

REPORT TO: Employment, Learning, Skills and Community
Policy and Performance Board

DATE: 8th January 2014

REPORTING OFFICER: Strategic Director: Children & Enterprise

PORTFOLIO: Economic Development

SUBJECT: ELS & C PPB Welfare Reform Scrutiny Topic
Group – Taking forward the recommendations

1.0 PURPOSE OF THE REPORT

To outline proposals to :-

- take forward the recommendations from the Employment, Learning and Skills PPB Welfare Reform Scrutiny Topic Group
- respond to the PPB recommendation to put in place a mechanism for monitoring implementation of the action plan

2.0 RECOMMENDATIONS:

It is recommended that:

- (1) Members further consider the ranking and feasibility of the recommendations in line with corporate priorities and resources available.

3.0 SUPPORTING INFORMATION

Background

- 3.1 Measures introduced in the *Welfare Reform Act 2012*, represent the biggest changes to the welfare system since its conception 60 years ago. Given that a key pillar of the Government's reform is a focus on "making work pay", it was felt that there were a number of issues that required further exploration within the context of employment, learning, skills and communities. In response the Employment, Learning, Skills and Community PPB commissioned a Scrutiny Review to consider the implications of the welfare reforms. The Topic Group was chaired by Cllr Sue Edge and supported by Wesley Rourke, Operational Director for Economy, Enterprise and Property, Principal Policy Officer from the Children and Enterprise policy team and the Halton Strategic Partnership Board Partnership Officer.
- 3.2 The scrutiny review was conducted through a number of means between June 2013 and September 2013, as follows:

- Monthly meetings of the scrutiny review topic group;
 - Presentations by various key members of staff from the Council and partners;
 - Provision of information
- 3.3 The outcomes from the work of the Halton Strategic Partnership Board (HSPB) on the local impacts of the welfare reforms were fed into the Scrutiny Topic Group Review. The HSPB have organised two dedicated events to start to understand how the changes will affect not only residents but also service provision across Partner organisations. These events took place on the 12th September 2012 and 6th March 2013, looking at the changes and how Partners could work better together to support residents. The HSPB has nominated Wesley Rourke as the Strategic Lead for the Partnership on this issue, which of course fits with his operational role within HBC and the Lead Officer for the Scrutiny Review. He is supported by the Corporate & Organisational Principal Policy Officer and the other officers previously mentioned.

4.0 Process to date

- 4.1 Due to the wide remit of the Scrutiny Topic Group, this was a complex scrutiny review that covered many different areas including:
- Welfare Reform and the impact on disabled people
 - A Halton Strategic Partnership perspective – i) Mapping Partners’ support; ii) partner responses to the welfare reform agenda; iii) joint working opportunities.
 - Welfare Reform Key Issues and Challenges for Disabled people
 - Welfare Reform and the Armed Forces
 - Welfare Reform Key Issues and Challenges for those on the low pay no pay cycle
 - Welfare Reform - The perspective from the Halton Disability Partnership
 - Welfare Reform a perspective from the Council’s Employment Learning and Skills Division
 - Sheffield Hallam University Research
- 4.2 The ELS and C PPB Welfare Reform Scrutiny Topic Group made a number of recommendations, which require further consideration and action. Elements of the scrutiny review also impact on the other key priorities, in particular ‘A Healthy Halton’ as the reforms will impact on people in receipt of disability benefits, Children whose families may see changes to the benefits they receive and ‘A Safer Halton’, as benefits changes and sanctions may lead to an increase in domestic violence and potentially anti-social behaviour and crime.
- 4.3 The Topic Group concluded their findings by identifying recommendations, but recognised that these may not be achievable due to the Council’s and current financial position and the budget restraints and highlighted that these would require further investigation prior to implementing.

- 4.4 At the Employment, Learning, Skills and Community Policy and Performance Board on 11th November, members agreed to endorse the recommendations in the report and continue the Scrutiny Topic Group in order to fully investigate the feasibility of the recommendations together with partners prior to implementation.
- 4.5 The Halton Strategic Partnership Board is also keen for partners to work together in order to:-
- Identify and better integrate local support services
 - Gather information about partner experiences of the impacts of the welfare reforms as they are implemented, and
 - Identify case studies that give a customer perspective of the impacts of the welfare reforms

5.0 Way Forward

- 5.1 The continuing work of the ELS & C Welfare Reform Scrutiny Topic Group will build upon the good work that it has done to date and that of the HSPB. It is proposed that a series of themed meetings of the Topic Group are planned, to which partners will be invited as appropriate to help inform the discussion, refine the recommendations and work with the council to deliver any resulting actions and put in place a mechanism for monitoring their implementation.
- 5.2 The welfare reforms are being implemented over time, with many of the changes yet to happen. However the reforms continue to be a key Government priority, which aim to save money by getting working age people that are able, off benefits and into work. It is therefore inevitable that some residents will lose their benefits or receive a reduction in the amount that they receive. This is likely to have a knock on effect on their ability to pay for goods and services, including housing rent, food and fuel. Residents who find work may however find themselves better off financially and the outcomes for them and their families may improve.
- 5.3 The role of the topic group will therefore be to gain a better understanding of the continuing impacts of the reforms on the lives of residents, council services and on our businesses and how we can best support people through the changes. In particular, we need to focus on the more vulnerable residents, such as those with mental health issues and children living in families who may find their income much reduced or indeed potentially stopped if subject to benefit sanctions and/or delays in processing their benefit applications. The Topic Group will also consider and agree appropriate performance measures that will enable us to track the impact of the reforms over time.
- 5.4 A number of key themes have emerged from the work of the Scrutiny Topic Group, which will inform their future work. These include:-

- Benefit Sanctions and the impact they have upon families
- Supporting people with mental and other health conditions that may struggle to respond to the welfare reform changes that may impact upon them
- Supporting people into quality employment or training opportunities
- Planning for the ongoing changes to the benefits system including the introduction of Universal Credit
- The impact of the welfare reforms, particularly the bedroom tax on housing and the borough's urban environment.

6.0 POLICY IMPLICATIONS

6.1 Existing policies are endorsed by the report.

7.0 OTHER/FINANCIAL IMPLICATIONS

7.1 The recommendations of the Welfare Reform Topic Group will be reviewed and actions to be taken forward agreed by the group. Some of these actions may require resources to undertake, however these will be determined and considered on an individual basis and it is anticipated that any resources required will be from existing operational teams.

8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

8.1 Children & Young People in Halton

The welfare reforms will continue to impact upon children, young people and families in the borough due to potential new charges to families such as the bedroom tax, contribution to council tax costs, possible loss in income etc

8.2 Employment, Learning & Skills in Halton

The Welfare Reforms will result in an overall loss of money to residents and therefore will result in less money in the local economy. Also people who may not have worked for many years due to ill health etc will now potentially be required to seek work. This will be a real challenge particularly for HPIJ. As the welfare reforms require applications to be made online, then there may also be a need for more access to IT and improvements in residents' IT skills .

8.3 A Healthy Halton

Elements of the Welfare Reform Scrutiny Review impact on this priority, for example, people being taken off disability benefits and required to seek work opportunities. Also changes to the benefits system is likely to cause stress for

some vulnerable groups, for example those with mental health problems, which may impact upon their health and well-being.

8.4 A Safer Halton

Due to reductions in household income and the potential impact on vulnerable groups, such as those with substance misuse issues, there could be a corresponding rise in crime, in particular domestic abuse.

8.5 Halton's Environment and Urban Renewal

The welfare reforms will result in less money in the economy which may impact upon existing and new development. On the positive side Halton has a good supply of local labour skills to support economic growth and regeneration.

9.0 RISK ANALYSIS

- 9.1 The work of the welfare reform topic group supports the Council's strategic priority of Employment, Learning, Skills and Community. The welfare reforms present a number of risks to children and families in the borough, due to families being likely to have less money and increasing demands on that income

10.0 EQUALITY AND DIVERSITY ISSUES

- 10.1 The implementation of the recommendations will help to mitigate against the impacts of the welfare reforms on the residents of Halton.

11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the act.