

ITEM NO:

Report To:	EXECUTIVE CABINET
Date:	25 March 2015
Reporting Scrutiny Panel:	Strengthening the Economy and Communities Scrutiny Panel
Subject:	REVIEW OF WORKLESSNESS AND BENEFIT SYSTEM CHANGES
Report Summary:	This review has considered the developments that have taken place in relation to benefit system changes and the introduction of Universal Credit. The review considers the impact of the changes and the support and advice that is available to residents.
Recommendations:	That Executive Cabinet note the recommendations detailed in section 9 of the report.
Links to Community Strategy:	This review supports the Community Strategy priorities relating to 'Supportive Tameside' and 'Prosperous Tameside'.
Policy Implications:	The review itself has no specific policy implications. Should the recommendations of this report be accepted by the Tameside Council's Executive, the relevant services will need to assess the policy implications of putting individual recommendations in place.
Financial Implications: (Authorised by the Borough Treasurer)	There are no direct financial implications as a result of this report. However, any future decisions in relation to the worklessness and benefit system will be the subject of further reports, as appropriate.
Legal Implications: (Authorised by the Borough Solicitor)	
Risk Management:	Reports of Scrutiny Panels are integral to processes which exist to hold the Executive of the authority to account.
Access to Information:	The background papers relating to this report can be inspected by contacting Paul Radcliffe:



Telephone: 0161 342 2199



e-mail: paul.radcliffe@tameside.gov.uk

1. INTRODUCTION BY THE CHAIR OF THE STRENGTHENING THE ECONOMY AND COMMUNITIES SCRUTINY PANEL

- 1.1 I present this report of a review undertaken by the Strengthening the Economy and Communities Scrutiny Panel looking at Worklessness and Benefit Systems Changes.
- 1.2 Over recent years there have been a number of changes and developments to the benefits system in the United Kingdom. With the implementation of changes set to continue the Council and partners have a responsibility to ensure that residents are supported and able to deal with the wider impacts.
- 1.3 Universal Credit is the single biggest change to the benefit system and is being introduced in stages. It changes the way that residents receive help with living and housing costs, with changes affecting the amount of benefits paid, the conditions of the benefits and the way payments are made.
- 1.4 The new system brings together a range of working-age benefits into a single payment. It is planned that the changes will encourage residents on benefits to start paid work or increase the number of hours by making sure that work pays. By continuing to support the most vulnerable and increase the number of people entering employment it is projected that the changes will reduce the total number of benefit claimants and help lift working families out of poverty.
- 1.5 As at February 2014 almost 20,000 working-age residents in Tameside were in receipt of some form of work related benefits, with around 5,000 receiving Job Seekers Allowance (JSA). It is clear that reforms to the welfare system are evolving at speed and it is important that work is undertaken to ensure that a partnership approach is adopted in relation to the way information is shared and services are delivered.
- 1.6 On behalf of the Scrutiny Panel I would like to thank all those who have participated in this review.

Councillor Alan Whitehead
Chair of the Strengthening the Economy and Communities Scrutiny Panel

2. SUMMARY

- 2.1 Changes to welfare reform and the introduction of Universal Credit will impact on the way the benefit system operates and move towards a system that ensures residents are financially better off in work.
- 2.2 The changes provide an opportunity to explore more intelligent and creative ways of working to ensure that work aimed at early intervention and prevention ties in with the wider development and employment ambitions of the borough. By supporting claimants at an earlier stage this will allow the Council and partners to raise awareness of the improved outcomes that can be achieved through employment and reduce the levels of dependency.
- 2.3 As part of the review panel members attended a training session delivered by North West Employers which provided further information on 'The Impact of Welfare Reform'. The training proved extremely useful and provided members with increased confidence in relation to their knowledge and understanding around the subject.

3. MEMBERSHIP OF THE PANEL

2013/2014

Councillors Whitehead (Chair), Bailey (Deputy Chair)
Councillors D Buckley, Cooper, Douthwaite, Fowler, Harrison, Holland, I Miah, Sweeton, White

2014/2015

Councillors Whitehead (Chair), Bailey (Deputy Chair)
Councillors D Buckley, Cooper, Drennan, Fowler, Holland, Kinsey, I Miah, Ryan, T Smith, Sweeton, F Travis, Welsh, White

4. TERMS OF REFERENCE

Aim of the Review

- 4.1 To review Out of Work Benefits (Worklessness) and benefit system changes and their effects on local residents within Tameside.

Objectives

- 4.2 1. To consider the work that is being undertaken by the Council to reduce the number of residents claiming out of work benefits across the borough.
2. To look at how the employment gap between lower super output areas can be reduced.
3. To consider the initiatives, schemes and help that are available to residents within the borough who are receiving out of work benefits.
4. To look at the work undertaken by Tameside Council regarding the Universal Credit Pathfinder trial, and as a live Universal Credit site.
5. To produce workable recommendations for the Council and partners to help reduce the number of residents receiving out of work benefits and to limit the impact of benefit system changes.
6. To consider the work being undertaken in other Authorities.

Value for Money/Use of Resources

- 4.3 This review supports the Tameside Community Strategy priorities around "Supportive" Tameside, "Prosperous" Tameside and has links to other priorities within the strategy.

Equalities Issues

- 4.4 The current economic climate has seen many residents within the borough experiencing financial hardship. The Council has an intrinsic role to play in supporting communities and residents through difficult economic challenges. The Council must continue to support families within Tameside that are struggling and providing intervention and provision where there is worklessness over several generations.

4.5 People and Place Scorecard

Low Income	- % of people living in households receiving financial help under the Local Council Tax Support Scheme (LCTSS)
Children (aged 0-16)	- % of people living in households receiving

	financial help under the Local Council Tax Support Scheme (LCTSS)
Older People (aged 65+)	- % of people living in households receiving financial help under the Local Council Tax Support Scheme (LCTSS)
ALL People (all ages) Work	- % of working age population (aged 16-64) claiming Job Seekers Allowance (unemployment) - % of young people (aged 16- 24) claiming Job Seekers Allowance (youth unemployment)

5. METHODOLOGY

- 5.1 The Panel met with Janine Yates, Welfare Rights Team Manager for Tameside MBC to hear about changes to the current benefit system and the introduction of Universal Credit.
- 5.2 The Panel met with Susan Riley, Manager for Citizens Advice Bureau (CAB) Tameside to understand the role of the CAB in assisting Tameside residents with the benefit system changes.
- 5.3 The Panel met with Jenny Stanton and Vivien Robinson, Job Centre Plus to learn about the role of Job Centre Plus (JCP) and the Department for Work and Pensions (DWP).
- 5.4 The Panel met with Diane Barkley, Poverty and Prevention Manager and Colm O'Brien, Senior Housing Strategy Officer, Tameside MBC to hear about the effects that benefit changes will have on Tameside residents and housing.
- 5.5 The Panel met with Thomas Johnson from Troubled Families and Public Service Reform for Tameside MBC to understand the impact that benefit changes will have on troubled families and the work that is being undertaken to challenge these impacts.
- 5.6 The Panel met with Ilys Cookson, Assistant Executive Director Exchequer and Karen Milner, Universal Credit Project Manager, Tameside MBC to receive information on the Council Tax Support scheme for Tameside.
- 5.7 The Panel met with Mandy Kinder, Head of Customer Care and Advocacy and Diane Barkley, Poverty and Prevention Manager, Tameside MBC to receive information on the Tameside Support for Independent Living (TSIL) scheme.
- 5.8 The Panel attended a North West Employers training event on "The Impact of Welfare Reform" which outlined the breadth and impact of welfare reform. The session provided innovative, leading edge case studies of scrutiny review in this field, the top ten scrutiny questions for this policy area and an assessment of challenges and opportunities.

6. BACKGROUND TO THE REVIEW

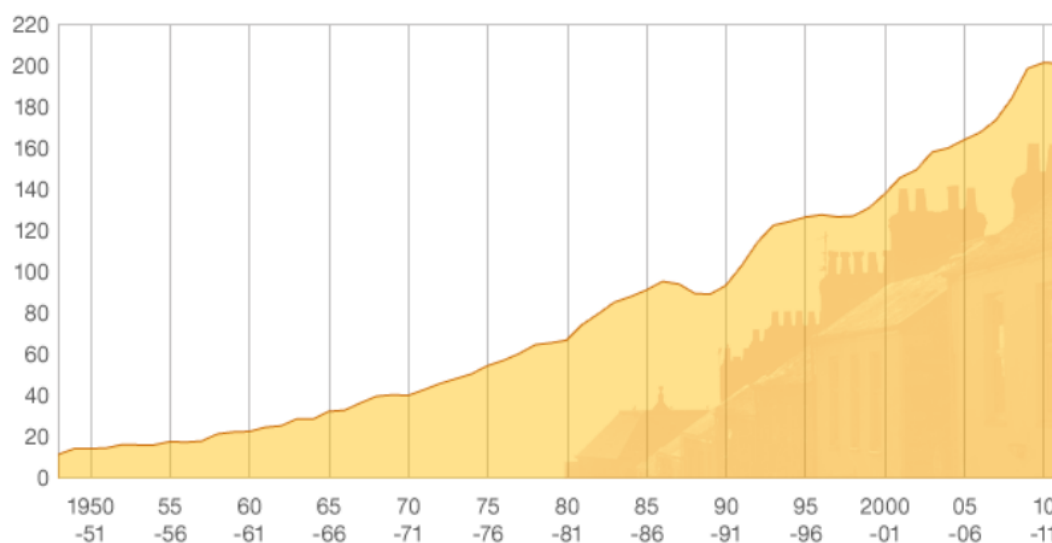
- 6.1 Tameside has a relatively high level of unemployment and benefit claimants when compared to other authorities across Greater Manchester. It is important that steps are taken to support residents during the changes that are taking place to the benefit system.
- 6.2 Universal Credit is a new benefit that has started to replace six existing benefits with a single monthly payment; with a clear aim to ensure that residents are better off in work.

Tameside was the first area to take part in a Universal Credit pathfinder scheme from April to October 2013.

- 6.3 It has been estimated that around 3 million households across the country will be entitled to more benefits as a result of Universal Credit, with some 2.8 million entitled to less and eligible for a top-up payment to protect them from a drop in income.
- 6.4 With plans in place to ensure the new benefits system encourages residents back into work and protects the most vulnerable it is important to understand wider cost implications and changes to the economic landscape. The chart below provides information about the rising costs associated with benefits over recent years.

Chart 1: The rising costs of benefits, 1948 – 2012

Real term increase £ billions



Source: Institute for Fiscal Studies

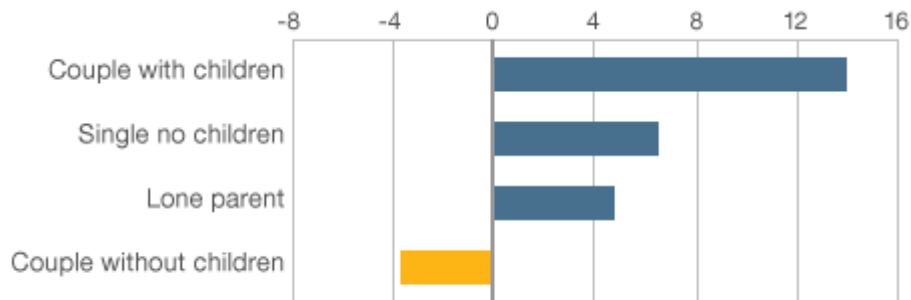
7.0 REVIEW FINDINGS

Major Changes

- 7.1 One of the most important changes taking place is the introduction of Universal Credit (UC). From 29 April 2013 it was first trialled from the local Job Centre Plus Office in Tameside's principal town of Ashton-under-Lyne before extending to Oldham, Wigan and Warrington.
- 7.2 The transition to UC will take place in three phases over four years, between 2013 and 2017 and it will eventually replace:
- Income-based Jobseeker's Allowance (JSA)
 - Income-related Employment and Support Allowance (ESA)
 - Income Support
 - Working Tax Credit
 - Child Tax Credit
 - Housing Benefit
- 7.3 An individual's eligibility to claim UC will depend entirely on where they live and on their personal circumstances. The Department for Work and Pensions (DWP) will administer UC and not local Councils. As the new system is rolled out across the country it is predicted that more and more people will claim this benefit. During the transition to the new system new claims to existing benefits will gradually cease. The majority of claimants will move to UC between 2016 and 2017.

7.4 Across all households it has been projected that there will be an average gain of around £16 per month. The chart below shows the estimated impact on net income by family type.

Chart 2: Average change in net income by family type (£/month)



Source: DWP

7.5 There are three areas of concern that have been identified due to changes in the benefit system these are; changes to Disability Living Allowance (DLA); reforms to housing benefit around the Bedroom Tax and a change in the amount of tax credits being issued.

7.6 As part of the welfare reforms Personal Independence Payments (PIPs) have been introduced to replace Disability Living Allowance (DLA). Background to the change is that PIPs will target resources more effectively towards those who need it most. DLA is the biggest disability benefit payment, over the last nine years there have been an additional 700,000 claims for DLA.

7.7 PIPs help with some of the extra costs caused by long-term ill-health or disability for residents aged between 16 and 64. Eligible residents can get between £21 and £138 per week, with the rate dependent on how the condition affects a person on an individual basis, not the condition itself.

7.8 In addition to UC, which includes housing costs administered by the DWP there have been significant reforms to housing benefit. Some existing claimants of housing benefit that are not claiming UC are affected by the introduction of the Bedroom Tax. This has introduced various reductions in the levels of benefits a claimant receives dependent on the number of bedrooms that are available in the property they occupy.

7.9 The new rules allow one bedroom for each adult or couple. Up to two children under the age of 16 are expected to share, if they are the same gender. Children under the age of 10 are expected to share regardless of gender differences. Couples with no children and older people are most likely to have spare rooms and will be directly affected by the changes. It is important to note that tenants above pension age are exempt from the Bedroom Tax.

7.10 The Bedroom Tax restricts the amount of housing benefit that council and housing association tenants can claim. This now means that where a claimant has one spare room there is a reduction of 14% to their benefits. If the claimant has more than one spare room in the property the reduction could rise to 25%.

7.11 Registered Social Landlords have undertaken a significant amount of profile modelling and analysis of tenants affected by the Bedroom Tax. If more suitable and appropriate accommodation is available then work will be undertaken to support residents to move. Tameside, like many other areas across the country, has a limited housing stock which can restrict the number of residents that are able to move to more suitable properties.

Benefit Cap

- 7.12 The Benefit Cap is a limit on the total amount of certain benefits that residents receive if they are working age. The cap will only affect residents in receipt of Housing Benefit or UC. A wide range of guidance for residents is available online through the Citizens' Advice Bureau (CAB) website.
- 7.13 If a resident is receiving Housing Benefit the cap is:
- £500 a week if you're a couple - with or without dependent children
 - £500 a week if you're a lone parent with dependent children
 - £350 a week if you're a single person without children
- 7.14 Some residents are exempt even if their benefit income is above the limit of the cap. An example of this is when a person receives Working Tax Credit, DLA or Pension Credit.
- 7.15 If a resident is receiving UC the cap is calculated as a monthly amount. The amount also depends on personal circumstances. One example of this is that under the system childcare costs are excluded when benefit income is calculated. The cap is:
- £2167 a month if you're a couple - with or without dependent children
 - £2167 a month if you're a lone parent with dependent children
 - £1517 a month if you're a single person without children.

Conclusions

1. It is clear that the effects of welfare reform will have a significant impact on Tameside residents.

Recommendations

1. That work is undertaken with Registered Social Landlords to monitor the impact of the Bedroom Tax on rent arrears, with a view to preventing families from entering financial hardship.

Impact

- 7.16 UC will replace Housing Benefit for most claimants. With Housing Benefit currently administered by the Council it is important that work is undertaken with DWP to ensure detailed information and knowledge is passed over to develop support mechanisms and prevent fraud.
- 7.17 The Council has seen a limited number of residents seeking help and advice in relation to UC and other benefit system changes. The Council is committed to ensuring that work with residents continues in relation to personal financing and benefit entitlement.
- 7.18 In April 2012, the number of hours which a couple had to work to qualify for tax credits increased from 16 hours to 24 hours, with at least one person working 16 hours to qualify for working tax credits. In Tameside there are around 850 households affected by this change. Changes have also been made to the income threshold to qualify for the family element of Child Tax Credit. It is estimated that over 4000 families in Tameside will lose entitlement.
- 7.19 The introduction of PIPs in Tameside resulted in some new claims in households located within the Manchester postcodes areas of the borough in 2013; and all other postcode areas from June 2013. A process of re-assessment of all current DLA claimants aged 16 to 64 will take place at some point between 2014 and 2017. It is estimated that the current caseload for DLA will reduce by 20% as a result of PIPs.
- 7.20 The majority of the individuals who have originally been claiming Incapacity Benefit are now receiving Employment Support Allowance (ESA). There is however changes to contribution

based ESA which now limits a claim to twelve months which has the ability to create some problems in relation to administration and monitoring.

- 7.21 There are over 15,000 social housing properties in the borough with around 2,700 thought to be under-occupied and affected by the Bedroom Tax, which is 18% of the total housing stock.
- 7.22 Around 120 people in the borough are affected by the Benefit Cap and although the total number is relatively low, the impact is considerable especially around the risk of homelessness as the cap is applied by reducing housing benefit payments. The Housing Benefit Service and Welfare Rights undertook a joint exercise to engage with those affected by the cap to provide support and advice however take up was extremely low.
- 7.23 Some claimants that receive UC have also been provided with support around budgeting through the CAB on behalf of the Council. With a number of tools available through the Council and Job Centre Plus which are aimed at helping people get back into work.
- 7.24 Five computers have been provided through DWP funding and available for public use at the Hub in the council offices. With CAB currently based at the council offices this has provided the opportunity for more integrated working between the different organisations involved.
- 7.25 The Council has provided funding from 1 April 2014 to 31 March 2015 for CAB to provide personal budgeting support for UC claimants. Tameside has received lots of support from the DWP Implementation Team and remains well prepared for the roll out of UC and further changes to the benefit system.

Preparing for the Changes

- 7.26 Meetings were undertaken with the DWP to discuss the administrative costs involved with delivering aspects of UC locally, with a Delivery Partnership Agreement agreed which included funding arrangements. Regular liaison meetings between Tameside, DWP and Jobcentres have been essential to improve communication and forge better working practices for UC claimants.
- 7.27 Tameside had direct involvement with workshops to design the delivery of UC. Knowledge and information relating to the administration of housing costs and landlord involvement was fed into the programme, along with attendance from policy makers within the UC programme.
- 7.28 Tameside representatives also attended a number of Council Tax Support data sharing workshops to participate in the policy decision regarding the manual processes for the transfer of data to enable local authorities to award Council Tax Support.
- 7.29 There has been a large amount of activity within Tameside to prepare council staff, residents, landlords and other stakeholders for UC. However, to date, the number of UC claims has been lower than expected.
- 7.30 The personal budgeting support process was defined by the Universal Credit Implementation Team following workshops attended by Tameside. Tameside has commissioned CAB to deliver personal budgeting support to claimants.
- 7.31 A self-service Hub has been opened within the customer Service area at the council offices in Ashton-under-Lyne, with funding provided by the DWP. Residents that require assistance to find the correct information and claim forms can receive help from support workers based at the Hub.

- 7.32 The Council has worked closely with landlords to inform them of how processes work under UC. Training sessions have been provided, either at the council offices or with the Registered Social Landlords on how UC will work and promoting the online access for claims.
- 7.33 Registered Social Landlord forum meetings are held on a regular basis and separate meetings for private landlords have also been held. A UC newsletter is sent to landlords, which was initially introduced on a monthly basis. Information for Landlords has also been uploaded to a UC webpage on the Council's website and links are provided to the relevant DWP websites.
- 7.34 UC will be rolled out to all Jobcentres and local authorities across the country from February 2015, for new claims for single jobseekers. Work will be undertaken in Tameside to adjust the funding and resource of services as the claimant group extends to more vulnerable residents such as troubled families and claimants with alcohol and drug dependencies.

Conclusions

2. With changes to delivery there is a clear need for information and knowledge to be shared across all stakeholders.
3. Local authority consultation and testing of legislation is beneficial to the long term delivery and success of Universal Credit.

Recommendations

2. That the Council continue to support the implementation of Universal Credit at a Strategic and Operational level.
3. That working relationships between Tameside Council, DWP and Job Centre Plus continue with the possibility of future joint working and co-location to better support residents.
4. That the Council monitor and share the success and/or failure of the changes to reduce dependency levels and improve employment in Tameside.

Council Tax Support Scheme

- 7.35 The Welfare Reform Act 2012 contained provision to abolish council tax benefits with effect from 31 March 2013. Local authorities were required to set up their own local scheme in order to continue to support residents on low income.
- 7.36 Tameside's Council Tax Support Scheme (CTS) was introduced on 1 April 2013 to support residents on low incomes by reducing the amount of council tax they have to pay regardless of whether they own or rent a property.
- 7.37 A maximum limit to the amount of support a resident can receive has been set at 80% and will only apply to properties in council tax bands A and B. As an example, a working age claimant residing in a band A property in receipt of the maximum amount of support would be required to pay approximately £188 per annum.
- 7.38 The scheme includes a benefit reduction of 35p in every £1 for claimants who are working which is aligned with changes to other benefits and helps incentivise work. Private pension contributions are ignored when calculating entitlement to support and Child Benefit is not treated as income. Claims cannot be backdated and support is paid from the date of the application.

- 7.39 The CTS scheme is not fully funded and money available to Tameside Council has been reduced. This has resulted in an overall reduction for Tameside of approximately £3.2million in 2013/14. The table below shows the demand for CTS, by June 2014 there were 23,104 residents claiming CTS; over 10,000 are pensionable age with guaranteed protection under the scheme and over 12,000 are working age who are liable to pay a minimum of 20%.

Table 1: Demand for Council Tax Support Scheme

Council Tax Support Scheme (Demand)	
Date (end of each month)	Caseload
April 2013	23,844
June 2013	23,694
March 2014	23,220
June 2014	23,104

- 7.40 Equalities data from March 2014 shows that 90% of CTS working age claimants were out of work; 3,600 were lone parents (93% of which are female); and 49 claimants were in receipt of a war pension which is fully disregarded as income within the CTS scheme.
- 7.41 Expenditure on the scheme as at the end of June 2014 was £15.1million based on an assumption that existing claimants will remain on the same rate of support until the end of the financial year. The caseload for CTS in Tameside is following the national trend of reducing which coincides with a gradual reduction in unemployment figures.
- 7.42 A hardship fund totalling £50,000 was put in place to mitigate the potential risk of unintended consequences of the CTS scheme in 2013/14. Applications for assistance were minimal and the amount set aside has been reduced to £10,000 for 2014/15 and £5,000 for 2015/16.
- 7.43 Council tax collection rates have been closely monitored to identify trends and consider alternative methods of collection where appropriate; with enforcement action always a last resort. At 31 March 2014 94.21% of residents had paid their council tax for 2013/14.

Tameside Support for Independent Living

- 7.44 Tameside Support for Independent Living (TSIL) is the Council's local welfare provision scheme which was introduced in April 2013 and replaced former payments under the Discretionary Social Fund for Crisis Loans and Community Care Grants.
- 7.45 TSIL is delivered through an online application and case management process with an in-house assessment team comprising of four full time staff. Residents can access the online scheme at the customer services Hub in the council offices. Residents can also access services through Tameside CAB who helped support 3270 online applications in 2013/14.
- 7.46 The scheme provides three types of support:-
- Immediate relief of hardship via emergency payments for food, fuel and clothing
 - Support for resettlement and independence via the provision of household items
 - Support for residents experiencing extreme hardship consequent on the introduction of Council Tax Support
- 7.47 Assistance is available in the form of an emergency payment grant available to residents on low incomes in addition to people in receipt of some form of benefit. There is a contract in place with Cashbox Credit Union for applicants to access emergency payments.
- 7.48 The Council pays the £3 joining costs for each applicant; to date 66 people have continued to use the service for savings. In 2013/14 almost 70% of emergency payments totalling

more than £270,000 were approved with an average payment of £58. Residents are restricted to two payments during any twelve month period.

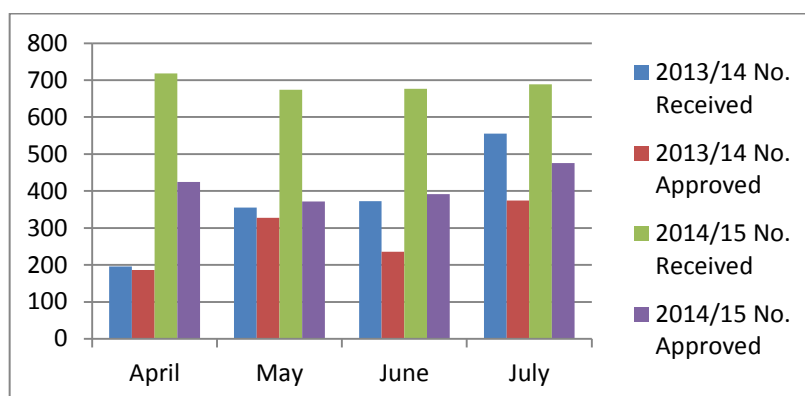
- 7.49 Vouchers for household fuel costs are provided via PayPoint. The Furnishing Service, a company based in Greater Manchester have provided support to help with the supply and delivery of brand new household items. The table below shows the range of household items available through TSIL scheme.

Table 2: Packages of Household Items Available to Tameside Residents

Household type	Single person/childless couple	Family/lone parent	Person with disability / older person
Circumstances	Resettling into community	Exceptional pressure Resettling into community	Avoiding care Resettling into community
Basic package for all	Bed per person Bedding per person Curtain for occupied bedroom Towel per person		
	Cooker/Microwave	Cooker/Microwave	Cooker / Microwave
Optional	Starter pack	Starter pack	Starter pack
With medical needs or more than 1 child under 5 years	Washing machine Fridge	Washing machine Fridge Fridge freezer	Washing machine Fridge
Dependent on needs / family size		Sofa (2 x 2 seater, or 1 x 3 seater)	Floor covering for 2 rooms
Child under 5		Floor covering for 2 rooms	

- 7.50 In 2013/14 665 requests for household items were approved to the value of £266,000, with an average cost of £400 per household.
- 7.51 Tameside received just over £1 million from DWP in 2013/14 to administer the TSIL scheme. When compared with other authorities in Greater Manchester Tameside has experienced the highest levels of demand. Overall demand has increased steadily during 2013/14 with a peak for emergency payments in January (898) and a peak for household items in March (191).
- 7.52 There has been a slight reduction in funding for 2014/15 and data shows that demand continues to grow. It is projected that over 10,000 applications will be made throughout the course of 2014/15.

Chart 3: Numbers of Requests Received and Approved for Emergency Payments in 2013/14 and 2014/15



- 7.53 It is clear from the table above that there has been a significant increase in the number of requests received in 2014/15 compared with previous years.
- 7.54 Equalities data collected during 2013/14 shows that there are more male applicants than female applicants with the largest group aged between 25 and 34. Almost one third have at least one child and almost one quarter are single parents.
- 7.55 The financial settlement for 2015/16 does not include any central funding for local welfare provision with effect from 1 April 2015. The financial settlement includes a new line called welfare provision with £809,361 against it. However, this is not additional funding, the amount of £809,361 has been deducted from the Council's overall Revenue Support Grant for 2015/16.
- 7.56 On 3 February 2015 it was announced that £74 million was available nationally for upper tier authorities "to assist them in dealing with pressure on local welfare, health and social care". This compares with £172m distributed in 2014/15 for local welfare provision. The funding is not ring-fenced and Tameside's allocation of the £74m is £414,000.
- 7.57 The Council has agreed in a Key Decision on 4 February 2015 that the TSIL scheme will end on 31 March 2015. This is in the context of a 50% reduction in funding since 2010/11. The Council does not have the financial capacity or flexibility to provide a discretionary service that was previously funded by a specific funding stream provided by DWP.
- 7.58 The Council has further agreed that it will provide a new service from 1st April 2015 that will focus on promoting independence and facilitate the prevention of homelessness. The new initiative will be known as Tameside Resettlement Scheme and will provide access to essential household items for people moving on from homelessness, domestic abuse and other forms of insecure living. A clear communications plan will be developed to support and train staff and residents.
- 7.59 It will provide some limited access to payments for rent in advance and removal costs. The scheme will also administer Council Tax Hardship payments. It will not provide payments for essential daily living items such as food and utilities.

Conclusions

- There are risks associated with the closure of TSIL and the way this will impact on vulnerable residents in Tameside.
- The Council will continue to support residents through Tameside Resettlement scheme which will be accompanied by effective communication and training for staff and residents.

Recommendations

5. That the Council ensure there is clear reporting arrangements in place to record the impact of the withdrawal of TSIL; and the effectiveness of the new scheme to support residents.

Poverty and Homelessness in Tameside

- 7.60 The Council has developed a Poverty Strategy that will set out how the public, private, voluntary and community sectors in Tameside will take action to prevent the causes and alleviate the impact of poverty.
- 7.61 The starting point for the report is the Greater Manchester Poverty Commission, with research outlining the extent of poverty in Manchester. Tameside will be using the definition of relative poverty, which are individuals living 60% below median income. Debt advice is identified as one of the key aspects to support residents in the borough.
- 7.62 The Council employs Family Intervention Workers (FIWs) who are also seconded from Job Centre Plus (JCP). There are currently 43 FIWs, 24 of which are employed by the Council. The core purpose is to help people into work, improve the whole package of support that is available and to look at the overall contribution from partners.
- 7.63 Over the past 3 years there has been an increase in the number of residents presenting in housing need and/or crisis. The Council has agreed a pre-eviction protocol with Registered Social Landlords. This is designed to ensure that evicting tenants is the last resort when all other avenues have been exhausted.
- 7.64 The Council's Revenue and Benefits service are able to apply a discretionary hold to evictions and penalties if a family is involved with a FIW. Further work is also underway for FIWs to provide support for single residents who are experiencing hardship.

Universal Support Delivered Locally (USDL)

- 7.65 In recent years the Association of Greater Manchester Authorities (AGMA) has lead on the development of innovative models to support residents into work such as Working Well, utilising the learning from our approach to Public Service Reform (PSR) including delivery of Troubled Families.
- 7.66 This PSR approach provides an established model on which the DWP's Universal Support Delivered Locally (USDL) strategy could be integrated. USDL aims to support the most complex claimants who will find it difficult to adjust to UC.
- 7.67 UC presents an opportunity to support the 260,000 workless residents across Greater Manchester (GM) into work. This opportunity also presents a challenge to some of our most vulnerable residents who may need support to adjust to the new system and therefore remain in benefit dependency.
- 7.68 To achieve the AGMA Growth and Reform plan it is essential to support economic growth through PSR initiatives. Economic growth can only be tackled by addressing the wider and more complex causes of worklessness. AGMA has found these wider causes to include families involved in crime and anti-social behaviour, children who have not been attending school regularly, families affected by domestic violence and abuse, parents and children with a range of health problems.
- 7.69 These wider causes will be tackled within the extended Troubled Families programme although these cohorts may have already been the focus of some wider early intervention and prevention provision in most areas.

- 7.70 Worklessness in GM is a long term challenge. Rates of worklessness have remained at a consistent level since 1999 (circa 250,000) evidencing that worklessness is not a recessional issue. AGMA's Growth and Reform plan is built on taking an approach of tackling long term worklessness alongside economic growth.
- 7.71 GM is currently a "cost centre" for the UK, requiring over £22 billion of public spending but only generating £17.8 billion in taxes¹. The greater proportion of spend is on the costs of dependency rather than opportunities to increase growth and reduce the demand for reactive services.
- 7.72 GM and Warrington are working with DWP to inform the future design of delivery models for USDL. USDL will be launched nationally in November 2015. The models apply the PSR principles of integration, evidence based interventions and a family based approach. This will support the context in which USDL sits, which is to provide a structure for planning holistic and integrated localised claims for people who need extra help to support their journey towards self-sufficiency and independence.
- 7.73 Building on the principles of PSR and the delivery models for Working Well (Work Programme Leavers), the models will reflect the following elements:
- Delivered within a work first context: work readiness is the primary outcome
 - Integration – integrated case management, sequencing and prioritisation of all other public services into bespoke packages of support, involving leadership from local authorities, health, work and skills providers (for example, physical and mental health, substance misuse, and learning and skills support);
 - Integrating all public services for whole families as this can be more effective at changing behaviour than just focusing on the individual;
 - Interventions selected on the basis of best available evidence; and
 - Capturing robust evidence to inform national and local commissioning decisions.
- 7.74 The aims of integrating USDL and PSR are to gather learning on:
- The impact of the Universal Support element of UC for our most vulnerable residents (not benefit administration), as outlined in the Local Support Services Framework but also against the predicted cuts in welfare spending and linked to other Government initiatives including next phase of Troubled Families.
 - Development of data sharing protocols to support PSR and therefore Universal Credit.
 - Developing funding models to support US and linked to ESF 2014-2020.
 - Triaging the most complex/vulnerable residents effectively to support their UC journey
 - Providing financial Inclusion support
 - Providing digital competence support
 - Establishing local partnership working to support delivery of UC

Conclusions

6. The DWP recognise through the USDL framework that the most complex residents may need additional support to adapt to Universal Credit.
7. Greater Manchester and Warrington are working with the DWP to inform the future design of USDL.
8. Public Service Reform principles are guiding Greater Manchester's work with the DWP.

Recommendations

6. That Tameside continues to support the work set out in the Greater Manchester Growth and Reform plan to reduce dependency through welfare reform.

¹ A Plan for Growth and Reform in Greater Manchester, March 2014, p7.

8.0 Conclusions

- 8.1 It is clear that the effects of welfare reform will have a significant impact on Tameside residents.
- 8.2 With changes to delivery there is a clear need for information and knowledge to be shared across all stakeholders.
- 8.3 Local authority consultation and testing of legislation is beneficial to the long term delivery and success of Universal Credit.
- 8.4 There are risks associated with the closure of TSIL and the way this will impact on vulnerable residents in Tameside.
- 8.5 The Council will continue to support residents through Tameside Resettlement scheme which will be accompanied by effective communication and training for staff and residents.
- 8.6 The DWP recognise through the USDL framework that the most complex residents may need additional support to adapt to Universal Credit.
- 8.7 Greater Manchester and Warrington are working with the DWP to inform the future design of USDL.
- 8.8 Public Service Reform principles are guiding Greater Manchester's work with the DWP.

9. Recommendations

- 9.1 That work is undertaken with Registered Social Landlords to monitor the impact of the Bedroom Tax on rent arrears, with a view to preventing families from entering financial hardship.
- 9.2 That the Council continue to support the implementation of Universal Credit at a Strategic and Operational level.
- 9.3 That working relationships between Tameside Council, DWP and Job Centre Plus continue with the possibility of future joint working and co-location to better support residents.
- 9.4 That the Council monitor and share the success and/or failure of the changes to reduce dependency levels and improve employment in Tameside.
- 9.5 That the Council ensure there is clear reporting arrangements in place to record the impact of the withdrawal of TSIL; and the effectiveness of the new scheme to support residents.
- 9.6 That Tameside continues to support the work set out in the Greater Manchester Growth and Reform plan to reduce dependency through welfare reform.