

DECISION-MAKER:	SCRUTINY PANEL A
SUBJECT:	WELFARE REFORMS INQUIRY MEETING 1: KEY NATIONAL AND LOCAL CHANGES
DATE OF DECISION:	25 OCTOBER 2012
REPORT OF:	SENIOR MANAGER, CUSTOMER AND BUSINESS IMPROVEMENT
STATEMENT OF CONFIDENTIALITY	
None	

BRIEF SUMMARY

This report provides details for the first meeting of the Inquiry examining the impacts of the Welfare Reforms and outlines the national and local changes. It also provides a timeline of key events and impacts.

The Cabinet Member for Resources will outline the administration's vision and approach to the Welfare Reforms. There will also be three presentations, followed by questions from the Panel. The presentations will highlight

- The national welfare benefit changes (Head of Operations, Job Centre Plus - Solent Hampshire and Isle of Wight)
- Local council tax changes (Council Tax Benefit Project Manager, Southampton City Council)
- The Social Fund transition to local provision (Senior Manager Skills and Economy, Southampton City Council).

RECOMMENDATIONS:

- (i) The Panel is recommended to consider the information provided by the Cabinet Member for Resources and presentations and use this, 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 final Terms of Reference and Inquiry Plan were approved by the Overview and Scrutiny Management Committee on 16th August 2012. A draft Inquiry timetable is attached at Appendix 1.
3. The purpose of the Inquiry is to:
 - Understand the timetable of Welfare Reforms and how the local impact can be assessed, so that the finding's can inform the council's responses.
 - 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. The first meeting of the Inquiry therefore aims to help the Panel to understand the key national and local changes to be implemented through the Welfare Reforms Act (2012).
5. 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.
6. The Cabinet Member for Resources will make a brief statement outlining the administration's vision and approach for responding to the Welfare Reforms.
7. The Welfare 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 first presentation will be given by the Head of Operations, Job Centre Plus, who will highlight the key issues with regard to the national welfare reforms. An outline of the key changes and dates is attached in Appendix 2.
8. The Welfare Reform Act (2012) also brings changes to the way benefits are currently administered by local authorities. It abolishes both Housing Benefit (which will gradually be replaced by Universal Credit) and Council Tax Benefit (CTB).
9. The second presentation on local council tax changes will be given by the Council Tax Benefit Project Manager, Southampton City Council. The report considered by Cabinet on the local council tax support scheme consultation on 21st August is attached in Appendix 3.
10. The Welfare Reform Act (2012) abolishes the discretionary elements of the Social Fund from April 2013 and therefore Crisis Loans and Community Care Grants will no longer be available. In future the Government will be referring people who need emergency financial assistance to local authorities. A report on the Social Fund transition to local provision was considered by Cabinet on 16th October 2012. A copy of the report is attached at Appendix 4. Cabinet's decisions following this report will be reported verbally at the panel meeting.
11. The final presentation outlining the Social Fund transition will be given by the Senior Manager, Skills and Economy, Southampton City Council.
12. The Panel is invited to have a discussion on the changes to the national and local Welfare Reforms and their potential impact with the Cabinet Member for Resources and those giving evidence.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14. None

RESOURCE IMPLICATIONS

Capital/Revenue

15. Not applicable

Property/Other

16. Not applicable

LEGAL IMPLICATIONS

Statutory Power to undertake the proposals in the report:

17. 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:

18. None

POLICY FRAMEWORK IMPLICATIONS

19. None

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WARDS/COMMUNITIES AFFECTED:		All		

SUPPORTING DOCUMENTATION

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

Appendices

1.	Timetable for Welfare Reforms Inquiry Plan
2.	Key changes and dates for the Welfare Reform Act
3.	Cabinet report: Local Council Tax Support – Proposed Scheme for Consultation
4.	Cabinet report: Social Fund Transition - Local Support to Replace Community Care Grants and Crisis Loans for Living Expenses

Documents In Members' Rooms

1.	Appendices to Cabinet report: Local Council Tax Support (Appendix 3) – Proposed Scheme for Consultation
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