



SCRUTINY BOARD (CITIZENS AND COMMUNITIES)

Meeting to be held in Civic Hall, Leeds, LS1 1UR on
Monday, 13th February, 2017 at 10.00 am

(A pre-meeting will take place for ALL Members of the Board at 9.30 a.m.)

MEMBERSHIP

Councillors

B Anderson (Chair) Adel and Wharfedale;
C Campbell Otley and Yeadon;
R Grahame Burmantofts and Richmond Hill;
M Harland Kippax and Methley;
G Hyde Killingbeck and Seacroft;
J Illingworth Kirkstall;
K Maqsood Gipton and Harehills;
M Robinson Harewood;
R. Stephenson Harewood;
K Wakefield Kippax and Methley;
N Walshaw Headingley;

Please note: Certain or all items on this agenda may be recorded

**Principal Scrutiny Adviser:
Angela Brogden
Tel: 24 74553**

Produced on Recycled Paper

A G E N D A

Item No	Ward/Equal Opportunities	Item Not Open		Page No
1			<p>APPEALS AGAINST REFUSAL OF INSPECTION OF DOCUMENTS</p> <p>To consider any appeals in accordance with Procedure Rule 25* of the Access to Information Procedure Rules (in the event of an Appeal the press and public will be excluded).</p> <p>(* In accordance with Procedure Rule 25, notice of an appeal must be received in writing by the Head of Governance Services at least 24 hours before the meeting).</p>	
2			<p>EXEMPT INFORMATION - POSSIBLE EXCLUSION OF THE PRESS AND PUBLIC</p> <p>1 To highlight reports or appendices which officers have identified as containing exempt information, and where officers consider that the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons outlined in the report.</p> <p>2 To consider whether or not to accept the officers recommendation in respect of the above information.</p> <p>3 If so, to formally pass the following resolution:-</p> <p>RESOLVED – That the press and public be excluded from the meeting during consideration of the following parts of the agenda designated as containing exempt information on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present there would be disclosure to them of exempt information, as follows:</p> <p>No exempt items have been identified.</p>	

Item No	Ward/Equal Opportunities	Item Not Open		Page No
3			<p>LATE ITEMS</p> <p>To identify items which have been admitted to the agenda by the Chair for consideration.</p> <p>(The special circumstances shall be specified in the minutes.)</p>	
4			<p>DECLARATION OF DISCLOSABLE PECUNIARY INTERESTS</p> <p>To disclose or draw attention to any disclosable pecuniary interests for the purposes of Section 31 of the Localism Act 2011 and paragraphs 13-16 of the Members' Code of Conduct.</p>	
5			<p>APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES</p> <p>To receive any apologies for absence and notification of substitutes.</p>	
6			<p>MINUTES - 9 JANUARY 2017</p> <p>To confirm as a correct record, the minutes of the meeting held on 9th January 2017.</p>	1 - 6
7			<p>UPDATE ON IMPACT OF WELFARE REFORM</p> <p>To receive an update report from the Assistant Chief Executive (Citizens and Communities) on how the Government's programme of welfare reforms has affected residents in Leeds.</p>	7 - 20
8			<p>INQUIRY INTO UNIVERSAL CREDIT - TRACKING OF SCRUTINY RECOMMENDATIONS</p> <p>To receive a report from the Head of Governance and Scrutiny Support presenting a progress update on the implementation of the recommendations arising from the inquiry into Universal Credit.</p>	21 - 56

Item No	Ward/Equal Opportunities	Item Not Open		Page No
9			<p>DEVELOPMENT OF A REVISED COUNCIL TAX SUPPORT SCHEME – FORMAL RESPONSE TO THE SCRUTINY RECOMMENDATIONS</p> <p>To receive a report from the Head of Governance and Scrutiny Support presenting the formal response to the recommendations arising from the Scrutiny Board’s recent review on the development of a revised Council Tax Support Scheme.</p>	57 - 62
10			<p>WORK SCHEDULE</p> <p>To consider the Board’s work schedule for the forthcoming municipal year.</p>	63 - 68
11			<p>DATE AND TIME OF NEXT MEETING</p> <p>Monday, 13 March 2017 at 10.00 am (Pre-meeting for all Board Members at 9.30 am)</p> <p>THIRD PARTY RECORDING</p> <p>Recording of this meeting is allowed to enable those not present to see or hear the proceedings either as they take place (or later) and to enable the reporting of those proceedings. A copy of the recording protocol is available from the contacts on the front of this agenda.</p> <p>Use of Recordings by Third Parties – code of practice</p> <ul style="list-style-type: none"> a) Any published recording should be accompanied by a statement of when and where the recording was made, the context of the discussion that took place, and a clear identification of the main speakers and their role or title. b) Those making recordings must not edit the recording in a way that could lead to misinterpretation or misrepresentation of the proceedings or comments made by attendees. In particular there should be no internal editing of published extracts; recordings may start at any point and end at any point but the material between those points must be complete. 	

SCRUTINY BOARD (CITIZENS AND COMMUNITIES)

MONDAY, 9TH JANUARY, 2017

PRESENT: Councillor B Anderson in the Chair

Councillors C Campbell, R Grahame,
M Harland, G Hyde, J Illingworth,
M Robinson, R. Stephenson, K Wakefield
and N Walshaw

53 Late Items

There were no late items.

54 Declaration of Disclosable Pecuniary Interests

There were no disclosable pecuniary interests declared to the meeting.

55 Apologies for Absence and Notification of Substitutes

An apology for absence was submitted by Councillor Maqsood.

56 Minutes - 7 November 2016

RESOLVED – That the minutes of the meeting held on 7th November 2016 be approved as a correct record.

57 Performance Report

The report of the Assistant Chief Executive (Citizens and Communities) presented information on the Citizens and Communities directorate's contribution to the delivery of the Best Council Plan that are under the Board's remit, alongside service performance information in relation to the 2016/17 quarter 2 and 3 periods.

The following were in attendance for this item:

- James Rogers, Assistant Chief Executive (Citizens and Communities)
- Councillor James Lewis, Executive Member for Resources and Strategy
- Shaid Mahmood, Chief Officer Communities
- Steve Carey, Chief Officer Welfare and Benefits
- John Mulcahy, Head of Elections, Licensing and Registration
- Lee Hemsworth, Chief Officer Customer Access
- Charles Oxtoby, Head of Finance

The key issues raised were as follows:

Draft minutes to be approved at the meeting
to be held on Monday, 13th February, 2017

- Mental Health Employability Project - in view of the increasing demands for this support service, the Board were pleased to note that the Council is working with Leeds MIND to extend this service by providing training to Customer Service Officers in supporting those customers presenting mild mental ill health.
- Web/online development – the Board noted the work being undertaken to improve the customer experience of the Council’s on-line services. Linked to this, the Board made particular reference to improving the customer’s experience of the on-line planning service.
- Allocation of Registrars resources – reference was made to the provision of death registration appointments and a particular decision to cease this provision at the Otley Once Stop Centre. The Head of Elections, Licensing and Registration agreed to seek further clarification of the current position and report this directly to the relevant Ward Member.
- Welfare Appeals – the Board acknowledged the increased numbers of appeals being received by the Council. Whilst noting that the service will be recruiting more staff to deal with this demand, questions were raised about the accuracy and robustness of the decision making processes of DWP and agreed to explore this further as part of its Welfare Reform update briefing at its next meeting.
- Food banks – the Board sought clarification surrounding the demand for food banks and requested that this information also forms part of its Welfare Reform update briefing.
- Library services – particular reference was made to children having easy access to library services and the potential value of engaging closely with local schools as well as Children Centres in exploring opportunities for improving access to this service for children.
- Neighbourhood Planning Referendums – in acknowledging the preparations being made for the Neighbourhood Planning Referendum for the Clifford area, the Board sought further clarity surrounding any other Neighbourhood Planning Referendums being planned in the near future.

RESOLVED –

- (a) That the report be noted.
- (b) That the requests for information be provided.

58 Financial Health Monitoring

The report of the Head of Governance and Scrutiny Support presented the latest financial health monitoring update (month 7) that was considered by the Executive Board at its meeting on 14 December 2016. The Board was invited to consider and provide any comment on the current financial health of the Citizens and Communities directorate.

The following were in attendance for this item:

- James Rogers, Assistant Chief Executive (Citizens and Communities)
- Councillor James Lewis, Executive Member for Resources and Strategy
- Shaid Mahmood, Chief Officer Communities

- Steve Carey, Chief Officer Welfare and Benefits
- John Mulcahy, Head of Elections, Licensing and Registration
- Lee Hemsworth, Chief Officer Customer Access
- Charles Oxtoby, Head of Finance

The key areas of discussion were:

- Particular reference was made to the directorate's reported underspend and particularly an underspend of £241,000 at month 7 in relation to Elections, Licensing & Registration. It was noted that the month 7 figure reflected a significant projected income increase relating to Registrars, Local Land Charges and Entertainment Licensing.
- Council Tax collection rates – whilst acknowledging the in-year Council Tax collection rate at the end of October, the Board requested further information to show the Council's general performance trend in relation to Council Tax collection.

RESOLVED –

- (a) That the report be noted.
- (b) That further information is provided to show the Council's general performance trend in relation to Council Tax collection.

(Councillor K Wakefield left the meeting at 10.25 am during the consideration of this item).

59 2017/18 INITIAL BUDGET PROPOSALS

The report of the Head of Governance and Scrutiny Support provided details of the initial 2017/18 budget proposals as set out in the report to the Executive Board during its December meeting. It was noted that these proposals had been submitted to all Scrutiny Boards for consideration and review.

The Board was asked to consider matters and proposals relevant to the Citizens and Communities directorate. Any comments or recommendations made by the Scrutiny Board would then be reported back to the Executive Board at its February meeting.

The following were in attendance for this item:

- James Rogers, Assistant Chief Executive (Citizens and Communities)
- Councillor James Lewis, Executive Member for Resources and Strategy
- Shaid Mahmood, Chief Officer Communities
- Steve Carey, Chief Officer Welfare and Benefits
- John Mulcahy, Head of Elections, Licensing and Registration
- Lee Hemsworth, Chief Officer Customer Access
- Charles Oxtoby, Head of Finance

The key areas of discussion were:

- Local Government Pensions – the Board acknowledged that whilst an increase of 0.5% on the employers’ contributions has been included into the proposed budget, this will need to be updated once the outcome of the 2017 actuarial valuation is known.
- Parish and Town Council Election costs – the Board sought clarification of the cost responsibilities linked to local Parish and Town Councils. It was noted that local Parish and Town Councils are responsible for covering their own election costs through their precept and that all local Councils have already been advised to plan ahead for the 2019 local elections.
- Communities Teams – the Board acknowledged that the proposed efficiency measures are primarily linked to a review of the management and leadership structures.
- Reduction of well-being grants – the Board was informed that further consultation would be undertaken with Community Committee Chairs to establish how best to apportion this proposed saving.
- Implications of the Brexit vote – the Board was informed that the budget proposals linked to the Citizens and Communities directorate do not factor any potential fallout from the Brexit vote as the Council’s Strategy and Resources directorate has thus far been tasked with taking the lead on this particular matter.
- Reduction of service failure – the Board acknowledged the proposed saving linked to the reduction of service failure and the work already being undertaken by the Scrutiny Board this year to assist the directorate in achieving this target.
- Council Tax Support – further to the recent work undertaken by the Scrutiny Board in developing a revised Council Tax Support Scheme, the Board acknowledged the potential impact of Council Tax increases on this scheme and therefore emphasised the importance of monitoring this closely.

In consideration of the initial budget proposals of the Citizens and Communities directorate, the Board did not wish to make any specific recommendations back to the Executive Board.

RESOLVED – That the report be noted.

60 work schedule

The report of the Head of Governance and Scrutiny Support invited Members to consider the Board’s work schedule for the municipal year.

Request for Scrutiny

The Scrutiny Board discussed a request made by Councillor Robinson to undertake a piece of Scrutiny work that explores the issues and potential repercussions of immigration in Leeds in light of the European Union referendum result and Brexit vote.

Whilst acknowledging that further clarity is still required from the Government in terms of what immigration changes it would wish to put into place post-

Brexit, the Scrutiny Board discussed the benefits of the Council undertaking early preparatory work to establish what key concerns and questions are currently being raised across directorates and other local partners in relation to Brexit.

Reference was also made to the inquiry undertaken last year by the Scrutiny Board on Migration which included a recommendation to establish a new city-wide Strategic Migration Group. It was acknowledged that this Group was also likely to explore the local implications of Brexit. The Chair advised the Board that it would be tracking the recommendations arising from its earlier Migration inquiry in March and therefore proposed that the Board also receives an initial briefing in relation to the Council's approach towards Brexit at its March meeting.

Best Council Plan

The Chair highlighted that the Strategy and Resources Scrutiny Board was taking the lead in facilitating the views of Scrutiny in relation to the proposals for revising the Best Council Plan. Other Scrutiny Boards had been invited to nominate a representative(s) to contribute to this particular agenda item at its meeting on Monday 16th January 2017. The Board agreed that Councillor Anderson and Councillor Ron Grahame would attend this meeting on behalf of the Citizens and Communities Scrutiny Board.

RESOLVED –

- (a) That the Board notes the request for Scrutiny by Councillor Robinson and receives an initial briefing in March in relation to the Council's approach towards Brexit.
- (b) That Councillor Anderson and Councillor Ron Grahame represent the Board during the Strategy and Resources Scrutiny Board meeting on Monday 16th January 2017 in consideration of proposals to revise the Best Council Plan.

61 Date and Time of Next Meeting

Monday, 13th February 2017 at 10 am (Pre-meeting for all Board Members at 9.30 am).

(The meeting concluded at 11.10 am)

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Report author: Diane Gill

Tel: 51719

Report of Assistant Chief Executive (Citizens and Communities)

Report to Citizens and Communities Scrutiny Board

Date: 13th February 2017

Subject: Update on impact of welfare reforms

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

1. The Government's programme of welfare reforms started in 2011 with changes to the amount of Housing Benefit that could be paid to private rented sector tenants. The subsequent programme of welfare reforms has seen reforms to nearly all aspects of working age benefits, covering, amongst others, social sector tenants, claimants with disabilities and people in low-paid work.
2. The changes appear to have led to an increase in rent arrears, extra challenges in collecting Council Tax and an increase in demand for appeals to the Tribunal Service. The statistics for the success rate in having decisions overturned on appeal show that 60% of decisions are overturned. The Welfare Rights Unit success rate with having decisions overturned is even higher at 81% for ESA cases in the current year
3. There is also information to support a conclusion that there has been an increase in the number of people approaching foodbanks for help with the main reasons being delays in benefit or changes to benefit, including sanctions.
4. Further reforms are due to be implemented in 2017 and beyond, including the ongoing roll out of Universal Credit.

Recommendations:

5. That the Citizens and Communities Scrutiny Board notes the information in this report and continues to monitor the impact of the welfare reform programme.

1 Purpose of this report

- 1.1 The report sets out to provide information that shows how the Government's programme of welfare reforms has affected residents in Leeds.

2 Background information

- 2.1 The Government's programme of welfare reforms began with an announcement in the Emergency Budget of 2010 that changes to Housing Benefit would be introduced during 2011. These changes, which were focused on the private rented sector, were followed by a number of other welfare reforms. These are briefly explained below.

2.2 Housing Benefit changes:

- 2011: extension of the Shared Accommodation Rate (SAR) in the private rented sector to single tenants up to the age of 35. Previously SAR applied only to single tenants up to the age of 25. The effect of this was that single tenants aged between 26 and 35 had their Housing Benefit reduced from around £100 a week down to £60 a week;
- 2011: Local Housing Allowance (LHA) rates were reduced across the board. Previously LHA rates, which are set by the Valuation Office, were set at the 50% percentile of rental values achieved by private landlords; this figure was reduced to the 30% percentile of rental values achieved by private landlords;
- 2011: the ability for tenants to retain 'excess' LHA payments up to £15 a week was removed. Tenants who sourced rents that were less than the value of the LHA were allowed to keep a maximum of £15 of the difference between the actual rent and the LHA
- 2011: new national maximums for LHA levels were introduced, none of which had an impact in Leeds as all LHA rates were below the national averages
- 2011: the 5-bed rate of LHA was abolished meaning that families were restricted to the 4-bed level of LHA. The difference in value between the 4-bed rate and the 5-bed rate in Leeds was around £160 a week.

2.3 Other changes came into effect in 2013.

- Council Tax Benefit: replaced by local Council Tax Support schemes with Government funding for schemes reduced by 10% - around £500m.
- Community Care Grants and Crisis Loans abolished: responsibility for provision of Local Welfare Support schemes passed to local councils. Funding provided for 2 years and then withdrawn

- Social Sector Housing Benefit: new rules around under-occupancy came into effect from April 2013 and saw HB reductions of 14% for tenants who were under-occupying by 1-bedroom and 25% for tenants under-occupying by 2-bedrooms or more.
- Benefit Cap: the initial Benefit Cap of £26k a year was introduced in 2013 and was rolled out to Leeds in August 2013
- Universal Credit was introduced in the North West of England
- Personal Independence Payments brought in to replace Disability Living Allowance. Roll out programme delayed meaning main impacts in Leeds were not felt until 2015.

2.4 There were also changes introduced in 2013 that removed Child Benefit entitlement from families where an individual earned more than £50,000 per annum and changes to Tax Credits that limited or removed entitlement for some families. It is very difficult to estimate the overall financial impact of welfare reforms in an area. However, a 2014 report by the Centre for Regional Economic and Social Research for Sheffield Hallam University estimated the financial loss in Leeds at £228m a year

Table 2: Financial loss arising from welfare reform: core cities Estimated loss £m p.a.		Loss per working age adult £ p.a.
Liverpool	226	700
Glasgow	258	620
Birmingham	415	600
Manchester	214	600
Nottingham	120	560
Newcastle	94	490
Cardiff	112	470
Bristol	140	480
Sheffield	169	460
Leeds	228	450

2.5 Further reforms have been introduced since. These include:

- April 2016: Removal of family premium from Housing Benefit. This means that working families and those not on jobseekers allowance or employment support allowance are entitled to £10 a week less Housing Benefit
- April 2016: Removal or reduction of work allowances within Universal Credit
- April 2016: 4-year freeze on working age benefits
- April 2016: 1% pa reduction in social sector rents

- Lower Benefit Cap: the Benefit Cap has been reduced from £26k a year to £20k a year in Leeds and came into effect for some families in November 2016 with the remaining families affected from 23rd January 2017

2.6 More reforms are scheduled to be implemented in the coming years.

- April 2017: the 2-child cap comes into effect from April 2017. This will apply to most new claims and to families who have another child from April onwards. These families will not be entitled to claim Child Tax Credits or the relevant premium in Housing Benefit for more than 2 children
- April 2017: removal of automatic housing costs entitlement for 18 – 21 year olds
- ESA changes that see ESA rates for the ‘work related activity group’ reduced from £105 a week to £73 a week
- April 2018: social sector rents to be limited to Local Housing Allowance levels. Most Housing Leeds cases will be unaffected by this although single u35s will find themselves limited to the Shared Accommodation Rate of Local Housing Allowance of £61 a week. Implications for Housing Associations likely to be more significant
- April 2019: Specialist accommodation (Supported Housing, women’s refuges, hostels etc.) will have their housing costs support limited to the Local Housing Allowance rates with local authorities provided with a fund to ‘top up’ housing costs support. There is a joint DWP/DCLG consultation currently underway seeking views on how this proposal might work.

3 Main issues

3.1 Each month, the Welfare & Benefits Services provides information on the number of tenancies affected by the under-occupancy, Benefit Cap and local Council Tax Support changes. This information provides a snapshot picture of the numbers affected at a point of time. However, this snapshot does not provide a full picture of the impact of the welfare reforms and, short of monitoring every single claim over the last 4 years, it is difficult to accurately state what the impacts of the reforms have been. Nevertheless, there is other information that can help to estimate the impact of the reforms.

Rent arrears

3.2 In March 2010, the percentage of Housing Leeds/ALMO rent arrears stood at 3.13% and the value of debt was £5.25M. In March 2013, the percentage of arrears had reduced to 1.86% and the value of debt had reduced by was £3.6M, a reduction of £1.65M.

3.3 2013-14 was the first year to see an increase in rent arrears since at least 2010 and it is more likely than not that some of this increase can be attributed to the impact of the Welfare Reforms and the economic climate. There were 1300 new arrears cases of tenants who are affected by Under Occupation. At the end of Q1

2014-15 there was approx. £682,000 worth of arrears relating to Under Occupation. Rent arrears have increased every year since under-occupancy and the Benefit Cap were introduced as shown in the table below.

Year	% Arrears	Value of Arrears
2013	1.86	£3.6M
2014	2.2	£4.5M
2015	2.64	£5.72M
2016	2.78	£6.13M

- 3.4 The average aggregate weekly reduction in Housing Benefit for ALMO/Housing Leeds tenants has been in excess of £61k a week since 2013. This represents an estimated additional £12.5m that ALMOs/Housing Leeds have had to collect in the 4 years from 2013 just in relation to under-occupancy. When taking into account Housing Associations, this figure rises to around £17.5m.

Despite the growth in arrears, the number of evictions has not increased compared to pre-welfare reform years. The number of Notices of Intention to Seek Possession (NISPs) has reduced as a % of the average number of tenants with arrears. This reflects an approach which recognises the impacts of the welfare reforms on individuals and sees officers working more with tenants to help improve their ability to pay their rent.

Notice of Intention to Seek Possession (NISPs)

Year	Average no of tenancies in arrears	No of NISPs served	% of NISPs served
2011/12	17,945	4,889	27.24
2012/13	19,400	5,521	28.46
2013/14	19,095	4,165	21.81
2014/15	20,456	4,807	23.50
2015/16	20,723	3,948	19.05

Evictions

Year	No of Evictions
2012	181
2013	173
2014	156
2015	178
2016	152

The Benefit Cap

- 3.5 The new lower Benefit Cap of £20k came into effect in November 2016 for those already affected by the £26k cap and from 23rd January 2017 for newly affected cases. Details of those affected are shown below

Tenure	Number affected	Average weekly reduction	Aggregate weekly reduction	Equivalent aggregate annual reduction
Housing Leeds	273	£52.51	£14,336	£745,472
Housing Assocs.	80	£50.41	£4,033	£209,716
Private landlord	432	£60.22	£26,015	£1,352,780
	785	£56.54	£44,384	£2,307,968

3.6 When the Benefit Cap was first introduced in 2013, there were 312 families in Leeds affected. Of these 312 families, only 226 remain in receipt of Housing Benefit in Leeds. The other 86 families are no longer getting HB. This could be because they have moved out of the area, started work or had a household change that means they no longer need to claim Housing Benefit.

3.7 The average weekly reduction in Housing Benefit because of this Benefit Cap in 2013 was £47 in LA tenancies, £58 in Housing Association tenancies and £76 in private rented sector tenancies. The table below shows the range of reductions faced by families:

Average weekly reduction	No. of families	% of total families affected by the Benefit Cap
£9.50	76	24%
£37.89	67	21%
£61.90	51	16%
£86.40	45	14%
£111.06	26	8%
£138.05	12	4%
Over £162	35	9%

3.8 Of the 226 still in receipt of Housing Benefit, 58 are still affected by the Benefit Cap and 168 are no longer affected by the Cap. A breakdown of the 168 families no longer affected by the Benefit Cap shows

- 72 now have fewer dependents;
- 65 are now claiming as in-work claimants;

Of the remainder, it appears most have reduced their housing costs so that the Benefit Cap no longer applies. 24 tenants have now moved from private sector rented property to social sector rented property

Discretionary Housing Payments

3.9 The use of Discretionary Housing Payments has been important in helping to manage rent arrears and support tenants affected by the welfare reforms, particularly the changes around under-occupancy.

3.10 The table below shows the DHP spend in each of the last 3 years alongside the Government's contribution:

	Govt contribution	Spend	Council contribution
14/15	£2,053,229	£2,307,247	£254,018
15/16	£1,531,192	£2,016,081	£484,889
16/17 to date	£1,888,013	£2,137,053*	£249,040*
Total to date	£5,472,434	£6,460,381	£987,947

* both these figures will increase following further implementation of Ben Cap in Jan 17

Council Tax

3.11 As part of the Board's recent review of the Council's Council Tax Support scheme, information was provided on the impact of the Council Tax Support scheme on the ability of residents to pay their Council Tax. This information is repeated here.

3.12 This analysis looks at those currently getting CTS who would have been entitled to 100% support under the old Council Tax Benefit system.

	Previously 100% cases now getting reduced support	Amount to collect £m	% collection rate as at March 2016	Comments
2013/14	18,920	2.68	88	12% have a balance outstanding > £10 with aggregate balance being £498k
2014/15	15,860	3.08	68	32% have a balance outstanding > £10 with aggregate balance of £1.17m
2015/16	13,032	2.48	37	63% have a balance outstanding > £10 with aggregate balance of £1.77m

3.13 Both the 14/15 accounts and the 15/16 accounts have had less time to pay than the 13/14 accounts so the situation is likely to improve as time progresses. However, it is also worth noting that those cases that have an outstanding balance in 13/14 will also owe Council Tax for 14/15 and 15/16. Similarly, those that have an outstanding balance in 14/15 only will also owe Council Tax for 15/16.

3.14 A more in-depth look at the 14/15 cases where there is an outstanding balance shows that 35% are having their Council Tax recovered by deductions from their

national benefits. The average balance where there is a deduction from national benefits is £148 and, at £3.70 a week which is the maximum deduction, will take 40 weeks on average to recover. 34% of these have an order for deductions from national benefits 'queued up' waiting for another debt to be cleared – the average Council Tax debt to be cleared by these deductions is £286 and will take around 77 weeks to clear once the deductions start.

- 3.15 The majority of cases for 13/14 and 14/15 where there is an outstanding balance will also have recovery costs included as part of the outstanding balance. It is also the case that many of those who have paid in full will have paid costs where recovery action was taken and a liability order secured. The value of costs levied has increased since the changes to Council Tax Support came into effect in 2013. In 2012/13, the last year before the changes, the value of costs levied was £2.3m. This increased to £3.8m in 13/14 and £3.4m in 14/15. Not all costs are recovered and a number are cancelled where residents make contact to arrange affordable repayment options. Nevertheless, the value recovered from 13/14 costs is around £840k higher than that recovered from 12/13 costs
- 3.16 There is a requirement to get a liability order in order to take further recovery action for unpaid Council Tax, including requesting an attachment to someone's benefit. The Council has previously written to the Government to have this requirement looked at again but was not successful with the request.
- 3.17 The CTS scheme costs were also discussed with the Board during the recent review. Following the Government's recent announcement that Councils can increase Council tax by 3% for Adult Social Care purposes for the next 2 years instead of 2% for the next 3 years, the Board requested a new costs comparison. This has been provided below. The costs assume no change to the nature of the current caseload or the numbers.

Estimated Council Tax Support costs

	Current costs	2017-18	2018-19	2019-20	2020-21
Option A	Increase:	4%	4%	4%	2%
Elderly	£18,876,955	£19,632,033	£20,417,314	£21,234,007	£21,658,687
WA protected	£17,213,132	£17,901,657	£18,617,723	£19,362,432	£19,749,681
WA 25% reduction	£11,364,210	£11,818,778	£12,291,529	£12,783,190	£13,038,854
Total	£47,454,296	£49,352,468	£51,326,567	£53,379,629	£54,447,222

	Increase:	5%	5%	2%	2%
Option B					
Elderly	£18,876,955	£19,820,802	£20,811,842	£21,228,079	£21,652,641
WA protected	£17,213,132	£18,073,788	£18,977,478	£19,357,027	£19,744,168
WA 25% reduction	£11,364,210	£11,932,420	£12,529,041	£12,779,622	£13,035,215
Total	£47,454,296	£49,827,011	£52,318,361	£53,364,729	£54,432,023

Difference between options		£474,543	£991,795	£-14,901	£-15,199
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Appeals

- 3.18 The appeals process changed in 2013 so that more disputes against DWP decisions could be resolved without the need for referral to Her Majesty's Courts and Tribunals Service. This change means that when someone disagrees with a decision, they now have to ask the DWP to reconsider their decision before they can appeal to HMCTS. This request is known as a **Mandatory Reconsideration (MR)**. The change was introduced to resolve disputes earlier without the need for an appeal.
- 3.19 Following the introduction of MRs, the number of appeals initially declined. However, since September 2014 the number of appeals has been gradually increasing. From July 2016 to September 2016, 52,311 appeals were received nationally; this was an increase of 47% when compared to the same quarter in 2015. Employment and Support Allowance and Personal Independent Payments accounted for 83% of these appeals.
- 3.20 For the period July to September 2016 45,406 appeals were disposed of, 87% of these being cleared at a hearing. More decisions were overturned in favour of the customer than were upheld for the DWP. The 'overturn' rate for those cleared at a hearing was 60%. The overturn rate varies dependent upon the benefit type:
- 65% of PIP appeals were overturned in favour of the customer
 - 62% of ESA appeals were overturned in favour of the customer
 - 59% of DLA appeals were overturned in favour of the customer
 - 43% of JSA appeals similarly; and
 - 24% of Housing/Council Tax support being revised in favour of the client.
- 3.21 In June 2013 Personal Independence Payments replaced Disability Living Allowance - the process to migrate all those awarded DLA to PIP is ongoing. As at Oct 2016 41% of the total PIP caseload nationally were made up of DLA migration cases. 48% of those reassessed from DLA to PIP had their benefit decreased or disallowed altogether.
- 3.22 Employment Support Allowance replaced Incapacity Benefit in 2008. The high volume of ESA appeals is due to clients failing a medical assessment either on their first application or subsequent renewals.
- 3.23 The majority of requests for appeal are dealt with by the Welfare Rights Team. This is because the Welfare Rights Team is seen, rightly, as expert in disability benefits.
- 3.24 On average each appeal takes 4.5 hours to deal with, this includes reading the bundle of papers (approx. 100 pages), either a face to face or telephone interview, gathering supporting documents, researching the client's condition and case law if necessary and producing a submission. The client also receives a phone call a few days before the appeal hearing to run through what will happen on the day and to give them the opportunity to ask any further questions. Following the

appeal further work takes place to ensure other benefits they may be entitled to as a result of the award are claimed. If unsuccessful at appeal it is sometimes appropriate to request a statement of reasons and ultimately it may be necessary to go to the Upper Tribunal.

- 3.25 The table below shows the volume of appeals dealt with by the Welfare Rights Team since April 2015 and shows the very high % of decision that are overturned following Welfare Rights team involvement.

Appeals	2015/16	2016/17 to date
Appeal requests:		
- PIP	275	366
- ESA	237	333
- DLA	25	-
- Other	28	36
% 'overturned' of cases heard		
- PIP	70%	63%
- ESA	68%	81%

Appeals from a client's perspective

- 3.26 Many clients will have been in receipt of DLA for many years, some will have had lifetime or indefinite awards but everyone of working age will need to make a new claim for PIP so it can be a very anxious period of time for people.
- 3.27 PIP is different to DLA, there are only two rates for daily living and mobility – standard and enhanced – many therefore have lost their Motability vehicles and this can have implications for their independence
- 3.28 Those claiming ESA are required to attend a medical to see if they are capable of work. Those found incapable of work are placed in either the work related activity group or the support group. Those clients who are turned down for ESA may have to claim JSA whilst they appeal their case.
- 3.29 Clients requesting a MR have one month to do so from the date of their decision letter. The DWP, however, have no timeframe in which to reconsider the claim and MRs can take weeks or months to complete. The next stage is an appeal to a Tribunal and this in itself can be lengthy, most take several months. More recently, however, dates for hearings have been coming through quicker. The client needs to attend the hearing in person and for many this can be a daunting experience.
- 3.30 If the client loses the appeal and no award of PIP is made other benefits can also be reduced due to losing certain premiums.

Action being taken to deliver more assistance with appeals

- 3.31 Clients seeking assistance with appeals are currently being offered appointments in March however many clients are now getting a date for their hearing prior to the

date we are able to meet them. In these cases we can only give very basic guidance over the phone and explain what they need to do.

- 3.32 Appeal work has generally been undertaken by the 4 Senior Welfare Rights Workers each holding 1 appeal surgery per week, seeing 3 clients. Unfortunately however this resource is no longer sufficient to deal with the demand.
- 3.33 Although some of the more experienced Welfare Rights Workers do the occasional appeal case between them they also provide 88 general advice appointments per week, 153 hours of telephone advice and home visits for those who have more complex enquiries. The 2 Assistant Welfare Rights Workers provide 24 form filling surgery appointments per week plus home visits for those who are unable to leave their homes.
- 3.34 The volume of calls to the Welfare Rights Team has also increased by 8% this year compared to last year and overall the team have dealt with 1997 more enquiries.
- 3.35 To enable some of the more experienced Welfare Rights Workers to assist with appeals the following action has been taken:
- Authorisation has been given to appoint an additional Assistant Welfare Rights Worker.
 - The WRU has been working with Law Students from the University of Leeds Law School. These students have been trained to complete PIP forms and now provide 2 form fillings surgeries per week at the Compton Centre offering 8 appointment slots per week.
 - Housing Leeds' Housing Advisors (Benefits) are now able to provide some form filling surgeries and will provide 4 half day surgeries per week with 8 appointment slots available. This will help relieve some pressure on the WRU. This arrangement will need to be looked at again as Universal Credit rolls out and demand on Housing Advisors increases.
 - Consideration is also being given to how voluntary organisations might be supported to provide more expert support for clients needing to claim disability benefits.
 - A general information leaflet and pro-forma letter have been produced to inform clients how to request an MR and links to websites have been provided on the initial letter which is sent to clients on receipt of a bundle of appeal papers. This is to try and reduce the number of calls coming through to the team and to better equip those clients who are able to take action for themselves.

Food Banks

- 3.36 As part of the Government's package of welfare reforms, Crisis Loans and Community Care Grants were abolished and, instead, funding was provided to local councils to run local Welfare Support Schemes. £2.8m in funding was provided to Leeds in 2013/14 and 2014/15. This funding was used to provide direct support to residents in need, to support initiatives in Leeds City Credit Union and the advice and voluntary sectors and to assist with hardship schemes in Children's Services, Council Tax and Housing Benefit. In 2015/16, the Government ceased funding for local Welfare Support Schemes
- 3.37 The Council continues to provide a Local Welfare Support scheme, providing £1.1m in 2015/16 and £800k in 2016/17 and for the coming year. Some of this funding supports the presence of Fare Share (Yorkshire) in Leeds and helps to manage the demand for emergency food in the city with a small amount going to support the Food Aid Network in Leeds.
- 3.38 Fare Share (Yorkshire) provides food to the food banks in Leeds and, in 2015/16, provided 30 Food Aid providers with a weekly supply of food. Fare Share also supported 12 School Clusters, covering 102 schools, with access to breakfast cereals and fresh fruit. Schools received 25,545 boxes of cereal, enough for 383,175 portions. In total, Fare Share (Yorkshire) provided 103 tonnes of food in Leeds in 2015/16.
- 3.39 In the six months from April 2016 to September 2016, Fare Share has provided 58.4 tonnes of food.
- 3.40 The Food Aid Network is a network of voluntary organisations providing food aid to people in need. It includes Food banks as well as organisations such as St Georges Crypt. Leeds FAN exists to help bring different people, initiatives and institutions together who are involved in tackling food poverty in the city of Leeds. There are 6 food banks and 6 organisations doing food parcels as an added service in Leeds. To add to this there are 11 drop ins / soup kitchens, 4 Street Outreaches, 2 specialised services providing food for Asylum seekers / Refugees, a number of informal parish pantries and certain forms of Social Enterprise run on a community café/pay as you feel model e.g. The Real Junk Food Project.
- 3.41 The information provided below is from the Food Aid Network.

Table 6.1: Foodbanks

Leeds	Apr 1st – Mar 31st 2015-16*	Jan 1st - Dec 31st 2014*	12 month change	
			No	%
Different Individuals referred to Food bank provision	25,327	20,306	5,021	+24.7%
Estimated total: meals/sandwich batches	54,546	56,481	-1,935	-3.4%
Estimated total for Food Parcels given from a variety of sources	28,986	26,182	2,804	+10.7%
*Unfortunately, data is not available at the same 12 month period for an exact annual comparison; however this table provides an indication of annual demand for emergency food provision across Leeds. Source: Leeds Food Aid Network (FAN), June 2016				

3.42 The Food Aid Network also report that:

- 25,327 different people have been referred to a food bank or food parcel provider in 2015. This is almost a 25% increase on 2014.
- 54,546 meal packs were handed out through a drop in / Soup kitchen or through Street Outreach. These 2 types of support usually benefit people who have experienced homelessness at some point in their lives. Food provision via this route fell from 56,481 in 2014 by around 3%. Unfortunately, the reason for the fall is not likely to be because of reduced demand, but due to the fact more demand is being met via other food provision routes.
- Charity workers and volunteers have handed out 28,986 emergency food parcels in a year – provided by referral or allocated informally. Provision via this route has increased by over 10% since 2014.

3.43 It is difficult to ensure that a wide range of voluntary organisations are consistently and accurately collecting information about the reasons why people use food banks. However, the Food Aid Network suggests that the main reason why people access food banks is due to Benefit delays (32%) and Changes to benefit (including sanctions) (23%).

3.44 Welfare & Benefits will continue to work with Fare Share (Yorkshire) and the Food Aid Network in 2017/18.

4 Corporate considerations

4.1 Consultation and engagement

4.1.1 The report is for information only and does not require consultation.

4.2 Equality and diversity / cohesion and integration

4.2.1 Not applicable.

4.3 Council policies and best council plan

4.3.1 Tackling poverty and deprivation remains a key council priority

4.4 Resources and value for money

4.4.1 The report itself does not require any resource allocation.

4.5 Legal Implications, access to information and call In

4.5.1 There are no specific legal implications or access to information issues with this report.

4.6 Risk management

4.6.1 The report identifies impacts arising from the Government's welfare reform programme. With further reforms to be implemented there is a risk that the

impacts, both on the Council and on residents, may be significant. The issue of welfare reform is a key risk on the Corporate Risk Register and continues to be monitored.

5 Conclusions

- 5.1 The Council has taken steps to mitigate some of the impacts on residents of the Government's welfare reform. The use of Discretionary Housing Payments has been critical in this regard but there remains significant pressure on Council Tax collection and Housing Leeds rent collection.

6 Recommendations

- 6.1 That the Citizens and Communities Scrutiny Board notes the information in this report and continues to monitor the impact of the welfare reform programme

7 Background documents¹

- 7.1 None

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Report of the Head of Governance and Scrutiny Support

Report to Scrutiny Board (Citizens and Communities)

Date: 13th February 2017

Subject: Inquiry into Universal Credit – Tracking of Scrutiny recommendations

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

1.0 Purpose of this report

1.1 This report sets out the progress made in responding to the recommendations arising from the previous Scrutiny inquiry into Universal Credit.

2.0 Background information

2.1 Last year, the Citizens and Communities Scrutiny Board agreed to undertake an inquiry into the roll out of Universal Credit in Leeds. The inquiry concluded in January 2016 and a report setting out the Scrutiny Board’s findings and recommendations was published in February 2016. This report is available via the Council’s website ([Click to access inquiry report](#)).

3.0 Main issues

3.1 The Scrutiny recommendation tracking system allows the Scrutiny Board to consider the position status of its recommendations in terms of their on-going relevance and the progress made in implementing the recommendations based on a standard set of criteria. The Board will then be able to take further action as appropriate.

3.2 This standard set of criteria is presented in the form of a flow chart at Appendix 1. The questions in the flow chart should help to decide whether a recommendation has been completed, and if not whether further action is required. Details of progress against each of these recommendations are set out within the table at Appendix 2.

4.0 Recommendations

4.1 Members are asked to:

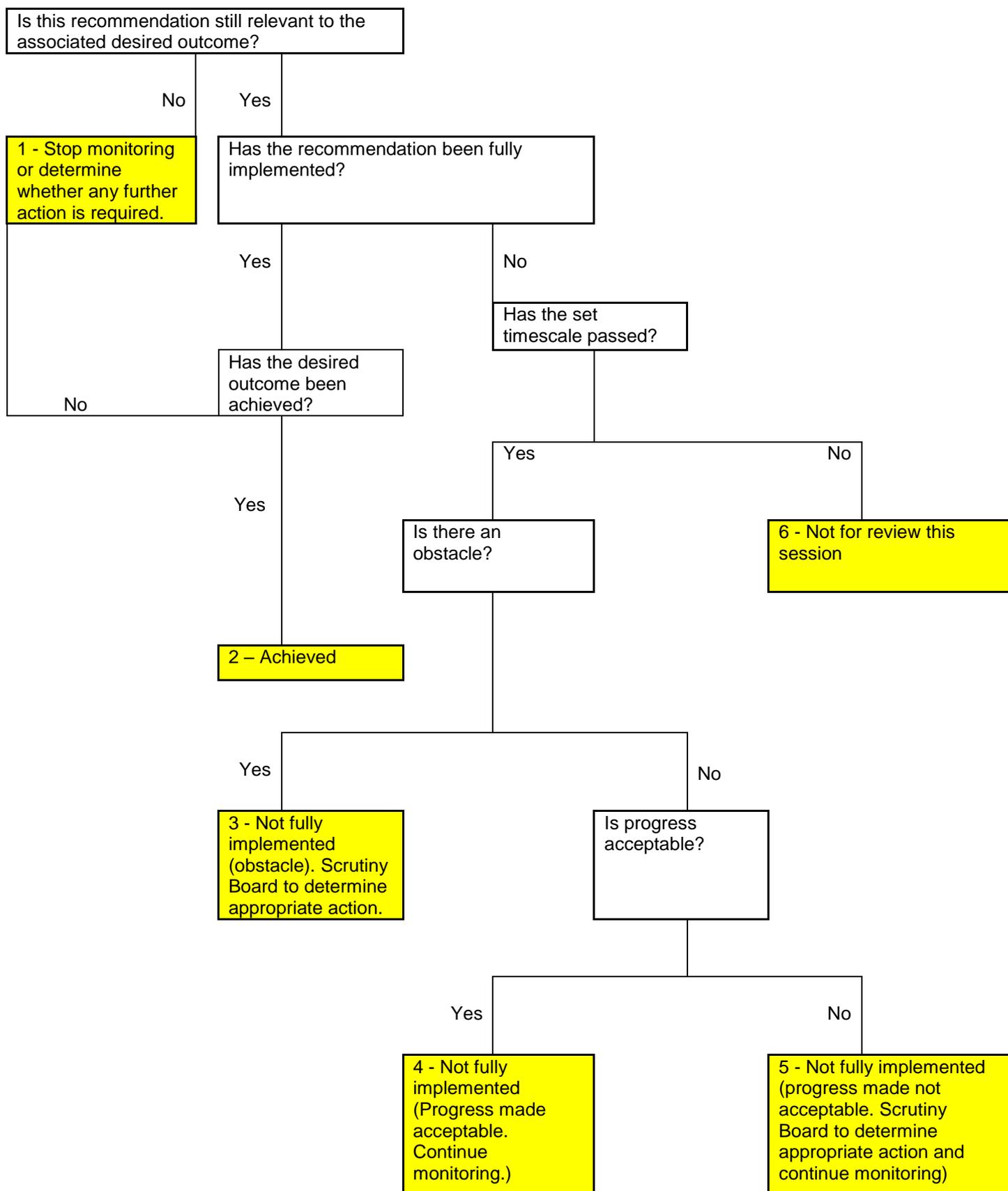
- Agree those recommendations which no longer require monitoring;
- Identify any recommendations where progress is unsatisfactory and determine the action the Board wishes to take as a result.

5.0 Background documents¹

5.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Recommendation tracking flowchart and classifications:
Questions to be considered by Scrutiny Boards



Position Status Categories

- 1 - Stop monitoring or determine whether any further action is required
- 2 - Achieved
- 3 - Not fully implemented (Obstacle)
- 4 - Not fully implemented (Progress made acceptable. Continue monitoring)
- 5 - Not fully implemented (Progress made not acceptable. Continue monitoring)
- 6 - Not for review this session

<p>Desired Outcome – Having clarity surrounding Transitional Protection entitlement.</p>
<p>Recommendation 1 – That the Assistant Chief Executive (Citizens and Communities) continues to seek clarification from DWP as to whether Transitional Protection will apply to those housing benefit claimants affected by the Benefit Cap when they move onto Universal Credit.</p>
<p>Formal response in July 2016:</p> <p>The rollout to Universal Credit is being done through ‘transition’ and ‘migration’.</p> <p>‘Transition’ relates to new claims for a benefit that is now dealt with under Universal Credit and in these cases there is no Transitional Protection.</p> <p>Migration falls into two areas:</p> <ul style="list-style-type: none"> - Managed migration; and - Natural migration. <p>‘Natural migration’ happens where someone in receipt of a legacy benefit (for example, Jobseekers Allowance) has a change in their circumstances that ends their existing claim or requires them to make a claim for new benefit. These cases will be migrated to Universal Credit but there will be no entitlement to Transitional Protection.</p> <p>‘Managed migration’ relates to those claimants still getting legacy benefits at the point that the Government closes down the legacy benefits. These claimants will be migrated onto Universal Credit and, if they would be worse off under Universal Credit, will be entitled to Transitional Protection. Where this occurs, and the total household Universal Credit entitlement would have been lower than their total existing award of benefit and tax credits, Transitional Protection will be applied as a cash top-up to make up the difference.</p> <p>Aside from this DWP has yet to set out its overall approach to Transitional Protection for cases moving to Universal Credit through the managed migration process. There remains considerable uncertainty around claimants affected by the Benefit Cap, who face a large reduction when they move to Universal Credit, and their right to Transitional Protection.</p> <p>The issue is formally logged on DWP’s Action Point list.</p> <p>Current position:</p> <p>The scope and details of the Universal Credit transitional protection scheme are still awaited. As indicated in the earlier response, Transitional Protection only applies to cases</p>

moving onto Universal Credit as part of the 'managed migration' programme. The 'managed migration' programme is not due to start until summer 2018 at the earliest. The lack of detail at this stage is not, therefore, critical. DWP is keen to ensure LA expertise is taken into account when designing the managed migration programme and Leeds has an officer seconded to DWP to help with this aspect.

One issue that appears to have been resolved is that Transitional Protection will not prevent the full impact of the Benefit Cap being applied when a customer migrates to Universal Credit.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – Having clarity surrounding Transitional Protection entitlement.

Recommendation 2 – That the Assistant Chief Executive (Citizens and Communities) seeks clarification from DWP as to whether existing claimants with disabilities will receive Transitional Protection, where appropriate, when moving from the current system of means-tested benefits to Universal Credit.

Formal response in July 2016:

As set out in recommendation 1 above.

Current position

As set out in recommendation 1 above.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That measures are put in place to ensure that eligible Universal Credit claimants encounter no delays in accessing free school meals.

Recommendation 3 – That the Assistant Chief Executive (Citizens and Communities) and Director of Children’s Services work closely with DWP to put in place local measures that will help alleviate any delays in accessing free school meals for eligible Universal Credit claimants.

Formal response in July 2016:

This initial roll out (single people) will see minimal claims for Free School Meals (FSM) as these will only arise when a single claimant becomes a family unit. The current UC process automatically entitles claimants to FSM and these claims will be identified as part of the CTS claim process. Leeds also uses a single FSM claim form for people who do not have a council tax liability and these forms will continue to be used for UC claimants.

The main emphasis initially is ensuring the continuation of FSM whilst there is a 5-6 week wait for the UC decision. Working procedures are already in place to ensure there is a short term continuation of FSM entitlement when an existing Housing Benefit claim ends. We have extended the FSM entitlement for the small number of cases where UC has been claimed. This gives both parents and schools time to adjust to the award being withdrawn ahead of any UC decision.

Agreement needs to be reached with both Childrens services and schools that this arrangement will continue once we move into a wider roll out programme

Once the final eligibility criteria is agreed then further discussions will take place as to how migration of FSM will take place.

Current position

There is no change to the current position in terms of the awarding of FSM under UC. Arrangements continue to ensure FSMs are awarded to eligible UC claimants. Once the final eligibility criteria is known, arrangements will be put into place to ensure continued FSM awarding to eligible UC claimants.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – To have a local Council Tax Support system that helps to mitigate frequent fluctuations of Council Tax Support awards linked to the administration of Universal Credit.

Recommendation 4 – That the Assistant Chief Executive (Citizens and Communities) undertakes a review of the Council’s existing Council Tax Support system to explore methods of helping to mitigate frequent fluctuations of Council Tax Support awards linked to the administration of Universal Credit.

Formal response in July 2016:

Proposals to revise the current Council Tax Support scheme were presented to Executive Board in June 2016. The proposals incorporate a scheme that would interface more simply with the Universal Credit assessment. This, in turn, would provide additional discretion when dealing with changes reported through from Universal Credit. The proposed Council Tax Support scheme will be subject to Scrutiny Board review at the meeting on 25th July 2016.

Current position

The 14.12.16 Executive Board agreed to recommend to the full Council meeting on 11.1.17 that changes be made to the Council Tax Support scheme for Universal Credit claimants. Item 8 of this Board’s agenda provides an update on these proposals including how the new scheme will mitigate against the frequent changes in UC and so this has recommendation has been taken into account.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That Council Tax Support claims are administered quickly and accurately for Universal Credit claimants in Leeds.

Recommendation 5 – That the Assistant Chief Executive (Citizens and Communities) works closely with DWP to monitor the effectiveness of the new Local Council Tax Reduction automation process to ensure that Council Tax Support claims are administered quickly and accurately in Leeds.

Formal response in July 2016:

The DWP currently issues notifications and information regarding UC to LAs via a “Data Hub”. DWP have now completed the automation of referrals to LA’s.

The effectiveness of this automation is being monitored and currently manual intervention is taken in each of these notifications to ensure a Council Tax Support (CTS) claim is either received and then promptly processed or an application is issued to the customer. Monitoring of the numbers of CTS claims being made in line with the numbers of UC claims is ongoing and working practices are being developed to ensure CTS is maximised in UC claims.

A single CTS application has been produced to make CTS claiming linked to UC a streamlined process and this is issued by each Job Centre Plus (JCP) as part of the work coach interview

In addition to this process, data from the hub is shared with Housing Leeds to ensure Council Tenants are fully supported through the UC claim to manage their rent liabilities and also encourage CTS claiming at the tenant contact.

Current position

We continue to apply processes aimed at ensuring take-up of CTS. This includes:

- DWP automation so that we receive details of UC claims;
- Issue application forms where no CTS claim received
- Working with DWP to issue simplified claim form at the face to face meeting with Work Coaches
- Working with Housing Leeds to ensure that claims are made from HL tenants on UC

As at 16th January there are 758 live Council Tax support claims from people who are on Universal Credit and, although there can be no guarantee that council tax support is claimed in all universal credit cases, changes to the council tax support scheme from April 2017 will help to make improvements to the claiming process to help ensure council tax support is maximised

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That there is an effective process for easily identifying, awarding and paying Discretionary Housing Payments linked to the administration of Universal Credit.

Recommendation 6 – That the Assistant Chief Executive (Citizens and Communities) works with DWP to explore the feasibility of establishing an effective process for easily identifying, awarding and paying Discretionary Housing Payments as part of the preparations for the wider roll out of Universal Credit in Leeds.

Formal response in July 2016:

The revised DWP Discretionary Housing Payment (DHP) guidance clarifies what LA's need to do to award DHP and what to take into account for UC.

Identification of DHP cases will continue to be driven by Housing Leeds / Social Sector Landlords and tenants (as is the case now) and in addition we will continue to identify cases affected by other Welfare Reforms which may also be linked with UC to ensure DHP is considered if appropriate

The DWP have confirmed that they will notify Councils of any UC claimant that is affected by the Benefit Cap. This will allow the Council to consider whether DHP will be appropriate in these cases

DWP have awarded additional funding to LAs for system enhancements for the DHP administration process. This module will simplify the current UC DHP award process to ensure DHP claims are maintained accurately within the system.

Current position

An updated module has now been applied to the Academy Benefits system which supports effective delivery of Discretionary Housing Payments for Universal Credit cases. This will continue as roll out expands and will provide continued accurate DHP claims linked to UC within the system.

As at the end of December 2016, Discretionary Housing Payments were in place for 74 Universal Credit cases.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That access to Jobcentre Plus Work Coach services is maximised through the Council's Community Hub model.

Recommendation 7 – That the Assistant Chief Executive (Citizens and Communities) works with the DWP's West Yorkshire Work Services District Manager to explore the feasibility of co-location of other services, such as Jobcentre Plus Work Coaches, with the Council's Community Hub model to improve accessibility of services and maximise resources linked to the administration of Universal Credit.

Formal response in July 2016:

Agreement has been made to continue with the current JCP secondee. This role will help to resolve any issues that are raised via the LA Local Hubs, to increase staff understanding and to provide a resource for Customer Service Officers to help resolve issues quickly. The JCP officer has access to the DWP systems. We expect the role to continue to evolve as we move forward with UC.

Discussions have taken place with Jobcentre Plus West Yorkshire District Manager about the potential for co-location of other services, such as Jobcentre Plus Work Coaches, with the Council's Community Hub model.

The West Yorkshire District Manager is considering co-location activity but will need to undertake further investigation.

Current position

There is also a connection here with the work around the Personal Work Support Package element of the CTS scheme and dialogue continues with Jobcentre Plus.

Both parties are keen to eradicate any duplication in provision and/or conflict in obligations for the jobseeker. In relation to the PWSP programme, this is acknowledged within the Claimant Commitment. Ensuring consistency of practice remains a challenge. Nevertheless, this issue remains a priority and joint working to review process and practise will remain in place.

As Universal Credit moves from a partial 'Live' service to the 'Full' service, there will be additional requirements in supporting people to manage Universal Credit claims. It is important that appropriate arrangements are in place between the Council and Jobcentre Plus when Full service rolls out to Leeds in 2018.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That there is clarity surrounding the implications of Universal Credit in line with new charging policies reflected within the Care Act.

Recommendation 8 – That the Assistant Chief Executive (Citizens and Communities) works with DWP and the Director of Adult Social Care to seek further clarity surrounding the implications of Universal Credit in line with new charging policies reflected within the Care Act.

Formal response in July 2016:

Adult Social Care response

It has been confirmed that there will be no adverse impact on the Social Care Financial Assessment. As is currently the case, the 125% of Income Support is calculated by ascertaining what the customer would be entitled to claim; not what they get paid. Therefore, if a customer received a particularly high payment of UC in the same month as the Social Care Assessment, this would have no bearing on the 125% figure used in the assessment. These figures are based on standard “applicable amounts” which are used to calculate benefit entitlement and they include basic personal allowances plus any applicable premiums based on disabilities or whether the person is a carer.

Just as now – even if someone has their benefit sanctioned and therefore receives a lower payment of benefit than they otherwise would get, they still have 125% of what they should receive disregarded in their financial assessment.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

2 – Achieved.

Desired Outcome – That there is an alignment of existing automated systems to improve the verification process for Universal Credit linked to proof of social housing tenancies and associated rent changes.

Recommendation 9 – That the Assistant Chief Executive (Citizens and Communities) and Director of Environment and Housing works with DWP to explore opportunities for improving the verification process linked to proof of social housing tenancies and associated rent changes through the alignment of existing automated systems.

Formal response in July 2016:

Housing Leeds response

This recommendation will require a change in DWP policy nationally. Housing Leeds has begun discussions with Citizens and Communities as to how this can be taken forward, possibly the Welfare Reform Strategy Board. Currently the DWP UC process put the onus on the tenant to provide any verification proof. Housing Leeds will also raise the issue with other social housing landlords via the Northern Rents Benchmarking Group and seek support in making proposals to DWP. The issue has also been raised at the DWP Universal Credit Steering Group which has Leeds' representation but there is as yet no firm commitment from DWP to automate this aspect. Housing Leeds is participating in a research project with the Northern Housing Consortium along with other social landlords. Issues facing landlords and tenants will be highlighted and relayed to DWP.

Current position

Housing Leeds now sends a letter to the DWP for all tenants who are claiming UC. The letter verifies the tenancy including their rent details. This is done automatically as soon as it is established the tenant has made a claim and helps the DWP speed up the processing of the claim.

The verification issue has been raised by Housing Leeds and other landlords through the Northern Housing Consortium. Housing Leeds continue to raise this in meetings with the DWP. To date there has not been any alignment of automated processes between social landlord systems and those at the DWP.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That Housing Leeds tenants in receipt of Universal Credit are made fully aware of their responsibility to use their Universal Credit payments to pay their rent direct to the Council.

Recommendation 10 – That as part of the roll out of Universal Credit, the Director of Environment and Housing writes to Housing Leeds tenants in receipt of Universal Credit to reiterate their responsibility for using their Universal Credit payments to also pay their rent direct to the Council.

Formal response in July 2016:

Housing Leeds response

Housing Leeds sent a Universal Credit Leaflet to all tenants in September 2015 enclosed within the tenants' newsletter, which explains Universal Credit and the rent responsibility to tenants. [Click here](#) for the link to the leaflet on the website. We have continued to provide regular communications via the housing webpages and tenant newsletters. We have also established a Voice of Involved Tenants Across Leeds (VITAL) sub-group to work with tenants to develop a clear communication plan for tenants in relation to Welfare Reform.

Housing Leeds have produced a standard letter template which will be sent to any tenants claiming Universal Credit and this will be recorded on their rent account.

Additional resources of 16 Housing Officers were employed from January 2016 to support tenants through Welfare Changes such as Universal Credit, Under Occupation and the Benefit Cap by providing an enhanced service similar to another project which targeted Under Occupied tenancies in multi storey flats. The enhanced service offer provides a much higher level of support to tenants in key areas including: benefit and debt advice, budget advice, banking and financial advice, getting online support, plus job skills/training/volunteering support, fuel poverty and media switching amongst other services to enable customers to get back into work and maximise their income and rent payment ability. Housing Leeds' Enhanced Income Team are contacting all Universal Credit tenants over the telephone, home visit, office appointment, and email/mail to offer this tailored enhanced support. During the interviews rent liability is highlighted with the tenants and rent payment arrangements are agreed. Direct Debit is promoted as the most cost effective and efficient payment method and can now be set up immediately by the member of staff.

Current position

Housing Leeds sends a letter to all tenants who have made a claim for UC. The letter explains it is now the tenant's responsibility to pay their rent. The letter informs the tenant Housing Leeds are able to offer support and advice in a number of areas including budgeting and debt management and encourages them to make contact with their local Housing Office.

Housing Officers attempt to contact all UC claimants to verbally reiterate the message regarding it is now the tenant's responsibility to pay their rent. The Housing Officers will make an arrangement with the tenant to pay the rent, coinciding with their UC payment date, whilst continuing to promote Direct Debit as the preferred method of payment.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That DWP identify a key role for the Council to play in actively engaging the Private Rented Sector in the roll out of Universal Credit in Leeds.

Recommendation 11 – That the Assistant Chief Executive (Citizens and Communities) and Director of Environment and Housing works with DWP to explore how the Council can be given a greater role in engaging the Private Rented Sector in the roll out of Universal Credit in Leeds.

Formal response in July 2016:

Housing Leeds response

As with Recommendation 9, Housing Leeds will work with Citizens and Communities to consider the most effective way of engaging with DWP to strengthen the Council's role in engaging with the Private Rented Sector.

The Private Sector Housing (PSH) Team have been liaising with both the National Landlord Association (NLA) and the Residential Landlords Association (RLA) for the past 2 years+ regarding Universal Credit implementation. This has included providing briefing sessions and encouraging them to update all their members which they do on a regular basis. Universal Credit discussions have been held at our quarterly Strategic meetings with representatives from the Private Rented Sector – this includes the RLA and NLA but also local landlord representatives and local landlord forums.

The PSH team have sent out regular updates on Universal Credit (supplied by colleagues in Benefits and from DWP) via our email alert system – this reaches nearly 3,000 separate private landlords. DWP spoke at the annual landlord conference November 2015 to explain the impact of Universal Credit on the Private Rented Sector in Leeds which was also followed by a Q&A session at the end of the conference.

There are website links for Universal Credit on our PRS pages on the Council website and refer landlords to this information.

The PSH team also hold regular training sessions for licenced HMO landlords and the Universal Credit is included as part of the course. A leaflet was produced for Private landlords as part of the initial roll out to advise of the implications for them and their tenants.

Managed Migration

There are limitations as to what information can be shared with Private landlords. DWP have not yet made a decision on what role the Council will play in this.. It is anticipated that where a landlord receives Housing Benefit direct for their tenant , the council will be able to advise that the HB payment will be ending once a UC claim is made. This issue will continue to be raised at Transitional Working Groups.

It is intended that as part of managed migration further work with private landlords will take place to ensure they understand the "transition and migration" phase and how best to support their tenants.

Current position

The Private Sector Housing Team continues to liaise with the landlord associations and raise awareness at the PRS Housing Forum. In addition, updates are provided on a regular basis through the private sector email alert which goes out to over 4,000 private landlords and agents.

At the annual landlord conference, held in November 2016, we made the impact of Universal Credit one of the headline topics for the day. The DWP attended and gave a full update to over 200 landlords and agents on the progress with Universal Credit, impact to date and how it was likely to affect the private rented sector. Key to this was the processes in place and advice to landlords on how they could obtain further information to help them support their tenants sustain the tenancies.

The private sector housing service will continue to provide information and advice to the sector as and when it is available and maintains an up-to date link on our website which allows landlords to access the latest information and advice from DWP and partners.

There is no further work the Council can undertake at this stage with landlords.

Further general information will be provided to landlords in relation to the roll out of Full Service in the summer of 2018. There will also be a need for Councils to work with landlords around the migration from Housing Benefit to Universal Credit once the 'managed migration' programme starts.

However, once claims have been migrated to Universal Credit, there is little, if any, support the Council will be able to provide to landlords around individual tenants' Universal Credit claims.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That identified financial implications associated with the roll out of Universal Credit are factored into the Council's future financial models.

Recommendation 12 – That the Assistant Chief Executive (Citizens and Communities) ensures that as Universal Credit continues to be rolled out, the financial implications identified as part of this Scrutiny Board inquiry are factored into the Council's future financial models.

Formal response in July 2016:

Housing Leeds response

This recommendation also links to the Director of Environment and Housing due to the impact on Rent Loss Income and increased Rent Arrears.

The 2016/17 Housing Revenue Account (HRA) budget includes £1.9m provision for bad debts. In addition to this, the HRA has £2m set aside in a reserve specifically earmarked to fund the implications of the Government's Welfare Change programme (including the impact of the rollout of Universal Credit). To put this into context, should the level of current tenant arrears double from what it is at present, £1.6m of this reserve would be required as an additional contribution to the bad debt provision.

At present it is difficult to accurately assess the impact Universal Credit will have on rent collection and arrears. However, arrears will continue to be monitored monthly and the bad debt provision reviewed quarterly to ensure adequate provision.

The HRA 10 year Financial Plan is currently being updated and as the impact of Universal Credit becomes clearer the financial impact will be factored in to ensure adequate provision.

Current position

The main financial implications arise from the impact on Housing Benefit overpayments. The implications are twofold:

- Firstly, there is the impact on collection rates as a consequence of HB cases migrating to Universal Credit. One of the key elements for collecting HB is through deductions from ongoing HB. Once a case is on Universal Credit, recovery of outstanding HB overpayments will require deductions from Universal Credit;
- The second issue relates to the value of HB overpayments identified and how this affects the Council's budget position. As the HB caseload reduces there will be fewer HB overpayments and this has implications for the Council's budget.

The DWP is currently looking at the issue of HB overpayments and Leeds is one of the Councils providing data on this issue.

The Board may be interested in a report on HB overpayments that was taken to Corporate Governance and Audit Committee in September 2016 – a copy is attached at appendix 3

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That Universal Credit training to frontline staff addresses the wider implications associated with Universal Credit.

Recommendation 13 – That the Assistant Chief Executive (Citizens and Communities) ensures that the Universal Credit training provided to frontline staff considers the wider implications associated with Universal Credit, including other cohorts such as couples and families, from the outset. This should take into account the DWP Training material which has been handed over.

Formal response in July 2016:

Housing Leeds response

Also links to the Director of Environment and Housing and the front line staff delivering Housing Services across Leeds. Housing Leeds have procured external training from Housing Benefit Systems and sessions have been delivered in July, August and October to key members of front line staff, and Senior Managers. In addition to this all front line Area Housing Teams have had staff briefings during September and again in January with some final sessions taking place in February 2016. The DWP also delivered 2 sessions to Housing Leeds in December 2015. Regular communications, updates and guides have been produced and circulated via Housing Hot Topics newsletter sent to all Housing Staff. Going forward refresher training will be provided with additional training for new staff members, and more in depth training will be scheduled in conjunction with the migration phases as Universal Credit rolls out, but the Council is waiting on more details from DWP in relation to the specifics for the next roll out phase, currently expected in late 2017.

It is anticipated that the transition timetable will be made available in September 2016. Once details are known then a program of training for front line staff will be developed to ensure adequate online claiming support and relevant Personal Budgeting Support for the new cohort is provided.

Front line staff will include: Childrens Services / Adult Social Care / Customer Services / 3rd Sector partners / Social Sector Partners and Private Landlord forums

Training will include:

- Making a claim as a couple
- How Free School Meals will be paid un UC
- What support can be given to couples and families during transition to UC
- Updated written briefings

A full go live training plan was implemented for LCC/ 3rd sector and other stakeholders/ partners to ensure UC awareness was maximised. It is intended that this area will be revisited once a transition timetable is available. The transition phase will bring new challenges for the council to ensure front line staff are equipped with the relevant information in order to advise customers and a programme of delivery will be determined.

Current position

Housing Leeds staff are provided with regular updates relating to the roll out of UC when information is released. Full Service will be introduced in Leeds in July 2018; all staff have been made aware of this. Housing Leeds is developing an updated implementation plan for the introduction of Full Service in through the citywide Universal Credit Operational Group.

This will include the delivery of timely updates to teams and further training for front line staff in the months leading up to July 2018.

An updated transition and migration timetable is attached as appendix 4. This addresses the issues arising from the next 2 stages of UC roll out (transition and migration) This will include the need for front line services to be equipped with the necessary skills to support people to make and manage an online UC account.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That there is a high take-up of Universal Credit frontline staff training to ensure staff are equip with the knowledge and capacity to identify and support eligible claimants and particularly vulnerable claimants.

Recommendation 14 – That the Assistant Chief Executive (Citizens and Communities) works closely with other directorates to actively raise the profile of Universal Credit amongst key frontline staff and encourages the uptake of staff training to ensure they are equip with the knowledge and capacity to identify and support eligible Universal Credit claimants, and particularly vulnerable claimants.

Formal response in July 2016:

As set out in recommendation 13 above.

Current position See Recommendation 13

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That Elected Members are kept fully aware of developments linked to Universal Credit as it continues to evolve and be rolled out in Leeds.

Recommendation 15 – That the Assistant Chief Executive (Citizens and Communities) leads on:

- (i) Developing a dedicated guide to Universal Credit for Elected Members;
- (ii) Making the DWP website easily accessible to Elected Members (eg. through a mobile application);
- (iii) Periodically arranging Member Seminars to generate awareness and better understanding of Universal Credit as it continues to evolve and be rolled out in Leeds.

Formal response in July 2016:

Universal Credit is a complex benefit affecting many different client types. An overview booklet for elected members is in draft form and, once agreed, this will be followed by a series of information guides looking at Universal Credit from different aspects e.g. 'In work and claiming Universal Credit', 'Disabled and claiming Universal Credit' etc.

The website is available through a link on the Leeds City Council website. Arrangements are also being made to support elected members who need help in creating a direct link on their homepage or mobile phone.

Further seminars will be run as more information about Universal Credit becomes available.

Current position

A UC guide has been produced for members which outlines UC and its implications. An escalation route for members to refer UC queries has also been included.

A link to the UC DWP website is available to members and this can be saved in members favourites menus

A further members' seminar was given on 4th October 2016 providing updated information on UC. Further seminars will be provided as more information is available

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*

Desired Outcome – That employers across the city are being actively encouraged to identify and assist eligible employees to claim Universal Credit.

Recommendation 16 – That the Assistant Chief Executive (Citizens and Communities) reports back to Scrutiny in relation to progress made in working in collaboration with the Trade Unions; Leeds, York & North Yorkshire Chamber of Commerce; and the District Manager of DWP to help raise the profile of Universal Credit and encourage other employers across the city to identify and assist eligible employees to claim.

Formal response in July 2016:

Internally steps are being taken to ensure that the Council, as an employer, understands the type and degree of support needed for its employees in making and managing a Universal Credit claim. This will be used to develop information guides for large employers in the city on supporting employees through the Universal Credit process

Discussions have also taken place with Jobcentre Plus West Yorkshire District Manager to jointly meet with Leeds Chamber of Commerce to discuss the implications of Universal Credit for employers and employees. This is expected to take place following confirmation of the timescale for roll out to Full Service for Leeds.

WY District Manager has also agreed to attend the next West Yorkshire Revenues and Benefits Managers meeting to discuss this and other issues around Universal Credit.

Current position

Exploratory work has been undertaken to look at how some employees within the Council might be affected by Universal Credit. Key issues are around frequency of payment, access to online systems and hours worked.

These issues are particularly relevant under the Full Service and it is important that information provided to Chamber of Commerce is timely and takes place when a) the roll out of Full Service in Leeds is confirmed and closer and b) DWP has had the opportunity to benefit from the experience of rolling out Universal Credit to people already in work.

Position Status (categories 1 – 6) *This is to be formally agreed by the Scrutiny Board*



Report author: Andy Cameron
Tel: 22 43913

Report of Chief Officer Welfare & Benefits Service

Report to Corporate Governance & Audit Committee

Date: 16th September 2016

Subject: Sundry Debtors – Housing Benefit Overpayments

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

- Overpayments are an unavoidable feature of any means-tested benefit scheme. The Welfare & Benefits Service makes every attempt to provide a secure and accurate service but where overpayments occur a variety of recovery methods are used to recover the debt. Between 80% and 83% of debt is recovered over the life time of the debt and this means that the Council not only suffers no financial loss from the DWP's subsidy regime but is also able to contribute to help alleviate budget pressures.
- As at March 2016 the Council had £25.2M in outstanding housing benefit invoices.
- 62% of outstanding debt is on some form of weekly arrangement to settle the outstanding account, in excess of £10M currently being accounted for by deduction from ongoing housing benefit or DWP related entitlement.
- The introduction of Universal Credit will in time see the number of housing benefit recipients reduce. The opportunity to recover housing benefit debts from ongoing housing benefit and from DWP related benefits will therefore reduce which will impact on the level of income to the Council.

Recommendations

- Corporate Governance & Audit Committee is requested to note the information in the report and recognise the assurance provided through regular audit, both internal and external, of the Benefits Service.

1 Purpose of this report

- 1.1 The report provides information on how and why Housing Benefit overpayments occur and also provides information on the financial implications for the Council arising from Housing Benefit overpayments.

2 Background information

- 2.1 Housing benefit is a statutory scheme delivered by local Councils on behalf of the Department for Work and Pensions. The key elements of the scheme are:

- It is a means-tested scheme that takes into account household income, family size, disability, property type and size, rent liability and the presence of non-dependents i.e. adults other than the householder and partner who are part of the household (normally grown up children)
- There are complex subsidy rules that determine how much of the Housing Benefit spend by the Council is recouped from Government. Generally, around 97% of spend is recouped through Government subsidy – however, the 3% cost equates to around £10m. Rules which see Housing Benefit overpayments attract reduced subsidy account for most of the £10m (see Main Issues section for more information on this). The annual subsidy claim is subject to an extensive external audit which states whether HB payments have been properly made and whether the subsidy claim is accurate. Where there are doubts about the subsidy claim, the claim is ‘qualified’ and DWP will seek to reduce subsidy payments to the Council. There have been no financial qualifications of the subsidy claim in Leeds for over 15 years.
- As part of the annual external audit, auditors look at whether the Council has taken appropriate steps to a) ensure that new claims are properly verified before being put into payment and b) that appropriate steps are taken to identify changes in circumstances during the life of a claim. For information, Audit & Investment carry out a significant annual programme of audits within the Benefits Service. The following areas have been audited in 2015/16 in relation to Housing Benefit with each area deemed to provide substantial assurance against the control environment.
 - Assessments & Payments (which includes an overpayment audit)
 - Housing Benefit Reconciliations
 - Year End Reconciliation of Housing Benefit (and Council Tax Benefit)
- In addition to the above, the 2015/16 Counter Fraud audit gave “Good Assurance” in relation to the operational aspects of the system in respect of updating Housing Benefits (and Council Tax Support) information following information from the DWP and from LCC work being undertaken.

- 2.2 The value of Housing Benefit spend has grown each year. This is set out in the table below along with comparative information for Housing Benefit

overpayments. The comparative data shows the overall value of overpayments and also shows this as a percentage of total Housing Benefit spend.

	2010/11 - £m	2011/12 - £m	2012/13 - £m	2013/14 - £m	2014/15 - £m	2015/16 - £m
HB spend	247.1	263.8	279.1	286.9	292.2	287.8
Ops	5.94	6.78	6.67	7.90	12.2	15.8
OPs (% of spend)	2.4%	2.57%	2.39%	2.76%	4.19%	5.49%

3 Main issues

3.1 Overpayments are an inevitable factor of any benefit that is based on changeable personal circumstances. They occur because a) there are changes in people's circumstances, b) an official error has been made or c) there has been an attempt to commit fraud. For Housing Benefit purposes customers are required to report any change in their circumstances that relates to:

- Their weekly income (including benefit income)
- Their status as married, living with a partner or single
- Their family size
- The number and income of non-dependents
- Where they are living
- Their weekly rent
- Their disability status

Overpayments caused by customer delays in reporting a change in circumstance are known as Claimant Error overpayments.

3.2 Official error overpayments occur when there has been a delay in dealing with a change of circumstance or where there has been a mistake made in calculating benefit entitlement. Generally, local councils have the lowest levels of official error overpayments in comparison to benefits administered by the Department for Work and Pensions. The latest Fraud and Error stats provided by DWP show that for continuously reviewed benefits, the level of official error was:

- Housing Benefit 0.4% of overall spend
- ESA 0.6%
- Pension Credit 1.7%
- Universal Credit 1.7%
- Jobseekers Allowance 1.8%

3.3 Where Housing Benefit has been properly paid, DWP will normally provide 100% subsidy to the local council. However, where Housing Benefit has been overpaid, DWP provides different rates of subsidy:

- Subsidy for overpayments caused by claimant error is 40%. This means that if there has been an overpayment of £100, then the council will only get £40 from Government;

- Subsidy for official error overpayments is more complex. Where councils keep official error levels below 0.4% of properly paid Housing Benefit, then they will get 100% subsidy from the Government. This is because DWP accepts that a degree of official error is inevitable. If the value of official error overpayments exceeds 0.4% of spend, 40% subsidy is paid; if the value exceeds 0.59% then 0% subsidy is paid. Leeds has always secured 100% subsidy on official error overpayments.

3.4 The reduced level of subsidy provided by DWP for overpayments is intended to encourage local councils to seek to recover overpayments.

3.5 Overpayments occur because changes happen once a claim has been put into payment. A number of initiatives exist in order to help identify changes. These are:

- All communications to customers remind them of the need to report changes and set out the changes that need to be reported;
- A programme of reviews is undertaken each year with high risk cases which requires customers to re-state their circumstances and, where appropriate, provide proof
- DWP has developed an automated notification process to local councils that reports changes to benefits income for those claiming Housing Benefit. This is known as ATLAS (**A**utomated **T**ransfer of data to **L**ocal **A**uthoritie**S**). Councils receive notifications through ATLAS every day;
- Housing Benefit Matching Service (HMBS) is a monthly data-matching initiative run by DWP which provides details of cases where there appears to be a discrepancy in the income declared and the actual income from other records
- DWP initiatives such as the Right Time Initiative (RTI) which provides details of earnings for Housing Benefit customers and helps identify cases where the council may have been unaware that a customer is working, cases where earnings have been understated and cases where earnings have changed. The RTI initiative is a relatively new initiative and has led to a significant growth in overpayment in the last 2/3 years.

3.6 Where housing benefit is paid in excess of entitlement the Council is obliged by law to recalculate benefit entitlement. The council also has to consider whether an overpayment is legally recoverable – all overpayments are recoverable unless they have been caused by official error **and** the customer could not reasonably have been expected to know they were being overpaid

3.7 Housing Benefit is a difficult debt to recover. This is because many of the people who have been overpaid have low incomes and many may still be on benefits. The options for recovering Housing Benefit are:

- By weekly deductions from ongoing Housing Benefit entitlement;

- By weekly deduction from ongoing entitlement from other DWP benefits where recovery from HB is not an option. This option requires DWP approval and there may be other request to recover debt from a claimants DWP benefit;
- By issuing an invoice for recovery
- Where payment has been made to a landlord, recovery can be sought from the landlord and in some instances it is possible to recover an overpayment for one tenant that has been paid to the landlord by deducting from the payment to the same landlord for another tenant.

Housing Benefit Debt

3.8 The total value of Housing Benefit overpayments has risen significantly over the last 3 years due, largely, to DWP initiatives that have provided greater access to HMRC data about earnings.

15/16: £15.3M in housing benefit related overpayments was raised

14/15: £11.9m in housing benefit related overpayments was raised

13/14: £7.8m in housing benefit related overpayments was raised.

3.9 Recovery of overpayments is challenging. Unlike Council Tax, where the majority of the debt is raised at the start of the year, Housing Benefit debt occurs throughout the year. However, overall collection rates over the lifetime of the debt are at 83.21% for private tenants and 80.63% for council tenants.

In 15/16, £8.5M was recovered in respect of housing benefit overpayments. Of this, £4.3M related to the £15.3M in overpayments raised in 2015/16.

In 2014/15, £6.2M was recovered in respect of housing benefit overpayments. Of this, £3.3m related to the £11.9M in overpayments raised in 2014/15.

In 2013/14 £5M was recovered in respect of housing benefit overpayments. Of this, £2.6M related to £7.8M overpayments raised in that year.

3.10 The value of housing benefit raised since 2004 is approximately £85M, with £35M of this being raised in the past 3 years. A significant proportion of this debt is being recovered by deductions from ongoing Housing benefit entitlement or from DWP benefits and this can take some time. This is because, where deductions are made from ongoing recovery from housing benefit entitlement, or from DWP benefits, recovery is usually at amounts of £3.00, £5.00 or £11.10 depending on circumstances.

3.11 The exception relates overpayments caused by fraud where the prescribed weekly deduction is £18.25. Overpayments are deemed to be fraud overpayments where it is shown that the customer deliberately set out to claim more Housing Benefit than they would otherwise have been entitled to or deliberately failed to report a change of circumstance in order to secure higher levels of benefit. Since December 2014, all instances of fraud or potential fraud

are investigated by the Single Fraud Investigation Service (SFIS) which is part of DWP. The Government removed a local authority's powers to investigate benefit fraud and local authority Benefit Fraud investigators were transferred to DWP to help form the Single Fraud Investigation Service.

- 3.12 Should the invoice not be paid, then further action is usually undertaken by the Council to recover the outstanding debt. The decision to undertake further action depends on the value and nature of the overpayment and the circumstances of the debtor.

Bad Debt Provision

- 3.13 Based on activity to date, the current collection rates over the lifetime of the debt are 83.21% for private tenants and 80.63% for council tenants, which is up from 75% and 73% respectively in 2003/04. Part of this increase is due to the expanded use of recovering the overpayment from a customer's ongoing benefit entitlement.
- 3.14 A bad debt provision is made each year to mitigate against the possibility of not being able to recover all of the outstanding debt. The methodology on how to calculate this provision was agreed with the auditors KMPG some years ago and takes account of the most up to date information on collection rates. This means that the provision required is adjusted every year to ensure that any increases or decreases in recovery is reflected.
- 3.15 This current bad debt provision has been increased as it begins to take account of the implications arising from the implementation of Universal Credit. This is because the wider roll out of Universal Credit is expected to have a detrimental impact on the Council's ability to recover outstanding housing benefit debt. This is covered in more detail below

Universal Credit

- 3.16 Universal Credit is one of the main elements of the Governments Welfare Reform programme that will replace a range of existing benefits for those of working age. Once Universal Credit is rolled out in full approximately 55k housing benefit claimants in Leeds will be claiming Universal Credit.
- 3.17 Universal Credit went live in Leeds in February 2016. Roll out is currently limited to new single job seeking claimants and therefore numbers have been limited. To date just over 3000 have claimed Universal Credit, of which approximately 700 are claiming help with housing costs from Universal Credit rather than claiming housing benefit.
- 3.18 Whilst numbers to date are minimal, volumes will increase as DWP look to bring more client groups onto the new benefit. From 2019, there will be no new housing benefit claims for working age claimants and DWP is expected to start the process to migrate the remaining caseload currently in receipt of housing benefit. This is expected to take until 2022 to complete. As a direct consequence of this, the Council will see a steady decline in housing benefit caseload up until 2022 when migration of the existing working age caseload should be complete.

3.19 The roll out of Universal Credit and the corresponding reduction in HB cases will have implications for the council. Firstly, the total value of overpayments will decline and for a council that recovers more than the subsidy it loses, this represents a loss of incomes. It also removes the opportunity to recover outstanding debts from ongoing Housing benefit entitlement and may impact on the ability to recover from DWP benefits which are replaced by Universal Credit. This could have implications for bad debt provision. These issues will form part of the Council's financial planning as Universal Credit rollout dates are confirmed.

4 Corporate considerations

4.1 Consultation and engagement

4.1.1 The report is for information only and does not require consultation.

4.2 Equality and diversity / cohesion and integration

4.2.1 Not applicable.

4.3 Council policies and best council plan

4.3.1 Financial Regulations (2) Income & (7) Budget Management.

4.4 Resources and value for money

4.4.1 The report itself does not require any resource allocation.

4.5 Legal Implications, access to information and call In

4.5.1 There are no specific legal implications or access to information issues with this report.

4.6 Risk management

4.6.1 It is likely that Universal Credit will impact on both the future level of housing benefit overpayments raised and the level of collection. Some allowance has been made already within the bad debt provision but further work is required once roll out dates are more certain.

5 Conclusions

5.1 The Council's Benefit makes every effort to deliver a secure and accurate benefits service. However, overpayments are an unavoidable feature of any means-tested benefit. Where overpayments occur, a range of recovery options are used to recover the debt and over the life time of the debt between 80% and 83% of debts are recovered. This helps ensure that the Council does not suffer financially from DWP's reduced subsidy scheme in relation to overpayments.

5.2 Universal Credit will impact on both the future level of housing benefit overpayments raised and the level of collection.

6 Recommendations

6.1 Corporate Governance & Audit Committee is requested to note the information in the report and recognise the assurance provided through regular audit, both internal and external, of the Benefits Service.

7 Background documents

7.1 None

UNIVERSAL CREDIT IMPLEMENTATION ACTION PLAN 2017 TO 2018- Transition and migration phase (January 2017)

A. Stakeholders understand Universal Credit and what it means for them during Transition and Migration				
Priority area	Specific actions	Partners /Stakeholders	Timescale	Action Progress and Status
Raise awareness with claimants about Universal Credit, what it means for them and when and how to claim Universal Credit during Transition and Migration	<ol style="list-style-type: none"> 1. Understanding the implications of full service and online claiming to include decision as to extent of LA involvement in supporting people with a UC claim 2. Ensure Customer Services officers are able to assist in online claiming 3. Working with Jobcentre Plus, to create awareness campaign for transition and then migration. 4. Deliver awareness campaign through a variety of methods including Community Hubs, Community Committees, annual tenancy visits and media campaigns, 5. Agree LA approach to ensuring caseload currently on “live” service is supported to claim under “full” service 	Customer Services DWP / Housing / Customer Services / Benefit Administration / Welfare Rights Unit / Community Committees	July 17 – July 18	<p>A period of “full service” claiming processes will be undertaken with DWP direction in terms of the full claimant journey – Full service training packs from DWP to be provided</p> <p>A change to the business delivery within Community HUBs will see a reduction in HB related activity and an increase in UC online claiming support. Staff to be able help:</p> <ul style="list-style-type: none"> • Set up email accounts • Work through a UC online claim • Advise/support how to book a UC work appointment at DWP • Advise customers how to access UC journals to check on payments / notify of changes in circumstances <p>DWP partner working to agree general awareness approach / available publicity material. Full UC information on DWP UC website to be tailored for Leeds requirements</p>
Raise awareness with landlords about Universal Credit Transition phase and when and how it affects their tenants and their business	<ol style="list-style-type: none"> 6. Landlords need to understand when and how tenants will migrate to Universal Credit and will need information about how to interact with UC around payment decisions, problem resolutions and disputes. 7. For Social Sector landlords there will be a wider role in supporting tenants to access Universal Credit 	DWP / Housing / RSL's / Private Landlords / Welfare and Benefits	Jan 18 – July 18	<p>Landlord F&Q document has been produced outlining implications for both private and social landlords . Further information to be provided as transition draws closer</p> <p>DWP looking to create “trusted provider” status for social sector landlords and to encourage landlords to adopt direct payment ahead of UC roll out. Trusted partner pilot should be concluded ahead of transition go</p>

				live. Awareness session for private Landlords in Oct / Nov in conjunction with DWP lead UC officers
	8. Develop effective liaison arrangements around tenant migration to UC;		July 17 – July 18	Housing Leeds to create UC action plan to cover transition and migration. To identify tenant support and implications around direct payments – Understanding of Alternative Payment Arrangements (APA) processes priority and ensuring tenants supported to make and manage online claim
	9. Run UC Seminars for landlords /information exchange		Nov 2017	DWP to continue to support council to attend future private landlord conferences to update on UC roll out
	10. Provide specific information about migration and transition approach		July 2017 – July 2018	(Transition to start July 2018 in Leeds) Ahead of this date to develop any transition material to support landlords. Migration to start some time in 2019 full timetable not yet announced –
	11. Put in place specific hotline/solution to deal with landlord UC-related enquiries			DWP have provided an email escalation route for “live” service. To work with DWP to ensure this is extended into Transition phase and is workable. Landlords now understand the relationship between UC / rent
Agree future Delivery Partnership with DWP	12. Understand how “Universal Support Delivered Locally” will be implemented	DWP / Welfare and Benefits / Customer Services/Housing Leeds	May 17 – June 18	DWP to provide guidance on USDL and how this should be implemented within LA’s Should include full online supporting processes Budgeting support and money management
	13. Work with Customer Services to agree the principles of a delivery partnership delivery programme for transition and then migration to include targeted support for online claiming and management			Meetings to be set up with key Customer Access managers to progress and understand implications

	14. Develop frontline staff awareness and expertise around Universal Credit.	Welfare and Benefits / Customer Services / Housing Leeds	May 2017 – July 2018	<p>UC sub working group to be reinstated to ensure relevant stakeholders “own” the preparation requirements for their planning actions</p> <p>Awareness and training sessions to be delivered content appropriate for audience.</p> <ul style="list-style-type: none"> • Key Housing officers already received in depth training and will provide a cascade to other Housing Officers • Customer Services Staff to receive in house training on general impacts of UC and signposting / Online claiming support provision • Welfare Rights Unit to ensure specialist advisors understand implications of UC to incorporate into benefit advice. • Area Committees rep on UC sub group. To identify key requirements in each wedge and coordinate a delivery programme • Members seminar • 3rd Sector frontline UC sessions within area committees • Contact to be made with ASC to provide social workers with updated UC sessions UC sessions in January 18 – June 18 • Consider other front line staff sessions for transition period
	15. Operational implications for HB around CTS / HB during Transition and Migration. Back office to develop working practices to: <ul style="list-style-type: none"> i. Support DWP on Housing Costs 	Welfare and Benefits	Jan 2017 – July 2018	<ul style="list-style-type: none"> • HB back office staff to receive operational training on Impacts of UC and interaction with HB /CTS • Project lead for W7B to establish working processes and DWP liaison

	<p>queries</p> <p>ii. Manually process CTS claims</p> <p>iii. Procedures for closing down HB claims</p> <p>iv. SPOC for DWP</p> <p>v. Ensure Free school Meals continue to be awarded to those eligible during transition / migration</p>			<p>linked to current “live” processes and also to understand difference for “transition” phase</p> <p>FSM eligibility to be understood and implemented by W & B back office function.</p>
B. Customers are prepared and supported to manage their Universal Credit Accounts				
<p>Put in place a delivery partnership agreement that supports the most vulnerable as part of the universal support delivered locally model</p>	<p>16. Arrangements to be put in place ahead of transition.</p> <p>17. Agree Online claiming support and Personal Budgeting Support arrangements.</p> <p>18. Ensure “live” clients are supported to make the “full” service claim</p>	<p>Welfare and Benefits / Customer Services/ Housing Leeds</p>		<p>Customers Access to continue lead on providing any online claiming support for UC and referrals for PBS from DWP or self referral. Linked to Citizens at Leeds agenda of Community Hub facilities already in place.</p> <p>Customer Access officers to understand the difference in support requirements for full service</p>
	<p>19. The Council’s Transactional Web Services, Channel Shift and Community Hubs programmes are important in increasing digital inclusion among citizens.</p> <p>20. Needs to be supported by a range of actions by all partners to provide access</p>			<p>All</p>

	points and support Community Learning Partnerships,			<p>completed and this provides an opportunity to further promote online access.</p> <p>All Community Hubs public PC's to be made accessible. Consideration to be given to needs of public around use of printers for obtaining online UC notifications / documents if needed JCP have increased IT accessibility at all JCP sites in Leeds.</p> <p>Guide on available IT facilities and support produced for customers to increase access to PC's to be updated</p>
Continue to review Strategy for maximising rent collection that reflects Universal Credit implications for transition and Full Service	21. Need to work with finance sector and Credit Union to address barriers to accessing bank accounts; key aspect will be to push people away from Post Office Card Accounts into accounts that provide budgeting facilities. promoting benefits of bank accounts and tie in with discounts for online payments. Successes in private rented sector need to inform actions in social rented sector	LCCU / Housing /Customer Access / Welfare and Benefits	Ongoing	<ul style="list-style-type: none"> - Work with LCCU to increase membership among tenants and deliver new initiatives: <ul style="list-style-type: none"> o Toolkits for frontline workers o Online access in OSCs o Develop UC specific account to deal with pay/UC fluctuations - Push direct debit payments - Identify potential payment exceptions due to arrears or vulnerability - Address budgeting and money issues in key initiatives e,g, <ul style="list-style-type: none"> o Helping people into work - Promote Money Information Centre brand - Developed Community Hubs as MICs and solution centres for debt and rent arrears <p>-Agreement reached with Housing Leeds to use 3 x LCCU staff to promote LCCU and financial inclusion activity with tenants</p>

				Welfare & Benefits issued information re MIC with benefit notifications. Important that partners look at opportunities to promote Money Information Centre
	22. Need to fully utilise payment exceptions to mitigate risks of non-payment and manage rent arrears			Outcome of Trusted partner status pilot for Social Landlords should be concluded ahead of transition. Social Landlords to understand the implications / advantages of obtaining Trusted partner status Social landlords aware of alternative payment arrangement (APA) process which will be reinforced at staff training Private landlords to be kept upto date of APA processes at future seminars
Put in place effective migration strategy for customers moving from Housing Benefit to Universal Credit, including identifying payment exceptions where appropriate	23. Develop good practice toolkit for closing down HB cases and starting tenants onto Universal Credit with clear roles for HB admin, landlords and Jobcentre Plus	Welfare and Benefits	From July 2018	Awaiting detail of DWP migration timescale and process. Key features of migration approach include: - Identifying payment exceptions - 'welcome to UC' pack to tenants Landlord notifications
C Employers are ready for Universal Credit and understand how they need to support employees to access and manage UC requirements				
Ensure full engagement with the Chamber of Commerce on implications for and requirements on businesses	24. Work with JRF and Chamber of Commerce re clear understanding of impact of UC on employment, businesses and economy and how employment sectors can respond to UC requirements.	Welfare and Benefits		Joseph Rowntree Foundation is undertaking a significant research programme with Leeds about poverty and economic growth. Opportunity to focus some research on response needed in light of Universal Credit requirements Also needs to work with Chamber of Commerce about the impact of Universal Credit

<p>Develop good practice guide for employers on how to support employees under Universal Credit</p>	<p>25. Guide needs to reflect different types and scales of business and set out a clear business rationale for supporting employees with UC requirements</p>			<p>LCC and JCP to develop good practice guide for employers</p> <p>Work with Leeds & Partners to develop an approach to encouraging larger employers and relocating employers to consider how they could support preparations</p>
<p>D The Council understands the financial implications of UC on individual services and staffing are factored into the Council's future financial models.</p>				
	<p>26. There needs to be a strong focus on staff awareness and impact of UC on individual services and staffing decisions. Unions/HR need to be involved.</p>	<p>Welfare and Benefits / Housing</p>	<p>June 17</p>	<p>Included as part of the recommendations from the Scrutiny enquiry report.</p> <p>Housing Leeds to include as part of the HRA financial plan</p> <p>Welfare and Benefits to consider impact on HB spend / Staffing implications</p>

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Report of Head of Governance and Scrutiny Support

Report to Citizens and Communities Scrutiny Board

Date: 13th February 2017

Subject: Development of a revised Council Tax Support Scheme – formal response to the Scrutiny recommendations

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

1. At its meeting on 27th June 2016, the Citizens and Communities Scrutiny Board agreed to undertake an urgent review to assist in the development of a revised Council Tax Support scheme. This review concluded in October 2016 and a report setting out the Scrutiny Board’s findings and recommendations was published in November 2016 ([Click to access inquiry report](#)).
2. It is the normal practice to request a formal response from the relevant Directorate(s) to the Board’s recommendations once a report has been published. Details of the formal response to the Board’s recommendations are attached for Members’ consideration (see appendix 1).

Recommendations

3. Members are asked to consider the formal response to the recommendations arising from the Scrutiny Board’s review into the development of a revised Council Tax Support Scheme.

Background papers¹

4. None

¹ The background documents listed in this section are available to download from the Council’s website, unless they contain confidential or exempt information. The list of background documents does not include published works.

Appendix 1 – Response to the Scrutiny recommendations regarding the development of a revised Council Tax Support Scheme.

Scrutiny Recommendations	Directorate Response
<p>Recommendation 1 That the Executive Board:</p> <p>(i) Acknowledges the support of the Citizens and Communities Scrutiny Board to the proposed new changes to the Council Tax Support scheme as presented as part of its review.</p> <p>(ii) Agrees to undertake a further review of the new Council Tax Support scheme during the summer of 2018, when the number of Universal Credit claimants is expected to be more significant in Leeds and the Council will be in a good position to gauge the extent to which the new scheme is achieving its overall aim.</p>	<p>A report was taken to Executive Board in December 2016 with the Scrutiny Board (Citizens & Communities)’s report and recommendations appended along with specific reference to the work of Scrutiny on this issue. Executive Board acknowledged the work of Scrutiny on this issue.</p> <p>Executive Board agreed that a further report would be taken to Executive Board in 2018 with more information about the roll out of Universal Credit and options for reducing scheme costs.</p>
<p>Recommendation 2 That the Assistant Chief Executive (Citizens and Communities) ensures that the Executive Board is provided with a detailed options appraisal in determining when the Council revises the Council Tax Support award as part of the new Council Tax Support scheme and in doing so, acknowledges the support, in principle, of the Citizens and Communities Scrutiny Board towards an approach based on average earnings.</p>	<p>The new scheme design in itself will result in fewer revisions, as it will see lower earners qualify for maximum support and a number of higher earners no longer qualify for support.</p> <p>Executive Board delegated the design of the operational scheme for dealing with fluctuating income to the Assistant Chief Executive (Citizens and Communities). In making that decision, the Assistant Chief Executive will have regard to the options available, including the option, supported by Scrutiny, of an approach based on average earnings. The decision of the Assistant Chief Executive (Citizens and Communities) will be reported to Scrutiny, along with the options considered, as part of a report on the development of a hardship policy (see recommendations 3 & 4).</p>

Recommendation 3

That the Executive Board:

(i) supports the option to remove protections entirely from 1st April 2017 for the majority of protected groups and only maintain protections for War Pensioners;

(ii) endorses the need to ring-fence an appropriate proportion of the cost savings arising from the removal of the protections scheme in order to secure sufficient funding for a new discretionary hardship scheme.

Executive Board did not approve Scrutiny' recommendation to remove protections entirely from 1st April 2017. A key principle of the proposed new scheme was to provide for Council Tax Support arrangements that are very clearly linked to the implementation of Universal Credit and the fact that many customers who are currently in receipt of protections would be better off under Universal Credit.

In developing the proposed scheme it therefore made sense to only remove protections when customers move onto Universal Credit. To adopt recommendation 3 from Scrutiny Board would move away from this key principle and see many customers worse off, potentially for a long period of time as customers are transitioned to Universal Credit, the timetable for which is still uncertain.

Whilst this could potentially be managed through the creation of a more significant hardship scheme, the reality is we would expect most people to claim for hardship support on the basis that all of those affected would see an immediate loss in support with little or no means to address that shortfall. Therefore any potential savings would be significantly offset by the need for a sizeable hardship scheme as well as the administrative burden of managing such a scheme for all customers.

The report to Executive Board highlighted that reductions in spend due to the removal of protections would be offset to some degree by costs of the discretionary hardship scheme. Executive Board delegated the design and value of the hardship scheme to the Assistant Chief Executive (Citizens and Communities) with a requirement that the hardship scheme is taken to Scrutiny Board.

It is expected that a report will be taken to the March 2017 meeting of Scrutiny Board on the design of the hardship scheme.

<p>Recommendation 4 That the Assistant Chief Executive (Citizens and Communities) ensures:</p> <p>(i) That the application of the discretionary hardship scheme is fair and transparent and based on the principle of supporting the most vulnerable of customers that would be worse off under the new Council Tax Support scheme and least able to cope.</p> <p>(ii) That the details surrounding the development of the discretionary hardship scheme are shared with the relevant Scrutiny Board.</p>	<p>See response to Recommendation 2 (ii).</p>
<p>Recommendation 5 That, linked to recommendation 1(ii), the Executive Board agrees to explore other potential scheme saving options when undertaking a wider review of the new Council Tax Support scheme during 2018.</p>	<p>Agreed – See recommendation 1(ii)</p>
<p>Recommendation 6 That the Assistant Chief Executive (Citizens and Communities) ensures that the work surrounding a review of methods of contact of customers during the Personal Work Support Package scheme and the development of a business case for an improved case management system is progressed with urgency and progress is reported back to the relevant Scrutiny Board.</p>	<p>A new triage process for initial assessment with customers has been drafted. Customer Services will begin a pilot in early February and if successful, will be rolled out across all Jobshops. The model is initially paper based but a draft specification for an electronic solution has been prepared and will be further developed.</p>

<p>Recommendation 7</p> <p>That the Assistant Chief Executive (Citizens and Communities) works with DWP's West Yorkshire Work Services District Manager to explore further opportunities for strengthening links between the Council's Personal Work Support Package scheme and the Back to Work Plan process undertaken by Job Centre Plus. In particular, to ensure that a customer's engagement with the PWSP scheme is appropriately reflected as part of the Claimant Commitment process with Job Centre Plus.</p>	<p>In managing the interface between PWSP and the Jobcentre Plus jobseeker conditionality, there is ongoing dialogue between DWP and the Council.</p> <p>Both parties are keen to eradicate any duplication in provision and/or conflict in obligations for the jobseeker and involvement in the PWSP programme is acknowledged within the Claimant Commitment. Ensuring consistency of practice remains a challenge. Nevertheless, this issue remains a priority and joint working to review process and practise will remain in place.</p>
<p>Recommendation 8</p> <p>That the Assistant Chief Executive (Citizens and Communities) explores additional funding opportunities through the pending ESIF programmes and the Work and Health Programme that could be utilised towards the expansion of the Personal Work Support Package element of the Council Tax Support scheme to those claimants in receipt of an Employment and Support Allowance.</p>	<p>Work is underway for joint working arrangements with Reed in Partnership who have secured ESIF funding. They are now located within a number of Hubs and offering additional engagement and support activities to PWSP customers to enhance the current offer. We are also exploring options with other partners ahead of expansion to the Employment Support Allowance cohort.</p>
<p>Recommendation 9</p> <p>That the Assistant Chief Executive (Citizens and Communities) leads on actively promoting the Personal Work Support Package element of the Council Tax Support scheme to the Secretary of State for Welfare and Benefits with a view to exploring opportunities of becoming a pilot authority and potentially securing additional funding to support the improvement and further expansion of the scheme.</p>	<p>It is expected that a letter will have been issued to the Secretary of State for Work and Pensions by the time the Board meets in February. If this is the case, a copy will be provided to Board members.</p>

Recommendation 10

That the Assistant Chief Executive (Citizens and Communities) leads on working with other relevant directorates and key partners to develop a communication strategy aimed at existing and future Council Tax Support claimants to enable them to fully understand their entitlements and also where to access further advice and support if needed, with particular attention given to vulnerable individuals.

In association with partners, we are exploring opportunities to enhance PWSP at the initial engagement phase by offering a more intensive induction and assessment model. Should this prove successful, this will present an ideal opportunity to improve communications about entitlement, support and the broader offer. This will be of particular benefit to the jobseekers who may have multiple and complex barriers to work. If this option is feasible, it could commence in April 2017.



Report author: Angela Brogden
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Report of Head of Governance and Scrutiny Support

Report to Scrutiny Board (Citizens and Communities)

Date: 13th February 2017

Subject: Work Schedule

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

1. The Board's work schedule is attached as appendix 1. This will be subject to change throughout the municipal year.

Recommendation

2. Members are asked to consider the work schedule and make amendments as appropriate.

Background documents¹

3. None used

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

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Area of review	Schedule of meetings/visits during 2016/17		
	June	July	August
Development of a revised Council Tax Support Scheme		Initial briefing and agreeing terms of reference. SB 25/07/16 @ 10 am	
Safeguarding issues linked to the night time economy.			
Reducing repeat customer contacts			
Briefings	Scrutiny Board Terms of Reference and Sources of Work SB 27/06/16 @ 10 am		
Recommendation Tracking		Universal Credit SB 25/07/16 @ 10 am	
Performance Monitoring			

Scrutiny Board (Citizens and Communities) Work Schedule for 2016/2017 Municipal Year

Areas of review	Schedule of meetings/visits during 2016/17		
	September	October	November
Development of a revised Council Tax Support Scheme	Session 2 on the inquiry WG – 19/09/16 @ 1.30 pm Session 3 of the inquiry WG – 28/09/16 @ 1 pm	Session 4 of the inquiry WG – 4/10/16 @ 10 am Session 5 of the inquiry WG – 18/10/16 @ 1.30 pm	Agree final report SB 07/11/16 @ 10 am
Safeguarding issues linked to the night time economy.		Overview of actions taken within Taxi and Private Hire Licensing and Entertainment Licensing. SB 10/10/16 @ 10 am	
Reducing repeat customer contacts		Scoping terms of reference WG – 6/10/16 @ 2pm	Agree terms of reference and introductory session SB 7/11/16 @ 10 am
Briefings	Future changes to the Leeds Advice Consortium. SB 12/09/16 @ 10 am		The roll out of Community Hubs SB 7/11/16 @ 10 am
Budget & Policy Framework/pre-decision Scrutiny			
Recommendation Tracking	Migration in Leeds SB 12/09/16 @ 10 am Development of Community Committees SB 12/09/16 @ 10 am	Development of Community Hubs SB 10/10/16 @ 10 am	
Performance Monitoring	Performance Update SB 12/09/16 @ 10 am		

Key: SB – Scrutiny Board (Citizens and Communities) Meeting

WG – Working Group Meeting

Scrutiny Board (Citizens and Communities) Work Schedule for 2016/2017 Municipal Year

Area of review	Schedule of meetings/visits during 2016/17		
	December	January	February
Reducing repeat customer contacts	Session 2 of the inquiry WG 05/12/16 @ 9.30 am		Session 3 of the inquiry WG 15/02/17 @ 2 pm Session 4 of the inquiry TBC.
Briefings			Welfare Reforms – Update SB 13/02/17 @ 10 am
Budget & Policy Framework/pre-decision Scrutiny		Financial Health Monitoring SB 09/01/17 @ 10 am 2017/18 Initial Budget Proposals SB 09/01/17 @ 10 am	
Recommendation Tracking			Universal Credit SB 13/02/17 @ 10 am Revised Council Tax Support Scheme SB 13/02/17 @ 10 am
Performance Monitoring		Performance Update SB 09/01/17 @ 10 am	

Scrutiny Board (Citizens and Communities) Work Schedule for 2016/2017 Municipal Year

Area of review	Schedule of meetings/visits during 2016/17		
	March	April	May
Reducing repeat customer contacts		Agree final report SB 10/04/17 @ 10 am	
Briefings	Phase 3 of the Community Hub programme. SB 13/3/17 @ 10 am Migration and the Council's approach towards Brexit. SB 13/3/17 @ 10 am		
Budget & Policy Framework/pre-decision Scrutiny	Development of the Discretionary Hardship Scheme SB 13/3/17 @ 10 am		
Recommendation Tracking	Migration in Leeds SB 13/3/17 @ 10 am Development of Community Hubs SB 13/3/17 @ 10 am	Development of Community Committees SB 10/04/17 @ 10 am	
Performance Monitoring			