum level and help with housing costs.
- Discussion then ensued on the impact/benefits of Universal Credit and whether the system would be successful in achieving its objectives following full roll out of the system. It was noted that the intention of Universal Credit was to ensure that “work pays” financially.
- In referring to budget savings during the trial of Universal Credit, the Senior Operations Leader for Dudley indicated that techniques were monitored on an ongoing basis, however savings were being made in different areas such as staff reductions and claims being submitted on-line.

- Comments were made in relation to the reliability of the process/assessment of determining individual cases, particularly vulnerable people who are assessed on a particular ailment, challenges when benefits were refused and the cost and consequences of IT infrastructure. It was considered that a significant number of people unable to work were vulnerable people and that more consideration should have been given to that particular group of people prior to introducing the system.

A brief discussion then took place on the definition of vulnerable people and statistics were given in relation to the number of people that had been successful in achieving work through Universal Credit.

- Comments were also made in relation to the effectiveness of the roll out of Universal Credit by the Department of Work and Pensions (DWP), however, it was emphasised that the main issue had been with communication and inconsistencies due to the loss of experienced DWP employees. Discussion then ensued on the manner in which the system had been delivered locally, however, it was acknowledged that the system was new and that the “roll out” had been carried out slowly but effectively.
- In referring to the percentage of customers that were able to manage their own financial affairs, the Operations Leader at Dudley Jobcentre submitted statistics to Members. She stated that there were advice services available to help people budget. These would operate at a local level through partnerships operated by DWP and was intended to identify those who needed support.

She further stated that the intention was that those who could not manage their own financial affairs or were unlikely to pay rent should be identified as being vulnerable at the outset and arrangements then made, which could include direct payment to the landlords. It could also involve budgeting or other means of support should they become available.

Eligibility for direct payment to landlords was assessed based on a combination of financial and vulnerability risk factors, which was determined at the outset.

- Discussion then ensued on employment figures for various wards in the Borough and it was suggested that these figures be e-mailed to Members of the Committee.

In concluding, the Chair thanked the Senior Operations Leader for Dudley and Operations Leader at Dudley Jobcentre for the presentation given.

Resolved

- (1) That the presentation and information provided at the meeting, be noted.
 - (2) That employment figures for various wards in the Borough be e-mailed to all Members of the Committee.
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Welfare Reform – Modelling the Impact of the Government’s Welfare Reforms Across the Borough

A report of the Strategic Director (Resources and Transformation) was submitted in respect of issues raised at the previous meeting in relation to the impact of Welfare Reform and associated issues.

The Finance Manager outlined the report and highlighted key areas, which included, statistical information and charts in relation to the following:-

- Local context,
- Housing Benefit,
- Underoccupancy,
- Disability Benefits,
- Employment and age
- Universal Credit,
- Local Welfare Assistance,
- Council Tax Reduction Scheme,
- Benefit Cap.

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

The Finance Manager indicated that large colour maps of geographical information were available for Members to inspect should they wish.

At this juncture, Councillor Q Zada withdrew from the meeting.

The Finance Manager then referred to each Appendix individually, which had been submitted with the report. Reference was made to the geographical distribution of Housing Benefit Claims for various areas highlighted by the Committee at the previous meeting. She specifically referred to the areas identified as the most deprived and highest concentrations of benefit claimants for all housing tenures.

During the presentation by the Finance Manager, Members asked questions and made comments, summarised as follows:-

- A high concentration of benefit claimants resided in flatted accommodation on estates and support was given to claimants in particular areas to provide employment and training opportunities.
- Potential support activity in partnership with the Dudley Federation of Tenants and Residents Association to provide information and advice.
- Circulation of information on attendance at Adult and Community Learning events and local Jobfair. Reference was made to a particular Jobfair on 12th November, 2015 at the Waterfront, Brierley Hill.
- Concerns over longstanding problems in particular areas and the need for targeted action to address issues of historical concern and to encourage people back into employment.
- Issues associated with Government regulations and funding systems and the need for a long term strategy working in partnership with all relevant agencies to address the long standing issues and achieve culture change.
- Policy issues concerning housing benefit claimants considered to be underoccupying their property and claiming discretionary housing payments. Problems were identified with the demand and lack of availability of certain properties should people wish to downsize their property.
- Budgetary issues relating to the expenditure and availability of discretionary housing payments.
- The Chief Officer for Housing had been requested to provide information on the use of bedrooms for equipment used by people with medical conditions.

The Finance Manager reported that the information contained in the appendices was regularly updated and used as a management tool to inform strategic decisions and potential policy changes.

Resolved

That the report and information contained in the appendices and presentations of the Committee, be noted.

Localised Council Tax Reduction Scheme 2016/17

A report of the Strategic Director (Resources and Transformation) was submitted on the proposed changes to Dudley's 2016/17 Council Tax Reduction (CTR) Scheme and to provide an update on the consultation process for the proposed scheme changes.

The Chief Officer (Corporate and Customer Services) gave a presentation and highlighted key areas, which included:-

- Scrutiny Terms and Conditions,
- What is Council Tax Reduction?
- Background,
- Dudley's current CTR Scheme (2015/16), including protected and non-protected groups,
- 2015/16 CTR scheme statistics,
- Options for 2016/17 scheme,
- Financial impact,
- Interim Consultation Results.

A copy of the presentation was circulated to Members prior to the meeting. The Chief Officer (Corporate and Customer Services) referred to the consultation leaflet and the CTR Consultation questionnaire which incorporated the interim consultation results to date, which had also been circulated to Members. He reported that the consultation period ended on 9th October, 2015.

During the presentation, Members asked questions and made comments, summarised as follows:-

- Comments were made in relation to the implications of pensioners accessing private pensions and the impact of increased payments due to people living longer.
- Issues in relation to the financial impact on vulnerable people should they pay towards their Council Tax and discussions on where any additional funding would be allocated. It was noted that any savings made in the cost of the 2016/17 CTR scheme would contribute to meeting other budget pressures.
- Comments were made regarding the potential implications for precepting authorities (Police and Fire).
- The Benefits Policy Manager outlined the interim consultation results in relation to the proposed changes to the CTR Scheme and directed Members to the diverse target groups that had been approached, which had been included in the report submitted.
- Comments were made in relation to the low level of responses received considering the number of groups targeted in the consultation process and it was considered that this had an adverse effect on the process.
- Discussion in relation to the impact on vulnerable people and the implications of managing their own personal finances.

- The majority consensus was that protected groups, excluding pensioners, should contribute towards their Council Tax.
- Reference was made to the recommendation made at the Cabinet meeting on 25th June, 2015 where it was approved that consultation would be taken primarily on the basis of option 3d (20% reduction) in the report but that all the options in the report be mentioned in the consultation, to be considered if appropriate.
- Concerns over longstanding problems in relation to families receiving benefits due to various reasons in particular areas and the need to encourage people into employment.

The Committee considered the proposed changes to the Local Council Tax Reduction Scheme for 2016/17 and associated issues and implications.

It was noted that the CTR scheme would be considered by Cabinet and Council in due course.

At the conclusion of the debate it was

Resolved

- (1) The Committee, following the data collected from the CTR consultation exercise, consider that it is clear that there is a majority consensus that protected groups (excluding pensioners) should contribute towards their Council Tax.
- (2) That the view of the Committee be included as part of the overall consultation process for changes to the CTR scheme 2016/17.
- (3) That the consultation activities that are currently taking place to gain views on the proposed changes to the CTR scheme, be noted.

The meeting ended at 8.15 p.m.

CHAIR