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# Scrutiny Panel A

Thursday, 7th February, 2013  
at 4.00 pm

## **PLEASE NOTE TIME OF MEETING**

Conference Room 3 - Civic Centre

This meeting is open to the public

### **Members**

Councillor Daunt  
Councillor Kaur (Chair)  
Councillor McEwing (Vice-Chair)  
Councillor Mintoff  
Councillor Parnell  
Councillor Vinson  
Councillor Whitbread

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# PUBLIC INFORMATION

## **Role of Scrutiny Panel A**

The Overview and Scrutiny Management Committee have instructed Scrutiny Panel A to undertake an inquiry into Welfare Reforms Review.

Purpose:

Understand the timetable of welfare reforms and how the local impact can be assessed as part of Council Decision making.

Consider duties and responsibilities under the new legislation and identify opportunities for the co-ordination of current and future service delivery

Identify opportunities for policy development, with a particular focus on helping people into employment and tackling family breakdown:-

## **Southampton City Council's Six Priorities**

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

## **Public Representations**

At the discretion of the Chair, members of the public may address the meeting about any report on the agenda for the meeting in which they have a relevant interest.

**Smoking policy** – the Council operates a no-smoking policy in all civic buildings.

**Mobile Telephones** – please turn off your mobile telephone whilst in the meeting.

**Fire Procedure** – in the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

**Access** – access is available for the disabled. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

## **Dates of Meetings: Municipal Year**

<b>2012</b>	<b>2013</b>
25 October	10 January
22 November	7 February
6 December	7 March

## **CONDUCT OF MEETING**

### **TERMS OF REFERENCE**

The general role and terms of reference of the Overview and Scrutiny Management Committee, together with those for all Scrutiny Panels, are set out in Part 2 (Article 6) of the Council's Constitution, and their particular roles are set out in Part 4 (Overview and Scrutiny Procedure Rules – paragraph 5) of the Constitution.

### **BUSINESS TO BE DISCUSSED**

Only those items listed on the attached agenda may be considered at this meeting.

### **RULES OF PROCEDURE**

The meeting is governed by the Council Procedure Rules and the Overview and Scrutiny Procedure Rules as set out in Part 4 of the Constitution.

### **QUORUM**

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

### **DISCLOSURE OF INTEREST**

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "Disclosable Personal Interest" or "Other Interest" they may have in relation to matters for consideration on this Agenda.

#### **DISCLOSABLE PERSONAL INTERESTS**

A Member must regard himself or herself as having a Disclosable Pecuniary Interest in any matter that they or their spouse, partner, a person they are living with as husband or wife, or a person with whom they are living as if they were a civil partner in relation to:

(i) Any employment, office, trade, profession or vocation carried on for profit or gain.

(ii) Sponsorship:

Any payment or provision of any other financial benefit (other than from Southampton City Council) made or provided within the relevant period in respect of any expense incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

(iii) Any contract which is made between you / your spouse etc (or a body in which the you / your spouse etc has a beneficial interest) and Southampton City Council under which goods or services are to be provided or works are to be executed, and which has not been fully discharged.

(iv) Any beneficial interest in land which is within the area of Southampton.

(v) Any license (held alone or jointly with others) to occupy land in the area of Southampton for a month or longer.

(vi) Any tenancy where (to your knowledge) the landlord is Southampton City Council and the tenant is a body in which you / your spouse etc has a beneficial interests.

(vii) Any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of Southampton, and either:

a) the total nominal value of the securities exceeds £25,000 or one hundredth of

- the total issued share capital of that body, or
- b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you / your spouse etc has a beneficial interest that exceeds one hundredth of the total issued share capital of that class.

## **Other Interests**

A Member must regard himself or herself as having a, 'Other Interest' in any membership of, or occupation of a position of general control or management in:

Any body to which they have been appointed or nominated by Southampton City Council

Any public authority or body exercising functions of a public nature

Any body directed to charitable purposes

Any body whose principal purpose includes the influence of public opinion or policy

## **Principles of Decision Making**

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

## AGENDA

Agendas and papers are now available via the City Council's website

### **1 APOLOGIES AND CHANGES IN PANEL MEMBERSHIP (IF ANY)**

To note any changes in membership of the Panel made in accordance with Council Procedure Rule 4.3.

### **2 DISCLOSURE OF PERSONAL AND PECUNIARY INTERESTS**

In accordance with the Localism Act 2011, and the Council's Code of Conduct, Members to disclose any personal or pecuniary interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

### **3 DECLARATIONS OF SCRUTINY INTEREST**

Members are invited to declare any prior participation in any decision taken by a Committee, Sub-Committee, or Panel of the Council on the agenda and being scrutinised at this meeting.

### **4 DECLARATION OF PARTY POLITICAL WHIP**

Members are invited to declare the application of any party political whip on any matter on the agenda and being scrutinised at this meeting.

### **5 STATEMENT FROM THE CHAIR**

### **6 THE WELFARE REFORMS INQUIRY MEETING 5: RESOURCING THE CHANGE**

To consider the report of the Senior Manager, Customer and Business Improvement concerning the resources to communicate and deliver the key elements of the welfare reforms, attached.

Wednesday, 30 January 2013

HEAD OF LEGAL, HR AND DEMOCRATIC  
SERVICES

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# Agenda Item 6

<b>DECISION-MAKER:</b>	<b>SCRUTINY PANEL A</b>
<b>SUBJECT:</b>	THE WELFARE REFORMS INQUIRY MEETING 5: RESOURCING THE CHANGE
<b>DATE OF DECISION:</b>	7 FEBRUARY 2013
<b>REPORT OF:</b>	SENIOR MANAGER, CUSTOMER AND BUSINESS IMPROVEMENT
<b>STATEMENT OF CONFIDENTIALITY</b>	
None	

## **BRIEF SUMMARY**

This report provides details for the fifth and final evidence gathering meeting of the Scrutiny Panel A's Welfare Reforms Inquiry.

The Panel will consider resources to communicate and deliver the key elements of the welfare reforms. The three areas to be considered include:

- The Welfare Reforms Communication Plan, being delivered through the Gateway to a Better Future Southampton Connect priority project.  
Guests for this item include:
  - Sara Crawford, Improvement Manager
  - Wilson Massie, Marketing Officer, SCC Communications Team
  - Bernadette Hagan, Job Centre Plus, Head of Operations Solent H&IOW
- Partnership resources to help people to get off benefits and into work, stay in work and make work pay  
Guests for this item include:
  - Bernadette Hagan, Job Centre Plus, Head of Operations Solent H&IOW
  - Denise Edghill, Senior Manager Skills, Regeneration and Partnerships
  - David Wrighton, IBEX - The Churches Working with the Economy.
- The voluntary sector capacity to continue their vital role in supporting the Welfare Reforms in the city.  
Jo Ash, Chief Executive, Southampton Voluntary Services will attend the meeting for this item.

## **RECOMMENDATIONS:**

- (i) The Panel is recommended to consider the information provided by the guests, alongside the appendices, as evidence in the Inquiry.

## **REASONS FOR REPORT RECOMMENDATIONS**

1. To enable the Panel to analyse the evidence in order to formulate findings and recommendations at the end of the inquiry process.

## **DETAIL (Including consultation carried out)**

2. The Panel have heard that the Welfare Reforms will have an unprecedented impact on the residents of Southampton, including 19,550 claiming out of work benefits and a large number of people receiving in work benefits where they are on low pay or work part time hours (14% of Council Tax Benefit claimants are low earners).
3. The way benefits are calculated will change from April 2013 resulting in many claimants having to manage with less money; this may be a few pounds a week for some or significantly more for the others. In addition, the

way that benefits are administered is changing from weekly payments to claimants and their landlords to Universal Credit which will be paid monthly and directly to a nominated individual household account for the first time.

4. These changes will mean that many households will have to manage with less money over longer periods of time. This will inevitably be a difficult time for many while they adjust their household budgets but will potentially lead to increased debt and even financial crisis for some. The Panel agreed recommendations on the local welfare provision to support those in financial crisis at their meeting on 10<sup>th</sup> January 2013.
5. Where possible the aim is to prevent people getting into financial crisis through the dissemination of timely and easily accessible information and availability of correct and consistent advice. However, the Panel were concerned that the Department of Work and Pensions' (DWP) efforts to make contact with claimants affected by the benefit cap have received a very limited response.
6. Work has been underway to raise awareness and inform stakeholders and claimants on the Welfare Reforms both directly by the DWP and more locally for Southampton through the city council and Southampton Connect's Gateway to a Better Future priority project. Funding has been obtained through channelling existing resources. The Welfare Reforms Communication Plan 2012-13 is attached at Appendix 1. Examples of published articles are also attached from
  - Money Tree magazine (Appendix 2)
  - Tenants Link (Appendix 3)
7. The work to date has provided information/training and consultation in various forms to the following:
  - Frontline practitioners
  - Specific groups i.e. disabled people and SCC tenants
  - General public and residentsAppendix 4 provides an overview of the Welfare Reforms communication pathways.
8. To date there has been limited contact with the impacts of the Welfare Reforms on the business sector. However, the business sector have a key role in getting people into work and supporting those on lower wages to make work pay.



9. **The Panel should consider if this group, or any other stakeholders or specific interest groups should be included in the Communication Plan for 2013-2017.**

The Panel heard at their meeting on 12<sup>th</sup> November 2012 about the Mosaic groups most likely to be hit by the Welfare Reforms:

Segment 3	Low income older couples approaching retirement, living in low rise council housing
Segment 4	Childless or young, high rise council tenants with issues of social isolation
Segment 5	Vulnerable young families or lone parents living on council housing estates
Segment 12	Transient young singles with weak support networks, living in a mixture of housing

Appendix 5 highlights each group's preferred method of contact and intervention. A map will also be distributed to panel members showing the areas where these mosaic groups are concentrated.

The Panel should note that is no dedicated or pooled funding currently set aside for communicating the Welfare Reforms from April 2013. There may be potential to obtain funding through the local welfare provision funding as prevention work, through the DWP and through Southampton Connect's priority project fund, however, further work will need to be done to investigate these funding sources and agree the pooling of funding for the transition period of the Welfare Reforms.

Additional funding and resources are also being sought as follows:

- Training to be delivered through the Skills Funding Agency Community Learning Grant to support learners affected by the Welfare Reforms
- An advice services, partnership funding bid has been submitted to the Big Lottery for the Advice Service Transition Fund.
- A project brief has been submitted to Southampton University for students to undertake research on the impact of the welfare reforms locally.

10. **The Panel is requested to consider if the methods, channels and funding for communication and supporting those impacted by the reforms are the most appropriate and make any recommendations for the Communication Plan to be developed for 2013-2017**

11. Getting people into work, staying in work and making work pay is the key sustainable element of the Welfare Reforms. The Panel heard at their meeting on 10<sup>th</sup> January 2013 from the city council and voluntary organisations that are working to support people to prepare for employment by giving them the skills and confidence they need.

12. Early feedback from the Welfare Reforms 'Call to Evidence' and the business sector, however, suggests that jobs are not growing at a rate to support this yet.

13. **Denise Edghill, Senior Manager Skills, Regeneration and Partnerships** will talk to the panel about the outcomes of the Southampton Skills Development Zone and development of pooled budgets for strategic investment in communities (Appendix 6).
14. The Southampton Skills Development Zone (SSDZ) is an initiative being delivered in Southampton City which focuses directly on the needs of local employers and individuals, working with them to find creative ways to address their skill and workforce development needs and to provide enhanced routes into work and education. It is a partnership initiative with Southampton Solent University, Southampton University Hospitals Trust, Southampton City Council, Southampton PCT, Jobcentre + and the Skills Funding Agency.
15. **David Wrighton, IBEX - The Churches Working with the Economy**, will give evidence to the Panel on the The Building Bridges Forum (through Southampton Voluntary Services), which was established 15 years ago to coordinate the voluntary sector bodies involved in training and unemployment issues. An overview of the background to Building Bridges Forum is attached in Appendix 7.
16. There has been limited engagement directly with the business sector on their views and response to the Welfare Reforms, however, some work is currently underway to obtain feedback from the Southampton Chamber of Commerce members.  
The Panel should also note that meetings have been requested to meet the leads of the following Southampton Connect priority projects:
- Gateway to a world of business opportunities, led by Hampshire Chamber of Commerce <http://www.southampton-connect.com/what/bizopps.asp>
  - Gateway to employment and volunteering opportunities, led by Southampton Solent University. <http://www.southampton-connect.com/what/volopps.asp>
17. **The Panel is requested to discuss the evidence given on employment resources and consider if there are any recommendations in relation to this issue.**
- The Panel have heard evidence on the vital role that voluntary organisations currently play in supporting people to manage their finances, and support those in crisis to turn their lives around.
- Whilst the Welfare Reforms are rolled out and during the continued challenging economic climate, these voluntary organisations will see increasing demand for their services and play an increasing role in supporting vulnerable people to get through the next two years. This will particularly be in relation to managing money, financial emergency and getting people out of long-term benefits and into work.
- The Panel have agreed the following recommendation:
- That Cabinet, in considering the Council's budget for 2013/14 give priority, at least for the next two years whilst the Welfare Reform changes are implemented and to allow time for the economic climate

to improve, to maximise awards for grants and contracts where voluntary organisations are offering either:

- a) Financial advice, budgeting and support
- b) Vulnerable residents, especially those on long-term benefits, opportunities to improve their employability

The full report on the voluntary sector funding is attached at Appendix 9.

It is vital that a sustainable and holistic approach to information and advice is established for the city. An update will be given to the Panel at the meeting on the agreed recommendations from the budget meetings and grant awards and the overall impact on the voluntary sector provision.

Jo Ash, Chief Executive, Southampton Voluntary Services and Joanne Hughes, Project Officer (Grants and Community Support), will attend for this item.(Appendix 8).

- 18. The Panel is invited to have a discussion on the issues raised by those giving evidence around the overall provision of the voluntary sector information and advice on the Welfare Reforms to formulate their findings and develop a final report and recommendations.**

#### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

19. None

#### **RESOURCE IMPLICATIONS**

##### **Capital/Revenue**

20. Not applicable

##### **Property/Other**

21. Not applicable

#### **LEGAL IMPLICATIONS**

##### **Statutory Power to undertake the proposals in the report:**

22. The duty to undertake overview and scrutiny is set out in Section 21 of the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

##### **Other Legal Implications:**

23. None

#### **POLICY FRAMEWORK IMPLICATIONS**

24. None

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## **SUPPORTING DOCUMENTATION**

**Non-confidential appendices are in the Members' Rooms and can be accessed on-line**

### **Appendices**

1.	Welfare Reforms Communication Plan 2012/13
2.	Moneytree Magazine – Welfare Reforms
3.	Tenants Link
4.	Welfare Reforms Communications Pathways
5.	Mosaic Segments – Preferred Contact
6.	Pooled Budgets for Strategic Investment in Communities
7.	Building Bridges
8.	Voluntary Sector: Issues and Concerns

### **Documents In Members' Rooms**

	None
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### Welfare Reforms Communication Plan: 2012/13

Marketing Activity	Detail
<b>Overall</b>	
SCC website updates	Overview welfare reforms - Info and advice updates to SCC webpages: Housing, Welfare Rights, Benefit Services
Tenants Link article	Under-occupancy - Having a lodger, Work and Work Clubs, Loans /affordable credit
Tenants Link article	Money and Work - Article in Tenants Link on: Surviving redundancy
City View double page	Overview welfare reforms - covering the main changes coming in from April 2013.
Tenants Link article	Debt advice - article giving advice on managing and prioritising your household finances
Home bid article	Under-occupancy - information on how the changes could impact on applicants
SCC website updates	Overview welfare reforms - updated info and advice on SCC webpages set out by affected groups.
Tenants Link article	Overview welfare reforms - covering the main changes coming in from April 2013.
SCC website updates	Update to info and advice pages
City View - Full page	CTB decision and wider welfare reforms signposting
SCC website updates	Update to wording as changes begin to take effect
SVS Mailing	Article on Welfare Reforms and signposting to SCC website.
Media statement - CTax Benefit	Overview welfare reforms - Providing local context to the government's national changes and the council's difficult position in having to add additional pressures but outline our role in supporting those most affected or least able to cope and our work to help the government make exception.
Media release - Help us reach people	Overview welfare reforms - raising the alarm that so few people are engaging asking the public to look out for friends and family.

Media release - Final shout	Overview welfare reforms - the final count down to changes. Highlighting the work done locally to support those most at risk and the support available to the most vulnerable.
<b>Affected groups</b>	
Letter to affected claimants	Benefits Cap - Letters and follow up contact to those potentially affected by Benefit Cap
Consultation launches online	Council Tax Benefit - news item, home page and consultation page go live
Letter to CTB claimants	Council Tax Benefit - letter and information on consultation sent to all CTB claimants
Letter and follow-up calls	Benefits Cap - Letters and follow up contact to those potentially affected by Benefit Cap
Posters on Bedroom Tax - 50 off	Posters placed in 50 public council run venues / receptions
Face to face info for tenants	Overview welfare reforms - Pilot one to one support for tenants
Face to face info for residents	Overview welfare reforms - SARC appointments to offer one to one advice and support for residents
Posters - Major Benefit Changes 1000 off	Posters placed in public council run venues and tenant walk-up blocks and tower block receptions
Posters - Are you ready, look out for Moneytree 1100 off	Posters placed in public council run venues and tenant walk-up blocks and tower block receptions
Letter to CTB claimants	Council tax benefit - announce decision on Council Tax Reduction Scheme and signposting for wider changes
Money advice magazine - 19K off	Overview welfare reforms - Printed magazine offering clarity on changes and practical advice and signposting for support including financial planning and setting up a bank account - - Distribution to all housing tenant and to network of frontline support service including voluntary sector.
Face to face Thornhill Residents	Overview welfare reforms - Pilot one to one with Thornhill Residents (TBA)
Face to face Residents	Overview welfare reforms - Pilot one to one BME Communities (TBA)
Money advice card - direct mail	Overview welfare reforms - Printed concertina card with money advice and signposting (TBA)
Posters - Major Changes countdown 1100 off	Final countdown to changes and where to go for support and advice

Letter to CTB claimants	Council Tax Benefit - Personal letter setting out their benefit from April
Letter to affected claimants	Benefits Cap - Personal letter setting out their benefit from April
<b>Frontline services</b>	
Awareness	Overview welfare reforms - Benefit Awareness Event at the Hub (City College): Information & Workshops and follow up at the African Caribbean Centre.
Training /briefings	Allocations, Housing Office Staff, Homelessness, Block Reps, Unions and HSE reps, Weston Community Forum, Tenants Association chairs, Children's Services , Adult Social Care.
Sign-up for email updates	Overview welfare reforms - All attendees of the benefit awareness event were signed up to Touchbase magazine (Regular/monthly email updates from DWP)
Consultation and Engagement	Council Tax Benefit & Social Fund - Localisation of CTB and Transition of Social Fund discussion (APN)
Money advice magazine - 5,000 off	Overview welfare reforms - Printed magazine offering clarity on changes and practical advice and signposting for support including financial planning and setting up a bank account - Distribution TBC
<b>Network of support groups</b>	
Meeting APN (Anti Poverty Network)	Overview welfare reforms - Southampton Anti-poverty Network joint development of the Welfare Reforms Action Plan
Email APN	Overview welfare reforms - Southampton Anti-poverty Network - update
Email APN and online content	Council tax benefit & social fund - Localisation of CTB and Transition of Social Fund discussion (APN)
Training APN	Overview welfare reforms - Southampton Anti-poverty Network - update
Email APN	Overview welfare reforms - Answers to key questions circulated to anti-poverty, employment and training organisations.
Email to APN about consultation	Overview welfare reforms - Consultation with APN on Localisation of Council Tax, Social Fund, Housing
TBC	Need to communicate changes to Social Fund to Public
<b>Wider affected council services</b>	
Communications group meetings	Bring together key managers from Housing, Benefits, Adult Care, Children Services, Policy and Communications

<b>Councillors</b>	
Cabinet decision on CTB consultation	Council tax benefit - decision on consultation published online
Cabinet decision made on Social Fund	Social fund - decision published online
Scrutiny Panel A: Welfare Reforms Inquiry	First meeting: looking at working age changes, localisation of council tax, social fund
Scrutiny Panel A: Welfare Reforms Inquiry	Second meeting: deprivation statistics, Centre for Social Justice
Scrutiny Panel A: Welfare Reforms Inquiry	Third meeting: local Impacts and Service Perspectives, SCC services, Vol Sector, Community Reps
Scrutiny Panel A: Welfare Reforms Inquiry	Fourth meeting: Local Impacts and Service Perspectives, Q&A session with Anti-Poverty Network
Scrutiny Panel A: Welfare Reforms Inquiry	Fifth meeting: Overview of good practice locally and nationally: What do we do well as a city, what can we learn from others? Representation from, Local projects and initiatives, National projects
Scrutiny Panel A: Welfare Reforms Inquiry	Sixth meeting: Workshop: Local responses and developing recommendations. Followed by Final Report
Training - Labour group	Overview welfare reforms - benefit awareness training (SARC)
<b>Wider affected groups</b>	
Meeting with BME communities	Overview welfare reforms - only Somali community attended
Meeting with SCIL	Council Tax Benefit - to discuss ways to engage on consultation
Presentation to Private Sector Landlords	Housing Benefit - overview of range of changes that might affect their tenants
Face to face info given at MAD Week for SCC tenants	Welfare Reforms information - integrated into MAD week activities
Training for RSLs	Welfare Reforms information - three training sessions on benefit changes
Presentation to the Housing Partnership	Covering all the major changes - plus workshop discussion on welfare reforms
Presentation to the Southampton Education Forum	Covering all the major changes.

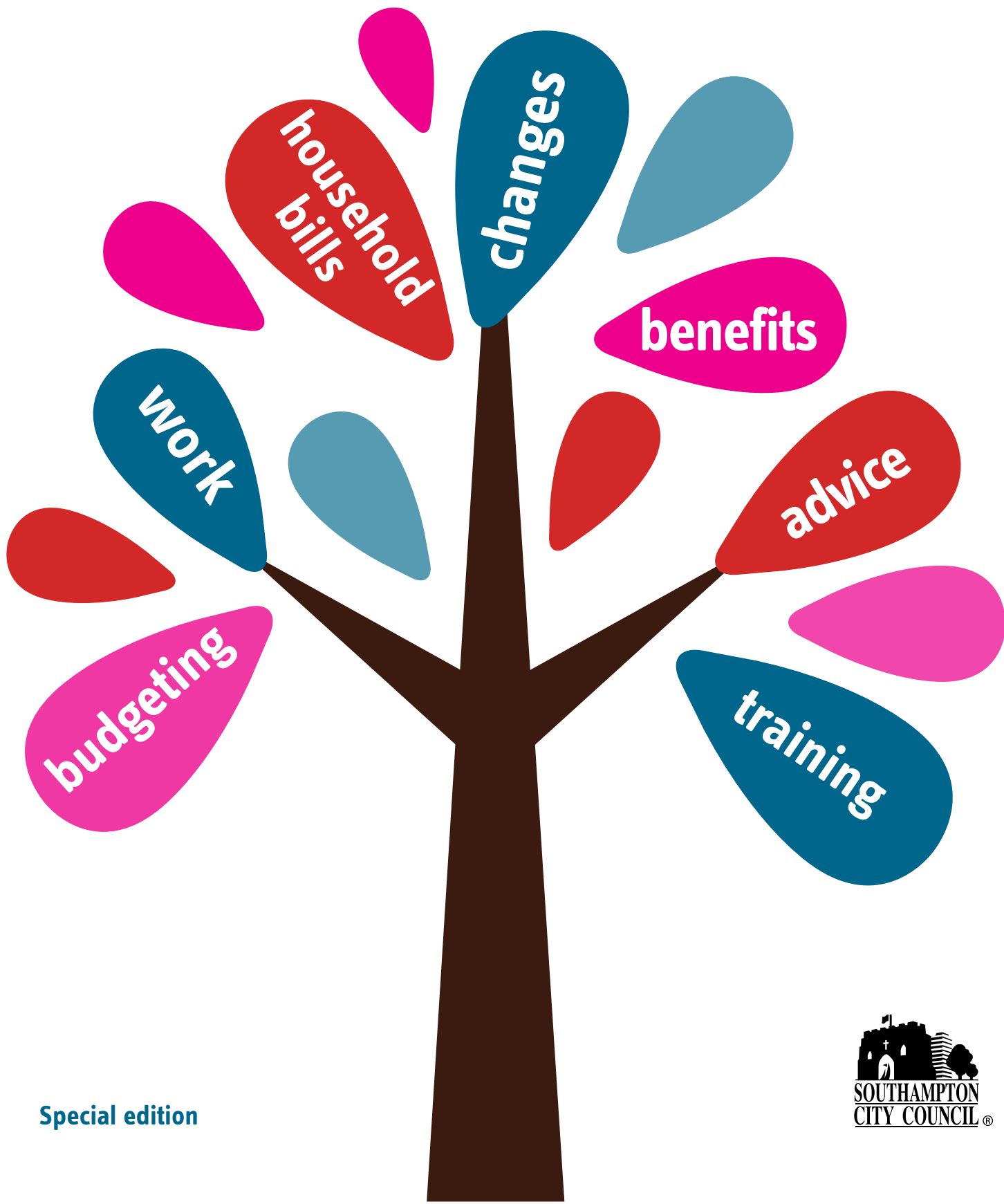


Wider stakeholders	
Staff bulletin	Signposting to information and asking staff look out for friends and family
Intranet article	More detailed information and online link to Money Advice publication
Staff bulletin	Link to press release ask staff to see the level of work the council has done to protect vulnerable groups.

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# Moneytree

Benefits are changing - make sure you're ready



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## THE FACTS

**Over the next few years the government is making changes to welfare benefits and tax credits. These changes are the biggest in over 60 years and many will start from April.**

Most of the changes only affect people of working age and could significantly cut the amount of money people receive from benefits.

Many people will be affected by several changes which may not all happen at the same time.

A number of benefits will be abolished and replaced from October 2013 with a new single benefit called Universal Credit.

This guide will help you understand the changes and help you to prepare for them. By making changes now you can plan for a drop in your income when the changes happen.



## YOUR CHECKLIST

Advice is given throughout this magazine - please take time to read it. Here are some important things you need to know and do:

- ✓ Find out which changes affect you
- ✓ Claim any benefits that you are entitled to
- ✓ Know your household budget, your income and spending - so you can prepare for changes
- ✓ Prioritise paying your rent, mortgage, utilities and council tax - even if you suffer an income drop
- ✓ Seek specialist advice if:
  - ◆ You are in danger of losing your home
  - ◆ You are falling into debt.



### Remember

These national changes to benefits are to ensure that households in work are not worse off than those out-of-work households claiming benefits. It should pay to work.

If you need help reading or understanding this magazine, the information is available in larger print on our website [www.southampton.gov.uk/benefitchanges](http://www.southampton.gov.uk/benefitchanges) or you can call ☎ 023 8083 4919



## BENEFIT CHANGES 2013

The government is making major changes to the benefits and tax credit system which will affect a large number of households in Southampton. Some of the changes for people living in privately rented accommodation have already come in, while others will not happen until 2013 and beyond.

- These changes could significantly cut the amount of benefit you get.
  - Do you know what effect these changes will have on your household?
- If you receive any benefits or welfare support then there are some critically important things you need to know and you might need to take some action.

Details are still being finalised. To make sure that you keep up-to-date with the changes and how these new schemes will affect you, visit [www.southampton.gov.uk/benefitchanges](http://www.southampton.gov.uk/benefitchanges)

### What is changing?

**Date: April 2013**

**Benefit affected: Housing Benefit**

#### Change:

New size criteria rules or a 'bedroom tax' will reduce the amount of Housing Benefit for people living in council or housing association homes, who have more bedrooms than they need under new government rules.

**Details on page:**  
**6-7**



**Date: April 2013**

**Benefit affected: Council Tax Benefit**

#### Change:

A new Council Tax Reduction Scheme will replace Council Tax Benefit which will reduce the amount of support people get.

**Details on page:**  
**8-9**



**Date: April 2013**

**Benefit affected: Social Fund**

#### Change:

Social Fund Crisis Loans and Community Care Grants will no longer be available.

**Details on page:**  
**10**



**Date: June 2013**

**Benefit affected: Disability Living Allowance**

#### Change:

A new Personal Independence Payment will replace Disability Living Allowance with new eligibility criteria.

**Details on page:**  
**11**



**Date: Summer 2013**

**Benefit affected: Housing Benefit**

#### Change:

For those out of work, there will be a benefits cap on the total amount of benefits a household can claim.

**Details on page:**  
**12-13**



**Date: From October 2013**

**Benefit affected: All means-tested benefits**

#### Change:

A new benefit, **Universal Credit**, will replace a number of existing benefits. The amount you receive will depend on your family circumstances and level of income.

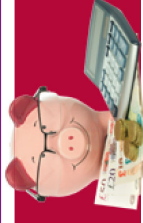
**Details on page:**  
**14-15**



### Help and advice

Detailed information on each of these changes is covered throughout this magazine. There is a further help and advice section at the end.

**Details on page:**  
**16-19**



### Remember

These national changes to benefits are to ensure that households in work are not worse off than those out-of-work households claiming benefits. It should pay to work.

### Pensioners will not be affected

If you or your partner is over the qualifying age for state Pension Credit (in April 2013 this will be around 61 years and six months) you will not be affected by most of these changes. To calculate when you will reach the state Pension Credit qualifying age visit [www.gov.uk/calculate-pension](http://www.gov.uk/calculate-pension).



## NEW SIZE CRITERIA OR 'BEDROOM TAX' 1 April 2013

### What is the bedroom tax?

From April 2013, there will be a limit on the size of property people can claim Housing Benefit for. If their property is bigger than they need, their Housing Benefit will be reduced and they will have to make up the difference in their rent from other benefits or wages.

A household with one 'spare bedroom' will see their Housing Benefit cut by 14% of the total rent paid each week. The equivalent of £14 on rent of £100 per week. If they have two or more spare bedrooms they will lose 25% of the total rent paid each week.

Household with one 'spare room'



Housing Benefit cut by **14%** of total rent.

Household with two 'spare rooms'



Housing Benefit cut by **25%** of total rent.

- • • • •
- **Who will be affected?**
- This only affects working age council tenants or housing association tenants claiming housing benefit. To work out if you have a 'spare bedroom', use the checklist below.
- • • • •

### Bedroom entitlement

Each of the following are allowed one bedroom:

- A couple
- A person aged 16 years or older
- Two children of the same sex until one reaches 16 years old
- Two children of the opposite sex until one reaches 10 years old
- A carer where you or your partner require overnight care.

If you have more bedrooms than the new rules allow for your family, you have a 'spare bedroom', even if the room is being used to sleep in.

This includes:

- Separated parents who have shared care of one or more children. Only the parent who receives Child Benefit will be allocated a bedroom for the child/children
- Parents whose children visit but are not part of the household

- Couples using a 'spare bedroom' when recovering from an illness or operation

- Disabled people who live in adapted or specially designed properties.

### Who won't be affected by the bedroom tax?

All pensioners are exempt i.e. anyone over Pension Credit age. See page 5.

## Examples of how the bedroom tax may affect a family

### FAMILY 1 3

**Pete and Jill have two teenage girls aged 13 and 15, and live in a three bedroom house.**

Their rent is £115 per week and they currently receive full Housing Benefit of £115 per week. Under the new rules their children will be expected to share a bedroom until one reaches 16, so they will be treated as having one spare room. So 14% of their £115 rent (£16.10) is taken from their Housing Benefit, reducing it to £98.90. They now have to pay £16.10 a week of their rent from their other income.

### FAMILY 2 2

**Hussein is a single person with no children living in a two bedroom flat.**

His weekly rent is £70 and he currently receives £45 a week Housing Benefit as he works part-time. He currently pays £25 towards his weekly rent from other income. Under the new rules he has one spare bedroom, so 14% of his £70 rent (£9.80) is deducted from his Housing Benefit, reducing it to £35.20. He now has to make up the shortfall of £34.80 a week from his other income.

### FAMILY 3 3

**Jean and Brian are a couple with no children living in a three bedroom house.**

Their weekly rent is £110 and they currently receive full Housing Benefit of £110 per week. Under the new rules they will be treated as having two spare bedrooms. So 25% of their £110 rent (£27.50) is deducted from their Housing Benefit, reducing it to £82.50. They now have to pay £27.50 a week of their rent from their other income.

## Bedroom tax advice

**Look for work:** If you are not currently in employment, finding a job could help you to pay the additional rent.

**Increase hours of work:** If you are in employment consider increasing your working hours to make up the shortfall in rent.

**Consider a lodger:** If you have a spare room you may wish to take in a lodger to help make up the shortfall in rent. A lodger could also help towards household bills. For further information visit [www.southampton.gov.uk/rentaroom](http://www.southampton.gov.uk/rentaroom).

Be aware that any change in income could affect your benefits – check in advance with your local Housing Benefit office **023 8083 3009** and Jobcentre Plus **0845 6060 234**.

**Consider a mutual exchange to a smaller property:** Homeswapper is a free online house match service for tenants with a clear rent account, visit [www.homeswapper.co.uk](http://www.homeswapper.co.uk).

You can apply for a transfer if there is appropriate smaller size property available but there is a very long waiting list, you might have to wait several years. Contact Gateway, your local housing office or call **023 8083 4919** to discuss your options.

**If you do not pay your rent you are at risk of losing your home.**



## Further advice

Work out if you can afford to make up the shortfall in your rent. (See page 19 on budgeting).

If you need more advice about the bedroom tax call the Council Tenants Information Line **023 8083 4919**.



## COUNCIL TAX BENEFIT CHANGES 1 April 2013

### What is happening to Council Tax Benefit?

Council Tax Benefit will be abolished nationally on 1 April 2013. It will be replaced by a local Council Tax Reduction Scheme. The government has reduced the funding given to local councils and this means a knock-on reduction in the amount of benefit available.

The new Council Tax Reduction Scheme will reduce the amount of support people of working age receive to help pay their council tax bill. From April 2013 that amount of support will be reduced on average by 12%, although some people will lose more. Everyone affected will have to pay more from their other income towards their council tax bill.

This change to council tax support is not a change the council wants to make and we do understand that it will hit people on low incomes very hard.

We have found some money for one year to keep the amount of council tax you pay as low as possible, but the amount you pay may go up again in 2014.



### How the new Council Tax Reduction Scheme will be calculated

The scheme is means tested based on the circumstances of the claimant, their partner and any family members. The following aspects are taken into account:

- The full council tax, less any discounts such as single person discount;
- The age of the person claiming and their partner (if any);
- The number of dependant children and whether the person claiming is a single parent;
- Whether anyone in the household has a disability or is a carer;
- Whether they are earning, on benefit or have other income;
- Certain outgoings, such as childcare payments and payments towards a pension;
- Savings and other capital;
- Non-dependant adults living in the household.

### Who will be affected?

- Anyone claiming Council Tax Benefit who is of working age.

### Who won't be affected?

Pensioners won't be affected by the change to Council Tax Benefit. See page 5.  
Also anyone who receives war or war widow's benefit or pension will be exempt from the change.



### Examples of how the new Council Tax Reduction Scheme will affect families

(current figures are based on the current council tax levels, 2013 figures assume an estimated 2% increase in council tax – but at the time of printing the Council has not made a decision on this).

#### FAMILY 1

A couple on Jobseekers Allowance (income based), living in a Council Tax band B property currently do not pay any Council Tax. Under the new scheme they will have to pay £97.57 a year from April 2013. This is the equivalent of £1.87 a week.

#### FAMILY 2

A non-working single person aged 26 on a low income of £95 a week lives in a band A property. They currently get £487.60 towards their Council Tax, leaving them to pay £235.82 a year. Their support from April 2013 will be £371.44 leaving them to pay £366.45. This is equivalent to paying £2.23 more a week.

#### FAMILY 3

A couple with two children, one of whom is working more than 36 hours a week have a total income of £350 after tax. They live in a band B property and have no savings. Currently they get £479.67 towards their Council Tax leaving them to pay £645.65 a year. Their support from April 2013 will be £246.35 leaving them to pay £901.48. This is equivalent to paying £4.47 more a week.

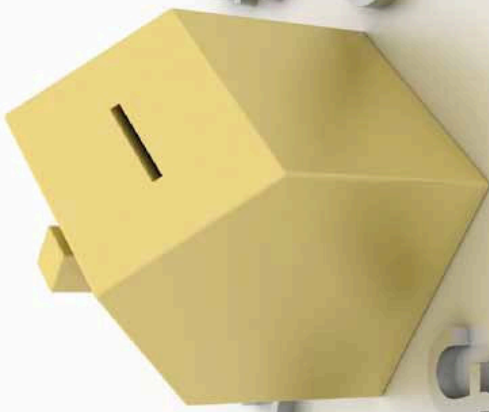
### Council Tax Reduction Scheme Advice

**Look for work:** If you are not currently in employment, finding a job could help you to pay the additional council tax.

**Increase hours of work:** If you are in employment consider increasing your working hours to make up the additional amount you have to pay towards your Council Tax.

**Work pays:** The government is clear that councils need to ensure their scheme provides incentives to work.

In Southampton, for every £1 of additional income you have we would reduce your benefit by 25p, meaning you keep 75p.



### Further advice

Work out if you can afford to make up the shortfall in your council tax (See page 19 on budgeting). If you need more advice about the new council tax scheme call **023 8083 3009**.



## SOCIAL FUND April 2013

### Social Fund is changing

From April 2013 some elements of Social Fund will no longer be available. This change will affect Community Care Grants and Crisis Loans which will stop at the end of March. The council is working with local organisations to look at ways of providing essential emergency support to help vulnerable people on low incomes.

### What is staying?

The Department for Work and Pensions (DWP) will still offer interim payments and Social Fund Crisis Loan alignment payments for all benefits but these will be called Short Term Benefit Advance (STBA) from April 2013. You will also still be able to apply for Budgeting Loans but only if you have been claiming benefits for over six months.

**SHORT TERM BENEFIT ADVANCES (STBA)** provide an advance of your future benefit payment at the start of a benefit claim if:

- you have a change of circumstances which means a significant increase in the amount of benefit you are entitled to.
- you encounter a period of financial crisis before receiving your first benefit payment

Any advance of benefit will have to be repaid over a short time (up to 12 weeks). This will be taken back from subsequent payments of benefit.

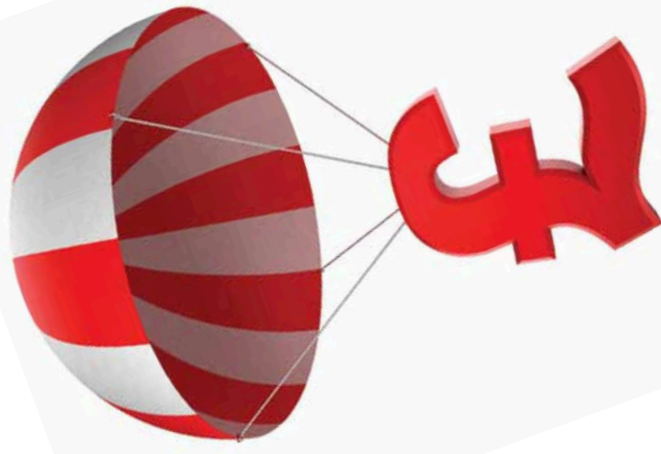
**BUDGETING LOANS** will continue to be available to people who have been claiming the following benefits throughout the past six months:

- Income Support (IS)
- Jobseeker's Allowance (JSA) (income based)
- Employment and Support Allowance (ESA) (income related)
- Pension Credit.

Budgeting Loan application forms can be downloaded from [www.dwp.gov.uk/advisers/claimforms/sf500\\_print.pdf](http://www.dwp.gov.uk/advisers/claimforms/sf500_print.pdf)

### For further information:

Call the DWP on **0845 6060 234**  
Monday to Friday, 8am to 6pm  
Or visit [www.gov.uk](http://www.gov.uk) and search for 'Social Fund'



## DISABILITY LIVING ALLOWANCE IS CHANGING June 2013

### What is happening to Disability Living Allowance

Disability Living Allowance (DLA) is being replaced, for everyone 16-64 years old, by a completely new benefit called the Personal Independence Payment (PIP). All new claims from June will need to be for PIP not DLA.

If you currently receive DLA you will be contacted by the Department for Work & Pensions between April 2013 and March 2016 to be reassessed under the PIP rules, even if you have an indefinite or lifetime award. You will continue to receive DLA until a decision is made on your PIP claim. You need to re-apply or your DLA will end.

### How is Personal Independence Payment (PIP) different?

PIP like DLA is for people who have mobility problems, or who need personal care, supervision or support due to a disability. To claim PIP you must have a physical, mental health or learning disability that affects your ability to live a full, active independent life.

### Who will be affected by PIP

- Anyone who is or would be claiming DLA who is 16-64 years old after 1 June 2013.

### Who won't be affected

Children under 16 and people aged 65 and over who are currently receiving DLA will not be affected by the changes.

The amount of benefit you are awarded will be based on the impact of your disability or health condition and the extent to which you are able to live independently.

As part of the claim process for PIP most people will have to attend a medical. To receive PIP you will need to be able to satisfy the daily living and/or mobility activities test.

### Important facts

New claimants can apply for PIP from June 2013. For existing claimants of DLA there is no automatic transfer from DLA to PIP.

You must make a claim for PIP within one month of being contacted by the DWP or your DLA claim will end.

You will be assessed under the new entitlement criteria.

### For further information:

Visit DWP website [www.dwp.gov.uk/policy/disability/personal-independence-payment](http://www.dwp.gov.uk/policy/disability/personal-independence-payment)







## BENEFIT CAP Summer 2013

### What is the benefit cap?

During summer 2013 a limit will be introduced to the total amount of benefit (including Housing Benefit) that an out-of-work household can claim. This is so that no family who are out of work will receive more in benefit payments than the average wage paid to people in work. If your benefits are above this limit your Housing Benefit will be reduced by the amount you are above the cap.

Benefit cap:

- a maximum of £500 a week for a couple (with or without dependent children)
- a maximum of £500 a week for a lone parent whose child/children live with them
- a maximum of £350 a week for a single adult who doesn't have children or whose child/children do not live with them.

**These will be the maximum amounts used for Universal Credit, see pages 14-15.**

### Who will be affected?

The cap will apply to the combined income from a number of different benefits and tax credits including:

- Jobseekers Allowance
- Income Support
- Employment & Support Allowance (unless in the support group)
- Child Benefit
- Child Tax Credit
- Housing Benefit.

The cap will not include one-off payments, non-cash benefits and things like free school meals, nor will it include Council Tax Reduction Scheme. See page 8.

In the short-term if your household is above the benefit cap limit the deduction will be taken from your Housing Benefit payments. In the longer term it will form part of the new Universal Credit system and your benefit will be reduced by the Department for Work and Pensions see page 12

Couple with children



£500 benefit cap per week

Couple without children



£500 benefit cap per week

Single adult with no children



£350 benefit cap per week

Single adult with children



£500 benefit cap per week

### Examples of how the benefit cap may affect a family:

#### FAMILY 1



John and Karen have five children all under 16. They claim Jobseekers Allowance, Child Tax Credit, Child Benefit and Housing Benefit. They rent their home from the council and their weekly rent is £115. Currently they receive £568.80 a week in combined benefits. Their income will be over the cap of £500 per week.

From summer 2013 their Housing Benefit will be cut by £68.80 to bring their total income down to the £500 limit. They will have to pay the shortfall of £68.80 in their rent each week from their other benefits.

#### FAMILY 2



Raj and Sunita have four children all under 16. They claim Employment and Support Allowance as Raj is unable to work due to ill health. They also receive Child Tax Credit, Child Benefit and Housing Benefit. They rent their home from a private landlord and their weekly rent is £242.30. Currently they receive £659.26 a week in combined benefits. Their income will be over the cap of £500 per week.

From summer 2013, their Housing Benefit will be cut by £159.26 to bring their total income down to the £500 limit. They will have to pay the shortfall of £159.26 in their rent each week from their other benefits.

### Benefit cap advice

You must take action if you are affected by the benefit cap:

If your benefit is reduced you must find a way to make up the shortfall to pay your rent.

You may want to find work or increase your hours of work - or you may decide to reduce your outgoings.

If you are working and eligible for Working Tax Credit you will not be subject to the cap.

The government has introduced this benefit cap to encourage people into work and make them less reliant on benefits.

### How do you know if you will be affected?

You should have received a letter from the Department for Work & Pensions (DWP). If you have not received a letter, and think you may be affected, contact Jobcentre Plus on **08456 060 234**. Jobcentre Plus will be providing extra back-to-work support to households affected by the cap.

### For further information visit:

[www.gov.uk/benefit-cap](http://www.gov.uk/benefit-cap)

[www.southampton.gov.uk/benefitchanges](http://www.southampton.gov.uk/benefitchanges)

[www.dwp.gov.uk/docs/benefit-cap-faqs.pdf](http://www.dwp.gov.uk/docs/benefit-cap-faqs.pdf)

For further advice about the benefits cap call **023 8083 3009** or for council tenants you can also call our information line **023 8083 4919**



## UNIVERSAL CREDIT 1 October 2013



### What is Universal Credit?

Universal Credit is the biggest change to the benefits system since it began and will replace a number of benefits. Universal Credit will provide support for working-age claimants, both in work and out of work. It is being introduced to:

- reduce the cost of the benefit system
- make it easier to start work
- provides a single monthly payment in arrears similar to how a wage is paid to a single household
- simplify the existing system.

The amount you will receive will depend on your income and other family circumstances. There will be a basic personal amount (similar to the current Jobseeker's Allowance) with extra amounts for disability, caring responsibilities, children and housing costs.

### Who will be affected?

Universal Credit will replace and combine a number of means-tested benefits and tax credits, including:

- Income Support
- Income-based Jobseekers Allowance
- Income-related Employment & Support Allowance
- Housing Benefit
- Child Tax Credit & Working Tax Credit.

Universal Credit will be introduced to **new claimants in October 2013**. It will be gradually introduced to existing claimants from April 2014 to 2017.

If you claim any out-of-work means-tested benefits and/or Housing Benefit you will be transferred to Universal Credit.

There will be a limit on the total weekly benefit for an out-of-work household so that no family who are out of work will receive more in welfare benefits than the average take home pay of a family in work (see information on the benefit cap page 12-13).

## UNIVERSAL CREDIT

### Claimant commitment

In order to get Universal Credit some claimants will be required to sign a claimant commitment. This sets out your 'responsibilities' and in particular what work-related requirements apply to you. The commitment will also set out any financial penalties for failing to meet these requirements which may result in your payments stopping, for example if you refused a job. You could lose your benefit for up to three years if you repeatedly refuse the offer of a job or fail to attend interviews or apply for jobs.

### Change of circumstances

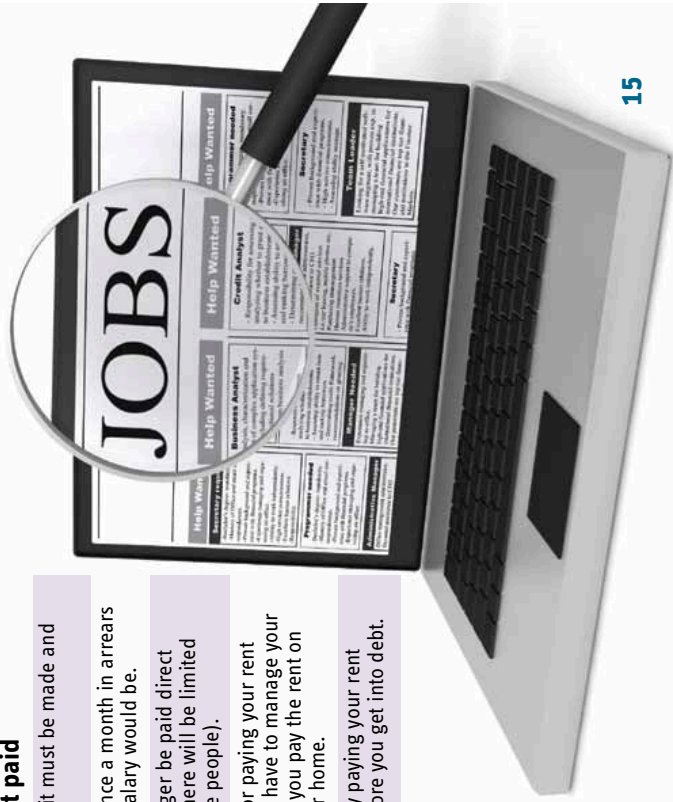
It is very important that you report any changes in your circumstances promptly as failure to do so could result in a financial penalty of £50.

### How you claim and get paid

- Claims for Universal Credit must be made and managed online.
- Payments will be made once a month in arrears to the household, like a salary would be.
- Housing costs will no longer be paid direct to a landlord (although there will be limited exemptions for vulnerable people).
- You will be responsible for paying your rent to your landlord. You will have to manage your benefit to make sure that you pay the rent on time or you may lose your home.
- If you are having difficulty paying your rent contact your landlord before you get into debt.

### Universal Credit advice

- You will need a bank or building society account, as your Universal Credit payment will be paid into a bank, building society or credit union account. See page 17.
  - Set up a monthly direct debit for your rent and other bills so they are always automatically paid on time (as long as you have the money in your account). This will help to take the worry out of budgeting.
  - You will need to get online as the government expects most claims for Universal Credit to be made and managed online. See page 18.
  - You will need an e-mail address for communication purposes. Changes of address should also be reported by email.
- If you are a Southampton City Council tenant and require further advice contact our Information Line 023 8083 4919.



## HELP AND ADVICE

### Finding work and staying in work:

The government's benefit changes are designed to make being in work pay more than getting all your income from benefits. Finding work in today's economic climate can be difficult but help is out there if you need support.



#### Finding work:

There are a number of work clubs operating in the city offering free advice to help you find a job. Each work club operates differently but they will all help you with CV writing, job searches, skills evaluation and advice on how to complete job applications. For an up to date list of work clubs, what help they offer and opening times visit [www.southampton.gov.uk/workclub](http://www.southampton.gov.uk/workclub) or contact Jobcentre Plus.

Jobcentre Plus also has a variety of work programmes and training opportunities to help unemployed people back into work. To find out more call **0845 6060 234**.

Jobcentre Plus' Universal Jobmatch website is free to use and allows you to search for jobs and upload your CV for potential employers to view. The service is available at [www.gov.uk/jobs-jobsearch](http://www.gov.uk/jobs-jobsearch).

#### Updating skills and training:

You may also want to improve your skills or qualifications in order to progress in work or get a better job. A list of local courses and training providers can be found at

[www.southampton.gov.uk/learning/learningskills](http://www.southampton.gov.uk/learning/learningskills).

Many jobs require some IT skills. If you are a complete beginner or need to brush up on your computer skills then there are courses available (see website above). The Central Library offers computer courses for beginners, for further information call **023 8083 2162**.

Depending on your circumstances you may be entitled to help with childcare costs and/or course fees. Information is available at

[www.gov.uk/browse/education/student-finance](http://www.gov.uk/browse/education/student-finance)

#### Claim the benefits you are entitled to:

If you are working and are on a low income have you done a benefit check - are you claiming everything you are entitled to? Below are two online benefit calculators:

[www.turn2us.org.uk](http://www.turn2us.org.uk)

[www.gov.uk/benefits-adviser](http://www.gov.uk/benefits-adviser).

Remember: if you are eligible to claim Working Tax Credit then you will not be subject to the benefit cap.

If you are struggling to keep your job or find a job due to a mild to moderate mental health issue the NHS Service Steps 2 Wellbeing may be able to help.

For further information call **0800 612 7000** or see

[www.steps2wellbeing.co.uk](http://www.steps2wellbeing.co.uk).

## HELP AND ADVICE

### Get a bank account - be prepared for Universal Credit:

Universal Credit will be paid into a bank, building society or credit union account but not a post office card account. So everyone claiming it must have some form of bank account - more about opening an account below. Having an account means you can set up a monthly direct debit for your rent and other bills, so they are automatically paid on time (as long as you have the money in your account). You can usually get discounts on utility bills like telephone, gas and electricity by paying by direct debit, so it should save you money too.

#### What are the alternatives to a normal current account?

Opening a current account with a bank can be difficult if you are on a lower income or you've had poor credit history. Also people might worry about going overdrawn and running up charges. We've listed two alternatives to a current account which allow anyone to open one and don't allow you to go overdrawn but provide easy access to your money and direct debits.

#### A credit union jam jar account

The most important feature of a jam jar bank account is the money-managing feature. The account is usually divided into 'pots' or 'jars' containing money. For example, one pot could be for 'spending', one for 'bills' and perhaps another for 'savings'. You decide how much money goes into each by working out how much you need for your bills and how much is left over.

The advantage of a jam jar account is that you no longer have to think so much about managing your money. You will have the reassurance that when your bills need to be paid you will not have accidentally spent the money you need.

There are two credit unions in Southampton who offer jam jar accounts:

#### SOLENT CREDIT UNION

Tel: **023 8178 8375**

Email: [solentcreditunion@phonecoop.coop](mailto:solentcreditunion@phonecoop.coop)  
[www.solentcreditunion.co.uk](http://www.solentcreditunion.co.uk)

#### UNITED SAVINGS & LOANS

Tel: **023 9282 7980**

Email: [info@usal.org.uk](mailto:info@usal.org.uk)  
[www.usal.org.uk](http://www.usal.org.uk)

#### A basic bank account

These accounts have most of the features of a current account, such as a card to withdraw cash, and the ability to set up direct debits. They are also available to everyone, including those with previous or existing financial problems. They are designed to be easy to open and easy to manage and are available from most banks and building societies. Some people prefer these kinds of accounts because they do not provide overdraft facilities, so they can't accidentally spend too much and get into debt.

For further information about opening a basic bank account see [www.southampton.gov.uk/welfarerights](http://www.southampton.gov.uk/welfarerights)



## HELP AND ADVICE

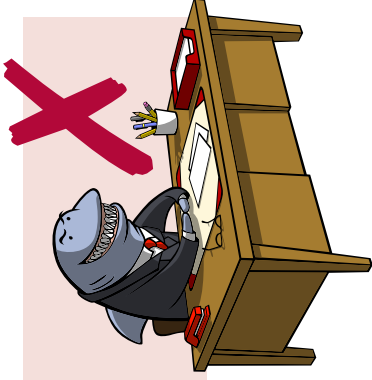
### Getting loans and borrowing:

if you need to borrow money - don't be tempted to use loan sharks or payday loans as the interest charged can be very high and loan sharks operate illegally.

Consider joining a credit union as they can usually offer loans at more affordable rates and will only lend what you can afford to pay back. Most credit unions require that you are a member and have been saving with them for at least three months.

There are two credit unions operating in Southampton:

- **SOLENT CREDIT UNION** - 023 8178 8375 [www.solentcreditunion.co.uk](http://www.solentcreditunion.co.uk)
- **UNITED SAVINGS & LOANS** - 023 9282 7980 [www.usal.org.uk](http://www.usal.org.uk)



### Get online – be prepared to apply for benefits online:

When Universal Credit is introduced in the autumn, new claimants will be expected to apply online. If you are worried about going online and haven't got a computer, there are lots of places across Southampton where you can receive free internet access, free help and advice and free or low cost training to get you started.

Consider asking a friend or relative to show you or you could do a beginner's training course. You don't need your own computer or internet access your local library provides both free. A complete list of internet access points in Southampton can be found online at [www.bit.ly/TFd0gr](http://www.bit.ly/TFd0gr).

#### Beginner computer and internet training

If you're looking for a free or low cost computer course then call 0800 77 1234 to be directed to your nearest UK Online Centre or text 'online' and your post code to 80809 (25p + standard charge). Also check for local courses at [www.southampton.gov.uk/learning/learningskills](http://www.southampton.gov.uk/learning/learningskills) or call our library learning centre 023 8083 2162, Monday (10am – 12noon; 1pm – 3pm) or Wednesday and Friday (10am – 12noon).

Going online is a lot easier than you think and useful in so many ways:

- Save money - many items are cheaper online and price comparison websites can help find the best deals.
- Convenience - get shopping delivered to your door, renew car tax online, or make a doctor's appointment.
- Communication - stay in touch with family and meet new people.
- Learn - learn a new skill or take up a hobby, take online courses right up to degree level.
- Stay ahead - get news almost instantly, find jobs as soon as they are advertised.
- Find work - if you are looking for a job you can post your CV online.



## HELP AND ADVICE

### Know your budget:

Knowing your household budget is really important and will help you to work out what you can afford. It will also tell you if you are at risk of going into debt if your benefit income falls.

Using a simple budget planner (like the one supplied on our back cover or online at [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)) you can see what you spend against what income you have and if you have enough if your benefits income changes.

When working out your personal budget decide whether you want to plan your budget on a weekly or monthly basis, but don't mix the two.

When you have listed all of your income and outgoings you will need to compare the two figures. If you have more money coming in than you are spending you can probably afford the cost of running your home based on your current circumstances.

If you have less money coming in than things you need to pay for, you will need to make some changes to either increase your income or reduce your spending. You will be at risk of getting into debt or losing your home if you do not do this. It is likely that many people will have to sacrifice something in order to pay their bills.

Have you done a benefit check - are you claiming everything you are entitled to? For online welfare benefit calculators check [www.turn2us.org.uk](http://www.turn2us.org.uk) or [www.gov.uk/benefits-adviser](http://www.gov.uk/benefits-adviser).

**Further advice: if you need advice on budgeting or dealing with debt contact:**

- Money Advice Service [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk) or 0300 500 5000
  - Council Debt Toolkit [www.southampton.gov.uk/debttoolkit](http://www.southampton.gov.uk/debttoolkit)
  - National Debt Line 0808 808 4000
  - Step Change Debt Charity 0800 138 1111
- Local advice services**
- Welfare Rights and Money Advice 023 8083 2339
  - Council Tenants Information Line 023 8083 4919
  - Southampton Citizens Advice Bureau 023 8022 3659 (to book an appointment)
  - Southampton Advice & Representation Centre (SARC) 023 8043 1435
  - No Limits (under 26s only) 023 8022 4224
  - Disability Advice and Information Network (DAIN) 023 8020 2653

Energy bills: If you are struggling to pay utility bills contact your supplier and ask about social tariffs or ways to reduce your energy bills.

Contact the Home Heat Helpline for information about how to reduce your energy costs [www.homeheathelpline.org.uk](http://www.homeheathelpline.org.uk) or Freephone 0800 33 66 99



# Budget sheet

Budgeting can be a challenging task, but please don't be put off. The worst thing you can do is to ignore your spending, as this can lead to things spiralling out of control. Be honest and realistic about your spending.

INCOME		
List all income details	Income amount £	State if this is paid weekly/monthly
Your wages or salary (after tax)		
Your partner's wages or salary (after tax)		
Income from benefits / tax credits / pension		
Any other income e.g. child support payments		
<b>Total income =</b>		

GENERAL OUTGOINGS			
Outgoing items	Amount £	Weekly	Monthly
Rent			
Council Tax			
Contents insurance			
Gas			
Electric			
Water			
Housekeeping (food shopping)			
TV licence			
Travel, bus fares, car incl. MOT, tax, insurance, petrol			
Childcare costs			
Meals – school / work			
Clothing			
Cable tv/satellite & broadband			
Phone / mobile			
Prescriptions & dental charges			
Any other expenses e.g. cigarettes, socialising, magazines and newspapers			
<b>Total outgoings =</b>			

ADDITIONAL OUTGOINGS TO CREDITORS		
Type of arrears	Amount owed	Repayment amount
Rent arrears		
Council Tax arrears		
Loans / HP / Car finance		
Credit cards		
Magistrates court fines		
Any other borrowing		
<b>Total creditor outgoings =</b>	£ .	

Total income	£ .	
Total outgoings	£ .	
Total creditor outgoings	£ .	
Now take away all outgoings from income and put the balance.	£ .	This is the money you have left to save for Christmas, holidays, birthdays etc...

Online budget calculators does the maths for you, try [www.moneyadvice.org.uk](http://www.moneyadvice.org.uk)

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# Help to get online for FREE

There are lots of places across the city where you can learn how to use a computer and surf the internet for FREE.

Check out the listings below for locations near you. Complete listings of internet access points in Southampton can be found online at <https://bit.ly/TF40gr>

Hundreds of shops, pubs and cafes across the city provide free Wi-Fi for customers with laptops and smart phones – just ask their staff for a code to log on.

**REMEMBER** that if you use your mobile phone to surf the net you may have to pay expensive data charges so check what the costs are with your phone provider.

## Central Southampton

- Two Saints Work Club, S014 0TL**  
IT access and training for homeless  
[www.twosaints.org.uk](http://www.twosaints.org.uk)
- Central Library, S014 7LW**  
Computers internet access and training  
☎ 023 8083 3007
- South Front, S014 1JZ**  
IT drop in for local people over 60  
☎ 023 8091 5072
- Women's Wisdom, S014 3BQ**  
IT training, free for the unemployed  
☎ 0800 781 8597
- CLEAR work club, S014 3BL**  
Help for migrants looking for work and people with English as second language  
☎ 023 8022 1111
- Newtown Youth Centre, S014 0AX**  
Evening IT facilities for 11-19 year olds  
☎ 023 8033 0007
- No Limits, S014 3AY**  
IT for under 26's plus help to find a job  
☎ 023 8022 4224
- Northam Community Centre, S014 5SP**  
IT for Southampton Chinese Association members ☎ 07748 001 928
- Portsmouth Library, S017 2NG**  
Computers and internet access  
☎ 023 8083 3007



## North Southampton

- Burgess Road Library, S016 3HF**  
Computers and internet access, plus training  
☎ 023 8083 3007
- The Avenue Centre, S017 1XQ**  
Internet for Dads ☎ 07767 425 804
- Cantell Maths and Computing College, S016 3GJ**  
IT access and tuition, [www.spcuc.co.uk](http://www.spcuc.co.uk)
- Swaythling Neighbourhood Centre, S016 3AY**  
IT drop-in sessions ☎ 023 8067 2230
- Ventnor Court, S016 3EE**  
IT drop for local people over 60  
☎ 023 8091 5072

## East Southampton

- STEPS IT-drop in, Hightown Centre**  
IT drop-in for local people  
☎ 023 8040 5728
- Woolston Internet Cafe, S019 9DY**  
IT training £1 per session  
email [wendy.Stratford@carerstogether.org.uk](mailto:wendy.Stratford@carerstogether.org.uk)
- Oasis Academy Mayfield, S019 9NA**  
Cyber Cafe ☎ 023 8042 5340
- Orpen Road Court, S019 0SN**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Meon Court, S018 5JG**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Merryoak Community Centre, S019 7JY**  
IT drop-in and informal training  
☎ 023 8036 6013
- Bitterne Library, S018 5EG**  
Computers, internet access and training  
☎ 023 8083 3007
- Bellamy Court, S017 2WN**  
IT drop-in available for local people over 60  
☎ 023 8091 5072
- Harefield Work Club, Harefield Primary School, S018 5NZ**  
IT drop-in for local unemployed people  
Carol Ryde ☎ 023 8083 4414
- No Limits, S019 9AT**  
IT drop-in and internet access for under 26 year olds ☎ 023 8043 5000
- Weston Library, S019 9GX**  
Computers and internet access  
☎ 023 8083 3007
- Woolston Library, S019 9AF**  
Computers and internet access  
☎ 023 8083 3007
- Cobbett Road Library, S018 1HL**  
Computers and internet access  
☎ 023 8083 3007
- Thornhill Library, S018 1HL**  
Computers and internet access  
☎ 023 8083 3007

## West Southampton

- Union Learning Centre** at City Depot and Recycling Park in Millbrook, internet access and a range of training courses  
email [union.learning@southampton.gov.uk](mailto:union.learning@southampton.gov.uk)  
☎ 07919 015288
- Warren Centre, S016 6BR**  
Internet access and IT training  
☎ 023 8032 7802
- Rozel Court, Lordshill, S016 9QE**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- No Limits, S015 3HL**  
IT drop-in and internet access for under 26 year olds ☎ 023 8051 1051
- Lordshill Library, S016 8HY**  
Computers, internet access and training  
City College ☎ 023 8057 7663
- Lundy Close, Lordshill, S016 8BA**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Milner Court, Shirley, S015 5PF**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Millbrook Library, S016 9RS**  
IT access during library opening times  
☎ 023 8083 3007
- Manston Court, S016 8HF**  
IT drop-in for residents only, plus training available for non-residents  
☎ 023 8091 5072
- Freemantle Community Centre, S015 3HE**  
Internet cafe Monday to Friday plus free Wi-Fi ☎ 023 8036 1570
- Graylings, Beechfield Court, S015 8SL**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Neptune Court, Lordshill, S016 8BQ**  
IT drop-in for local people over 60  
☎ 023 8091 5072
- Shirley Library, S015 5LL**  
Computers and internet access  
☎ 023 8083 3007

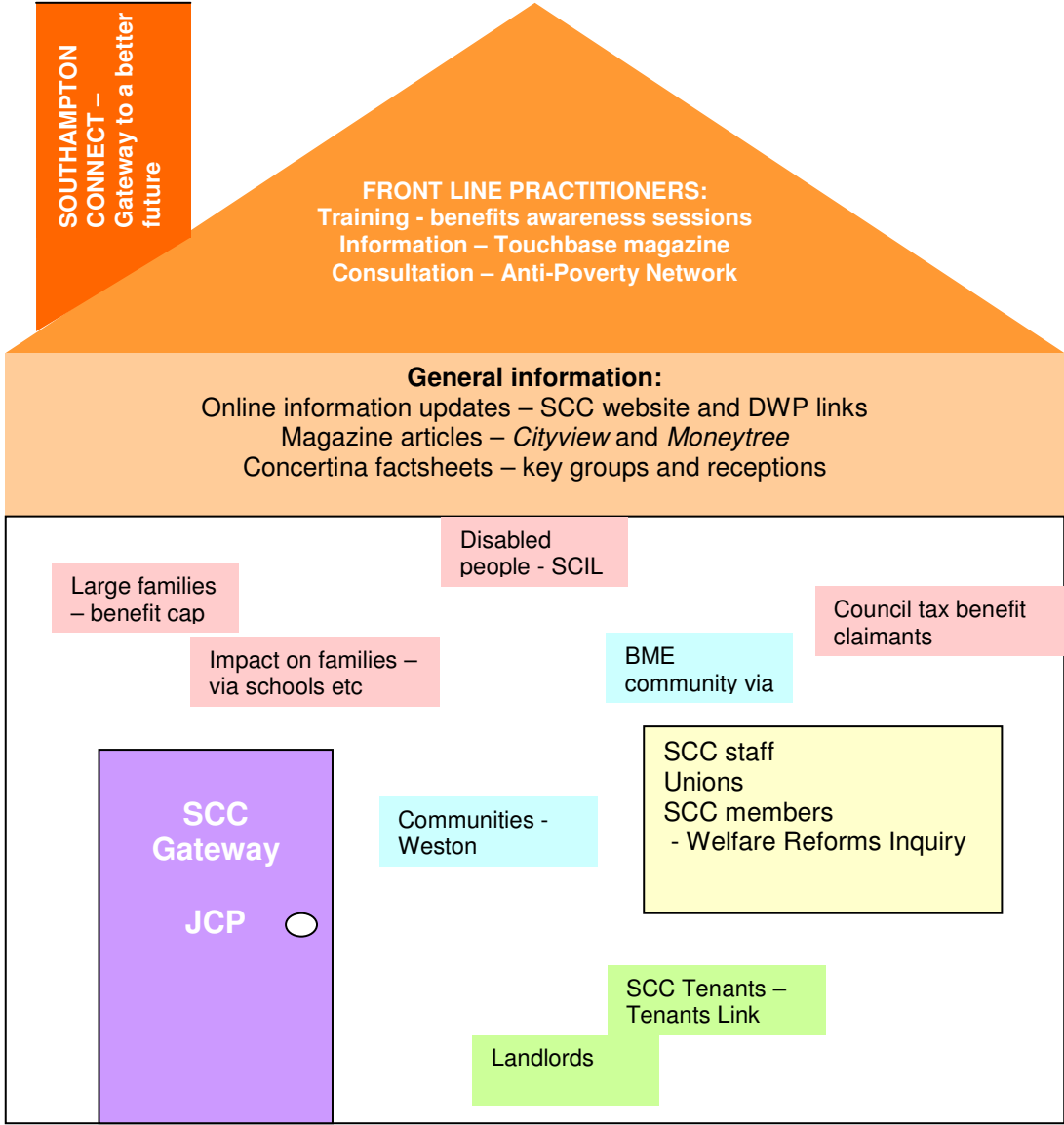
## Appendix 3

For more details contact your Local Housing Office

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WELFARE REFORMS: COMMUNICATION LINKS 2012-2013



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# Targeting communications and intervention

Segment	Description	Communications channels	
		Most likely to respond to	Least likely to respond to
Segment 3 	Low income older couples approaching retirement, living in low rise council housing.	<ul style="list-style-type: none"> <li>Local Newspapers</li> <li>Face to Face</li> <li>Mobile Phone</li> </ul>	<ul style="list-style-type: none"> <li>Internet</li> <li>Telephone</li> <li>Post</li> </ul>
Segment 4 	Childless, young, high rise council tenants with issues of social isolation.	<ul style="list-style-type: none"> <li>Local Newspapers</li> <li>Face to Face</li> <li>SMS Text</li> </ul>	<ul style="list-style-type: none"> <li>Internet</li> <li>Telephone</li> <li>Post</li> </ul>
Segment 5 	Vulnerable young families or lone parents living on council estates.	<ul style="list-style-type: none"> <li>Local Newspapers</li> <li>Face to Face</li> <li>SMS Text</li> </ul>	<ul style="list-style-type: none"> <li>Internet</li> <li>Telephone</li> <li>Magazines</li> </ul>
Segment 12 	Transient young singles with weak support networks, living in a mixture of housing	<ul style="list-style-type: none"> <li>SMS Text</li> <li>Face to Face</li> <li>Internet</li> </ul>	<ul style="list-style-type: none"> <li>Local Newspapers</li> <li>Telephone</li> <li>Post</li> </ul>

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# Agenda Item 6

Appendix 6

<b>DECISION-MAKER:</b>	CABINET
<b>SUBJECT:</b>	POOLED BUDGETS FOR STRATEGIC INVESTMENT IN COMMUNITIES
<b>DATE OF DECISION:</b>	29 JANUARY 2013
<b>REPORT OF:</b>	CABINET MEMBER FOR COMMUNITIES
<b>STATEMENT OF CONFIDENTIALITY</b>	
None.	

## **BRIEF SUMMARY**

Employment is recognised as having the greatest influence on wellbeing, economic and social outcomes. Southampton has a well established skills and employment partnership, Solent Skills Development Zone (SSDZ) which has evidence of strong outcomes in relation to apprenticeships, graduate retention, skills and employment progression for unemployed residents. A challenge, however, remains in terms of engaging and enabling those who are continually the furthest from the labour market to progress towards employment. This is often particularly the case for those who are Council or social housing tenants in Estate Regeneration and other priority geographical areas of the City, many of whom face multiple barriers through deprivation, health and psychological factors which prevent them from accessing or benefitting from mainstream employment support.

This report outlines a proposed strategic approach to pooling budgets from a range of agencies to support disengaged adults into work, and seeks approval for the Council to take the Lead Accountable Body role.

## **RECOMMENDATIONS:**

- (i) To endorse the multi-agency strategic investment model.
- (ii) To accept, in accordance with Financial Procedure Rules, funding from external agencies, and act as Lead Accountable Body for the administration of the funds.
- (iii) To delegate authority to the Director of Environment and Economy, following consultation with the Leader, Head of Legal, HR and Democratic Services, to undertake such actions necessary to enable the successful delivery of the project.
- (iv) To approve, in accordance with Financial Procedure Rules and Procurement regulations, revenue expenditure on behalf of partner agencies of up to £2 million per annum for the project.
- (v) To approve that Southampton City Council will undertake all management, administration and reporting of the pooled fund, at a rate of 5% of the total budget. This will safeguard a post to administer the scheme.

## **REASONS FOR REPORT RECOMMENDATIONS**

1. Officer delegation allows the Director to receive up to £125,000, however the value for this budget exceeds this amount, and a Cabinet approval is required.
2. Whilst there is a range of services available to support Southampton residents into work, those who are long term unemployed with multiple barriers need additional activities which are not currently provided or funded through other means.
3. Southampton City Council has compliant procurement frameworks for employment and skills support that can be used to call off services.
4. Residents experiencing multiple barriers to employment have a disproportionate impact on health, crime and social indicators. By pooling budgets across agencies, a greater impact is possible across a wider range of outcomes.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. (i) Not to pool budgets to strategically invest in communities: employment, welfare, health, crime and skills outcomes will not be maximised.
6. (ii) Not to act as Lead Accountable Body: existing employment and skills Procurement Frameworks will not be available, partners will not invest, resources will be lost and the life-chances of Southampton residents will not be improved.

## **DETAIL (Including consultation carried out)**

7. Partnership approaches to employment and training based challenges in the City are working well. The existing SSDZ partnership has achieved successes in Southampton including 300 paid placements and apprenticeships through the Future Jobs Fund, collaboration across 90 local providers, college 'Sector Leads' for Sector-Based Work Academies and skills training delivery. Section 106 Employment and Skills Plans linked to major developments have led to the creation of 59 new apprenticeships, 352 supported jobs, 140 work experience placements for NEET young people and adults, 223 individuals on leadership and management courses and 191 employer- led curriculum activities in schools and colleges.
8. However, research has shown that, for over a decade 17,000-20,000 Southampton residents have been on out of work benefits, and this highlights that while the economy goes up and down, and unemployment changes accordingly, there is an underlying large population which is 'stuck' in unemployment, regardless of the economic cycle. Some 60% of Council tenants are in receipt of some form of benefit. There is a strong correlation between social housing, unemployment and multiple disadvantage. In addition to poverty, unemployment and low skills, priority areas are also affected by poor health, low educational attainment and crime.
9. Depression and anxiety are higher than previously assumed, with between 50- 70% of those on Incapacity Benefit (IB) and Employment Support Allowance (ESA) having mental health issues – DWP statistics from February 2012 suggest that in Southampton, this equates to more than

5,000 individuals. Work Programme Providers comment that they are often unable to place ESA claimants in employment. 50% of this cohort have been unemployed long term, over 5 years. Early DWP research nationally showed that the largest category of IB clients were facing mental health issues, as reinforced by The Marmot Review which emphasised the importance of psychological and social factors in addressing unemployment.

10. Wider agencies including Jobcentre Plus, Hampshire Probation Trust and Housing organisations have an interest in a strategic approach to pooling budgets to meet economic, education, health, crime and social aims. External skills and employment funding already held by the Authority may also be aligned. The strategic approach will enable partners to identify and specify outcome requirements for their client groups, to ensure that local delivery is co-ordinated and does not duplicate existing schemes, that procurement is compliant and there is a net gain in delivery through multiplying budgets.
11. Therefore, a Southampton Strategic Investment model is being developed to pool budgets across a number of agencies, including Jobcentre Plus, Hampshire Probation Trust and Skills Funding Agency, with Southampton City Council to be Lead Accountable Body. The objectives are to:
  - enable disadvantaged residents to receive learning and skills support leading to employment;
  - maximise the opportunity for residents to benefit from, and contribute to the economic growth of the City;
  - optimise the use of local partnership resources through joint investment;
  - reduce inequality and poverty by addressing economic inactivity;
  - contribute to economic and social objectives of the City and partner agencies;
  - ensure information and job finding resources are widely available and promoted;
  - enable relevant training to meet current and future demand;
  - underpin, and not duplicate established mainstream skills and employment provision to maximise outcomes; and
  - provide evidence of impact and value for money.
12. The following principles will guide the Strategic Investment Budget:
  - Provision will focus on services to enhance, not duplicate existing services, with an ultimate focus on employment as the indicator to impact on all other outcomes.
  - Delivery will be systematically planned and evaluated across geographical and community priorities.
  - Innovation, creativity and flexibility will be supported to maximise outcomes.
  - Support will be holistic across functional areas including health, learning, skills, employment, housing, families, financial.
  - Payment will be on evidence of outcomes.
  - Long term tracking will be incorporated, in recognition of the steps required by many individuals to achieve a positive outcome.

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

13. Indicative budgets are given at Appendix 1. Whilst three year commitments will be sought, partners and the City Council may only be able to commit on an annual basis. Therefore, the budget will be fluid. Expenditure will only be committed on the basis of funds received.
14. The process will include the following stages:
  - Partners will identify their delivery priorities for specific groups, and their resource allocations, and confirm these to the City Council on an annual basis. The Council will manage a ring- fenced holding account on behalf of the partnership.
  - Partner and Council responsibilities and processes will be contained in a contract, and within a specification outlining the role of the Accountable Body.
  - Services will be procured through Southampton City Council's compliant Frameworks. Specific outcomes and groups will be apportioned as a percentage of the budget to the expressed requirements of each partner.
  - Payment will be on results against partners' allocation and outcomes profile. Any under allocation due to lower performance will be carried forward, across financial year if required.
15. Southampton City Council will undertake all management, administration and reporting, at a rate of 5% of the total budget. This will safeguard a post to administer the scheme. The budget will be subject to Southampton City Council Financial Management and Audit regulations.

### **Property/Other**

16. N/A

## **LEGAL IMPLICATIONS**

### **Statutory power to undertake proposals in the report:**

17. Section 1 of the Localism Act 2011 permits a Council to do anything that an individual may do whether or not normally undertaken by a local authority (the General Power of Competence). The power is subject to any pre or post commencement restrictions on the use of power (none of which apply in this case)

### **Other Legal Implications:**

18. Agreements will be drafted between partners and Southampton City Council. Procurement for services will be undertaken through the Councils Employment and Skills frameworks.
19. The Strategic Investment Budget will be overseen by a Board comprising membership of all participating partners. Quarterly Board meetings will oversee the allocation, monitoring and evaluation of the programme. Full governance will be agreed with the input of Legal Services.



## POLICY FRAMEWORK IMPLICATIONS

20. The programme will compliment and add value to existing funded activity, including Families Matter, NEET, Work Programme and EU projects.
21. The proposals contained in this report are in accordance with the appropriate Policy Framework Plans of the City Council.

<b>AUTHOR:</b>	Name:	Denise Edghill	Tel:	023 80834095
	E-mail:	denise.edghill@southampton.gov.uk		

**KEY DECISION** Yes

<b>WARDS/COMMUNITIES AFFECTED:</b>	All
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## SUPPORTING DOCUMENTATION

### Appendices

1.	Indicative Pooled Budget
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### Documents In Members' Rooms

1.	None
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### Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out.	No
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### Other Background Documents

#### Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
------------------------------	--

1.	None	
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<b>Strategic Investment Budget</b>			
<b>(Indicative Pooled Financial Profile Subject to Confirmation)</b>			
	<b>2012/13</b> £	<b>2013/14</b> £	<b>2014/15</b> £
<b>Southampton City Council</b>			
Skills and Economy		90,000	90,000
Community Learning		150,000	150,000
Social Care	Tbc	Tbc	Tbc
<b>Jobcentre Plus</b>	100,000	300,000	300,000
<b>Hampshire Probation Trust</b>	25,000	30,000	30,000
<b>Registered Social Landlords</b>		Tbc	Tbc
<b>Developer Contribution</b>		90,000	90,000
<b>Health</b>	Tbc	Tbc	Tbc
<b>Hampshire Police</b>	Tbc	Tbc	Tbc
<b>European Union</b>	Tbc	Tbc	Tbc
<b>TOTAL</b>	<b>125,000</b>	<b>660,000</b>	<b>660,000</b>
Management and Administration (5%)	6,250	33,000	33,000

### **SVS – The Building Bridges Forum The Voluntary Sector and its involvement in Unemployment Matters.**

**Historically**, The Building Bridges Forum was developed by SVS some 15 years ago to bring some co-ordination to the voluntary sector bodies in the city involved in training and unemployment issues. This was originally to try and develop a consortium to formulate a bid for ESF money. The bid never materialised, but the forum continued usefully to meet for a number of years, but then gradually fell away.

#### **The Current Situation:**

Work is now being done to re-establish the forum, led by David Wrighton (Chair) and Auran Sood, who facilitates the group on behalf of SVS. There is a wide range of organisations that work in this field, from big players for whom it is their main business, such as SAFE or the Wheatsheaf Trust, to much smaller groups which do something to help people on the road to or towards employment, or as part of (or even incidental to) a much wider range of activities with a particular group or neighbourhood – a Community Centre manager, for example, who might spend some time with someone to try and put together a CV, or give some interview practice. It may be by no means their main work, but they deal with it when it arises.

But times have changed, and the need is recognised to put more effort in to this area. We have been recontacting people and organisations who were on the Building Bridges Contact and Distribution List to update it. There has been a very encouraging response to date. People agree that this is something that the City seriously needs to happen if we are to make headway towards the Aims and Objectives of Southampton Connect. A Robust voluntary sector presence around worklessness and unemployment issues within the city can contribute to most if not all of the priority areas of Southampton Connect, especially around employment, training, poverty and inclusion matters..

#### **Renewing Terms of Reference**

The Forum's terms of reference are well out of date, no longer fit for purpose and are currently being revisited. A small steering group is meeting to look at the aims and objectives of the group, to refine and renew them and, from that, to come up with **a new name**, which will be more indicative of what the renewed body will actually do.

What we have identified already as being important is probably fairly obvious, but it is also important that the sector accepts the need to go forward in this way:

- Better Co-ordination within the sector.
- Providing a “way in” to the Voluntary Sector provision for other sectors – a central point.
- Different organisations getting together to pool resources and co-operate where their work might be complementary.
- Forming partnerships to tackle specific identified local problems to bid for funding.
- Highlighting issues that really cause problems – such as the lack of affordable childcare.
- Providing a voice on behalf of the Sector and of those the sector serves, being advocates for people who do not have a strong voice of their own or the confidence to make a fuss.

There is already evidence of such co-operation. The Third Age Centre is receiving funding to map the sector's activities, and this will be shared to further the development of a worthwhile body. There is, however, a great deal more work to be done.

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### Scrutiny Panel A Welfare Reforms Inquiry: Voluntary Sector Issues and Concerns

#### INTRUCTION

1. Scrutiny Panel A are nearing the end of the Welfare Reforms Inquiry, which commenced in September 2012. To date they have heard a significant amount of evidence on the changes that will take place over the next two years that will have an unprecedented impact on all residents, and those travelling to work in the city, who are claiming benefits.
2. Welfare Reforms to be implemented from April 2013 will limit and reduce income to benefit claimants, including Localisation of Council Tax, under-occupancy rates, and from October, the introduction of the Benefit Cap. These changes, coupled with Government's recent decision to limit the benefit rate rise at 1% (lower than inflation) for the next 2 years, will put claimants, already experiencing increased basic living costs for food, fuel and travel, under increasing financial pressure.

#### KEY ISSUES

3. The roll out of Universal Credit in the next two years will exacerbate this further and add personal challenges to individuals and households through a complete overhaul of the way benefits are administered. Payments will change from weekly to a single monthly transaction paid in full and direct to one nominated individual by household. Benefit claims will be digital by default, whilst payments will be encouraged to be made through a bank account.
4. The Welfare Reforms aim to get people who are fit to work, out of benefits and in to work. However, people who are currently looking for work are finding limited opportunities either because the jobs are not there or they do not have the skills or attributes required. Changes to the benefit criteria are likely to increase the number of people seeking work, especially long-term benefit claimants.
5. The Panel heard from voluntary sector organisations and the Job Centre Plus that claimants have a limited awareness of the significant and complex changes; whilst those who do know are showing a limited interest in seeking advice or support at this stage.
6. When the Welfare Reform changes are introduced from April 2013 they are likely to put claimants under sudden increased financial and personal pressure. Some people's incomes will be reduced by a few pounds and others significantly more; however, the Panel heard evidence that when you are living on the bread line every pound counts. Claimants will be at greater risk of falling into debt or using expensive or illegal credit to get by. These new burdens on claimant household budgets and the expectation to find employment or increase working hours within a limited job market, possibly for the first time or in a long time, are also likely to lead to stress and anxiety, impacting on an individual wellbeing, relationships and family life.
7. The Panel believe that the Welfare Reforms, coupled with the on-going current economic climate for the foreseeable future, will have a significant and disproportionate impact on benefit claimants' financial and personal circumstances.

## VOLUNTARY SECTOR SOLUTIONS

8. Evidence to the Panel from voluntary sector advice services highlighted the significant support they currently offer to those in financial difficulty to manage their budgets and signpost to further help. Over the next two years, as the Welfare Reforms are introduced, these organisations gave evidence that they expect to see a dramatic increase in demand for this kind of free and independent financial advice, support and information.
9. The Panel also heard evidence from experts, services and voluntary organisations alongside responses to the Welfare Reforms 'Call for Evidence' on how crucial confidence building and support mechanisms are for helping people with long-term benefit dependency to increase their skills and opportunities on their journey back into work. There is no quick fix but voluntary organisations offer free and non-judgemental support to those who need extra help.
10. Research by Southampton University has shown the dramatic difference that the intensive support that voluntary organisations are currently offering can have on an individual's journey to improve their life chances.
11. The Panel also recognised the importance of the voluntary sector in offering in-kind support to people in an emergency such as food parcels and household items. The impact and capacity of the voluntary sector to deal with increasing demand for crisis support following the introduction of the Welfare Reforms is dealt with in a separate paper considering the abolition of Social Fund from April 2013.

## CONCLUSION

12. The Panel heard significant evidence on the services provided by voluntary organisations that support the potential challenging impacts of the Welfare Reforms and turn around life chances for people to make work pay. When the changes are introduced from April 2013 these organisations expect to see a significant increase in demand for these services.
13. The Panel believe that the voluntary organisations offering financial advice, guidance and signposting to further help are essential to prevent the most vulnerable residents from falling into debt. Given the plethora and complexity of changes in the Welfare Reforms an increasing number of claimants will be at risk and will need to have access to free and independent financial advice and support over the next two years.
14. Supporting people to prepare for employment, especially for those who have been on long-term benefits, are essential if people are ever going to 'make work pay'. Voluntary organisations who are giving people the confidence, skills and support needed to find and stay in work, where it is available, are crucial to ensure individuals are ready when a more stable economic climate returns.

## RECOMMENDATION

15. The Panel agreed the following recommendation:  
That Cabinet, in considering the Council's budget for 2013/14 give priority, at least for the next two years whilst the Welfare Reform changes are implemented and to allow time for the economic climate to improve, to maximise awards for grants and contracts where voluntary organisations are offering either:
  - a) Financial advice, budgeting and support
  - b) Vulnerable residents, especially those on long-term benefits, opportunities to improve their employability