

**AGENDA ITEM XX**  
**REPORT TO CABINET**  
**DATE 03 OCTOBER**  
**2013**  
**REPORT OF**  
**CORPORATE**  
**MANAGEMENT TEAM**

**CABINET DECISION**

Leader of the Council – Lead Cabinet Member – Councillor Cook

**WELFARE REFORM – MONITORING UPDATE**

1. Summary

To present an update on Quarter 1 monitoring of the outcomes / impact of Welfare Reform.

2. Recommendations

i. The contents of the report be noted;

3. Reasons for the Recommendations/Decision(s)

This report provides an update on the introduction of the various reforms, highlighting early indications of impact and areas of concern. Performance indicators have been developed which will help to identify impacts of welfare reform changes within the borough and provide a basis for future actions and policy development.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

5. Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, in accordance with **paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or

- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.
6. A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)
  7. Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

#### **Disclosable Pecuniary Interests**

8. It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.
9. Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

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**WELFARE REFORM – MONITORING UPDATE**

**SUMMARY**

To present an update on Quarter 1 monitoring of the impact of Welfare Reform legislation, across our Borough.

**RECOMMENDATIONS**

1. The contents of the report are noted.

**INTRODUCTION**

2. Previous reports have detailed the introduction of the Welfare Reform Act 2012 which set out Government's intention to reform the benefits & tax credits system to provide greater incentives to work. This report provides details of the first quarters monitoring using the framework agreed by Members in July 2013. A further report is available on this cabinet agenda that sets out our strategic approach to dealing with vulnerable groups and targeting those most in need.

**Background**

3. Welfare Reform means several changes to benefits, the introduction of which is staggered across different geographical areas and over a period of time, as detailed below:
  - Universal Credit (Roll out delayed from October 2013).
  - Personal Independence Payment (introduced Stockton in April 2013 as part of a national pilot).
  - Under Occupancy/ Restriction to Housing Benefit (April 2013).
  - Transfer of responsibility for elements of The Social Fund to Local Authorities (April 2013).
  - Local Council Tax Support Scheme (April 2013).
  - The Benefit Cap (15<sup>th</sup> July 2013).

4. By July 2013 all reforms were introduced into the geographical area of Stockton with the exception of Universal Credit. The DWP has recently announced that the rollout will be delayed with further pilot work taking place in 6 areas across the country. Further work will also be undertaken on the national IT system that is required to facilitate the rollout and operation of Universal Credit. It has also been determined that more training is required for clients in support of future on line access, which is a requirement of the new Universal Credit benefit. Further updates on the timeline of the rollout will be provided once known.

### **Framework for monitoring the impact of Welfare Reform**

5. Members agreed a framework for monitoring the impact of the Welfare Reform which includes both qualitative and quantitative data collection as detailed below:
  - Monitoring of performance indicators and activity data.
  - Case Studies – To capture multiple impacts not always collectable through data sets.
  - Use of Survey Data to capture, impact on lifestyles, mood, feeling happy/ healthy / positivity measures.
6. Work on developing the definitions and source of the information for the performance measures has been underway since agreement in July. Available data has been collected retrospectively for the first quarter of this financial year and attached at Appendix 1.
7. Further work has been ongoing to develop the outstanding definitions and gather data for the remainder of the measures along with some historical data and context where appropriate. Measures identified in the appendix, under the “other category” will be supported with narrative at Quarter 2. Case studies will also be provided. This will allow for fuller reporting from Quarter 2 onwards with some analysis, trends and context. A report is scheduled for Cabinet in November 2013.
8. A number of the measures are being collected to the same definition across the region. This will allow for comparisons between authorities in the region and provide data that can be aggregated to identify impact on the region. Where available this will form part of the regular report to Members.
9. A template has been developed to capture case studies through a number of organisations supporting those impacted by the Welfare Reform changes. These will be collated and discussed at the Welfare Reform Board and reported to Cabinet as appropriate.
10. The Council viewpoint panel are to be used to monitor impact on lifestyles, mood, feelings of wellbeing etc. One survey a year will be used to capture this information. This will take place towards the end of the first year of the reforms.
11. Data and analysis from all 3 methods of collection will be used to inform:
  - Policy Shaping
  - To provide information to the Elected Leadership and Executive of the Council
  - To benchmark regionally / nationally
  - To identify any emerging trends.

- Measure short, medium and long term impact
- Lobby as appropriately.

### **Next Steps**

12. Information will continue to be collected on a quarterly basis with regular updates to the Welfare Reform Board, CMT and elected members through Cabinet, Scrutiny and members seminars. Information will be shared regionally through ANEC and the Institute of Local Governance who have been commissioned regionally to monitor the short medium and long term impact of these reforms.

### **FINANCIAL IMPLICATIONS**

Possible Impact on MTFP / Council Tax Collection.

### **LEGAL IMPLICATIONS**

None.

### **RISK ASSESSMENT**

Risks to collection rates, potential increase in homelessness.

### **SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS**

Concerns about inheriting family property, Community Cohesion and Financial Inclusion.

### **EQUALITY IMPACT ASSESSMENT**

Performance indicators devised (appendix 1 of this report) which should give a better indication of impact.

### **CONSULTATION INCLUDING WARD COUNCILLORS**

Previous Member seminars on Welfare Reform.

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Education related N/A

Background Papers: None.

Ward(s) and Ward Councillors: See above.

Property: N/A