

## Draft Terms of Reference – Welfare Reforms Review

1. Scrutiny Panel: Scrutiny Panel A
2. Membership:
  - a. Councillor Claisse
  - b. Councillor Morrell
  - c. Councillor Mintoff
  - d. Councillor Thomas
  - e. Councillor Daunt
  - f. Councillor Vinson
  - g. Councillor Whitbread
3. 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

4. Background:

The Welfare Reform Act (2012) represents the biggest change to the welfare benefit system in 60 years. The welfare reforms are being implemented nationally with the aim of creating a simpler and fairer system and creating the right incentives to assist more people into work. The reforms cover a whole spectrum of welfare and housing benefits and will pave the way for the introduction of Universal Credit, which will replace means-tested benefits for people of working age from October 2013.

The Welfare Reform Act (2012) also brings changes to the way benefits currently administered by local authorities. It abolishes both Housing Benefit (which will gradually be replaced by Universal Credit) and Council Tax Benefit (CTB). It also devolves key functions of the discretionary Social Fund to local authorities.

The Welfare Reforms may be beneficial to some residents, but there are others who may experience reductions in support and increased financial hardship. Poverty is a multilayered and complex issue and relating it to income is too simplistic. Living in poverty is more than just living on a low income. It impacts on health, housing, education and skills, self-esteem, the ability to participate in social activities and longer term life chances. It is likely that welfare reforms will impact on some of the most deprived areas of the city as they have higher levels of benefit claimants.

The timetable of reforms is taking place during a time of general austerity and reduction in local authority spending. Due to the scale of the changes, it is important to consider the potential impact on residents, voluntary and statutory services and the potential financial impact on the local economy. Having a joined up approach to policy from local agencies is critical.

## 5. Objectives:

- To understand the national strategic and legislative framework.
- To understand the scale and timetable of the national welfare reforms.
- To understand the changes the Welfare Reform Act brings to the way benefits are administered locally.
- To understand the current and future cumulative impact of the reforms and consider residents experiences.
- To clarify the role of council and key partners in communicating the changes to residents.
- To consider how the context of welfare reforms can impact on future council decision making.
- To consider policy responses to these national changes. Key areas of policy investigation should consider measures that might further incentivise people into work and minimise disincentives to work, for instance considering the issue of childcare, measures that will assist in tackling family breakdown, and mitigating possible adverse impacts on vulnerable people and ensuring appropriate transition arrangements and advice. As well as looking at the context of welfare reform, consideration should be given to the National Work Programme and to the Troubled Families agenda.

## 6. Methodology:

The national framework and timetable of the reforms:

- Overview of the national strategic and legislative framework.
- Outline of timetable of national and local changes.
- Model examples of impacts on a selection of household types.
- Review and representation of government and national third sector perspectives.

Analysis of local impacts:

- Trend analysis of local claimant data.
- Feedback from Southampton City Council services, key partners and local organisations, including case study examples of the impacts on households in Southampton
- Visits/meetings with departments, services and organisations engaged in frontline support to residents affected by the reforms.
- Impact assessments on Localisation of Council Tax Benefit and Social Fund Transition.
- Analysis of future impacts on services and households.
- Identification of gaps and issues.

Engaging with partners:

- Feedback from Southampton Connect – Gateway to a Better Future and Fairer Southampton projects.
- Feedback from Southampton Anti-Poverty Network and frontline services.

Best practice:

- Best practice examples from a range of local services and other local authorities.
- Links to local strategies, plans and future initiatives.

## 7. Welfare Reforms Review Programme: (Subject to availability of guests)

- October 2012      **An overview of the national Welfare Reforms:**  
Setting the Scene: The policy context and timetable for change.  
Speakers: Representation from national organisations (i.e. DWP and possibly a national Third Sector poverty organisation).  
Cabinet member for Communities, Cllr Rayment
- November 2012      **Southampton and the Impact of the Welfare Reforms:**  
An analysis of the current and future impacts of the welfare reforms on local residents and wider economy.  
Speakers: Representation from research body i.e. Centre for Social Justice or the Institute for Public Policy Research (IPPR).
- December 2012      **Local Service Perspectives – Challenges & Opportunities:**  
An overview on the current and future impact of the welfare reforms from key anti-poverty services and residents perspective. Future challenges and potential opportunities for alignment of new initiatives (i.e. Troubled Families, Social Fund Transition and the Work Programme).  
Speakers: Representation from local advice services, Job Centre Plus, one of the two work programme primary contractors for the South East, anti-poverty service providers/network, new initiatives.
- January 2013      **Overview of good practice locally and nationally:**  
What do we do well as a city, what can we learn from others?  
Speakers: Representation from local projects and initiatives (i.e. Southampton Connect: Gateway to a Better Future – communicating the reforms, WFS in SSCC – national child poverty pilot / Wearsheaf Trust / City Limits). Representation from Local Authorities (tbc).
- February 2013      **Workshop: Welfare Reforms**  
Local responses and recommendations.  
Attendees: TBC.
- March 2013      **Final Report**