

Report of East North East Area Leader

Report to Outer North East Area Committee

Date: 19th March 2012

Subject: East North East Welfare Reform Project Team

Are specific electoral Wards affected? If relevant, name(s) of Ward(s): All	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. Reports were provided to Executive Board in October 2011 and February 2012 setting out the impact of the Government's Welfare Reform programme in Leeds and providing an update in relation to the work of the citywide strategy responding to the welfare reform programme.
2. At the East North East Area Leadership Team meeting in November 2011 it was requested that a project team be established by the Area Leader to focus on action required in the East North East to support the work of the citywide strategy board and develop actions on a local level.
3. Neither DWP nor DCLG have finalised arrangements or detail around welfare reform and local Council Tax Support and a number of working groups have been established to help inform decisions on issues such as the role of local councils in Universal Credit delivery, the safeguard arrangements that will operate around direct payments to social sector tenants, funding arrangements for implementing welfare reform locally and timescales for migration activity. The Welfare Reform Bill itself has yet to become law and aspects of the proposals may change as a result of debates in Parliament. The outcomes of the debates in Parliament and the working group activities are key in finalising the approach the council needs to take in preparing for the reform.
4. This report summarises the main issues and provides members with an update of the work undertaken within the east north east in preparation for the welfare reform changes which will come into effect in April 2013.

5. The report also provides a copy of the action plan developed by the east north east welfare reform project team for information and comment.
6. Changes came into effect in January 2012 which effected the age threshold for the shared accommodation rate of Local Housing Allowance (LHA) which increased from 25 to 35., the report provides an update on activity to support residents through this change.

Recommendations

7. Note and comment on the progress made in the local area to develop an action plan to mitigate the impact of the welfare reform changes to come into force in April 2013.
8. Support the development of communication strategy to underpin the work of the city wide strategy and focuses on the needs of residents within the east north east.
9. Note the action taken to support customers since the welfare reform changes which came into effect in January 2012.

1 Purpose of this report

- 1.1 This reports provides members with an update of the work undertaken in the east north east to support the work of the citywide welfare reform strategy.
- 1.2 The report sets out the actions developed focussing on the east north east ensuring that customers, service providers and stakeholders are prepared for, and are able to respond to, the issues and requirements arising from the welfare reform programme.

2 Background information

- 2.1 A report was presented to Area Committee in December 2011 which set out the details of the Government proposals for welfare reform and the likely impact on residents in Leeds. Reports have also been presented to the Executive Board in October 2011 and February 2012 outlining a city wide strategy in response to the proposed changes. A copy of the February 2012 executive board report is provided at **appendix 1** for information.
- 2.2 At the November 2011 meeting of the East North East Area Leadership Team a discussion was held around the impact for east north east and it was requested that the Area Leader establish a project team to focus on developing actions to mitigate the impact across the area.
- 2.3 Whilst the final details of the welfare reform are still not finalised it was recognised by the area leadership team that there is a need for early preparation and a communications strategy developed.

3 Main issues

January 2012 Changes:

- 3.1 Changes came into effect in January 2012 which effected the age threshold for the shared accommodation rate of Local Housing Allowance (LHA) which increased from 25 to 35. This means that single claimants up to the age of 35 will have their LHA based on a room in a shared property rather than a self contained one bedroom property. This change will apply for all new claimants from 1 January
- 3.2 For existing pre April 2011 claimants this change will take effect when their 9 month protection period from the April 2011 changes ceases so they experience all relevant changes in one go
- 3.3 Existing claimants whose claims were made between 1 April 2011 and 1 January 2012 will be moved to the shared accommodation rate on the anniversary date of their claim
- 3.4 All tenants affected by these changes have been sent personalised information about the changes, the impact of the changes and, in each case, the date the changes are due to be applied. Landlords and landlord groups have also been provided with information about the changes. The Government has also increased the amount of funding for Discretionary Housing Payments from £20m

annually to £30m annually for 11/12 and this will increase further to £60m for 12/13. Leeds allocation based on the £30m figure is £397k and it is expected that this figure will increase at least proportionately. The increased allocation will be used to help those facing the most difficulties.

- 3.5 Leeds is also a partner in a successful West Yorkshire bid to the Department for Work and Pensions for funds to establish a West Yorkshire online service that will help to match Housing Benefit tenants to affordable private sector accommodation. Work is currently underway to deliver this solution.

City Wide Preparations for the 2013 Reform:

- 3.6 A Welfare Reform Strategy presented to Executive Board in February 2012 with the key elements of the Strategy dealing with:
- Developing a detailed understanding of the reform across Leeds.
 - Ensuring claimants and stakeholders are fully prepared for the changes.
 - Ensuring support arrangements are in place for vulnerable tenants.
 - Ensuring delivery of Council services reflect requirements of Welfare Reform.
 - Developing a budget action plan that sets out and addresses the financial implications for the Council arising from the Welfare Reform.
 - Working with Jobcentre Plus to maximise opportunities to tackle worklessness under a Universal Credit system.
- 3.7 As part of this strategy a number of activities have already been completed:
- Maps showing how and where changes relating to local housing allowance (LHA) changes, under occupation, the benefit cap and local Council Tax support schemes impact in Leeds both individually and cumulatively, will be available shortly.
 - Potential Council Tax support schemes are being worked up.
 - Monthly Welfare Reform briefing bulletins will be available for Members and stakeholders from February 2012.
 - Workshops are to be run in February and March for all frontline workers in the Council and in partner organisations to prepare staff to provide advice to customers about the Welfare Reform and potential impact.
- 3.8 Work is also underway to develop an understanding of the implications of the reform for Child Poverty. Detailed analysis is being developed around families on Housing Benefit with three or more children in the first instance to see (a) what the cumulative impact of the changes will be for these families and (b) to help develop approaches for maximising opportunities and mitigating unhelpful impacts. A number of case studies will be developed which will also look at issues such as debt, financial inclusion, digital inclusion and readiness for the changes. This work is being taken through the Child Poverty Group.

Consultation and Engagement

3.9 The changes are being rolled out nationally, however, Leeds City Council have already consulted Leeds residents on specific Welfare Benefit changes i.e. non-dependent changes introduced in 2011 and will continue to do so as to any future proposals. Further publications will be produced as and when changes are confirmed and when the specific customers that will be affected are known. Also as part of the proposed Welfare Strategy document a Communication Plan is currently being developed setting out how the proposed changes will be communicated and residents consulted, along with staff, Members and all other stakeholders. It is proposed that regular briefings will be provided to Members as from February.

East North East preparations for the Reform:

3.10 Following on from the request made at the November meeting of the East North east Area Leadership Team a project team has been established for the area. The aim of the team is accountable to the ENE Area Leadership Team, to put in place measures to mitigate the impact of the changes being implemented as part of the government's Welfare Reform agenda. The team is made up from nominated representatives from the ENE Area Leadership Team to work together to develop and implement an action plan. The members include representatives from:

- Area Support Team
- Children's Services
- Adult Social Care
- Jobs and Skills
- Health
- ENEHL
- Job Centre Plus
- Citizens Advice Bureaux
- VOICE
- Other organisations will be invited as necessary such as Advocacy Support.

3.11 The initial focus for the Project Team is centring on the following three areas of work:

- Good communication to all those that may be affected
- Better access to easy banking facilities
- Better digital access to the internet

3.12 The Project Team is working in close association with the City wide Strategic Board to ensure that any actions taken in the ENE of Leeds complement and add value to any city wide strategy and action plan.

3.13 An extensive amount of work has been undertaken to gather intelligence and data and map this to provide a picture of the areas which will be impacted upon by the changes, this information is now being used along with local intelligence to identify where best to target resources and intervention on a local level.

- 3.14 The project team aims to ensure that through partnership working resources are effectively allocated to avoid duplication and maximise impact.
- 3.15 Key challenges include the need to consider digital access for residents and access to banking as well as the need to support the most vulnerable residents and those who will be effected by more than one change.
- 3.16 The project team are now meeting on a regular basis and have developed a local area action plan for consideration and approval which is attached as **appendix 2**.
- 3.17 Regular updates will be provide to the ENE Area Leadership Team and Area Committees over the next twelve months in preparation for the implementation of the welfare reform programme.

4 Corporate Considerations

4.18 Consultation and Engagement

- 4.18.1 The strategy sets out proposals for preparing customers for the welfare reform and understanding the impacts at a local level. Delivery of the proposed actions will involve consultation with Area Committees, ward members and tenants groups.
- 4.18.2 Through the communications strategy for east north east residents will be provided with information through a variety of means at the most appropriate (and earliest) opportunity.
- 4.18.3 The communications strategy will be presented back to Area Committee for information in due course.

4.19 Equality and Diversity / Cohesion and Integration

- 4.19.1 The strategy is aimed at identifying and supporting vulnerable groups and targeting help and support to ensure all groups can access Universal Credit and manage their personal responsibilities. Where policies are reviewed and revised, equality impact assessments may be required to ensure that the equality implications of any revisions are properly considered.
- 4.19.2 The communications plan for east north east will ensure that marginalised groups and language needs are met with advice and support. This will be met through links with groups and representatives in the local area.

4.20 Council policies and City Priorities

- 4.20.1 The strategy is aimed at supporting the Council's Priorities and will provide data and information relevant to the Priority Boards activities.
- 4.20.2 The ENE action Plan aims to deliver priorities highlighted with then Area Committee Business Plans.

4.21 Resources and value for money

- 4.21.1 City wide the delivery of the strategy will need to be supported by financial investment. The strategy will need to be supported by a programme manager and it is intended to meet this cost, and admin support costs, from within existing budgets. Elements of the strategy will carry cost implications. Where these cannot be met from existing budgets, it is intended to explore funding from DWP and DCLG under the new burdens arrangement.
- 4.21.2 Within the east north east wherever possible actions will be delivered through existing staffing resources and structures.

4.22 Legal Implications, Access to Information and Call In

- 4.22.1 There are no legal implications arising directly from this report.

4.23 Risk Management

- 4.23.1 Welfare Reform is a corporate risk and the strategy is an important element in addressing the risks arising from the Welfare Reform programme

5 Conclusions

- 5.1 The Welfare Reform programme changes the type of support provided to customers and the way that the support is provided. There are implications for both service providers and customers and a great deal of preparation is required to meet the challenges arising from the reform.
- 5.2 The strategy sets out an approach to ensuring that the extent of the impacts of the reform is understood and for ensuring that the appropriate support is put in place to enable customers to make the transition to a reformed welfare system. The strategy also sets out to ensure that the financial implications for the council and partners are understood and that appropriate plans are put in place to deal with these.
- 5.3 The ENE Project Team will provide a partnership approach to delivering actions to mitigate the impact for residents in the east north east of the Welfare Reform programme.

6 Recommendations

- 6.1 Members are asked to note the content of this report and:
- 6.2 Note and comment on the progress made in the local area to develop an action plan to mitigate the impact of the welfare reform coming in to effect in April 2013 .

- 6.3 Support the development of communication strategy to underpin the work of the city wide strategy and focuses on the needs of residents within the east north east.
- 6.4 Note the action taken to support customers since the welfare reform changes which came into effect in January 2012.

7 Background documents¹

7.1 The following documents are background documents

- Welfare Reform Bill
- Local Government Finance Bill
- Welfare Reform Impact Assessments
- Welfare Reform Strategy

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.