

Overview and Scrutiny Board

17th September 2013

Welfare Reforms - Update

Matter for Consideration

1. To consider an update on the impact of welfare reforms in Middlesbrough and the mitigating actions being taken.

Welfare Reform - Background

2. As the Board will be aware the Council adopted a partnership approach in seeking to address the impact of the welfare reforms.
3. To facilitate this approach a Partnership Forum event was held in August 2012, which not only focused on the implications of the reforms for the town but also sought the views of partners on what the response should be. It was also acknowledged that as there were no available resources to 'top up' any benefits lost, any response would have to be one of mitigation.
4. Based on that initial input, a Communications Strategy together with an Action Plan was produced. The broad strategic approach adopted in their delivery fell into two phases:
 - up to December 2012 - co-ordinate/set up partnership working and supporting frameworks; and
 - from January 2013 onwards - deliver support/advice/information into communities.
5. The partnership approach adopted has worked extremely well and has seen the delivery of a wide range of actions and initiatives including the 'testing' of some new ways of working. As part of the monitoring processes both plans have now been, to a large extent, delivered and included initiatives such as:
 - setting up a multi agency communications network and group;
 - establishing an on line hub of resources;
 - the provision of a multi agency advice service at Thorntree Community hub;
 - delivery of community based advice days;
 - credit union support;
 - joint partnership funding bids;
 - foodbank support;
 - promotion of the Nellbooker electronic referral system;
 - establishment of the Registered Social Landlord Forum;
 - advice provided with all Council Tax bills;
 - provision of staff and Councillor training; and
 - a basket of indicators established to monitor potential impact.

6. In order to ensure that the momentum was maintained and assess how matters might have moved on/changed since August 2012, a further partnership Forum event was held in May 2013. Again a key element was obtaining partnership feedback on the key challenges being faced and using that information to assist in the production of a new action plan.
7. From the analysis of the feedback it was clear that the emerging themes on which a new action plan was to be based were:
 - Education and training;
 - Health and Wellbeing;
 - Employment/the Economy/the Private Sector;
 - Universal Credit; and
 - Financial Capability.
8. To that end the attached action plan was produced, which has subsequently been the subject of consultation through: those partners who attended the Forum; the Corporate Welfare Reform Action Group; and the Financial Inclusion Group (FIG). Feedback received indicated strong support for the plan
9. It was also decided not to produce a separate communications strategy on this occasion with those communication issues that were identified being incorporated within the overall action plan.
10. It should also be noted that FIG (partnership focussed) and the Corporate Welfare Reform Group (Council focussed but with partnership representation) continue to monitor and provide direction on the implementation of the action plan. Furthermore, Councillor Tracy Harvey now has the Executive lead for Welfare Reform.

Early Signs of Possible Impact of the Reforms

11. Whilst it is still relatively early days since most of the key reforms were introduced in April of this year, there is some early anecdotal evidence to suggest the following:
 - increased pressures on advice/support services (debt being a key issue);
 - queries can be complex;
 - bed room tax and changes in Council Tax are two areas of concern;
 - some customers showing signs of distress/worry;
 - the Social Fund is working well;
 - there is still some denial;
 - possible rise in food crime;
 - early signs of a rise in rent arrears and voids; and
 - greater use of foodbanks.
12. It should be noted that work is ongoing to assess the impact the reforms.

Work Now Taking Place

13 All current and future actions in mitigating the reforms flow from the agreed action plan. Currently key pieces of work taking place include:

- a) Corporate Welfare Reform Group – It currently manages a Council agreed budget that seeks to mitigate the reforms. So far it has agreed the following schemes:

Scheme	Amount
Credit Unions - Fabrick – Provision of capacity to support further development of Pioneer CU. Officer appointed (one year) and now working with Pioneer. First Qtr update due 1 st October.	31,566
Money Advice Service - Thorntree Community Hub – Citizens' Advice Bureau (CAB) and Cleveland Housing Advice Centre (CHAC)– Payment of staffing costs to extend pilot scheme for a further three months.	4,000
Apprenticeship support to promote credit unions with young people - West Middlesbrough Neighbourhood Trust (WMNT) is delivering the scheme.	1,000
Mental Health – Organisation to be commissioned to undertake mapping/pathways study and related issues to provide better understanding of gaps/support needed in our communities.	9,000
Work IT Out - WMNT/Job Centre Plus/Erimus/Know Your Money Project - Initiative to improve young people's understanding of the impact of the changes linked to their increased ability to enter employment, education or training (through a job club model); joining a credit union; and accessing IT support to enable them to better cope in dealing with the reforms.	15,928

b) Advice Days - These continue to be held in communities and bring together various agencies in providing advice/support to residents. A very successful event was recently held (9th September) in Middlesbrough House.

c) Health and Wellbeing –The Council's public health team are working with Middlesbrough Partnership in drafting a key document that details the impact of the reforms on health and wellbeing issues with a particular focus on mental health and what mitigating actions might be taken.

d)'Smarterbuys' – Commissioning arrangements being drafted up with a provider for it to deliver on behalf of the Council, the provision of low cost loans to enable people to purchase white goods etc. It will be based on a referral system (e.g. through our social fund) and offered (subject to criteria) to those people who cannot access such loans and provide an alternative to the use of high interest pay day loan companies etc. The scheme will also 'encourage' customers to become members of a credit union.

e) Advice Hubs at Thorntree and Grove Hill – on the back of a successful partnership bid to the Big Lottery (£384,000), CAB (with Age Concern, Erimus and

CHAC) are leading on the two year provision of: advice sessions at the two hubs; financial education sessions, recruitment of advice volunteers; and provision of an IT portal providing interactive support/advice services.

f) A Universal Credit Task and Finish Group (consisting of the Library Service, Tandem, WMNT, Hope Foundation, Strategic Housing, Councillor Tracy Harvey, Jobcentre Plus, Middlesbrough Partnership and Mouchel) has been set up and agreed actions taken so far include: a refresh of a mapping exercise on current IT provision that can be accessed by the public including available on site support; possible development of a budget management app; development of a budget management skills course for claimants; a possible bid for funding focussing on training volunteers, internships, work experience, college/university students to help support people using IT and making a claim; provision of a bank of computers for customers to loan; promotion of credit unions; and better links with private/social landlords.

It should also be noted, as indicated in this report, that most of the reforms have now been introduced with the exception of Universal Credit. Whilst it was planned to start rolling it out nationally from October 2013 onwards, it is not yet clear when this might be, in respect of Middlesbrough. There is also an expectation that councils and partners will support those affected through the transition and it is therefore one of the aims of the task and finish group to see how this might be best achieved.

g) A Training (including Members) Task and Finish Group (consisting of WMNT, CAB, Welfare Rights, Money Advice Service, Age Concern, Tandem and Community Development) has been established. As a comprehensive training programme was delivered in 2012, the Group aim to refresh that work. So possible new actions include consulting partners on the key /new areas that now need addressing and examples of good practice that can be shared. The Group is to also look at providing support direct to the client through IT based systems and the provision of community based training through our hubs. Where necessary it will link into existing work.

i) Review of Advisory Services – As part of the Council's Change Programme, Middlesbrough Voluntary Development Agency is leading on a review of advice services.

j) Foodbanks - The Council has provided support to our foodbanks including the development of an information sheet that will be included with food parcels that provides basic dietary information including simple cooking tips.

Recommendation

14 The Overview and Scrutiny Board is requested to provide any views it might have on the action plan and the approach being adopted in seeking to mitigate the impact of the welfare reforms.

Background Papers

No background papers were used in the preparation of this report.

Author: Nigel Sayer
Middlesbrough Partnership