

## **Cherwell District Council**

### **Overview and Scrutiny Committee**

Minutes of a meeting of the Overview and Scrutiny Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 23 April 2013 at 6.30 pm

Present: Councillor Ann Bonner (Chairman)

Councillor Tim Emptage  
Councillor Melanie Magee  
Councillor Jon O'Neill  
Councillor Nigel Randall

Also Present: Councillor Ken Atack, Lead Member for Financial Management

Apologies for absence: Councillor Daniel Sames  
Councillor Colin Clarke  
Councillor Chris Heath  
Councillor Kieron Mallon  
Councillor Alastair Milne Home  
Councillor Leslie F Sibley  
Councillor Lawrie Stratford

Officers: Karen Curtin, Head of Finance and Procurement  
Ryszard Filipiak, Service Assurance Technical Specialist Housing Benefits  
Natasha Clark, Team Leader, Democratic and Elections  
Dave Parry, Democratic and Elections Officer

#### **37 Declarations of Interest**

There were no declarations of interest.

#### **38 Urgent Business**

There was no urgent business.

#### **39 Minutes**

The Minutes of the meeting of the Committee held on 12 March were agreed as a correct record and signed by the Chairman.

## **National Benefit Changes**

The Chairman welcomed Councillor Ken Atack (Lead Member for Financial Management), the Head of Finance and Procurement, and the Service Assurance Technical Specialist – Housing Benefits, to the meeting.

The Committee received a presentation from the Head of Finance and Procurement, and the Service Assurance Technical Specialist – Housing Benefits, on the latest position on changes to the national welfare system; how the changes were being implemented in Cherwell, and how the Council was supporting customers through the changes.

### Size Criteria for Social Housing.

Introduced from April 2013 for working age households (not applicable to pensioners), the size criteria (sometimes referred to as the 'Bedroom Tax') reduced the level of benefit payable by 14% if one bedroom was under occupied, and by 25% if two or more bedrooms were under occupied. With some 908 households affected across the district, the Council had proactively contacted all current claimants, and advised them of the changes. Work was also being done with social landlords to assist with ways of helping tenants (i.e. identifying under / over occupation, and facilitating swaps – approximately 100 already progressed).

The Committee noted the distribution of affected properties across the district on a Ward-by-Ward basis and, whilst welcoming the number of swaps already achieved, acknowledged that there could be a squeeze on the number of smaller housing units, and many claimants might seek support by way of a Discretionary Housing Payment.

### Replacement of Council Tax Benefit

Introduced from April 2013 to replace Council Tax Benefit, Council Tax Reduction would affect some 8,100 claimants. A countywide scheme had been introduced for Oxfordshire for 2013/14 and, through the use of transitional grant and changes to discounts and exemptions, all claimants would be supported during 2013/13 at the same level of assistance as they would have received under the former Council Tax Benefit scheme, despite an overall funding cut of 10%. However, with no further transitional grant, a decision on the 2014/15 scheme would have to be made by January 2014.

One impact of the changes could be a reduction in the Council Tax Base, with implications for both the District Council, and Town/Parish Councils. District Councils were restricted as to the level of Council Tax increase that could be applied in any one year, but no such restrictions currently applied to Town/Parish Councils. Should this change in the future, Town/Parish Councils would come under increasing pressure to achieve savings through joint working arrangements and shared procurement.

### Localisation of Social Fund

Previously administered by the Department of Work and Pensions, responsibility had transferred to Oxfordshire County Council in April 2013. Providing emergency financial help, the 'Oxfordshire Support Fund' was administered by Auriga Services. Unfortunately, one early issue was already apparent in that Auriga did not operate a 24 hour service. The situation was

therefore being monitored and, although not a District Council responsibility, measures had nevertheless been introduced to assist customers.

#### Personal Independence Payments

Replacing Disability Living Allowance for working age claimants from June 2013, there were some 3500 claimants in the District, and the Council was seeking to give assistance over the next three years as the scheme was rolled-out.

#### Benefit Cap

The intention of the cap was to ensure no household should receive more in benefits than average earnings (£350 per week for single claimants; £500 per week for couples and families). Certain exemptions existed, including pensioners, those in receipt of certain other benefits (including Disability Living Allowance), and where a claimant worked more than 16 hours per week. Some 50 households in the District were affected.

#### Universal Credit

Replacing several existing benefits, Universal Credit had currently only been introduced in one pilot area. However, there would be a national launch for all new claimants from October 2013, with existing claimants transferring to Universal Credit between 2013 and 2017.

One impact on the Council would be the loss of its Housing Benefit function, and this would impact financially with the loss of Administrative Subsidy, and there would be staffing reductions.

It had originally been expected that applications for Universal Credit would have to be 'Digital by default'. However, this had now changed to 'Digital where appropriate' following the evidence from pilots and other sources. Payments would be made monthly in arrears, and payment of the housing element would only be made direct to landlords in a small number of cases. This latter aspect was already causing some concern to landlords.

#### Universal Credit – Local Delivery

A number of activities were proposed in order to facilitate the transition to Universal Credit, including a Local Support Services Framework, support with online access, support with setting-up bank accounts, support with budgeting and debt advice, support with job seeking, and the identification of cases for exception to normal payment rules.

#### Impact of Welfare Reforms on Cherwell

In addition to the impact on the Councils Housing Benefit function, the new system would increase demand for Discretionary Housing Payments, increase the demand for local support, and increase demand on housing services (including a risk of increased homelessness).

#### Discretionary Housing Payments

Discretionary Housing Payments were already available to Housing Benefit claimants. Where any of those claimants encountered problems as a result of the introduction of Universal Credit, they could apply for a Discretionary Housing Payment. This was an annual fund provided by the Department of Work and Pensions, with the Council having the discretion to top-up the fund

from its own resources. As it was anticipated that the demand for Discretionary Housing Payments would increase, the Executive would be asked to make additional monies available from existing underspent budgets.

#### Welfare Reform at Cherwell

Several forums had been held with stakeholder groups and, in addition, information was being given in Cherwell Link and on the website. Articles had appeared in local media, and the Council was working with the CAB and social landlords to ensure the closest cooperation.

The Committee thanked the Officers for their presentation and welcomed both the proactive approach being adopted and the flexibility being shown as changes to the scheme were introduced at short notice.

The Head of Finance and Procurement welcomed Members input, and hoped more would attend future sessions and thus be better able to sign-post residents to where help and assistance could be found. She further advised that the Council might consider creating a Welfare Reform section to provide advice and assistance to customers on debt and budgeting. Communication would be the key, and the Welfare Reform Project would make a quarterly report to the Executive. Consideration would also be given to invest to save initiatives. Finally, she advised that the impact on the Councils Revenues and Benefits contract with Capita would be the subject of a future report.

The Lead Member for Financial Management commented on the importance of the issue of service provision by Auriga Services being addressed and explained that consideration was being given to forming links with a Credit Union. He agreed that communication was the key and, in this respect, requested that Councillors be provided with as much information as possible.

Concluding the debate, the Chairman observed that it would be helpful if a member of the Communications Team attended a future meeting if appropriate. Members agreed that there may be merit in having a Welfare Reform team, both to give advice and also to liaise with the County Council regarding access to the Social Fund. Members agreed it may also be relevant to consider the impact of the changes on Banbury Brighter Futures Project and requested that the Head of Finance and Procurement bring a further progress report to the September meeting.

#### **Resolved**

- (1) That it be recommended to the Lead Member for Financial Management that, as a Spend to Save Scheme, consideration be given to introducing a Welfare Reform team, with a remit to give advice and assistance to customers applying for or encountering issues with Universal Credit.
- (2) That the Lead Member for Banbury Brighter Futures and the Director of Community and the Environment be invited to attend the next meeting of the Committee in order to both advise on how the introduction of Universal Credit impacted on the project, and on progress in general.

41 **Air Quality across the District**

The Chairman advised Members, due to unforeseen circumstances, the Environmental Protection Officer was unable to attend the meeting. The item would therefore be deferred to the next meeting.

42 **Overview and Scrutiny Work Programme 2012/13**

The Committee considered the report of the Head of Law and Governance which presented the Overview and Scrutiny Work Programme 2012/13.

**Executive Work Programme**

The Committee agreed that there were no items on the Executive Work Programme for May to August 2013 that they wished to include on their Work Programme in 2012/13.

**Potential Work Programme Items**

RAF Bicester

Noting from the report that a meeting was to take place on 30 April, the Committee agreed that an update report should be made to the next meeting.

Commissioning Services to Banbury CAB/Community Transport and Dial-a-Ride

It was noted that an update on both these items should come to the July meeting.

Cherwell District Planning Policy re Wind Turbines and their Locations – Update

It was agreed that this item be added to the Work Programme.

Council Employment Initiatives across the District – Effectiveness.

It was agreed that this item be added to the Work Programme.

**Resolved**

- (1) That, subject to the items discussed above, the Overview and Scrutiny Committee work programme 2012/13 be noted.
- (2) That no items in the current version of the Forward Plan (May to August, 2013) be included on the Work programme for 2012/13.

The meeting ended at 8.34 pm

Chairman:

Date: