

DURHAM COUNTY COUNCIL

At a Meeting of **Corporate Overview and Scrutiny Management Board** held in Committee Room 2, County Hall, Durham on **Monday 9 October 2017 at 9.30 am**

Present:

Councillor R Crute (Chairman)

Members of the Committee:

Councillors A Patterson (Vice-Chairman), E Adam, R Bell, J Chaplow, M Clarke, H Liddle, J Makepeace, C Martin, O Milburn, C Potts, L Pounder, J Rowlandson, J Turnbull and A Willis

1 Apologies for Absence

Apologies for absence were received from Councillors Batey, Boyes, Hawley, Jopling, Maddison, Simmons, Tinsley, Wilkes, Zair and Mr Patel.

2 Substitute Members

There were no substitute members.

3 Declarations of Interest

There were no declarations of interest.

4 Update on the delivery of the Medium Term Financial Plan 7

The Board considered a report of the Director of Transformation and Partnerships provided an update on the delivery of the Medium Term Financial Plan 6 (for copy see file of Minutes).

The Head of Communications and Information Management highlighted two significant milestones in that savings by the end of June, delivered from 2011, had reached £203m and the number of employees affected had reached 2500 since 2011.

Resolved:

That the report be noted.

5 Regulation of Investigatory Powers Act 2000 - Quarter 1 Performance

The Board considered a report of the Head of Legal and Democratic Services which informed members about the Council's use of powers under the Regulation of Investigatory Powers Act 2000 (RIPA) during the period 1 April 2016 to 31 March 2017 to ensure that the policy remained fit for purpose (for copy see file of Minutes).

The Board were advised that activity reported during the quarter were two RIPA directed surveillance authorisations in relation to counterfeit tobacco and underage sales of alcohol. Surveillance remains ongoing for the counterfeit tobacco and the outcome from the underage sales of alcohol resulted in two prosecutions and a committee review.

Resolved:

That the report be received.

6 Welfare Reform and Poverty Issues

The Board considered a joint report of the Director of Transformation and Partnerships and Corporate Director of Children and Young People's Services that provided an update on welfare reform, with a particular focus on the latest developments in relation to Universal Credit and the work the council and its partners were doing in relation to child poverty (for copy see file of minutes).

The Head of Communications and Information Management informed Members that a seminar would be taking place on 12 October at 10.30 a.m. to discuss welfare reform in greater detail. He reported that new proposals and measures included:-

- (a) increasing the amount of free childcare for working parents with three and four year olds;
- (b) launching the next phase of the Troubled Families programme with a greater emphasis on helping parents with complex needs into work;
- (c) support for the most disadvantaged families to reduce parental conflict;
- (d) enhancing the role of Jobcentre Plus in working with local partners to identify and help people with complex needs;
- (e) greater support for those with drug and alcohol dependencies;
- (f) changing the reporting requirements on government in relation to child poverty.

The Head of Communications and Information Management advised that the next stage of implementing universal credits would see the roll out of a digital by default service on a phased basis throughout job centres in the County. He added that the Cabinet Portfolio Holder for Social Inclusion had taken an active role with this issue and within her portfolio was welfare reform. The Corporate Director of Children and Young People's Services chairs the Child Poverty Working Group which encompasses welfare reform.

The Chairman thanked the officer for his report that contained a lot of good information. He said that the evidence so far on universal credits points to a number of problems, and he asked that the roll out was monitored in term of the early impact. He expressed concerns about IT and the issues with broadband in parts of the County. He had supported further resources in the community facilities within his ward but did have concerns about accessibility.

Mrs Elliott also expressed concerns about those people who were the hardest to reach within a community, such as those who were illiterate. She said that they would have to be sought out as there was a worry that if people could not access information online and be able to claim money then they could turn to crime. The Head of Communications and Information Management said that they were trying to make as many people as possible aware of the changes and to offer that support.

Following on from the point about access, Councillor Bell asked if this information could be shared at AAPs, and was informed that this would be done. He also asked if libraries were equipped to help and was informed that staff would receive the appropriate training in order to support people. He further asked if the new system only applied to new claimants. The Head of Communications and Information Management confirmed that Universal Credits would apply to any new claimants or for those who were changing a claim. There would be no changes at present to those on existing benefits with no change in circumstances.

Councillor Bell went on to ask what the overall impact on different groups of people would be and was advised that this would be looked into. The Head of Communications and Information Management explained that some people would benefit but it would take time to see the overall impact, as it was complex and would be unique to the individual.

The Chairman suggested that the council should watch out for possible changes such as in the usage of foodbanks, or a rise in homelessness in the areas where this had been introduced.

Councillor Adam commented that some people would be moved to the universal credit system even if they just had a minor change for example an increase in the number of hours worked. He felt that the DWP only provided minimal training to their staff and that they were not keeping up with all of the changes. He said that this was a comprehensive report with some positives but felt that there was a lack of understanding of the real impact on those people struggling in society. The increase in suicides, debt and poverty may be lost in this situation. He referred to the support given by the local authority for those most vulnerable and asked if there was a risk that the authority would not be able to continue this role due to austerity and the cut backs on resources.

The Head of Communications and Information Management explained that the system and any issues would be closely monitored. He reported that there had been no evidence of changes in areas such as the levels of suicides or arrears because of the changes so far. He advised that Durham University were helping with research into what was happening, asking questions such as if people were still able to pay the rent were they doing without something else. He added that this was a step change and that there would also be a risk involved. He said that the local authority were committed to supporting people and that any new burden funding received would be spent in this area. There was an ongoing commitment to continue with the Welfare Assistance Scheme and the Council Tax Reduction Scheme.

The Chairman commented that he was aware of some people deliberately not paying their rent so that it would trigger a direct payment to the landlord. With universal credit all payments were made directly to the claimant.

Councillor Liddle expressed concerns that the community facilities were not ready to cope with the demand and pressure this would place on them. She had experienced first hand the affect of people not coping and needing advice and support. Counsellors were available for people to talk to as the advice and guidance workers could not provide that role. She would like to see any lessons learnt from where this had already been implemented.

The Head of Communications and Information Management said that work was underway with housing companies who had been very pro-active in holding workshops and drop-in sessions for their tenants. He appreciated that you could never do too much and that we would learn from everyone possible.

Councillor Makepeace asked if we rely on the DWP for fraudulent claims or if we had our own system. The Head of Communications and Information Management said that the Durham Christian Partnership have a number of rigorous questions when dealing with foodbank claims and that there were a number of questions asked when people applied for the Welfare Assistance Scheme. It was hoped to make this scheme easier to apply for and as there was no cash payout some people hung up when they found that out. Councillor Makepeace asked if this data could be captured.

Councillor Turnbull commented that many people who could not afford to pay their rent were sent eviction notices very quickly and once in arrears this would follow the person to another property.

Referring to bank accounts, Councillor Potts commented that it was not always possible for some people to open a bank account due to credit ratings and she asked if the banks were aware of the requirement to have all universal credit payments paid into a bank account. She asked if the banks would be asked to relax their criteria. The Head of Communications and Information Management said that they had been working with credit unions but that he would enquire about the bank situation.

Councillor Bell added that in order to open a bank account sometimes a smart phone was required so that the appropriate app could be downloaded and therefore a certain technical level may be needed.

Following on from that Councillor Milburn said that some banks do have a basic bank account but that some people may still need help in order to open one.

Councillor Chaplow also expressed concerns about how people would get to a bank as this could involve getting a bus into the nearest town which would place additional pressure on the person.

The Chairman thanked the members for their comments and questions and commended the Council for the early work being carried out in preparation for this.

He added that the task would be for the Council to continue to monitor the scheme and see how it rolls out.

Resolved:

That the information contained in the report and the progress made by the Council and its partners in addressing welfare reform and the wider poverty issues in the county be noted.