

**Policy and Performance Scrutiny Committee - 11 October 2018**

Non-confidential minutes of the meeting of the Policy and Performance Scrutiny Committee held at on 11 October 2018 at 7.30 pm.

**Present:**            **Councillors:**        O'Halloran (Chair), Gallagher (Vice-Chair), O'Sullivan, Heather, Champion, Chowdhury, Gantly, Chapman, Bell-Bradford, Jeapes, Wayne and Woodbyrne

**Councillor Una O'Halloran in the Chair**

**40        APOLOGIES FOR ABSENCE (Item 1)**

Councillors Khuruna and Spall

**41        DECLARATION OF SUBSTITUTE MEMBERS (Item 2)**

Councillor Satnam Gill stated that he was substituting for Councillor Marian Spall

**42        DECLARATIONS OF INTEREST (Item 3)**

None

**43        TO APPROVE MINUTES OF PREVIOUS MEETING (Item 4)**

**RESOLVED:**

That the minutes of the meeting of the Committee held on 4 September 2018 be confirmed and the Chair be authorised to sign them

**44        MATTERS ARISING FROM THE MINUTES (Item 5)**

None

**45        PUBLIC QUESTIONS (Item 6)**

The Chair outlined the procedures for dealing with Public questions and filming and recording of meetings

**46        CHAIR'S REPORT (Item 7)**

The Chair stated that the item on Thames Water Flooding Scrutiny Review 12month report back was withdrawn and would now be considered at 1 November meeting

The Chair also stated that the London Child Poverty Alliance would be holding a conference on 19 October at the Museum of London on Universal Credit and details would be circulated to Members

**47        SCRUTINY REVIEW - UNIVERSAL CREDIT - WITNESS EVIDENCE -VERBAL (Item 8)**

Eugene Nixon, L.B.Southwark and Devan Ghelani, Policy and Practice were both present and made presentations to the Committee.

Ian Adams, Robbie Rainbird and Annette Hobart from L.B.Islington were also present

During the presentations the following main points were made –

## Policy and Performance Scrutiny Committee - 11 October 2018

- Full Universal Credit was introduced in Islington in June 2018, and the impact is just beginning to be understood
- It was noted that a conference had been held at the London Metropolitan University in September, which involved voluntary sector organisations. The report from the Conference would be submitted to the Committee
- It was noted that Universal Credit had been changed since the original inception of the scheme, and the Government had now contracted CAB to support tenants. At present it is not known if the necessary funding would be provided by the Government to support tenants effectively
- It was noted that Universal Credit is being administered by DWP, and not the Council
- Universal Credit is an online process for claimants and there is little interaction face to face. This would prove difficult for some claimants
- Members were informed that Council HB staff had not been TUPE'd across to work on UC by the DWP, and funding had also been reduced and therefore this would also mean that less support would be available for claimants
- Members stated that it would be useful to look at local data on claimants at the next meeting of the Committee
- Concern was expressed at the difficulties that claimants with mental health issues, and the disabled would face, and it was noted that discussions were taking place with relevant community and voluntary organisations
- A Member stated that it may be necessary to set up a project to assist claimants in the completion of forms. It was noted that the take up of support in Libraries is currently quite low. There is also support at 222 Upper Street
- In response to a question it was stated that the funding available for Universal Credit from the Government is insufficient, and that Council funding is already being used. The HB service has had its funding reduced from £3m to £1.6m, and the Council will in future need to prioritise what it needed to support
- The L.B.Southwark experience of the introduction of Universal Credit, and the problems that they encountered, had led to some positive changes to UC from the Government
- It was noted that the local DWP staff worked co-operatively with the Council, but obviously they could not influence national policy
- L.B.Southwark, after 3 years of Universal Credit, has 20000 claimants, and over 7000 of these were Council tenants. The roll out of Universal Credit is scheduled to go until 2023
- There has been a significant impact on social housing tenants, and around 42% of claimants in Southwark are social housing tenants. These tended to include more vulnerable residents, and to have also been affected by previous Government welfare reforms
- The Government proposals on UC had led to higher rent arrears in Southward, which was bad for the Council, Housing Associations and tenants. Southwark had been please to influence the Government to introduce reforms for Council/social housing rent payments
- Whilst the Government had been pressured into reducing some elements of UC, too many residents were waiting too long for payment and 1:6 residents were waiting more than 6 weeks for their first payment. In addition, too many claims were initially unsuccessful, as UC depended a lot on information being provided by the claimant
- In response to a question as to whether the introduction of UC in the private rented sector had contributed to homelessness, it was stated that this was undoubtedly having an effect, however the introduction of the previous welfare reforms had probably had a more significant impact. However, there was no provision for direct payment of rent to private sector landlords and this could contribute to rent arrears and possible eviction

- In response to a question, concerning whether L.B.Southwark had made provision for care leavers, it was stated that there was regular contact with the Children's Services Department on this, and the DWP had created specialist job coaches for young people leaving social care. Ian Adams stated that he would investigate the situation with regard to provision for care leavers in Islington
- It was noted that L.B.Southwark had made a decision not to take legal proceedings against tenants who go into arrears, as a result of UC, if they were not at fault. Where a tenant falls into arrears in the social housing/ Council accommodation the provider can ask for the rent to be paid directly and this is being used in 50% of cases in Southwark. There is also a facility for requesting arrears of rent to be deducted from a residents UC payment, however this was felt to be inflexible, and therefore not used at present
- In response to a question it was stated that DWP staff in Southwark had been receptive and listened to difficulties encountered locally, however they could not influence the overall Government position on UC
- It was stated that homelessness is rising across London. L.B.Southwark were of the view that the Government welfare reforms are a key driver of this. It was not felt that UC had made the situation significantly worse at present, but it was felt that UC was badly designed for those people who are homeless or in temporary accommodation. There had been recent changes to ameliorate the situation for these groups, however this was only felt to be temporary and nobody was sure of the longer term funding arrangements
- Local Authorities were finding it difficult, (as UC had taken longer to roll out than anticipated), as the Government funding for HB staff had been reduced and the delayed roll out had meant that the Council had had to have to retain staff. There is a realistic possibility that the HB service would cease to be viable before UC is fully introduced
- Members were informed that the original proposal for Councils to be funded to support residents in relation to UC had now been changed, and the CAB had now been awarded the contract to do this. Members were of the view that the CAB should be invited to a future meeting to give evidence to the Committee
- It was stated that next year two existing benefits were moving over to UC, and that this would particularly affect those with mental health issues and in supported housing. In addition, residents not born in the UK would have to produce evidence of their right to be in the country and this could lead to difficulties for them and delays in claims and claims being cancelled
- Members noted that the House of Commons Work and Pensions Select Committee were conducting an enquiry in relation to managed migration to UC, and once this was available it could be submitted to the Committee - Recommendation
- It was noted that at present there is no intention to extend UC to pensioners
- In response to a question it was stated that the DWP work coaches faced a heavy workload, and with Government austerity on public spending there had been a significant reduction in DWP staff, which made the situation even more difficult
- Devan Ghelani stated that the original intention of UC was to help people towards independence by making the welfare system benefit work, and for it to be easier to understand
- He added that the Institute of Policy and Practice provided an analytical engine and household database to inform Local Authorities in relation to UC, together with a HB/Council Tax and benefit and budgeting calculator
- UC had been rolled out slowly, however many more DWP job centres would soon be dealing with UC roll out
- It was noted that two thirds of UC claimants had not been paid on time due to a verification issue. Other delays included claimants not signing up to the claimant commitment

- Members were informed that 50% of lone parents and two thirds of couples with children would lose about £200 per month, once transferred to UC
- In addition, half of all families in work would be worse off under UC, and this included owner occupiers, lone parents, and residents with 3 or more children, the disabled and self-employed. The challenge is to provide support for those claimants for whom UC does not work
- Reference was made to the fact that the impact of UC on the use of food banks in Islington should be looked at
- It was noted that UC was likely to impact over 23000 residents in Islington
- On an analysis of Islington, it was noted that it is likely that a third of claimants would benefit from the introduction of UC, one third would remain the same and one third would be worse off. Freezes on benefits and rising living costs had exacerbated this situation
- Members were informed that Lesley Seary was the Local Government representative on Universal Credit Programme Board, and that it would be useful for her to give evidence to a future meeting of the Committee
- Devan Ghelani outlined the LIFT Dashboard and the Action Plan for Members, and Members requested that he forward a copy of his presentation to Members, so that Members could consider it in more detail and if they had any further questions they could forward these to him
- It was noted that 45% of total households on UC are also claiming Council Tax support

**RESOLVED:**

- (a) That the report from the Conference referred to above, at the London Metropolitan University be submitted to a future meeting of the Committee
- (b) That the data on local claimants be submitted to the next meeting of the Committee
- (c) That once the report of the House of Commons Work and Pensions Select Committee, as referred to above is available, this be submitted to the Committee
- (d) That the CAB and Lesley Seary be invited to give witness evidence to a future meeting of the Committee and a Government representative be also invited to attend to give evidence
- (e) That the use of food banks in Islington be investigated in order to ascertain the impact of Universal Credit on their use
- (f) That the presentation of Devan Ghelani be forwarded to the Committee, and that if there were any further questions thereon, these could then be forwarded to him for consideration

The Chair thanked Eugene Nixon, Devan Ghelani, Ian Adams, Robbie Rainbird and Annette Hobart for attending

**48      MONITORING REPORT (Item )**

**RESOLVED:**

That the report be noted

The meeting ended at Time Not Specified

**CHAIR**

