

**NORTH EAST DERBYSHIRE
DISTRICT COUNCIL**

**OVERVIEW AND SCRUTINY
WELFARE REFORMS**

MARCH 2013

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Chair's Foreword

The Policy Reforms and financial reductions facing the public sector pose great challenges to good governance.

Not least because a number of forms of external challenge and reassurance about the corporate health of public organisations are going on at the same time. These changes may see services delivered in different ways, many of which require different forms of governance and different thinking on how accountability would work under any new arrangements.

The Committee felt that the many areas of scrutiny touched on during this year reflected the changes that the Council were experiencing. It is to the Members' credit that they elected to tackle issues that would support the decision making process where these changes weighed heavily. The Welfare Reforms legislation would have a significant impact on our District and the Committee were keen to explore how they could support the Council in meeting this challenge.

Members have been only too aware that they are part of the process which looks to provide public assurance over service quality and the spending of public money, which needs to be done efficiently and effectively.

On behalf of all Members I would like to take the opportunity to thank all stakeholders who have contributed during this year.

Review Panel

The review panel comprised the following members:

Councillor B Ridgway (Labour) Review Panel Chair

Councillor J Austen	(Labour)
Councillor P Antcliffe	(Conservative)
Councillor G Butler	(Labour)
Councillor C Huckerby	(Conservative)
Councillor D Oxspring	(Conservative)
Councillor T Reader	(Labour)
Councillor J Windle	(Labour)

1. Recommendations

- 1.1 That the content of update reports provided to Cabinet be reviewed to ensure that links are made to work being carried out by partners and other agencies.
- 1.2 That the resource in the Housing Options Team be monitored to ensure that as the impacts of the changes arising from the Welfare Reform legislation become clearer, the team can respond adequately.
- 1.3 That the Council reviews its links with the private sector to ensure it is maximising the opportunities this presents.
- 1.4 That a monitoring document be provided for members that sets out all the activities the Council and its partners are undertaking to respond to the changes and their outcomes.
- 1.5 That the job titles used for officers within the Choice Based Move Team and the Housing Options Team be reviewed to avoid confusion for customers on their respective roles.

2. Introduction

- 2.2 At its meeting on 22nd June, 2012 the Healthy Communities and Well Being Scrutiny Committee agreed to undertake a review of the new Welfare Reforms.
- 2.1 The review was identified as a priority as the impending changes arising from the Welfare Reform legislation would have a significant impact on the District of North East Derbyshire. The first of the changes took effect in April 2011 and others followed in 2012. However the changes are wide ranging and will continue to be implemented during 2013 and beyond.
- 2.2 The Committee felt it was important to look at the impact these changes would have on the residents of the District and assess what actions the Council was taking to address this.

3. Scope of Review

3.1 The review aimed to:

- Identify the potential impact of the new legislation on the Community
- Establish what modelling of the changes for the District had taken place
- Review what actions are being taken to reduce the impact on vulnerable people
- Identify any suggestions for improvements that could be made to mitigate any negative impacts

4. Method of Review

4.1 The Review Panel met on six occasions to consider the scope of the review, key issues they wanted to discuss and key people they wished to interview.

4.2 The Review Panel interviewed a wide range of officers who had a connection with the Welfare Reforms. Representatives from the County Council, Rykneld Homes and the Unemployed Workers Centre were invited to come and talk to the Committee. Councillor M Gordon the support portfolio holder for Housing Strategy and Social Inclusion was also interviewed. Attached at **Appendix 1** is a list of the stakeholders interviewed.

5. Evidence and Research

The following documents were considered as part of the review:

Welfare Reform – policy briefing – Centre for Public Scrutiny

Welfare Benefits Reforms – Report to North East Derbyshire District Council Cabinet 12th June 2012

Briefing note on Welfare Reform Act 2012 – Joint Assistant Director Resources

Leaflets on the changes to Council Tax Benefits – provided by the Revenues and Benefits section

6. Key Findings

Strengths

- 6.1 The review panel received a wide range of evidence that demonstrated that many activities were taking place within various services to understand the impact of the new legislation. This work had commenced early in the process and despite some details of the legislation being uncertain efforts were being made to plan for the new legislation. Keeping track of these changes and ensuring a co-ordinated response would help mitigate their impact on residents. A proforma was being developed for both in house services and external agencies which would capture additional information regarding impact. Data was also being gathered as part of work being undertaken by Sheffield City Region to show the impact of welfare reforms across the region.
- 6.2 Part of this process was profiling work to identify those affected so appropriate measures and support could be put in place. An analysis has been carried out using information from the Councils Revenue and Benefits system and Rykneld Homes Housing Management system in relation to the restrictions to Housing Benefit for working age claimants living in social rented sector who occupy a larger property than their house size requires. All two, three, four bedroom council property types have been checked. Rykneld Homes have been providing advice to people living in houses too large for them to try and help them find more suitable sized property. This new requirement has highlighted that the Council will potentially have a problem with available properties of the required size. In response the Council is reviewing housing provision and what houses it builds in the future to address this.
- 6.3 The Welfare Reforms impacts on the work undertaken by several Council services and many external agencies. Evidence was provided that local agencies were already beginning to see their clients being affected by the early changes. There is evidence that good information sharing was taking place between the various services involved. In particular the relationship with Rykneld Homes on this issue was working well. The Councils Revenues Section and Housing Option Team worked with Rykneld Homes to identify people affected and produced a plan of what action could be taken to assist the people affected. An example of an action being taken was that personalised letters had been sent to all 25 to 35 single private tenants advising them of the effects of the new legislation and what help is available to them. A database of statistics was also being compiled that allowed officers to monitor trends. Rykneld Homes had also appointed a financial inclusion officer to provide advice to residents and was holding face to face meetings with families where this was felt useful.
- 6.4 Relationships with other agencies were being developed as it was recognised that this issue needed a multi agency approach. Many of the agencies

involved would have regular direct contact with claimants and would be able to provide vital information on the impact within the community. The Unemployed Workers Centre attended a session of the Review Panel and provided valuable insight into the early indications of the effects on the ground. The representative was keen to maintain dialogue with the Council to work together, share information and help monitor the impact on the community. Raising the profile was important and regular discussions with many agencies had been strengthened in the last six months, including multi agency teams.

- 6.5 Additionally the Manager of the Credit Union was attending the Welfare Reforms Working Group. This officer working group has been established by the Council to co-ordinate activities across relevant services. It meets every 4 to 6 weeks and has a key role in advising members of the impact of the Welfare Reforms and Council Tax changes. Its role is to collate and disseminate information, arrange briefing and training sessions for staff and members, coordinate a publicity campaign on the changes and liaise with outside agencies on the impact of the changes to support residents.
- 6.6 The Council has established a regular Advice Agency Liaison meeting in conjunction with Bolsover District Council to co-ordinate and enhance partnership working with Chesterfield Law Centre, North East Derbyshire Citizens Advice Bureau, Chesterfield Credit Union, Two Shires Credit Union and the Derbyshire Unemployed Workers Centre. Via this group the Council is able to hear first hand of the impact through advice agencies and their caseloads following the impact of the changes. This is useful as it aids the Council in identifying support that can be provided to enhance all organisations services.
- 6.7 A programme of training and briefing sessions was ongoing. Officers within affected sections have been trained and were aware of the changes. Revenues and Benefits were providing briefings for staff across a number of services to ensure that they are aware of and understand the imminent changes. Also a programme of training to give staff the skills to provide a more rounded service with a greater understanding of some of the expected challenges has commenced. Frontline staff have received personal budget coaching. Courses on understanding mental health at a basic and advanced level, with a view to establishing a small number of mental health champions, will also be held. A series of presentations to outside agencies on what we are doing, to ensure we develop and strengthen relationships with them, has also been provided. This has been delivered to GP's, Clinical Commissioning Groups, Community Groups, MP's, and community forums to ensure that as many agencies are briefed as possible. It was hoped this would increase the number of knowledgeable contacts those affected by the changes may have. An Impact event was to be held with partner agencies again so we can reach more people.

- 6.8 Several interviewees provided evidence of good publicity. This demonstrated that the Council was trying to keep residents informed of what the changes will be and how it might affect them. A general campaign to inform and raise awareness of the changes and the advice/help that is available from the Councils Housing Options Team and Rykneld Homes has also taken place. Articles have been included in the Council's newspaper, Rykneld Homes newsletter and posters displayed in council buildings.
- 6.9 The Council is also working with private landlords to encourage them to continue to let properties to benefits claimants and also develop shared units at Local Housing Allowance rent levels. It is continuing to promote and develop landlord accreditation. The Review Panel received some anecdotal evidence that smaller private landlords were pulling out of the rented market as they felt there was more risk involved given that rents will not be safeguarded as they are now.
- 6.10 The Council had funding to provide discretionary housing payments. This fund was available to anyone in receipt of housing benefit or council tax benefit to help meet housings cost. It could be used to mitigate any negative changes in person's circumstances arising from Welfare Reform changes. The Revenues and Benefits section and the Housing Options Team were working together to assess applications for payments to prevent homelessness
- 6.11 The review panel was also advised of the recent review of the Council's Choice Based Lettings Allocations and Lettings Policy. This review took place over an eight month period with elected members primarily but also key stakeholders such as advice agencies. The key driver for the changes was to ensure that the Allocation Policy enabled us as a council and Rykneld Homes to respond in the most effective way to welfare reforms and the inevitable increase in demand for smaller affordable accommodation and the need to downsize.
- 6.12 Other changes to the policy include provision of direct lets for households wishing to downsize due to welfare reforms.
- 6.13 It should be noted that the full impact will not be realised for some time – both local evidence and national research shows that families and individuals would rather cut down on food than move to a smaller house. It is felt that the true impact may not be felt for another year but the Council is looking at ways to best utilise Discretionary Housing Payments to mitigate the impact where possible (although this funding will not address all those households affected).
- 6.14 There is not enough council stock to accommodate the need for smaller accommodation and also there is not enough provision in the private rented sector. One bedroom flats or shared housing is scarce in the private rented sector in North East Derbyshire. Those most at risk are single people under 35 years on benefits and low income due to a lack of affordable accommodation available.

Areas for Improvement

- 6.15 One area identified for improvement was the need to bring information together to provide a comprehensive overview of all the activities taking place. The view was expressed that some reports to Cabinet were not always joined up. It was recognised that the changes covered a wide area but it was considered essential that regular overview reports were provided to members. This included the work Rykneld Homes was undertaking with the private sector which needed to be fed into the update reports. Some interviewees expressed the view that the Council needed to work more with the private sector to maximise the opportunities that this presented.
- 6.16 One of the difficulties was that the full impact of the changes was not known. Although initial affects were becoming apparent there was still other major changes to be implemented. Concern was expressed that maintaining resource in the Housing Options Team could be difficult with the pressures that were facing the Council but this needed to be monitored to ensure they could respond adequately.
- 6.17 A point was raised on the job titles used by Rykneld Homes Choice Based Move Team. Officers within the team are named as Housing Options Officers and this is the same title given to officers within the Councils Housing Options Team. It was felt that this was causing confusion amongst service users and contact centre staff and effecting service delivery. This was evidenced by a recent incident when a councillor had called the contact centre to speak to Housing Options and had been put through to the Choice Based Move Team. Concern was expressed that whilst this may seem a minor issue the team were dealing with the most vulnerable people in the district who are going through a stressful and turbulent time so they do not need any additional confusion.
- 6.18 The Review Panel was very much aware of the difficult role the Council had in maintaining services whilst budgets were being reduced. However, they hoped that the Council would still be able to take a sympathetic approach to those in debt whilst balancing this against the Councils requirement to maintain balanced accounts.
- 6.19 It was acknowledged that liaison was already taking place between the Council and outside agencies. However, it was suggested that this could be improved by the provision of named person that agencies can contact at the Council.
- 6.20 Rykneld Homes were undertaking a great deal of work with different agencies but felt that one area they wished to improve was their contact with GP's to ensure that housing was on their agenda.

7 Conclusions

- 7.1 The Review Panel was impressed at the amount of work that the Council and Rykneld Homes had been undertaking in response to the Welfare Reform legislation. From a variety of interviewees evidence was provided of mechanisms that were being put in place to ensure a co-ordinated and effective response. However, there was a realisation that these reforms would impact negatively on many residents and the Council had limited resources available to respond. The full impact would not be apparent for some time but it was hoped that the steps already taken would help to mitigate some of the effects where possible.
- 7.2 A number of improvements had been identified which it was hoped would support the Council in its response to the changes arising from the Welfare Reforms.

APPENDIX 1

Stakeholders Engaged During the Review

Amar Bashir – Improvement Officer

Councillor Michael Gordon – Cabinet Member supporting Housing Strategy and Social Inclusion

Carl Griffiths – Private Sector and Housing Options Manager

Julie Hirst – Primary Care Trust

Zak Hussain – Income Maximisation Team Leader

Andrew Parkes – Unemployed Workers Centre

Rebecca Slack Housing Strategy and Enabling Manager

Angela Smith – Housing Support Services Manager

Ian Spencer – Revenues and Benefits Manager

Alison Westray-Chapman – Assistant Director Customer Services and Revenues and Benefits

Debbie Whitehead – Consultation and Community Involvement Officer