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## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Adults Select Committee held  
at Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 20th  
September, 2016 at 10.00 am**

**PRESENT:** County Councillor P. Farley (Chairman)  
County Councillor R. Harris (Vice Chairman)

County Councillors: A. Wintle, R. Chapman, M. Hickman, P. Jones  
and P. Jordan

### **ALSO PRESENT:**

County Councillor V. Smith  
D. Hudson – Co-Opted Member

### **OFFICERS IN ATTENDANCE:**

Tyrone Stokes – Finance Manager  
Sue Harris –, Local Partnership Manager, Department for Work and Pensions  
Sarah Masterton - Local Partnership Manager Designate, Department for Work and Pensions  
Richard Davies – Head of Shared Benefits Service, Monmouthshire and Torfaen  
Ruth Donovan – Assistant Head of Finance  
Michele Morgan – Monmouthshire Housing Association  
Martine Sowry – Financial Inclusion Officer  
Ian Bakewell – Housing and Regeneration Officer  
Mark Hand – Head of Planning and Housing  
Hazel Ilett – Scrutiny Manager  
Wendy Barnard – Democratic Services Officer

### **APOLOGIES:**

County Councillor R. Edwards and D Hill (Co-Opted Member)

#### **1. Declarations of interest**

County Councillor A. Wintle declared a personal non-prejudicial interest as a Director of Monmouthshire Housing Association.

#### **2. Public Open Forum**

There were no questions from members of the public.

#### **3. To confirm the minutes of the previous meeting**

The minutes of the meeting held on the 12<sup>th</sup> July 2016 were confirmed as an accurate record, and signed by the Chairman. For clarity in future, it was requested that the list of those present accurately makes a distinction between councillors, officers and others present at the meeting.

#### **4. Welfare Reform and Discretionary Housing Payments**

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It was explained that discussion of items 4-8 would focus on Welfare Reform and Discretionary Housing Payment policy. The items had been included to provide an update on welfare changes to assist Members to undertake pre-decision scrutiny of the policy noting that it is 18 months since the last scrutiny took place. It was anticipated that the agenda items would overlap.

### **5. Overview of Welfare Reform Changes**

#### **Background:**

We welcomed Sue Harris, Local Partnership Manager for Newport and Monmouthshire, Department of Work and Pensions (DWP) to the meeting to provide an overview of Welfare Reform Changes.

- An update on Universal Credit was provided and it was noted that the scheme was launched in April 2013, is available in Job Centres and is claimed by 280,000 people. It was explained that there is not full roll-out in this area and consequently claimants are single non-homeowners in Monmouthshire. In addition, Members were informed that various other welfare reforms have taken place and the aim is to develop a more personalised service for everyone. For information, it was explained that, under the existing benefit scheme, for every 100 people claiming Job Seekers' Allowance, there are 113 claimants moving into work representing an improvement.
- Members were informed that some other changes are due to come into operation such as the removal of the Universal Credit higher rate for the first child and lower rate for subsequent children. These rates will be replaced with a standard rate for all children from April 2017. It was explained that existing claims will continue as Universal Credit but new claims from families with two or more children will be directed back to Tax Credits until November 2018 and then return to Universal Credit. This measure is to ensure the Universal Credit system is working properly.
- Managed moves of existing claims for Universal Credit will be delayed to start in July 2019 and will be completed in March 2022. The expected full roll-out in this area later this year has now been delayed. It is expected that a full Universal Credit service will be available in five Job Centres a month from June 2017.
- Information on benefit capping, representing one of the big issues in welfare reforms, was provided. It was explained that benefits are currently capped at £26,000 a year for single parents and coupled households, and £18,200 for single people. From November 2016, benefits will be capped at £20,000 for couples and £13,500 for single people living in their own accommodation. It was noted that 88,000 households are expected to be affected nationally in the first year. Locally, it is expected that 90 Monmouthshire households will be affected and 160 households in Torfaen. It was clarified that there are some exemptions to the benefit cap such as for people claiming working tax credits, personal independence payments, attendance allowance etc.
- A scan has been undertaken and the DWP is working with Councils to discuss what support can be offered to those affected. It was explained that the households affected have been contacted. Local authorities are visiting these households but it was noted that some are refusing help.

We welcomed Richard Davies, Head of the Shared Benefit Service for Monmouthshire and Torfaen who reminded Members every affected household will be visited and that often the household claiming the highest levels of benefits had complex circumstances,

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for example, single parent families with more than three children that will require significant support to change the household finances.

- A second scan has been completed and sent to local authorities and work is in progress to remove exemptions. Letters have been sent with the opportunity to arrange a voluntary appointment to discuss the changes. Additionally, JSA claimants will have the opportunity to discuss the benefit cap when they attend the Job Centre. Those who don't have to attend for mandatory appointments will be offered the opportunity to make a voluntary appointment. If they don't make a voluntary appointment, three attempts will be made to contact them to make arrangements to discuss how they can be supported.
- A second letter sent out contains an estimate of the financial effect of benefit capping and noted that the average reduction is £70 per week which will be deducted from the housing element of the Universal Credit so the responsibility will fall to the local authority to advise them of the reduction.

DWP staff are working internally and with local authorities to offer support to those affected. Those people who attend for voluntary appointments are offered child care support, the universal support scheme to support digital and financial independence, free budgeting advice and advice about discretionary housing payments. It was explained that joint DWP and local authority interviews have been arranged in some areas. Examples of good practice and the commitment to help those people most affected were shared.

#### **Members' Scrutiny**

- A Member queried the percentage of 41% going to work if not capped. It was clarified that when the households were looked at, an evaluation of the initial benefit cap in 2013 showed that capped households were 40% more likely to enter the work place than uncapped households. It was added that the realisation of the loss of the money encouraged use of the extra support offered.
- A Member requested contact details, to be forwarded to all Members, to be able to advise constituents who to contact with Benefit queries. [ACTION: notes of the presentation and contact details to be forwarded to all Members].
- It was confirmed that every household would be visited and highlighted that a particular risk group is private rental tenants who either can't or don't access the available support services. The Benefits and Housing Teams work closely to address this category.
- In response to a query, it was confirmed that there are circumstances when residents of Monmouth can receive travel costs to access the DWP appointments and services in Abergavenny. Assurance was given that all claimants will be offered the same support. It was queried if DWP could work with the Passenger Transport Unit to provide a bus service.
- It was confirmed that there had been low response from the first letter and that three attempts would be made to make contact by Job Centre Plus, Monmouthshire PACE and Communities for Work staff. A Member expressed concern that if private tenancy arrangements fail the responsibility returns to the Council. It was acknowledged that there is a tendency to ignore communications until directly affected hence the arrangements for home visits. Members were advised that it is estimated that a

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homeless family costs approximately £8,000 a year to house and a Looked-After Child £125,000. Therefore, the financial consequences to the Council of a family becoming homeless, as a result of the changes, are significant.

#### **6. Discussion with Monmouthshire Housing Association on the impact of Discretionary Housing Payments in preventing homelessness**

##### **Background:**

Michele Morgan, Monmouthshire Housing Association (MHA), provided some context to explain the impact of Welfare Reform on Monmouthshire Housing tenants.

She explained that when the Bedroom Tax was introduced in 2013, approximately 400 tenants were affected now reduced to 284 because some have chosen to downsize, the ages of children entitle them to their own bedroom and some have found work. She added that arrears for the 284 tenants affected by the Bedroom Tax are at a level of £51,000. Of the 284, three-quarters require a one bedroom property if they are prepared to downsize. It was explained that there is a shortage of one bedroom properties in the County so it may not be an option to downsize for many.

Members were informed that of the 284, 133 tenants have received a Discretionary Housing Payment (DHP) to meet the shortfall in housing benefit (which is worth, on average, £9.66pw). It was added that the DHP does not pay the total amount of the Bedroom Tax and the tenant is required to contribute the balance from their benefits.

Members were informed that 64 DHPs expire this month and MHA is working with tenants to assist with new applications. 90 tenants will be affected by the lower benefit cap from November 2016. It was explained that currently only 5 are affected rising to 23 in November. These are mainly families with 3 or more children. Members were informed that the potential impact on the 23 households was a loss of over £2000 per week (£109,000 per year).

Members were reminded that this area has not yet been fully affected by Universal Credit and that there are 17 single Job Seekers Allowance claimants, all of whom are in arrears.

Some case studies to illustrate how DHPs have been used in the County were presented. Reaffirmation of the approach was sought recognising the intention to mitigate impact on the Council. It was noted that further changes will impact on the landlord creating new demand in addition to the support for families already provided and budget pressures leading to reduced payments.

The Chair expressed appreciation of the presentation of case studies.

##### **Members' Scrutiny**

Following the presentation, Members were invited to comment.

- In response to a query about the first case study, it was confirmed that the 2 children became looked after and were unlikely to return. It was commented that this would incur a significant financial burden on the Council. It was queried what would happen if the children were only taken into temporary care and were returned and confirmed that there would still be an overpayment due to under-occupation whilst the children were looked after. MHA would work also with the tenant and Social Services.

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- Referring to the rent arrears common in both case studies, it was queried how long it takes to identify a problem and confirmed that a missed rent payment would be noted immediately and arrears recovery processes would be implemented engaging with tenants to resolve the issue. It was noted that tenants don't always engage and ultimately there is legal recourse to recover the debt. It was confirmed that efforts are made to re-educate people to take responsibility for their actions.
- It was confirmed that rent payments received from housing benefit and DHP payments are paid directly to MHA. 17 Claimants of Universal Credit and 120 claimants of housing benefit, on a trial basis, receive a direct payment. In response to a question, it was confirmed that there were mixed results with the trial and those with arrears in excess of 8 weeks were removed from the trial.
- The Chair stated that the work that MHA does is admirable, and queried why it undertakes the support role for tenants. It was explained that housing associations are social landlords that provide advice and support to sustain tenants and communities, developed due to cuts in public sector services. It was added that transport is a difficulty in Monmouthshire and so services are provided within a tenant's own home.

It was queried what is the best way of helping people facing these difficulties and suggested that consideration is given to the potential for sharing best practice and to explore opportunities to create efficiencies and economies in the provision of welfare advisory services.

#### **7. An update on the impact of benefit changes in Monmouthshire and scrutiny of the Discretionary Housing Payments policy**

##### **Background:**

The Head of the Shared Benefits Service for Monmouthshire and Torfaen provided a presentation to illustrate the impact of the Welfare Reforms more focused on Monmouthshire and what is being done to assist and support customers.

The revised DHP was presented for pre-scrutiny prior to Cabinet on 2nd November 2016.

##### **Members' Scrutiny**

Following the presentation, Members were invited to comment.

- It was clarified that when the DHP payment ends after six months, an application for an extension can be made.
- It was confirmed that rent payments received from housing benefit and DHP payments are paid directly to MHA. 17 Claimants of Universal Credit and 120 claimants of housing benefit, on a trial basis, receive a direct payment. In response to a question, it was confirmed that there were mixed results with the trial and those with arrears in excess of 8 weeks were removed from the trial.

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- It was confirmed that income and expenditure analysis is undertaken.
- A Member commented that there is a shortage of suitable smaller accommodation and stated that the County needs industry and low cost housing and that it will be for Councils to try to resolve. It was commented that the 35% target for low cost housing on developments has been reduced.

The Head of Planning and Housing explained the policy in the Local Development Plan (LDP) is a 35% target in most of the county but national policy requires consideration of a developer's viability. There is an accepted toolkit and approach in recognition that local authorities have to allow developers to make a profit or they won't build at all. It was agreed that it would be useful to have a joint meeting of this Committee and the Planning Committee with Housing representatives.

Members were informed that the Economy and Development Select Committee will be meeting with the Planning Committee at end of September. The Annual Planning Performance Report will be presented before submission to Welsh Government and also the Annual Monitoring Report on the LDP.

A Member commented that he wasn't in agreement with the point on affordable housing adding that the ability for a developer to make profit depends on the base purchase price paid to the landowner. If the County insisted that there is 35% low cost housing, then the developer, in negotiation with landowner, will have to take that into account on the cost paid to the landowner. A Member reinforced the opposing view that it is not always possible to achieve the 35% target if it is not viable for the developers.

#### **8. Discussion on the new financial inclusion service based within the Housing Options Team**

##### **Background:**

The Housing and Regeneration Officer was welcomed to the meeting to present a report to provide an overview of the Council's homeless prevention Financial Inclusion Service, which forms part of the Housing Options Service.

##### **Members' Scrutiny:**

- With reference to the previous meeting, it was queried what collaboration has happened or is proposed between the different organisations delivering housing support services and if there were any plans to combine services. It was confirmed that there has been no attempt to provide a sole service portal but that all agencies collaborate regularly, with opportunities for more collaboration. It was acknowledged that, on a day to day basis, services can overlap and examples provided. The Chair commented that options to collaborate further or to provide a single portal should be considered.
- A Member welcomed the role of the Financial Inclusion Officer recognising that it was a very important front line service.
- The Chair queried how risks to lone workers are mitigated. It was commented that MHA has robust lone working systems. The Financial Inclusion Officer described the tracker

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system that she utilises. The Chair was reassured with the answers provided. It was proposed that that an appropriate system is implemented in recognition of the need for an accessible corporate warning system to identify clients and households that may present a risk to lone workers. The Committee debated the various systems available, were also informed that Torfaen operates a similar model to protect its workforce and agreed to investigate options.

- The Financial Inclusion Officer confirmed that she liaised with the Health Service and Social Services, and other relevant services and held a first aid and mental health qualification. In response to a query, it was confirmed that she had the right to approach the GP.
- The Chair queried, and it was agreed, if it would be helpful to request Cabinet to consider investment of additional funding to support DHPs to diminish the impact of the changes, prevent homelessness and children becoming looked after. Clarification was provided that the revised DHP policy will be presented at the next Cabinet meeting. In view of the proposed changes, the importance of the DHP fund was discussed.
- The main changes to the DHP policy were highlighted and the policy was commended for recommendation to Cabinet.

#### Chair's Summary (Items 4-8)

The Select Committee has undertaken pre-decision scrutiny of the Discretionary Housing Payments Policy as part of their wider scrutiny of welfare reform. The Committee agreed to endorse the policy and to make the following recommendations to the Cabinet in their consideration of the policy in November:

- Cabinet are recommended to give serious consideration to agreeing an uplift to the monies it invests in the Discretionary Housing Payment fund, recognising the demonstrative impact the funding has had on vulnerable people and the risks and implications of not supporting people through further benefit reductions, particularly in terms of preventing homelessness and children being taken into the care of the Council.
- Given that much of this work is delivered in a household environment, Cabinet are recommended to recognise the need for an accessible corporate warning system to identify clients and households that may present a risk to lone workers. The Committee understand that Torfaen operates a similar model to protect its workforce.
- The Committee recommends that all the agencies working in the benefits arena such as the CAB, RSL's and the Council consider the potential for sharing best practice and explore opportunities to create efficiencies and economies in the provision of welfare advisory services.
- The Committee further recommends a joint meeting with the Planning Committee to consider the relationship between homelessness, housing benefits and the provision of affordable housing in Monmouthshire.

All witnesses were thanked for their attendance and contribution to the meeting.

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### **9. Budget Monitoring**

The Committee received the Revenue & Capital Monitoring 2016/17 Period 1 Outturn Forecast Statement. The purpose of the report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of period 1 which represents month 2 financial information for the 2016/17 financial year.

This report will also be considered by Select Committees as part of their responsibility to:

- assess whether effective budget monitoring is taking place,
- monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
- challenge the reasonableness of projected over or underspends, and
- monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

### **10. Scrutiny of the Budget Monitoring report for Period 1**

The Finance Manager presented the report and highlighted that it provided a financial snapshot in time at Month 2.

It was explained that the Social Care and Housing budget indicates £1.1 million overspend based on estimated and actual data. The portfolio budget for the Adult Select area indicates an overspend of £462,000. The overall forecast position for the authority is £1.386 million at Month 2. Attention was drawn to the variances listed in the report and also to the small capital budget which mainly referred to routine maintenance at e.g. Mardy Park and Severnview.

In terms of savings, it was explained that mandate savings of £12,000 (Mandate A24) is on track. Mandate A34, a saving of £628,000 relating to practice change has been RAG-rated as Amber because of overspend of £462,000. The overspend has been attributed to the Chepstow Adult Team. Members were advised that the risk that the mandate saving may not be achieved.

### **Member's Scrutiny**

- It was queried if there was anything within the information provided that Members should be particularly concerned about. It was confirmed that more recent data identifies the ongoing significant overspend in Chepstow Adult Team and that a recovery plan will be prepared.
- A Member queried if the proposed closure of a care home in Gloucestershire will have a detrimental impact. It was confirmed that the home has a significant number of Monmouthshire residents and the authority is actively looking for placements within the county or just over the border. It was confirmed that the contract price paid was a fair fee that was accepted by the home. It is hoped to place residents in similar placements. It was forecast that there would be minimal adverse financial impact.



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- In response to a query, it was confirmed that an overspend in the staffing budget related to covering sickness with bank staff. It was recalled that there had been a mandate in 2014 to reduce bank holiday entitlement for staff that was not yet implemented.
- A Member welcomed the report early in the year and the context of estimated and actual data. It was commented that many schools in the county forecast that reserves will be depleted this year.
- Confidence was expressed that service managers are addressing issues appropriately.
- In response to a query, it was confirmed that the community co-ordinator posts in the north and south of the county are temporary. An explanation was provided that the posts were funded through reserve funding but now moved to the intermediate care fund. The posts are a result of bids to a temporary funding stream. It was noted that some additional posts will be filled by November.

#### 11. **Adult Select Committee Forward Work Programme**

The Forward Work Programme for the Adults Select Committee was received.

- Aneurin Bevan Health Board: Arrangements are ongoing to confirm a date for representatives to attend the Committee.
- Arrangements ongoing regarding a date to visit Usk Prison.
- Gwent Frailty Programme: All Gwent Adults Scrutiny Committees to meet to consider the Wales Audit Office report on 21<sup>st</sup> October at Ty Penallta, Tredomen. All adults Select Committee Members invited to attend.
- Joint Adults and Children and Young People Select Committees meeting changed to 22<sup>nd</sup> November 2016.

#### 12. **Cabinet and Council Work Planner**

The Work Planner for the Cabinet and Council were received.

#### 13. **To note the date and time of the next meeting as 8th November 2016 at 10.00am**

Tuesday 8<sup>th</sup> November 2016 at 10.00am.

**The meeting ended at 12.45 pm**

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