

DECISION-MAKER:	SCRUTINY PANEL A
SUBJECT:	THE WELFARE REFORMS INQUIRY MEETING 5: RESOURCING THE CHANGE
DATE OF DECISION:	7 FEBRUARY 2013
REPORT OF:	SENIOR MANAGER, CUSTOMER AND BUSINESS IMPROVEMENT
STATEMENT OF CONFIDENTIALITY	
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 10th 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 12th 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 10th 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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