

Report of the Chief Officer Partnership Development Business Support, Childrens Services

Report to Scrutiny Board (Children and Families)

Date: 25 April 2013

Subject: Welfare Reform and Child Poverty

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| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): | <input type="checkbox"/> Yes | <input checked="" 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

At the February meeting of the Children and Families Scrutiny Board members agreed to defer until the April meeting the recommendation tracking report relating to the Child Poverty inquiry which made its final report in June 2012. This was done to allow for a discussion of the complex relationships between child poverty and welfare reform. During this discussion a number of issues arose which needed further clarification. This current report provides that further clarification.

Recommendations

1. Members to note and discuss the further information provided in the report.
2. Members to request the Director of Children's services to provide regular updates to this Scrutiny Board covering the impact of welfare reform on children, young people and their families.

1. Purpose of this report

The report provides additional information in relation to the questions raised at the April meeting of the Board when it considered a number of issues relating to child poverty and welfare reform.

2 Background information

2.1 Child poverty is a factor in many poor outcomes for children, young people, their families and communities, Strategies to reduce levels of child poverty and alleviate its affects are central to the Council's ambitions to narrow the gap between the outcomes enjoyed by the most and least advantaged children and young people in the city.

2.2 Levels of child poverty in Leeds, its impact and the success of strategies to tackle it are all affected by the welfare reform changes currently being introduced as part of a suite of national legislative changes.

2.3 At the February meeting of the Children and Families Scrutiny Board members agreed To defer until the April meeting the recommendation tracking report relating to the Child Poverty inquiry which received its final report in June 2012. This was done to allow for a discussion of the complex relationships between child poverty and welfare reform. During this discussion a number of issues arose which needed further clarification. This current report provides that further clarification.

3. Main issues requiring clarification

Recognising work done to communicate the impact of welfare reform through the work of the ALMOs, private landlords, children's services clusters and Children's Centres, members asked for clarity on whether any specific work has been done to support families on the families first programme and those families on the margins, to maintain family stability and prevent the need for entry into the social care system.

3.1 The Leeds Families First programme has identified 879 families requiring support around anti social behaviour, youth offending, school attendance, progress to work and continuous employment. This work includes a round of joint face to face meetings between housing services, families first staff and clients involved in the families first programme to identify needs and demands in the light of some of the major welfare reform changes. The majority of those in the families first programme already have a key worker assigned to the family who has the responsibility for identifying multi agency support for the family.

3.2 The first round of face to face meetings focused on those impacted by the under occupancy dimension of welfare reform. A second round of meetings with this client group is currently being planned to be followed by face to face meetings with families first families impacted by the benefit cap changes.

3.3 The families first programme also has an intervention grant which can assist families with issues such as the purchase of school clothing. In addition with effect from April 1, as part of the national development of families first programmes, jobcentreplus staff will be seconded to the Leeds families first programme.

3.4 Cluster partnerships are helping families first programme staff to identify key workers and appropriate multi agency engagement for families in the programme. All 25 clusters across the city have a good knowledge of vulnerable families in their areas and have established processes for tracking and addressing the needs of the “top 100” families in their areas, ie, those with highest level of need. Cluster operations include a range of mechanisms for addressing different levels and kinds of needs.

3.5 For example, many clusters invest in family support work and are looking to sustain this commitment over the next 3 years. Some cluster teams are now skilled assessors of family need and used to working across agencies to put in place the right response. Where welfare reform compounds the pressures and stresses of family life, cluster base family support services, including targeted mental health interventions in schools will play a crucial role.

3.6 There are, of course, a vast array of programmes and initiatives supporting children, young people in their families in local areas across the city, and these are well supported by the Council and partners through arrangements such as cluster and local area working.

3.7 In the context of welfare reform it is important to note that invaluable though initiatives such as families first and cluster support mechanism are, they do tend to focus on those already defined as in some way vulnerable or at least close to the edge of vulnerability. Welfare reform potentially impacts on a much wider cohort of children, young people and families.

3.8 An indication of the potential scale of the issues is reflected in the fact that over 14,200 households with children will lose an average of £2.61 per week as a result of the replacement of Council Tax Benefit with localised Council Tax support schemes. With over 2,000 families with children impacted by the assessment of the number of bedrooms aspect of welfare reform.

Members sought clarity on how resources are allocated to target areas of high deprivation and/or high levels of child poverty.

a) Children’s Centres in clusters

3.9 There are Children’s Centres and Early Start teams in each of the 25 clusters. Funding is allocated according to the number of children in an area and the deprivation levels in that area. Every child under 5 is taken into account and funding is calculated based on where a child lives in the city. Health visitors are also based on levels of deprivation. Social worker allocations are based on levels of deprivation and the number of safeguarding incidents reported to social care. The Council currently subsidises childcare in the 30% most deprived areas of Leeds. Between 4100-4200 Early Years places (free or heavily subsidised) are allocated each year based on levels of deprivation as measured by free school meal eligibility data.

b) Pupil Premium

3.10 In addition to local funding in Leeds, the nationally managed Pupil Premium is providing Leeds Schools (including Academies) with approx. £28,000,000 in 2013/14

based on £900 per pupil eligible for FSM over the past 6 years or Children Looked After for over 6 months.

c) Clusters

3.11 Schools Forum have agreed to contribute £5.2m per year for the next 3 years to help fund cluster work. Cluster funding targets areas of high need and deprivation using the formula and funding allocations shown in the table in appendix 1. The 25 clusters use this and other funding streams to help to deliver the Children and Young People's Plan at local level and to target vulnerable children, young people and families.

3.12 The role of clusters is growing all the time. They are currently developing their capacity to provide early intervention and prevention services. In particular targeted services leaders are developing the top 100 methodology to identify children, young people and families who need additional support in each of the 25 clusters across the city. This includes a coordinated support package and the identification of an appropriate lead agency and lead practitioner for each family drawing on the resources of the major partners in the cluster, eg. the children's social work service, schools, governors, police, youth and youth offending services, children's centres, health services, housing services, third sector providers and services, local elected members.

3.13 All clusters have multi agency guidance and support groups that focus on identifying the best response for those requiring additional support, and making appropriate decisions about which cases require specialist social work interventions and which can be supported from the wider menu of cluster intervention services. They aim to deliver the relevant services in a way which enables children to remain safely within their family and community.

3.14 Early Start teams are now an established part of cluster working. They have brought Health Visitor and Children's Centre staff together to provide a seamless early pathway for families from pre birth to 5 years of age.

3.15 This work includes the Healthy Child Pathway where every child (including pre birth) has a series of contacts to make sure that developmental milestones are being met. It is though a universal offer for all families that additional needs will be identified.

3.16 Cluster Managers and Targeted Services Leaders in each cluster coordinate the over view of local early intervention services. The Duty and Advice Team is the 'Front Door' service to ensure that when another professional or practitioner or a member of the public has concerns that a child or young person may be at risk of harm or in need, that an effective and purposeful response is provided. Team members decide on what response is required and direct the issue to the relevant specialist social work service or to another cluster based support service.

3.17 Underpinning all early intervention and prevention activity in Leeds is the requirement to undertake Common Assessments, to develop shared plans to support vulnerable children and families, focussing on working with them to improve their outcomes.

3.18 However, in line with the point made in paragraphs 3.6-3.8 neither broad universal services nor more precisely targeted services focusing on a relatively small number of vulnerable families, will necessarily be the answer to questions pose by welfare reform.

The Youth Service

3.19 Executive Board have recently agreed proposals to restructure and target youth service resources. The proposals involve a new model for youth services across Leeds. They are mentioned here because they contain an element of targeting resources to areas of need: a targeted guarantee: *enabling young people who are identified as vulnerable or who have specific needs in accessing the range of opportunities available, to do so*; a specialist guarantee: *ensuring that young people with specialist needs (those with the most complex challenges, requiring workers with very specialised skills) are able to be on a path to success and contribute positively to society through the provision of restorative services for them, their families and communities.*

3.20 The youth review will enable £2.54 million to be spent on targeted youth work across local areas, with the allocation determined in liaison between the Executive Member for Children's Services and Area Committees. At the same time it will allow a new allocation to the overall Area Committee budget, ringfenced for youth activities, of £250k in 2013/14 and £500k in 2014/15. The implementation of these changes will also support the approved budget proposals which target a net £0.4m savings in 2013/14 and a further £0.7m of savings in 2014/15 from the Youth Review.

Recognising efforts to provide information and advice members sought clarity around the question of whether any work has been done to assess the risks (or put any measures in place) for the localities- 5 wards- with over 40% of children living in poverty, and if other forward planning has been done to manage the knock on effects that welfare reform and universal credit would have in these areas to minimise negative impacts on children.

3.21 Through the work of the Welfare Reform Strategy group and its various sub groups, led by the Chief Revenues and Benefits Officer, information and advice has been made available to clients and front line staff. This is based on a sound statistical understanding of which families are affected by which welfare changes. Detailed information is available at ward and sub ward levels.

3.22 The continuum of need arising from welfare reform changes set out below is simplistic but it illustrates the issues facing the Council and the very difficult questions posed by this element of the Board's query.

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| <p>Low need met from within existing resources</p> | <p>Need for additional support (relatively low level) met from within existing resources</p> | <p>Possible complex needs arising as welfare reform changes begin to affect family stability</p> | <p>High need currently addressed through specialist support and intervention services dealing with the most</p> |
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| (eg. Clients requiring basic information and advice on welfare reform changes) | (eg. Clients requiring some support with changes, & who need signposting to support from existing network of cluster and local area services) | | vulnerable, including those in or on the edge of the social care system. Significant resource implications if demand for services rises. |
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3.23 Currently, in a children’s services context, little is known about the real, quantifiable medium and longer impacts of the welfare reform changes. How do the numbers of persons, families and children and young people affected by the various changes translate into different kinds of needs, and at what point might these needs arise, what are the early warning signs and the best way to respond to these?

3.24 We know that the primary reason for children becoming subject to Child Protection Plans or becoming ‘Looked-after’ by the local authority is ‘abuse or neglect’. These situations are generally linked to parental mental health issues, domestic violence and/or parental substance misuse. However, there is no necessary connection between the welfare reform changes, the knock on effects of these changes and vulnerability.

3.25 It is true that increased vulnerability is a possibility. Underlying risk factors in family stability include fractured parenting (children not living with both of their natural parents); parental unemployment/ household living on benefits; and, overcrowded/inappropriate living accommodation. There is a significant risk, associated with all of the changes to the benefit system that households will become more stretched leading to an increase in social care referrals and caseloads.

3.26 However, it is a risk that is difficult to quantify and manage. The two extremes of the continuum on the previous page are relatively easy to deal with. More complex is the area in between where there is the possibility that unmanageable financial difficulties may arise and in the medium or longer term may develop into or contribute to a more complex set of needs and issues.

3.27 Anecdotally clusters report increasing concerns about rising personal and family debt and the possible knock on effects. Effects which might be difficult to contain through the routine provision of information and advice. Schools will play an important role in detecting and registering early signs of concern in the wider cluster and local area networks.

The way forward

3.28 The Director of Children’s services to continue to work with other partners and services to assess and where possible meet immediate client needs. Working with Welfare Reform Strategy Group to ensure an appropriate multi agency response for clients experiencing concerns or difficulties.

3.29 Monitor referral patterns to pick up on any emerging trends in casework, and also monitor anecdotal and other informal reports of the emerging impact of welfare reforms on children, young people and their families.

3.30 Work with partners across the city to refresh the child poverty strategy to harness resources to tackle the emerging impacts of welfare reform on children, young people and their families.

3.31 Develop the role of cluster partnerships in identifying children, young people and families who are becoming more vulnerable as a result of welfare reform changes, and brokering appropriate responses.

3.32 Develop a clear set of performance measures to monitor the impact of welfare reforms on children, young people and their families.

3.33 The response of the Housing Investment Manager, City Development, in response the question was raised about *'the programme of building new council homes and how this would tie in with targeting families currently occupying council properties where there is under occupancy'*, is detailed in appendix A.

4. Recommendations

4.1 Members to note and discuss the further information provided in the report.

4.2 Members to request the Direct or Children's services to provide regular updates to this Scrutiny Board covering the impact of welfare reform on children, young people and their families.