

COUNCIL – 5TH NOVEMBER 2018

ITEM 8 POSITION STATEMENTS

A. Response to the Rollout of Universal Credit in the Borough

The Labour Group has requested that a Position Statement on the following issue is presented at the meeting:

To provide an update on the Council's response to the rollout of Universal Credit in the Borough including the actions the Council is taking and the impact on the current Revenues and Benefits contract with Capita.

The Leader, or his nominee, has produced the following position statement:

Universal Credit (UC) was introduced as part of a range of changes to welfare benefits through the Welfare Reform Act 2012. It brings together 6 working-age benefits (including housing benefit) into a single payment. UC is a significant change to the way that the benefits system for working age people operates.

Charnwood Borough Council moved to Full Service UC in July 2018. Given the relatively long lead in time since the Welfare Reform Act in 2012, the Council was able to complete a range of actions to prepare our residents and tenants for the change to UC. These include:

- The employment of an additional full-time Financial Inclusion Officer in the Council's Landlord Service to support tenants going on to the UC live service.
- The employment of a full-time Digital Support Officer in the Customer Service Centre to train and support customers to get online to complete and maintain their UC claims.
- Introduction of Personal Budgeting Support to help customers struggling to manage their finances once moved to UC, delivered on our behalf by Charnwood CAB.
- Articles in the tenants' newsletter Your Home Matters providing advice and information on UC.
- Establishing a service level agreement with Clockwise Credit Union to enable tenants to sign up for credit union rent payment accounts.
- Staff training sessions and member briefing sessions to raise awareness.
- Monthly liaison meetings with the now co-located Department of Work and Pensions Team, and fortnightly operational / case management meetings.
- Providing tenants with externally-produced information and advice on UC in the form of leaflets and magazines produced by, for example, Housing Matters and Quids In.

- Develop performance management arrangements to enable identification and tracking of, and targeted support at tenants receiving UC.
- Engaging with other organisations that have been through the change to UC Full Service and learning from their experiences.
- Greater use of different communication methods such as text messaging and social media to promote the change and raise awareness of support available.
- Provision within the Housing Revenue Account Business Plan to accommodate financial implications.
- Full communications plan to support the rollout of the new service. The key audiences include:
 - Council tenants of working age on housing benefit
 - all tenants of working age
 - non-tenants receiving housing benefit
 - people receiving council tax support (to make clear it is not part of Universal Credit)
 - members
 - staff.

In relation to the impact of Universal Credit on the current Revenues and Benefits contract with Capita, officers from both Capita and Charnwood BC have been working closely for several months to prepare for the changes. This enabled the smooth transition from one service to another. Positive working relationships have been developed between Capita, Charnwood and the DWP/Job Centre which means any issues that may arise can be resolved quickly to reduce and impact on the customer.

In terms of the effect of Universal Credit on the workload it is still quite early to understand the full impact, particularly in relation to Council Tax collection rates. However, since July there has been a 14% drop in the number of Housing Benefit claims received by the Council. This percentage could increase further; however limitations of the current UC system mean several groups of working age people cannot claim UC and so have to continue to claim Housing Benefit. In contrast, the number of change notifications received from the DWP which require completion by Capita has increased by over 500%, placing significant additional demand upon the service. This situation is being monitored to see if the increase will continue or if we will see this plateau to a steady state.

The next phase for UC is the migration of existing Housing Benefit customers to Universal Credit. The migration was expected to start in January 2019 however it was recently announced that this has been delayed until December 2019 at the earliest.

B. To Update the Council on the Current Situation regarding Local Government in Leicestershire

The Leader, or his nominee, has produced the following position statement:

Introduction

Over the summer a public debate has been initiated about the future of local government in Leicestershire and how services could be delivered to residents.

As Leader of this Council I have been keen to ensure that any proposed changes are based on a thorough, rigorous and credible appraisal of all options; that there is widespread agreement about any proposals in advance of any approach to Government about possible reform, and that all partners, particularly the residents we serve across our Borough, are consulted widely.

Collaborative working across Leicestershire

District Councils have taken the lead in Leicestershire in promoting this collaborative approach and believe it is absolutely essential to the prospects of any reform proposals.

District Council Leaders have been discussing this matter regularly since July and issued a joint statement on 27th July 2018 as follows:

“The District and Borough Council Leaders of Leicestershire have agreed to work together to review the current model of local government for Leicestershire. We as Council Leaders wish to adopt a collaborative approach to examine what may be the best way of delivering local services for residents in the County, and in the wider context of the East Midlands region.

This new collaborative approach will examine what is both cost effective in how services may be delivered and how best to retain their link with local residents. Such models may mean stronger District Councils working within a combined authority or having multiple unitary authorities or whether the current structure is still the best way of delivering local services.

We have a number of reservations as to the model proposed by the County Council not least the rushed timetable and it being too remote for local residents. However, we recognise that it may be premature to rule it out at this early stage.

Accordingly the Council Leaders have pledged to work together to find the right solution for the residents of Leicestershire and look forward to engaging with our elected partners, stakeholders and residents to deliver the best in local government for Leicestershire and the East Midlands region.

We would invite the County Council and others to join us in this approach, as collectively, we have the expertise to determine the best solution for our residents.”

District Council Leaders reiterated their commitment to work together at their meeting on 5th October and stated:

The leaders of all seven district councils have today unanimously agreed to continue working together to review the current model of local government in Leicestershire.

The leaders of Blaby, Charnwood, Harborough, Hinckley and Bosworth, Melton, North West Leicestershire, and Oadby and Wigston councils, said in a joint statement:

“The district councils are continuing to work together to look at future service delivery in Leicestershire to ensure it is lean, effective and in touch with residents.

“Any potential changes need to be based on a thorough assessment of all options and backed by evidence and communities.

“The district councils will ensure residents; partners and stakeholders are involved in the conversation and fully consulted. The needs of our residents will be put first.”

Alongside the Leaders of all seven district councils in Leicestershire I want a local government model which is fit for the 21st century - lean, effective and in touch with residents. We have agreed to look at all options that may deliver the best services to our residents, and without being pre-determined about just one option or structure.

The districts are also clear that partners, stakeholders and residents must be fully involved in the conversation, and consulted.

I know that any structural changes to local government in Leicestershire, such as creating a single unitary council, will require an Act of Parliament, which the Secretary of State has made clear, will only happen if there is a high level of agreement between all councils, local MPs, and with widespread support of residents. The district leaders will not seek to act alone, given that we know that any proposals that don't meet these criteria, such as that proposed by the County Council, will undoubtedly fail.

What I can confirm is that the district councils are continuing to work together and our invitation to the county council to join our process remains open. Now is the time for all parties to work together.

Leicestershire County Council proposals

Despite the invitation from all District Councils to Leicestershire County Council to join us in a collaborative exercise to consider all option, Councillors may be aware that Leicestershire County Council (LCC) has prepared unilateral proposals to establish a unitary council to cover the area within its boundaries.

These proposals were considered by the LCC Cabinet on 6th July and a timetable approved which culminated in a resolution that the County Council “debate the proposed way forward recommended by its Cabinet” on 5th December.

The LCC Cabinet revised this proposal at its meeting on 16th October and instead agreed:

- a) That the outline proposals for the development of a unitary structure for local government in Leicestershire be approved for stakeholder engagement;
- b) That the Terms of Reference for the Working Party established by the County Council on 26th September be approved;
- c) That the present position in respect of a Strategic Alliance for the East Midlands be noted.

The reason for the decision was to enable consideration to be given to the next steps in the development of a unitary structure for local government in Leicestershire.

No timetable was approved and, as a result the timescale for the County Council to make a resolution on this matter is unknown.

I issued a statement regarding the Leicestershire County Council proposals on 29th June, as follows

“To be very clear, this proposal is unlikely to happen - it would require an Act of Parliament, and the Government has publicly said that it won’t give parliamentary time for proposals, without substantive support from local MPs, district and county councils, and the public.

There may be a strong case for reviewing the local government structure in the county, but any proposals need to have the backing of all those involved, following proper debate.

Over the coming months, other, better supported options are likely to come forward and provide the same levels of savings, but with better local representation.”

On 24th October Alberto Costa MP wrote on behalf of all Leicestershire MP’s to District Council Leaders and separately to the Leader of Leicestershire County Council. The clear message was that any work on local government re-organisation in Leicestershire at this time was unnecessary, unwelcome, unsupported and a waste of taxpayers’ money at a time when there are other, more pressing, issues facing the county.

District Council Leaders have responded publicly and positively to this letter and have agreed to halt any work on structural reform. No external costs have been incurred by District Councils up to this point but senior officer time

and the time and resources of the Council's communications team have been used.

The public position of Leicestershire County Council is that it will continue with its proposals.