

FLINTSHIRE COUNTY COUNCIL

REPORT TO: CORPORATE RESOURCES OVERVIEW & SCRUTINY
COMMITTEE
DATE: THURSDAY, 11 JULY 2013
REPORT BY: HEAD OF FINANCE
SUBJECT: WELFARE REFORM UPDATE

1.00 PURPOSE OF REPORT

1.01 To update members on the latest position regarding Welfare Reform.

2.00 BACKGROUND

2.01 As part of Flintshire's response to the Welfare Reform agenda, a number of work streams have been undertaken under the auspices of the Welfare Reform Programme Board. This report identifies affected areas and the Council's response.

3.00 CONSIDERATIONS

3.01 Flintshire Welfare Reform Programme Board

The Board was established to oversee Welfare Reform implementation in the County. The Board has been well supported and attendance has continued from Members and Officers of Flintshire County Council and a range of voluntary and third sector organisations including the Department for Work and Pensions (DWP). The Board has been led by the Leader of the Council.

The Board has monitored the programme of work and identifies risks and possible mitigation of the impacts of Welfare Reform, and has been run on a documented programme management structure with clear documentation including a risk register and a communication plan.

At the Board meeting on 1st July, it was agreed that the objectives of the Board to oversee the development and successful implementation of the Welfare Reform Strategy had been completed and that it was now appropriate to look to arrangements to support the operational aspects of managing Welfare Reform. It was agreed that for Council Members this would be through reporting to Cabinet and Scrutiny and for partner organisations through the Local Service Board and Advice Management Board.

3.02 **Council Tax Reduction Scheme (CTRS) 2013/2014**

The new scheme replaced the original Council Tax Benefit scheme and despite a number of legal issues that arose nationally with the interpretation of regulations, implementation was successfully achieved to ensure that Council Tax bills could be sent to all residents.

Early indications are that despite the introduction of the wider Welfare Reform changes that collection of Council Tax compares well with the position last year. However the change has resulted in higher levels of telephone and general contact with the authority.

This scheme is for 2013/14 and Welsh authorities are still waiting to hear if there will be any changes to the scheme in 2014/15 and details of how it will be funded.

3.03 **Under-Occupying Social Housing Tenants**

From the 1st April 2013, new rules regarding benefit payments for those in Social Housing have been applied in cases where tenants were under occupying the property (known as the Bedroom Tax). Under these rules, 1,477 working age social housing tenants have had their housing benefit reduced, losing housing benefit totalling £922,000 pa.

Flintshire County Council has amended its housing policies to meet the challenges created by under occupation. With closer working between Flintshire and Registered Social Landlords we have been maximising the support available to tenants and ensuring effective use of stock via proactive transfers and nominations.

3.04 **Benefit Cap**

The Benefit Cap will be implemented in a phased approach between July and September 2013, with a restriction on Housing Benefit payment where the household income exceeds the cap.

Current information received indicates that this will affect forty-four Flintshire households (16 social housing tenants and 28 private sector tenants) and they will lose combined annual welfare benefit income of £153,000. The DWP have confirmed that this is an initial indication and could be lower once they have fully analysed each claim and reduced the number of households affected due to exemptions from capping.

3.05 **Personal Independence Payment**

On the 8 June 2013, Personal Independence Payment was introduced for new claimants aged 16-64 years old. The benefit, which is replacing Disability Living Allowance, is designed to support disabled people to live independent lives and includes a new face-to-face assessment and regular reviews.

Approximately 4,000 Flintshire households will have their current Disability Living Allowance award reassessed under the stricter Personal Independence Payment criteria during the period 2013 – 2017. With an expected loss of disability benefit income amongst these households will be £3 million pa.

3.06 **Discretionary Assistance Fund**

The Discretionary Assistance Fund (DAF) was introduced in Wales on the 2nd April 2013. Two grant payments are available; i) Individual Assistance Payment; ii) Emergency Assistance Payment.

Information on the DAF has been circulated to stakeholders throughout the County, including relevant Council Service Departments; Flintshire Advisor Network; Supporting People Providers and to Town and Community Councils.

3.07 **Discretionary Housing Payments (DHP)**

It is expected that this year will create significant financial challenges to many households and individuals as the changes to Welfare Benefits are starting to be implemented. A policy has been developed to detail the administration and processes that are to be followed when dealing with applications for Discretionary Housing Payments (DHP) and awarding financial assistance. This was formally approved and adopted by Cabinet on 23rd April 2013.

The Housing Benefit Service are working closely with colleagues across the Council and from partner organisations to identify people who DHP can help as a way of a short term solution in order to reach a sustainable outcome with help and support.

Early indications show that there has been an increase in the number of applications received for DHP. A report on DHP for the first quarter of 2013/14 is also on this agenda.

3.08 **The Local Support Services Framework**

The Chief Executive met with the DWP Regional Manager for North & Mid Wales on 24th June to discuss the Local Support Services Framework. This work is the exploration by DWP of how local authorities and the third and voluntary sectors can help customers on a local basis. It was reported that in North Wales, Flintshire was amongst the most advanced in preparing residents for implementation. Flintshire and Gwynedd officers will now be working on a programme across North Wales Authorities to look at digital inclusion (computer access) and Money Advice (household budget training).

3.09 **Advice Management Board (AMB)**

To ensure that the residents of Flintshire are informed and supported during the reforms the Authority has engaged with the Voluntary Sector. A range of representatives from the third and voluntary sectors are represented and now includes Credit Unions operating in Flintshire.

The AMB is operating in a climate of trying to mitigate the challenges of Welfare Reform whilst supporting each other in difficult times when resource are scarce and demand is increasing. It has a number of workstreams and is to deliver a proposed Flintshire Money and Advice Strategy to the Local Services Board on the 9th July. This will include a number of key outcomes and deliverables.

The aim is to enhance co-operation in support of residents recognising the need to reduce duplication across organisations.

Other workstreams that the Board are involved with include: mapping and access to affordable credit, mapping and access to emergency provisions – loans, grants and access to food banks, digital accessibility and inclusion.

3.10 **Welfare Reform Response Team**

The Council has a team of three people currently funded through WG and Flintshire funding to 31st March 2014. Flintshire County Council and DWP data is being used to identify households within Flintshire who are at most risk of losing household income. The first residents being targeted by the team for assistance are those affected by the introduction of the Benefit Cap and vulnerable social housing tenants impacted by under occupation.

Following the success of the two-year project to assist households affected by changes to the Local Housing Allowance the Welsh Government agreed to continue the funding for Flintshire's Welfare Reform Liaison Officer post during the current financial year (2013/14).

3.11 Empowering Flintshire's Communities

The welfare reform training and development programme is providing front line staff with knowledge and the confidence to provide initial advice, support and reassurance to residents affected by the reforms. The communication strategy is ensuring that accessible information on the welfare reforms is being disseminated to all stakeholders.

4.00 RECOMMENDATIONS

4.01 That Members note and comment accordingly on the report.

5.00 FINANCIAL IMPLICATIONS

5.01 None directly as a result of this report.

6.00 ANTI POVERTY IMPACT

6.01 There will be an impact of reducing benefits payable to residents who must be considered as our most financially vulnerable as that they had previously qualified for means tested benefits.

7.00 ENVIRONMENTAL IMPACT

7.01 None.

8.00 EQUALITIES IMPACT

8.01 As a Legislative decision the impacts have been assessed by DWP, WG, WLGA, at an Authority level impacts have been recognised.

9.00 PERSONNEL IMPLICATIONS

9.01 As benefits reductions are implemented there will be an increase demand on staff resource in the advise and explanation to residents.

10.00 CONSULTATION REQUIRED

10.01 None.

11.00 CONSULTATION UNDERTAKEN

11.01 None.

12.00 APPENDICES

12.01 None.

LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS

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