

**SURREY COUNTY COUNCIL**

**CABINET**

**DATE: 22 APRIL 2014**

**REPORT OF: COUNCIL OVERVIEW & SCRUTINY COMMITTEE**

**LEAD MEMBERS: NICK SKELLETT, CHAIRMAN OF THE COUNCIL OVERVIEW AND SCRUTINY COMMITTEE**

**DAVID HARMER, TASK GROUP CHAIRMAN**

**SUBJECT: REPORT OF THE WELFARE REFORM TASK GROUP: THE IMPACTS OF WELFARE REFORM IN SURREY**



<b>SUMMARY OF ISSUE:</b>
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- 1 At its meeting on 2 April 2013, the Council Overview & Scrutiny Committee considered the report of the Welfare Reform Task Group on the impacts of Welfare Reform in Surrey. The Leader of the Council was present at this meeting to provide an early oral response to the findings and recommendations proposed by the Task Group. A report of the Task Group is attached at **Annex A**.
- 2 The Committee noted and discussed the findings of the Task Group and welcomed their proposed recommendations.
- 3 The Committee decided to add to these recommendations with a proposal that the Leader of the Council lobby central government on simplifying the Universal Credit application process and explore options for a common assessment for claimants across welfare benefits and support.
- 4 The Committee agreed that the Welfare Reform Task Group should remain in place to use its expertise in a monitoring capacity.
- 5 The Committee were pleased to note that the Leader of the Council welcomed the work of the Welfare Reform Task Group as their recommendations would help ensure County Council services and partners worked better together to respond to the impacts of the reforms.
- 6 The Committee welcomed the Leader's comments, and his agreement to:
  - (i) protect the Local Assistance Scheme (LAS) funding under spend from 2013/14 in a separate reserve;
  - (ii) lobby central government through the Local Government Association and the County Council's Network on improving the delivery and roll out of Universal Credit, in particular simplifying the application process; and
  - (iii) work with the members of the Welfare Reform Task Group and officers to take forward recommendation 12, writing to the Secretary of State for Work and Pensions explaining the County Council's concerns over the Employment and Support Allowance and work capability assessments for claimants.

## **RECOMMENDATIONS:**

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On the basis of the discussions at the Council Overview and Scrutiny Committee meeting on 2 April, the Committee recommends:

**Recommendation 1:** Adult Social Care, Children Schools and Families, Libraries, Public Health and Finance teams to continue to monitor impacts of the welfare reforms on service users and services, and provide a joint update through the Welfare Reform Co-ordination Group to the Council Overview and Scrutiny Committee meeting in September 2014. Adult Social Care to include a summary of the impact of the welfare reforms on carers and Children Schools and Families to include a summary of the impact of the welfare reforms on care leavers in their updates.

**Recommendation 2:** The Welfare Reform Co-ordination Group be encouraged to continue to collate data on the impact of the reforms on residents and the cumulative impact of the reforms, and to share information and good practice within the group, and to report on progress to the Council Overview and Scrutiny Committee as part of the update report in September 2014.

**Recommendation 3:** Surrey County Council's Organisational Development Team analyse training needs on welfare reform in the Council and explore how such training can be disseminated throughout affected council services and ensure consistency with training being delivered by partner organisations.

**Recommendation 4:** Surrey's Welfare Reform Co-ordination Group to work with the Head of Family Services to explore the potential for the Supporting Families Programme (which is being extended through the Public Services Transformation Network) to provide early help/intervention to some of those families who are most severely impacted by the welfare reforms.

**Recommendation 5:** Any Local Assistance Scheme (LAS) funding left unallocated at the end of 2013/14 is ring-fenced and rolled over into 2014/15 and continues to be committed to supporting residents in crisis through the LAS.

**Recommendation 6:** Shared services to provide an update on improvements to the LAS scheme and take up of the fund, as part of the update report to the Council Overview and Scrutiny Committee in September 2014.

**Recommendation 7:** Surrey County Council to continue lobbying central government to provide funding for emergency crisis support for residents (known as the Local Assistance Scheme in Surrey) beyond 2015.

**Recommendation 8:** The Adult Social Care Committee to closely monitor the delivery of this service by getWiSE and report back to the Council Overview and Scrutiny Committee as appropriate.

**Recommendation 9:** Surrey County Council's Adult Social Care Commissioners, to work with Surrey's Welfare Reform Co-ordination Group, Public Health and getWiSE to:

(a) promote the getWiSE advice and support service to all Surrey GPs through Surrey's 6 Clinical Commissioning Groups; and

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(b) continue to raise awareness of this service among key partners including District and Borough Housing and Benefits Officers and social housing providers;

to ensure Surrey residents receive early help in dealing with the welfare reforms.

**Recommendation 10:** The Public Health team to report to the Council Overview and Scrutiny Committee with findings from their food access needs assessment, to inform the Committee's work around reviewing the impacts of welfare reform in Surrey.

**Recommendation 11:** Surrey County Council to work closely with the Department for Work and Pensions, District and Borough Councils, housing providers and the voluntary, community and faith sector to prepare for the introduction of Universal Credit, taking into consideration the concerns and recommendations highlighted in this report, and report back to the Council Overview and Scrutiny Committee on progress. This preparation should include:

(a) researching and understanding the need for digital access and support across Surrey;

(b) the County Council better understanding the potential demand on IT resources as a result of the introduction of Universal Credit to enable Surrey to properly prepare for this, including reviewing budget provision;

(c) reviewing the demand for money management advice and assessing existing service provision, in order to make evidence-based recommendations for sourcing the necessary support; and

(d) lobbying central government to ensure that support to access Universal Credit is adequately funded.

**Recommendation 12:** The Leader of the Council to write to the Secretary of State for Work and Pensions explaining the Task Group's concerns over the Employment and Support Allowance (ESA) process including the following recommendations:

(a) That firms carrying out the medical work capability assessments (WCA) for benefit claimants, on behalf of DWP:

- (i) treat benefit claimants like customers; and
- (ii) ensure appropriately qualified persons carry out these medical assessments.

(b) Bureaucracy within the ESA claims and appeals process be reduced. In particular:

- (i) DWP to provide information on the number of medical certificates posted by claimants but not received by DWP and the reasons for this,
- (ii) DWP to accept claimant medical certificates for longer periods while claimants await mandatory re-consideration and tribunal decisions. This will save GP and claimant time and expense in having these certificates frequently renewed or re-requested where certificates have been sent by post but not received by DWP.

(c) DWP's benefit claim forms and decision letters to signpost claimants to advice and support services to enable claimants to seek early help, preferably locally based organisation, such as local authorities, housing providers and Citizens Advice Bureaus.

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(d) DWP to build a closer working relationship with partners in the Welfare Reform Co-ordination Group, to bring about pro-active information sharing and signposting particularly where claimants have been sanctioned by DWP decisions and therefore lost their passported benefits, such as housing benefit.

(e) DWP to use lessons learned from the ESA process and apply this to the roll-out of the Personal Independence Payments.

**Recommendation 13:** The Leader of the Council to write to the Secretary of State for Work and Pensions on simplifying the Universal Credit application process and exploring options for a common assessment for claimants across welfare benefits and support.

#### **REASON FOR RECOMMENDATIONS:**

The recommendations in this report will assist the County Council in monitoring and mitigating the impacts of the welfare reforms on Surrey residents, the County Council, and its partners.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

Even with an effective and coordinated response to the welfare reforms, it is likely that growing financial pressures will 'tip' some families into needing County Council services, particularly in the Children, Schools and Families and Adult Social Care Directorate services, increasing the demands on our resources. Continued close monitoring of the impacts of the reforms on our services will enable the County Council to identify early on, service areas being affected, and respond appropriately in future planning.

#### **Financial and Value for Money Implications**

The recommendations put forward in this report will assist the Council in achieving value for money by:

- Ensuring that emergency crisis funding is used to support some of the County's most vulnerable residents who are in crisis.
- Lobbying central government on continued funding for emergency crisis support, and simplifying the process for universal credit; employment support allowance and other welfare benefit claims requiring assessment.
- Recommending that the Adult Social Care Committee closely monitor the delivery of the County Council funded welfare advice service getWIS£,
- Ensuring the impacts of the reforms are carefully monitored to allow for evidence-based decisions on providing advice and support to residents affected by the reforms which are effective and value for money.

#### **Section 151 Officer Commentary**

The report explains the relevant financial issues, direct and indirect, following on from the local impacts of welfare reform. The most direct is the operation of the Local Assistance Scheme. The report sets out:

- the spending pattern to date, leading to an expected underspend (now assessed at £0.5m against the £1.2m budget transferred from the Government for the operation of the Scheme);
- the evidence that the Scheme is providing valuable community support; and

- the medium term expectation that the Government will withdraw the Scheme from April 2015.

In that context, it makes sense to:

- lobby for the continuation of the Scheme; and
- carry forward the underspend into 2014/15 and potentially beyond in order to maximise its use for the intended purposes at a time when the future financial support is in doubt. That is being done by treating it as unapplied grant, so achieving Recommendation 5 in this report.

#### **Legal Implications – Monitoring Officer**

There is a summary of the relevant welfare changes set out in Annex 2 which indicates the statutory basis for these. Most of these welfare arrangements are administered by the DWP but since April 2013 the Council has had a responsibility for managing the Local Assistance Scheme which replaced the Social Fund previously dealt with by the DWP. There are particular requirements for the County Council to provide advice and assistance in some situations to individuals in need of its children and adults services, and it is also important for the Council to consider the impact of the welfare reforms as a whole on the community it serves as well as on the delivery of its own functions. The Council will need to be mindful of its public sector equality duties in any support it provides in relation to the welfare changes, and will need to consider equality impact assessments at any point where it is intending to provide or withdraw any advice service.

#### **Equalities and Diversity**

The welfare reforms will impact upon some of Surrey's most vulnerable residents, including care leavers, carers, residents with disabilities, and families in poverty. In many cases, advice and support is already in place for these groups, but the approach proposed by the Task Group aims to ensure that this support remains effective and co-ordinated, and new needs arising from the impact of the reforms are identified, monitored and addressed. Any equalities implications that arise as a result of relevant service changes will be addressed in specific Equalities Impact Assessments as appropriate.

#### **WHAT HAPPENS NEXT:**

- The approved recommendations in this report to be taken forward by the Leader of the Council, relevant Cabinet Members and Select Committees.
- The Welfare Reform Task Group will use its expertise in a monitoring capacity, to review progress against monitoring and mitigating the impacts of the reforms on Surrey residents, the County Council and its partners, reporting back to the Council Overview and Scrutiny Committee where appropriate.
- The Council Overview and Scrutiny Committee will receive an update report in September 2014 in response to the specific recommendations made in this report.

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**Consulted:**

Please see Annex 1 of the Task Group Report

**Annexes:**

Annex A – Task Group report

Annex 1 – List of witnesses

Annex 2 – Welfare Reform Overview and Timeline

Annex 3 – Geographical spread of Local Assistance Scheme applications

Annex 4 – The ESA decision making process (provided by DWP)

Annex 5 – Claimant description of ESA process

**Sources/background papers:**

- Report to COSC: Policy and Performance Report on the Impacts of Welfare Reform in Surrey, 12 September 2013
  - Report to COSC: Interim Report of the Welfare Reform Task Group: Impacts of Welfare Reform in Surrey, 30 January 2014 (includes Q2 Data Overview, Welfare Reform Co-ordination Group )
  - Universal Credit Local Support Services Update and Trialling Plan (published by DWP, December 2013)
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