

**Report of East North East Area Leader**

**Report to Inner East Area Committee**

**Date: 21<sup>st</sup> June 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. Progress is being made by the East North East Welfare Reform Project Team to respond to the changes within the Welfare Reform Act and to mitigate the impact for residents within east north east Leeds.
2. This report provides members with an update on progress made since the last update in March 2012 and highlights areas for concern.

**Recommendations**

3. Members are asked to note the progress made since the last update in March 2012.
4. Highlight any community groups and local representatives who can support the work going forward.

## **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.
- 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. A report was presented to the Area Committee in March 2012 to highlight action taken within east north east in response to the request made at the area leadership team.
- 2.3 The report highlighted the main changes coming in to force along with the proposed dates of the changes. Attention must be drawn to the fact that the statutory instruments and guidance in relation to all of the changes has not yet been by central government.
- 2.4 Whilst the final details of the welfare reform are still not finalised it is recognised by the area leadership team that there is a need for early preparation and a communications strategy developed.

## **3 Main issues**

- 3.5 A summary sheet produced by Advice Leeds is provided at **appendix 1** showing the changes and timescales for each.
- 3.6 Strategic Board Progress/National Developments
- 3.7 The DWP issued letters to households effected by the new benefits cap from 4th May 2012. Nationally more that 90,000 adults (over 67,000 households) are in danger of losing benefits when the overall benefit cap is introduced in April 2013. The letters will be the first time households discover they could be at risk. With 44% of those set to be hit living in social housing, many are already struggling to make ends meet.
- 3.8 *National Housing Federation chief executive David Orr said:*

- 3.9 *"The letters will come as a shock to many vulnerable families. The overall benefit cap is a crude measure that fails to reflect the stark differences in housing costs across the country, caused by the desperate shortage of affordable housing.*
- 3.10 *"Housing associations want to do everything to help minimise the brutal effects of the cap. But they can only do this when they know who will be affected. We're calling on councils to share their information soon so housing associations can identify who will need support. With under a year to go before many people start losing their homes, there's no time to lose."*
- 3.11 *The National Housing Federation, which represents housing associations in England, is calling for local authorities – who will know which families may be affected – to share the data sooner rather than later, as social landlords like housing associations have less than a year to prepare tenants for the changes by helping them find work, get financial advice or a new affordable home on their new benefits.*
- 3.12 *Councils are being urged to share crucial data on which families may face benefit cuts as warning letters hit doormats from today.*
- (Source: National Housing Federation website May 2012).
- 3.13 Guidance on size criteria (bedroom tax) has now been issued and provides clarification on the Welfare Reform Act received Royal Assent on 8th March 2012. The Act introduces a new Universal Credit which will replace most existing benefits and limits the total amount of benefit a person can claim. It also introduces a new size criteria or 'bedroom tax' in the social rented sector. The welfare reforms impact on the way tenants receive benefit, in many cases, removing the option of having benefits paid direct to landlords.
- 3.14 The next strategic board meeting is due to be held on 31st May 2012.

### **ENE Progress to date**

- 3.15 Regular project team meetings are being held and progress being made against the action plan. There is now representation on the project team from Private Sector Housing and Gipsil (representing the voluntary sector).
- 3.16 The action plan is now aligned with the cross ALMO and Strategic Board action plans and work is ongoing on the communications plan for ENE.
- 3.17 Meetings have been held with the Libraries Development Officer to ensure that access to IT and adult learning is built in and available for residents. Mapping of IT availability across the area is ongoing so that gaps in availability are highlighted and action taken to plug gaps. Information on the mobile library provision is also being included within this.
- 3.18 Leeds Credit Union have joined discussions on the banking needs for people moving forward and targeted marketing of the budget account that they have available is now ongoing. Measures are being put in place to monitor the uptake from the targeted marketing. Some of this work is being undertaken by the Credit Union officer that ENEHL are funding, but information replicated for private

tenants within the area. The Credit Union are also considering alternative bank account option which may simply be used to pay rent.

- 3.19 There has been a delay in the VCSF event due to venue and staffing availability but planning is ongoing for this to take place in June 2012.
- 3.20 An information pack for residents is being developed by the ALMO with input from the project team for ENEHL tenants. This pack will be replicated for private sector tenants.
- 3.21 The Harehills Opportunities Fayre held on 29th March 2012 met with a very positive response from VCSF group representatives wanting to support disseminating information to their clients and look at how the digital access for vulnerable residents may be increased.
- 3.22 Discussions to engage with housing associations across the area now needs to progress to ensure that consistent information is being given to tenants.
- 3.23 Information shared with colleagues in other parts of the City on the work of the ENE Welfare Reform Project Team so that elements may be replicated in other parts of the City.

### **Concerns to highlight**

- 3.24 Detailed mapping information to the LSOA and street level is still not available making targeted engagement with vulnerable residents difficult and doing this in a coordinated way. This has been raised with David Jackman (Leeds Revenue and Benefits Service) and requested as a matter of urgency. The information will be used to ensure that front line workers are not duplicating effort in supporting and engaging residents.
- 3.25 The legal aid changes are further likely to impact upon residents seeking help to appeal decisions that have been made in relation to benefits going forward.

### **Next steps**

- 3.26 Officers are to attend neighbourhood forums, community leadership teams and ward member meetings to update on the welfare reform changes as well as action being taken on a local level to mitigate the impact.
- 3.27 Develop information pack for residents (both ALMO and private sector tenants) and plan distribution to raise awareness of changes, advice, support and options available to prepare for changes.
- 3.28 Targeted marketing of Credit Union budget account (and other budget bank accounts available) to better prepare residents for universal credit.
- 3.29 Review digital access and IT availability across ENE. This will be followed up with options for where there are gaps and work alongside adult learner providers to support the implementation of digital by default.

## **4 Corporate Considerations**

### **4.30 Consultation and Engagement**

- 4.30.1 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.
- 4.30.2 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.

### **4.31 Equality and Diversity / Cohesion and Integration**

- 4.31.1 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.
- 4.31.2 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.

### **4.32 Council policies and City Priorities**

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

### **4.33 Resources and value for money**

- 4.33.1 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.
- 4.33.2 Within the east north east wherever possible actions will be delivered through existing staffing resources and structures.

### **4.34 Legal Implications, Access to Information and Call In**

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

### **4.35 Risk Management**

- 4.35.1 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**

- 6.4 Members are asked to note the progress made since the last update in March 2012.
- 6.5 Highlight any community groups and local representatives who can support the work going forward.

## **7 Background documents<sup>1</sup>**

- 7.1 The following documents are background documents
- Welfare Reform Bill
  - Local Government Finance Bill
  - Welfare Reform Impact Assessments
  - Welfare Reform Strategy

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<sup>1</sup> 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.