MINUTES OF UNIVERSAL CREDIT AND WELFARE REFORM TASK GROUP
7TH OCTOBER 2015

PRESENT:

Councillors Mahoney (Chairman), Councillor Mrs A'Barrow, Ms Edwards, Mrs Garcia and Mrs New.

Officers:

Dave Wortley (Benefits Manager), Liz Dunlop (Housing Operations Manager), Debbie Dawson (Scrutiny Officer) and Claire Waleczek (Senior Democratic and Scrutiny Services Officer).

61. MINUTES

The minutes of the meeting held on 21st January 2015 were approved and signed by the Chairman.

62. APOLOGIES

Apologies for absence from the meeting were received from Councillors Leigh Hunt (Portfolio Holder) and Roodhouse.

63. POLICY UPDATE ON WELFARE REFORM

The Task Group considered section 5 of the briefing paper which had been circulated as part of the agenda.

There was limited information available concerning the potential impact of the latest welfare savings and the details of how they would be introduced. The DWP were responsible for identifying those affected by the changes and informing local authorities.

• The reduction in the benefit cap would result in an increase in claimants affected. In addition there would be financial implications for those affected by the existing benefit cap, as the cap applied would be greater.
• The removal of the family premium element from Housing Benefit assessments would affect new claimants and those with a child born after 1st April 2016. Existing claimants would be protected from the change. The family premium is currently worth around £17 per week.
• There would be some exemptions to the removal of the housing element to those under the age of 21, including those in hostels and YMCAs.
• The reduction in social housing rents by 1% each year up to 2020 would have a significant effect on the Council's business plan for that time period. The council had been planning on the basis of rent increases, in line with the previous rent convergence policy. Housing Associations would also be affected by the change. Details were to be released in November.
Universal Credit

There had been an increase in customers who were in receipt of Universal Credit requesting budgetary advice and support from the Council. Their needs vary, with some receiving simply budgetary advice direct from the council and other more complex cases, with supported hand-offs to other agencies. There is continuing phased roll out of Universal Credit to single customers across the Country. Universal credit would be rolled out to the entire borough for single customers from the autumn, and this would begin to test out any rural issues.

The in-work progression service detailed in the briefing paper was being piloted in Rugby. The scheme aimed to help those in work on low pay to increase their earnings, with a view to them no longer having to claim Universal Credit. The service was supported by work coaches at the local Jobcentre Plus.

The officers who had been seconded from housing and benefits to focus on welfare reform had now returned to their duties, with welfare reform now embedded in the day-to-day practices of housing and benefits officers.

64. IMPACT OF WELFARE REFORM IN RUGBY

The Task Group considered the latest position on data measures which were outlined in the briefing paper.

The most noticeable data measure was the number of customers affected by the social housing under-occupation charge, which has continued to decrease. This was due to natural vacation of properties, changes in benefits and new tenants being housed in an appropriately sized property for their requirements.

65. VISIT TO JOBCENTRE PLUS OFFICE

The Task Group received verbal feedback from Councillors Mrs A'Barrow and Mrs New regarding their recent visit to the Jobcentre Plus office in Rugby.

Both Councillors had observed interviews by work coaches with single claimants. The following points were made:

- claimants were supported well by work coaches and clear explanations of the benefit arrangements were given
- claimants were encouraged to increase their hours of work
- work coaches signposted claimants to look for work via social media, face-to-face contact with businesses etc. They were referred to a range of online support available to them
- claimants with legitimate reasons for not working currently were dealt with sensitively by the work coaches
- advice was given on refining work searches online to provide better results for the claimant
- Universal Credit could be paid direct to landlords if claimants were in arrears with their rent
- advice on CV writing and job application form completion was given by work coaches
- claimants were expected to travel a maximum of 90 minutes to a place of work. However, travel expenses could not be claimed.
- work coaches encouraged claimants to consider carefully the information they made available on social media which may affect their employment opportunities
- there was a clear expectation that claimants would regularly attend meetings at the Jobcentre and provide clear reasons when they were unable to attend
• claimants had commented positively about universal credit, saying that it encouraged them to return to work and was simpler – particularly, for example, if they were on a zero hours contract. Those who had recently been in monthly paid work found it easier to budget under the universal credit arrangements.

Both Councillors considered it would have been beneficial to have observed interviews with couples or families. However, no such interviews were booked for the day they attended.

It was considered that the work coaches offered a very supportive environment to claimants.

66. COUNCIL TAX REDUCTION SCHEME

The Task Group considered the four proposed amendments to this Council’s Council Tax Reduction Scheme detailed in the briefing paper which were currently subject to consultation. The consultation document was available to view on the Council’s website and is also attached at Annex 1 to the minutes.

The local scheme has to be reviewed and agreed by full council each year, and is subject to public consultation if any changes are proposed.

The proposed changes aimed to keep the scheme in line with the housing benefit calculation, and so they reflected the benefits measures set out in the July 2015 Budget.

3,000 consultation letters had been sent to all customers currently in receipt of Council Tax Reduction outlining the proposals and requesting their comments through the website. Paper copies of the consultation document were also available on request. To date about 20 copies had been requested. Around 70 responses had been received the previous year.

The Task Group was concerned about the cumulative impact of the benefit changes on customers and felt it was important to have an understanding of what the proposed changes would mean in real terms to those affected. Nationally, it was a requirement that impact assessments were undertaken when new legislation was introduced and it was agreed that officers would investigate if any such impact assessments had been undertaken on the latest welfare measures.

67. FUTURE OF SCRUTINY WORK

Further to discussion regarding its future work, the Task Group considered that it should be renamed ‘Welfare Reform Task Group’ and concentrate its work on the impact on the Council and local residents with regard to the new proposals for welfare reform which had been released as part of the summer budget. It was agreed that the one page strategy for the review would be amended accordingly and be submitted to an Overview and Scrutiny Committee for approval following consultation with all members of the Task Group.

The revised one page strategy should allow for all work to be completed by the end of the municipal year/early June 2016.

The Task Group agreed that its next meeting would be held in January 2016.

CHAIRMAN
Dear

Council Tax Reduction Scheme 2016
Consultation on proposed changes to our existing scheme

I am writing to you because you currently receive help to pay your council tax and we are looking to change the way in which we calculate how much help we can give you. I am keen to hear your views on the changes that we are considering. Your views will be taken into account when Councillors meet in December to decide on the scheme for next year.

The consultation period will run from Monday, 28th September 2015 to Monday, 19th October 2015. Responses will then be collated and a report will be provided to Councillors and used in the design of the final scheme.

You can find details of our proposed changes overleaf.

These changes and the consultation questionnaire can be viewed on our website at www.rugby.gov.uk/CTRSconsultation.

If you would prefer a paper copy of the questionnaire please contact a member of my Benefits Team on (01788) 533433 or email benefits.unit@rugby.gov.uk

At this stage we are unable to give individual assessments of how you would be affected by the proposed changes.

Customers who are of pensionable age are not affected by these proposed changes.

I hope that you able to take part in this consultation.

Yours sincerely

David Wortley
Benefits Manager
Who will be affected?
Only working age customers will be affected by the changes that we are consulting on. Customers who are of pensionable age are not affected by the following proposals and will continue to receive help based on a national scheme.

What we propose to change

Proposal 1 – Figures used in the calculation of Council Tax Reduction
The calculation of Council Tax Reduction compares the income of a customer and family with a set of allowances designed to reflect basic living costs. These figures are collectively known as Applicable Amounts. It is proposed that the figures used in the calculation of Council Tax Reduction are in line with those used in the calculation of Housing Benefit and the calculation of Council Tax Reduction for those of pensionable age.

Proposal 2 - Replace reference to the Minimum Wage with Living Wage
This change will only affect customers who are self-employed and have been trading for more than one year.

Currently the calculation of Council Tax Reduction is based on the actual income received by the customer or a notional income based on the minimum wage, whichever is the higher.

Where the minimum wage value is currently being used in the calculation of Council Tax Reduction, this will be replaced with the Living Wage value. This is line with the announcement in the Budget in July to replace the Minimum Wage with the Living Wage.

Proposal 3 - Removal of Family Premium
If a customer has a child part of the Applicable Amount is called a Family Premium. It is proposed to remove this additional premium for those customers who make a new claim or have their first child on or after 1st April 2016.

This is in-line with an announcement in the Budget in July to introduce this change into the calculation of Housing Benefit.

Proposal 4 – Protecting existing customers from these changes
It is proposed that customers affected by the removal of the Family Premium, will be protected from this change if they were in receipt of Council Tax Reduction and the calculation included the Family Premium on 31st March 2016. This protection would remain until Council Tax Reduction stops following a change in circumstances.

The Council will continue to operate a discretionary scheme to provide additional help to customers with exceptional circumstances.

How to make your views known
You can find details of our proposed changes and the consultation questionnaire on our website at www.rugby.gov.uk/CTRSconsultation.

If you would prefer a paper copy of the questionnaire please contact a member of the Benefits Team on (01788) 533433 or email benefits.unit@rugby.gov.uk
Rugby Borough Council - Council Tax Reduction Scheme Consultation 2015

Tell us what you think of our proposals.

Please take a moment to complete the questions below. All information will be treated in confidence and will only be used by Rugby Borough Council.

Please remember that the proposals will only affect customers of working age. If you are a pensioner these changes will not affect you.

Please complete this questionnaire by ticking the appropriate box or answering in the space provided and return in the FREEPOST envelope by MONDAY 19TH OCTOBER 2015.

Proposal 1 Figures used in the calculation of Council Tax Reduction

Q1 Do you agree with the recommendation to increase the amounts used in the calculation of Council Tax Reduction in line with increases for Housing Benefit and the Council Tax Reduction Scheme for those of pensionable age?
Yes ........................................  No ........................................  Don't know ............................

Q1a If No, what alternative would you like the Council to consider?

Proposal 2 Replace Reference to Minimum Wage with Living Wage

Q2 Do you agree with the recommendation to replace reference to the Minimum Wage with the Living Wage?
Yes ........................................  No ........................................  Don't know ............................

Q2a If No, what alternative would you like the Council to consider?
Proposal 3  Removal of the Family Premium

Q3  Do you agree with the recommendation to remove the Family Premium used in the calculation of Council Tax Reduction?

Yes........................................  No........................................  Don't know............................

Q3a  If No, what alternative would you like the Council to consider?

Proposal 4  Transitional Protection

Q4  Do you agree with the recommendation to protect existing customers from the proposal to remove the Family Premium used in the calculation of Council Tax Reduction?

Yes........................................  No........................................  Don't know............................

Q4a  If No, why do you think this is the wrong approach?

Any Other Comments

Q5  Please use the following space to provide any other comments relating to our proposals for a new Council Tax Reduction Scheme, or if you have any other proposals that you would like the Council to consider including in the Council Tax Reduction Scheme for 2016.
Questions About You

Q6 Does your name appear on the Council Tax Bill for your home?
Yes........................................ No............................ Don't know..........................

Q7 Do you or anyone you live with receive Council Tax Reduction?
Yes........................................ No............................ Don't know..........................

Your answers to the following questions will help us to understand the background and make-up of the people who respond to this consultation. Knowing this will help us to identify any impacts our proposed council tax support scheme may have on particular groups of people, for example women, or those from a particular ethnic group.

We will understand if you choose not to answer any or all of these questions, but hope that you will not be offended by us asking.

Q8 Are you...?
Male.................................................................... Female..................................................................

Q9 How old are you?
Under 18........................................ 30-44 ........................................ 60-74 ........................................
18-29.............................................. 45-59 ........................................ 75+ ........................................

Q10 Does your household include any children or young people under 19?
Yes.......................................................... No..........................................................
If yes, how many?

Q11 Do you have a long-standing illness or disability (long-standing means anything that has troubled you over a period of time or that is likely to affect you over a period of time)?
Yes.......................................................... No..........................................................

Q12 How would you describe your ethnic origin?
White ...................................................... Mixed......................................................
Asian or Asian British.............................. Chinese ......................................................
Black of Black British.............................. Any other ethnic group ..............................

Thank you for completing this questionnaire. Your views are appreciated. Please return the questionnaire in the FREEPOST envelope provided. If you have mislaid the envelope, the address to send it back to is (no stamp required) Freepost RTJX-GHEE-ZUCS, Stratford-on-Avon District Council, Consultation Unit, Elizabeth House, Church Street, Stratford-upon-Avon CV37 6BR. Please note that Stratford District Council is undertaking the survey on our behalf.