

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

24 APRIL 2014

**REPORT OF HOUSING AND
COMMUNITY SAFETY
SELECT COMMITTEE**

CABINET DECISION

Leader of Council – Lead Cabinet Member – Councillor Cook

Scrutiny Review of Welfare Reform and Financial Inclusion

1. Summary

The report outlines the findings of the review of welfare reform and financial inclusion. The review was undertaken by Housing and Community Safety Select Committee. The review considered issues in relation to the impact of welfare reform in the Borough, Universal Credit, benefit sanctions, food poverty, crisis support and wider issues around financial inclusion.

Further scrutiny work will take place on this topic during 2014-15.

2. Recommendations

The Committee recommend that:

1. further scrutiny work should take place during 2014-15 to continue to review the impact of welfare reform. This phase of work should include particular reference to Universal Credit including fraud investigation, food poverty, advice and information, and the local housing market.
2. the indicators used in the welfare monitoring framework are kept under review, and that consideration is given to including the workload of the animal welfare service as an additional measure, alongside the existing indicators including child protection activity.
3. the joint working across Council and partner agencies (including third sector and Registered Providers) to mitigate the effects of welfare changes and support residents should be supported and continued in future phases of reform.
4. where appropriate, the Council and partners raise awareness of the advice available to residents who have had their benefits sanctioned, particularly in relation to vulnerable groups.

5. the Council should raise awareness of sustainable financial solutions for local residents, including advice, alternatives to high cost credit, and information on enforcement agencies including the Illegal Money Lending Team.
6. all Members should be provided with an information pack outlining the range of services available to residents that support the financial inclusion agenda.
7. Stockton Council and partners sign up to the Stockton Stop Loan Sharks charter and when implementing the Charter, particular emphasis should be given to raising awareness of the Illegal Money Lending Team, within targeted communities where appropriate.
8. a sustainable future for the 'Back on Track' funding and alternative methods of delivering 'crisis/short term' support is identified, and this be considered as part of the future scrutiny work on welfare reform.

3. Reasons for the Recommendations/Decision(s)

The report presents the findings of the scrutiny review that took place as part of the agreed work programme for 2013-14.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then 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 (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in

the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

AGENDA ITEM

REPORT TO CABINET

24 APRIL 2014

**REPORT OF HOUSING AND
COMMUNITY SAFETY SELECT
COMMITTEE**

CABINET DECISION

SCRUTINY REVIEW OF WELFARE REFORM AND FINANCIAL INCLUSION

SUMMARY

The report outlines the findings of the review of welfare reform and financial inclusion.

RECOMMENDATIONS

The Committee recommend that:

1. further scrutiny work should take place during 2014-15 to continue to review the impact of welfare reform. This phase of work should include particular reference to Universal Credit including fraud investigation, food poverty, advice and information, and the local housing market.
2. the indicators used in the welfare monitoring framework are kept under review, and that consideration is given to including the workload of the animal welfare service as an additional measure, alongside the existing indicators including child protection activity.
3. the joint working across Council and partner agencies (including third sector and Registered Providers) to mitigate the effects of welfare changes and support residents should be supported and continued in future phases of reform.
4. where appropriate, the Council and partners raise awareness of the advice available to residents who have had their benefits sanctioned, particularly in relation to vulnerable groups.
5. the Council should raise awareness of sustainable financial solutions for local residents, including advice, alternatives to high cost credit, and information on enforcement agencies including the Illegal Money Lending Team.
6. all Members should be provided with an information pack outlining the range of services available to residents that support the financial inclusion agenda.
7. Stockton Council and partners sign up to the Stockton Stop Loan Sharks charter and when implementing the Charter, particular emphasis should be given to raising awareness of the Illegal Money Lending Team, within targeted communities where appropriate.
8. a sustainable future for the 'Back on Track' funding and alternative methods of delivering 'crisis/short term' support is identified, and this be considered as part of the future scrutiny work on welfare reform.

DETAIL

1. The attached report outlines the findings of Housing and Community Safety Select Committee's review of welfare reform and financial inclusion. The review considered issues in relation to the impact of welfare reform in the Borough, Universal Credit, benefit sanctions, food poverty, crisis support and wider issues around financial inclusion. Further scrutiny work will take place on this topic during 2014-15.
2. Following consideration by Cabinet an action plan will be submitted to the Select Committee setting out how approved recommendations will be implemented detailing officers responsible for action and timescales.

FINANCIAL IMPLICATIONS

3. There are no significant financial implications at this stage. Details of the future usage of the 'Back on Track' funding will be considered as part of future work.

LEGAL IMPLICATIONS

4. There are no significant legal implications.

RISK ASSESSMENT

5. This review of welfare reform and financial inclusion is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

6. The following 2014-15 Council Plan themes/objectives are relevant:
 - Environment and Housing - Address the housing requirements of the borough
 - Health and Wellbeing - Reduce the impact of poverty on family life

EQUALITIES IMPACT ASSESSMENT

7. This report has been subject to an Equality Impact Assessment and has been judged to have a positive impact.

CONSULTATION INCLUDING WARD/COUNCILLORS

8. The Committee consulted the following organisations as part of the review: Stockton District Advice and Information Services (SDAIS - including Stockton Welfare Advice Network), Welfare Rights, Housing Options, Housing Benefits, JCP, Tristar Homes, Endeavour Housing, Fabrik Group, Five Lamps, Tees Credit Union, Thrive Teesside, Trading Standards, Economic Development, and A Way Out. In addition all local Registered Providers were surveyed, and a number of north east local authorities were contacted to understand their relationships with food banks.

9. All Members were consulted as part of the Council's response to the national review of the operation of Benefit Sanctions, and the response was reported to Committee.
10. Members of the Arts and Leisure Committee undertaking the Child Poverty review attended the Housing Committee and vice versa.
11. The Corporate Director of Resources and Leader of the Council were consulted on the findings and recommendations.

Name of Contact Officer: Peter Mennear

Post Title: Scrutiny Officer

Telephone No. 01642 528957

Email Address: peter.mennear@stockton.gov.uk

Education related? No

Background Paper None

Ward(s) and Ward Councillors:

Property Not applicable