

WIRRAL BOROUGH COUNCIL

ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE 14 NOVEMBER 2012

REPORT OF THE COMMITTEE CHAIR, CLLR MARK JOHNSTON

BENEFIT REFORMS AND UNDER-OCCUPATION SCRUTINY REVIEW - PROGRESS REPORT

EXECUTIVE SUMMARY

This report provides an update on progress with the Benefit Reforms and Under-occupation Scrutiny Review.

1. Background

- 1.1 At previous meetings of the Economy and Regeneration Scrutiny Committee, members have reported considerable public concern regarding the impact of changes to housing benefit and welfare reforms specifically relating to under- occupation in both the public and private housing sectors.
- 1.2 At the meeting of the Economy and Regeneration Scrutiny Committee, held on 5th September 2012, members agreed to:
“Further scrutiny work being undertaken on the impact of Welfare Reform on both private and social housing sectors and in particular, on under-occupancy in the social sector”.
- 1.2 All members of the Committee were invited to volunteer to join a Task & Finish Group to undertake detailed scrutiny work of this topic. Subsequently, a number of members attended a meeting held on 18th October 2012 at which the detailed Scope for the review was discussed.
- 1.2 The members who have volunteered to be part of the Task & Finish Group are:
 - Councillor Mark Johnston (Chair)
 - Councillor Rob Gregson
 - Councillor Denise Realey
 - Councillor Jean Stapleton
 - Councillor Mike Sullivan
 - Councillor Janette Williamson

2. Scope of the Review

- 2.1 A draft Scope Document, agreed by the Task & Finish Group members, is attached as Appendix 1 to this report. Committee members are requested to consider this draft document for approval.

- 2.2 The Members are proposing that the focus of the scrutiny review is to investigate the impact of changes to housing benefit and the welfare reforms specifically relating to under occupation in both the public and private housing sectors. Key issues for the review will be:
- The impact of the introduction of the Housing Benefit Cap;
 - The impact of changes to the Local Housing Allowance, with special reference to the Shared Accommodation Rate for under-35's;
 - The allocation process for Discretionary Housing Benefit;
 - The impacts of the reforms relating to Under-occupation and how this affects households and communities;
 - The impact of the reforms on the Social Housing sector (Housing Associations).

3. Evidence Gathering

- 3.1 In the past, similar scrutiny reviews have been undertaken by the members meeting individually with witnesses over a long period of time. The reviews have been found to be time-consuming for members and some have taken place over a long period of time. As an alternative, some Local Authorities employ a Select Committee-style of evidence gathering, whereby the majority of the oral evidence is gathered on one or two days. It is proposed that the Select Committee model of evidence-gathering is used for this scrutiny review.
- 3.2 As there are a relatively large number of witnesses proposed in the Scope document, it is suggested that two Evidence sessions may be more suitable than one. Further thought will be given to this during the planning stage for the review.
- 3.3 It is proposed that the Evidence Days will be organised in line with the following guidelines:
- The Evidence Days will be held in private session. It is suggested that holding the sessions in public may prevent some witnesses from discussing issues freely. The evidence-gathering for all previous scrutiny reviews has been held in private session and conducted in an informal manner.
 - A timetable for the Evidence Day(s) will be prepared.
 - Within the Evidence Day(s), witnesses will be asked to be available at a specific time during the day and only for a particular length of time. It will therefore be important that the timetable is adhered to.
 - Some witnesses may be grouped together and seen together if there is a logical link between them.
 - Prior to the Evidence Day, each witness will be sent a copy of the Scope document plus an indicative list of questions which they will be asked. It will, therefore, be necessary for members to give further thought to the broad subject areas that will be covered with each witness.
- 3.4 Following the Evidence Days, members of the Task & Finish Group will meet to review the evidence. At that point, it may be decided necessary to obtain further evidence prior to a draft report being prepared to reflect the views of the members. The report will be presented initially to the Economy and Regeneration Scrutiny Committee and, if approved, to Cabinet.

4. Timescales for the Review

4.1 The indicative timetable for the review is as follows:

- The Scope document is due to be discussed / agreed at the meeting of the Economy & Regeneration Overview and Scrutiny Committee to be held on 14th November 2012.
- An Evidence Day(s) will be held during January 2013.
- Additional evidence-gathering will take place in late-January and early February 2013, if necessary.
- A report will be presented to the meeting of the Economy & Regeneration Overview and Scrutiny Committee to be held on 7th March 2013 and subsequently to Cabinet.

RECOMMENDATIONS

- (1) That the Committee approve the Scope for the Benefits Reform and Under-occupation Scrutiny Review, as detailed in Appendix 1, and note the progress to date.
- (2) Members comment on the proposed guidelines for the Evidence Day(s) and the indicative timescale for the review.
- (3) Officers undertake further planning of the review, in consultation with members of the Task & Finish Group.

Cllr Mark Johnston

Chair of the Economy and Regeneration Overview and Scrutiny Committee

Appendix 1: Scope Document for the Benefit Reforms and Under-occupation Scrutiny Review

Date: 26/10/12

Review Title: Relationship between Benefit Reforms and Under-occupation

Scrutiny Panel Chair: Cllr Mark Johnston	Contact details:
Panel members: Cllr Rob Gregson Cllr Denise Realey Cllr Jean Stapleton Cllr Mike Sullivan Cllr Janette Williamson	
Scrutiny Officer: Alan Veitch	Contact details: 0151 691 8564
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Other Key Officer contacts:	
1. Which of our strategic corporate objectives does this topic address? The Council's Corporate Plan 2012/13 includes the following statements: <ul style="list-style-type: none">• We will respond effectively to the impact of welfare reform on the availability of and access to housing, including close partnership working with landlords in the borough. (A target in the Corporate Plan is to "Develop an action plan to respond to under-occupation in both the social and private rented sector by summer 2012").• We will support those who are experiencing or who are at risk of homelessness and we will continue to work hard to improve access to advice and information about the housing options that local people have. In addition, it should be noted that the reforms have the potential to impact on a range of Corporate objectives, for example, Child Poverty, the Fostering Service and so on.	

2. What are the main issues?

The key purpose of this scrutiny review is to investigate the impact of changes to housing benefit and the welfare reforms specifically relating to under occupation in both the public and private housing sectors.

Key issues for the review will be:

- Impact of the introduction of the Housing Benefit Cap
- Impact of changes to the Local Housing Allowance, with special reference to the Shared Accommodation Rate for under-35's
- Allocation process for Discretionary Housing Benefit
- Impacts of the reforms relating to Under-occupation and how this affects households and communities
- Impact of the reforms on the Social Housing sector (Housing Associations)

Specific attention will be given to the impact of the reforms on issues such as:

- People who are separated from their partner but share the care of children but are not the 'main carer' for the child or children. Those previously allocated an extra bedroom for this will be affected
- Foster parents
- Children with disabilities or those who need an extra bedroom for medical equipment
- Social Housing Provider's rental income and ability to invest in Wirral
- Impact on HMO's (Houses in Multiple Occupation)
- Impact on homeless services in Wirral

Note: The following reforms are outside the scope of this review:

- Universal Credit
- Localised Council Tax Reduction Scheme

3. The Committee's overall aim/objective in doing this work is:
 Members have reported considerable public concern regarding the impact of changes to housing benefit and welfare reforms specifically relating to under-occupation in both the public and private housing sectors.
 This review will investigate the steps which the Council and other partners are already planning to take and consider further actions that may be feasible in order to mitigate against some impacts of the reforms.

- 4. The possible outputs/outcomes are:**
- 4.1 To understand the potential impacts of the reforms
 - 4.2 Propose options to alleviate the negative impacts of the reforms
 - 4.3 To understand whether joint work can be done with key partners

5. What specific value can scrutiny add to this topic?
 Further scrutiny will give members the opportunity to assure themselves that the Council is taking all possible steps to lessen any negative impact of the reforms. Scrutiny will enable the experience of those directly impacted by the reforms to help identify any recommendations for changes. These recommendations will be referred to Cabinet.

- 6. Who will the Committee be trying to influence as part of its work?**
- 6.1 Appropriate Cabinet members and Directors, Wirral Borough Council.
 - 6.2 Partners of the Council, for example, Housing Associations, Private Landlords, Police.

- 7. Duration of enquiry?**
- The Scope document is due to be discussed / agreed at the meeting of the Economy & Regeneration Overview and Scrutiny Committee to be held on 14th November 2012.
 - A Select Committee session(s) will be held during January 2013.
 - Additional evidence-gathering will take place in late-January and early February 2013, if necessary.
 - A report will be presented to the meeting of the Economy & Regeneration Overview and Scrutiny Committee to be held on 7th March 2013.

8. What category does the review fall into?

Policy Review	X <input type="checkbox"/>	Policy Development	<input type="checkbox"/>
External Partnership	<input type="checkbox"/>	Performance Management	<input type="checkbox"/>
Holding Executive to Account	<input type="checkbox"/>		

9. Extra resources needed? Would the investigation benefit from the co-operation of an expert witness?
 The review will be conducted by councillors with the support of existing officers. However, the panel are looking for advice from people with expertise on this topic, such as Shelter.

10. What information do we need?	
<p>10.1 Secondary information (background information, existing reports, legislation, central government documents, etc).</p> <ul style="list-style-type: none"> • Relevant Government Departmental reports • Relevant national documents • Previous Cabinet / Scrutiny Committee reports • Briefing paper prepared by Lisa Newman (for meeting held 18th October 2012) • Centre for Public Scrutiny – Policy briefing on Welfare Reform, September 2012 • Report based on research undertaken by Cambridge University • Reports from other Councils into similar topics, for example, Bristol Council 	<p>10.2 Primary/new evidence/information</p> <p>Interviews with key officers</p> <p>Interviews with affected tenants / residents</p> <p>Examples of good practice from other Councils</p> <p>Statistics for Wirral:</p> <ul style="list-style-type: none"> • How many people currently get more than £26,000 in benefits (and will therefore be affected by the benefit cap)? • How many people aged under 35 are affected by the Shared Accommodation Rate? • What is the current and future budget Discretionary Housing Benefit?

10.3 Who can provide us with further relevant evidence? (Cabinet portfolio holder, officer, service user, general public, expert witness, etc).

The following will be invited to the Select Committee session:

- Brian Simpson, Wirral Partnership Homes
- Alan Hughes, Wirral Methodist Housing Association
- Steve Newsham, Regenda Housing Association
- Nigel Hughes, YMCA
- Representatives of the Private Landlords Forum (x2)
- Malcolm Flanagan, Housing Benefits, Wirral Borough Council
- Citizens Advice Bureau (CAB)
- Welfare Rights, Wirral Borough Council
- Shelter
- Sheila Khan, Fostering Service, Wirral Borough Council
- A foster carer
- Tenants representative (aged under 35)
- Tenants from the social housing sector (x2)
- Inspector Paul Vickers(or Inspector Chris Lucan-Pratt), Merseyside Police
- Homelessness Team, Wirral Borough Council
- HMO Team, (Homes of Multiple Occupation), Wirral Borough Council

10.4 What specific areas do we want them to cover when they give evidence?

Social Housing Providers / Landlords

- What is the impact of Under-occupation on your business plans?

Housing Benefits

- What are the criteria for allocating Discretionary Housing Benefit and how can this be used to help in alleviating the impacts of the reforms?
- What is being done to raise awareness among those people affected?
- Are you able to identify those clients who are affected?

Welfare Rights / CAB / Shelter

- What is the evidence of increasing hardship?

Fostering

- How will the reforms affect the fostering service?
- How will the reforms affect the Council's ability to care for vulnerable children?

Tenants / Residents

- What is the impact of the reforms?
- How likely are you to move and what are your prospects?

Police

- Do you have concerns regarding the benefit reforms?
- How will your service be affected?

Homeless Team

- How has the reform affected the numbers who are presenting as homeless and how is that likely to change?
- What is your ability to respond?
- If a client is evicted, what is the cost of temporary accommodation?

11. What processes can we use to feed into the review? (site visits / observations, face-to-face questioning, telephone survey, written questionnaire, etc).

11.1 A Select Committee session(s) will be organised at Wallasey Town Hall. All listed witnesses (as in Section 10.3 above) will be invited to attend at a specified time throughout the day(s).

11.2 Desktop analysis / research

12. In what ways can we involve the public and at what stages? (consider whole range of consultative mechanisms, local committees and local ward mechanisms).

It is estimated that 3100 households in the social housing sector alone will be affected by these reforms. Therefore, a general call for evidence is likely to lead to a large number of responses. As a result, a more targeted approach is proposed.

12.1 A small number of tenants will give evidence during the Select Committee session.

12.2 A targeted questionnaire may be possible

12.3 Advocacy agencies such as Welfare Rights and CAB are invited to represent the views of their clients.