

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting10th November 2016

1. Title of Item/Report

Welfare Reform Update Q2 2016-17

2. Record of the Decision

Consideration was given to a report that provided an update on the monitoring of outcomes and impacts of welfare reform and a summary of actions undertaken by the Council to mitigate against circumstances arising from the implementation of these changes.

The monitoring framework was set out under the following issues:

- Advice and Information Services;
- Discretionary Housing Payments;
- Social Fund/Crisis Payments;
- Housing;
- Local Council Tax Support Scheme;
- Employment; and
- General/cross cutting

The reduced Benefit Cap was introduced from 7 November 2016, lowering the maximum amount of benefits payable to claimants outside London by £6,000 to £20,000 (£384.62 per week) for couples and single parents and by £4,800 to £13,400 (£257.69 a week) for single people. The benefits included in calculating the reduced Benefit Cap were detailed.

In Stockton, those affected by the Benefit Cap would have their Housing Benefit payments reduced to bring them to the weekly cap levels.

This much reduced level of Benefit Cap led to 384 couples and single parents being identified as likely to be adversely affected. No single claimants were identified as likely to be adversely affected by the new level of Benefit Cap.

The Welfare Rights Unit had worked in partnership with Stockton Families First, other Council departments and landlords and had managed to contact most of these families, prioritising contact with those

at risk of the greatest level of financial reduction.

Details were provided on the outcomes of 206 family's contacted to date. Further attempts would be made to engage with the 55 families that had decided not engage with the Unit.

The Local Government Finance Act imposed a duty upon local councils from 2013-14 to adopt a Local Council Tax Support Scheme (LCTSS), to replace Council Tax Benefit. Members considered a number of options for Stockton's LCTSS and, following public consultation, agreed on the "shared reduction" option with all working age claimants paying a minimum contribution of 20% of the Council Tax charge.

There had been an independent review undertaken of the operation of LCTSS throughout England and Wales, but as yet no formal response from the government. On that basis, Cabinet were asked to recommend to Council that the existing LCTSS was retained for the financial year 2017-18. Local Council Tax Support Schemes were not fully funded so there can be some impact on the medium term financial plan and reports will be provided as part of the financial report to Cabinet. Any future scheme review would require full consultation with the public.

SBC commissions a contract for the provision of borough wide advice and information services. The aim of the service was to provide residents with access to a high quality advice and information service which meets local needs from simple diagnosis and information through to legal advice, assistance and advocacy and representation at court proceedings. The current contract was awarded to Stockton Advice and Information Services (SDAIS) for two years and expired in March 2017.

RESOLVED that

1. The contents of this report be noted.
2. The performance monitoring outcomes and observations provided be noted.

RECOMMENDED that

3. The current Local Council Tax Support Scheme was retained for the financial year 2017-18 (see paragraphs 17 to 18).

RESOLVED that

4. The contract for the provision of borough-wide advice and information services to Stockton District Advice and Information Services

(SDAIS), for a period of three years from April 2017, with an option to award a contract extension for a further two years from April 2020 (see paragraphs 19 to 22) be approved.

3. Reasons for the Decision

This report provides an update on the various welfare reforms, highlighting indications of impact and areas of concern.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Steve Nelson declared a personal non prejudicial interest in agenda item 14 – Welfare Reform Update Q2 2016-17 as he was a Member of the Tristar Board.

Councillor Ann McCoy declared a personal prejudicial interest in agenda item 14 – Welfare Reform Update Q2 2016-17 as she was a Member of the Stockton District Advice and Information Service Board and left the room when this was considered.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight, 18th November 2016 only for recommendations 1, 2 and 4.

Proper Officer
14 November 2016