

CENTRAL BEDFORDSHIRE HEALTH AND WELLBEING BOARD

Date of Meeting

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Welfare Reform

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Public

Purpose of this report:

1. To update the Board on the actions taken by the Council to mitigate the impact of the Governments Welfare Reforms on the population of Central Bedfordshire.

RECOMMENDATIONS

The Health and Wellbeing Board is asked to:

1. **Note and support the Councils approach to mitigating the impact of the Welfare Reforms on the population of Central Bedfordshire.**

Issues

2. Background

2.1 The Council formed a Welfare Reform Board in April 2013, in order to monitor the impact on residents of the fundamental review of the welfare benefits systems which was being rolled out. This was the biggest shake up of welfare and benefits for 20 years, and the implications were wide. The cross-cutting board consisted of representative members from across Council departments.

2.2 These reforms which were scheduled to be introduced between 2013 and 2016 were:

- i. Council Tax Support
- ii. Spare room subsidy
- iii. Benefits Cap
- iv. Universal Credit.

3. Phase 1

3.1 During Phase 1 a dashboard was created in order to map the effects of the reforms as they were introduced. This proved useful in mapping the changes throughout the entire period of reform.

3.2 Local Welfare Provision moved from being centrally funded into the local authority and the central government funding withdrawn.

3.3 A qualitative survey was undertaken which enabled a clearer idea of the emerging impact of the changes on residents.

3.4 Work was undertaken with the CAB and additional funding was introduced to enable additional opening hours to provide adequate opportunities for advice.

3.5 An assessment of the potential development of Credit Union facilities was undertaken.

3.6 A range of communications were developed to provide information and sources of advice to residents who were being impacted by the introduction of a range of reforms.

4. Phase 2

4.1 During the second phase from 2014 onwards further work was carried which confirmed that it was low-income working families who were amongst the most affected. There was an increase in use of Citizens Advice and Food banks, although this could not be solely attributed to welfare reform.

4.2 The Government's stated aim of the welfare reforms was to improve levels of employment and the research carried out showed that many people not already in employment have additional and complex needs and will need support to gain employment; that older working age people may have greater difficulty securing better paid employment to address their reduced income; and that while support for younger and less qualified residents may help them back into employment, there may be increasing competition from people who had previously chosen not to work, but now need to as a result of welfare reform

4.3 The Welfare Reform Dashboard continued to be produced every quarter.

4.4 The council worked closely with the Department for Work and Pensions to ensure that appropriate support was in place for customers as Universal Credit was introduced firstly to new claimants and then from February 2016 to all residents eligible to claim were gradually transferred to the scheme.

4.5 The Welfare Reform Board supported local initiatives to mitigate the impacts of the Welfare Reforms, including the development of the Advice Strategy, and support for Advice Central whilst alternative funding sources were investigated.

4.6 Training and support for staff working with customers affected by the Welfare Reforms was delivered, and the Board was involved in the procurement of the employee assistance programme from Health Assured through the Wellbeing Group, to ensure support for staff personally affected by the reforms was included.

4.7 The Board has actively supported Citizens Advice through monitoring activity and the continuing provision of an extra £40,000 per annum on top of the core grant to cope with the ongoing additional demand. In the first full year of funding the total number of clients helped by Citizens Advice increased by over 25% and this level has been maintained since, it has become the new norm. The additional value provided by this arrangement is estimated to be £104,400 per year.

4.8 The Board continues to support the Credit Unions with funding of up to £25,000 per annum, and in November 2016 a campaign to promote Credit Unions took place across all Council buildings over a full week.

4.9 Working with Corporate Communications, the Welfare Reform web pages and all literature has been updated, taking into account comments from our customers. The benefit specific leaflets have been updated, and a new leaflet entitled "Are you struggling with money" has been developed, which is full of useful contact details, and steers customers towards Citizens Advice if they are uncertain. A link to this leaflet is:
http://www.centralbedfordshire.gov.uk/Images/struggling-with-money_tcm3-21576.pdf

4.10 A Members' Briefing session was held on 11th April 2016, which aimed to update Members on the latest Welfare Reforms and share what the Council had achieved.

4.11 Central Bedfordshire's Offer to those affected by Welfare Reform was developed with colleagues from across the Council. It focuses on how the Council can and will support residents in three areas:

- Help people back to work, and those in low paid work to progress
- Improve housing circumstances
- Build resilience in the population of Central Bedfordshire by providing information and advice, so that residents can make informed choices and help themselves

4.12 And it shares the Councils specific commitments in these areas. A link to this publication is: http://www.centralbedfordshire.gov.uk/Images/helping-deal-welfare-reform_tcm3-21578.pdf

5. Current Impact on Residents of Welfare Reform

5.1 Universal Credit was the final and most complex of the aspects of Welfare Reform that have been undertaken. It is a single monthly payment for people in or out of work, which merges together and replaces six of the main benefits and tax credits available, including Jobseeker's Allowance, Employment and Support Allowance, Income Support and Housing Benefit. Claims for current residents of Central Bedfordshire went live on 22nd February 2016, although Central Bedfordshire has had Universal Credit claimants since June 2015, through existing claimants moving into the area.

5.2 As at the end of December 2017 1,093 people were claiming Universal Credit. 528 of these are in work and 557 are not in work. It is impossible to make a comparison for another year, as the roll out has meant that numbers have gradually increased as residents have been transferred from other benefits.

5.3 The number of households claiming **Council Tax Support** has been gradually reducing from 14,668 in December 2015 to 13,750 in December 2017.

5.4 The **Benefit Cap** limits the maximum amount of benefits a working age household is entitled to so that those households will receive no more in benefits than the average earnings of working households. On 07/11/16 the benefit cap fell to £384.62 a week if you're a couple - with or without dependent children, to £384.62 a week if you're a lone parent with dependent children, and to £257.69 a week if you're a single person without children. In April 2017 there were 203 households impacted by the cap and this decreased to 180 in December 2017. As the change in the level of the cap has only just reached the year, there is no accurate year on year data available at present.

5.5 Local Welfare Provision (LWP) became the responsibility of the Council in April 2013. It supports individuals with Grant Provision and Emergency Provision. Government Funding for LWP ceased in 2014/15; however, a Welfare Reform reserve was created to continue to support the LWP function for a further year. From the reserve of £0.340M, £ 0.228M was utilised to fully fund LWP costs in 2015/16. From 2016/17 LWP was funded from a base budget provision, and there are no plans to draw down from the Welfare Reform Reserve. In the quarter ending December 2017 there were 73 Applications for LWP Provision with 61 awards, (a ratio of almost 61%), with a spend of £1,375 for the quarter. Of these applications 27 had previously applied for LWP provision. In relation to grant provision there were 33 Grant applications with a total expenditure of £18,263. This means applications for this quarter for LWP emergency provision have stayed the same. In relation to grant applications (rather than emergency requests) these were slightly up on the previous period with 35 applications with only 18, (with a ratio of almost 50%), awards being given.

5.6 Local Welfare Provision Apr 2017 to Dec 2017 (LWP)

	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17
No. of LWP emergency applications received	35	24	36	14	28	31	24	34	17
No. of LWP emergency applications awarded	18	15	18	13	22	20	22	26	13
Amount of LWP emergency applications awarded	£475	£375	£425	£490	£490	£530	£475	£560	£340
No. of LWP grant applications received	17	21	29	21	35	35	25	8	2
No. of LWP grant applications awarded	11	9	10	12	14	13	13	12	4
Amount of LWP grant applications awarded	£10,914	£7,295	£12,116	£10,042	£12,661	£11,173	£9,181	£6,972	£2,110

	2013/14	2014/15	2015/16	2016/17
Emergency applications	1359	1046	921	393
Emergency no. of Awards	949	884	743	361
Emergency value of awards	£49,472	£75,728	£54,882	£10,765
Grant applications	508	452	380	298
Grant no. of Awards	256	244	165	145
Grant value of awards	£115,160	£102,353	£67,380	£95,360

5.7 Credit Unions continue to be supported, but in Bedford the adult membership fell in December to 239, although the number of child members showed a slight increase to 308 (from 249 and 289 in March respectively). Adult membership of Money Matters in Luton grew by 11 in the six months from April to the end of September 2017.

5.8 The Council has recognised the need for further support from Citizens Advice, Credit Unions and the Local Welfare Provision, as well as Advice Central, for Central Bedfordshire customers through the Welfare Reform changes. This additional support has been funded on an annual basis using earmarked reserves, and demand remains as high as ever. Whilst the earmarked reserve has been supporting increased activity, both Citizens Advice and Local Welfare Provision have been targeted to deliver efficiencies; £0.029M from Citizens Advice in 2020/21, and £0.044M from Local Welfare Provision in 2018/19

5.9 Evidence has shown that these services have made a real difference to the lives of people in Central Bedfordshire. Without these services continuing at their current funding level then the likelihood is that customers will turn to other, more expensive services within the Council to receive support.

6. Use of the Earmarked reserve will be monitored following the agreement of the Executive Members of the Members forum on Welfare Reform to continue to use the earmarked reserve to support residents.

Financial and Risk Implications

7. None

Governance and Delivery Implications

8. None

Equalities Implications

9. Equalities implications have been fully considered

Implications for Work Programme

10. None

Conclusion and next Steps

11. The work of the Welfare Reform Board has been valuable and has had a great impact on awareness and understanding. The Board has achieved much, but no new issues are being identified and the Board has now been disbanded, and work is continued through business as usual.

12. The Members Forum continues to meet on a quarterly basis in order to maintain oversight of the quarterly Welfare Reform Dashboard.

Appendices

Diagram illustrating the impact of the Welfare Reforms on CBC Residents as at 13th December 2013 and 27th December 2017



