

CABINET

MINUTES AND DECISION RECORD

4 March 2013

The meeting commenced at 9.30 am in the Civic Centre, Hartlepool

Present:

The Mayor, Stuart Drummond - In the Chair

Councillors: Cath Hill (Children's and Community Services Portfolio Holder)
John Lauderdale (Adults and Public Health Services Portfolio Holder)
Paul Thompson (Finance and Corporate Services Portfolio Holder)

Also Present: Albert Pattison, Mayor's Community Advisory Panel

Officers: Dave Stubbs, Chief Executive
Chris Little, Chief Finance Officer
Peter Devlin, Chief Solicitor
Denise Ogden, Director of Regeneration and Neighbourhoods
John Morton, Assistant Chief Finance Officer
Jill Harrison, Assistant Director, Adult Social Care
Louise Wallace, Director of Public Health
Catherine Grimwood, Performance and Partnerships Manager
Julian Heward, Public Relations Officer
Denise Wimpenny, Principal Democratic Services Officer

181. Apologies for Absence

None

182. Declarations of interest by Members

None

183. Minutes of the meeting held on 18 February 2013

Received

**184. Local Welfare Support/Discretionary Housing
Payment Administration** (*Chief Finance Officer*)

Type of decision

Key – tests (i) and (ii) apply – Forward Plan Reference CE 54/12

Purpose of report

The purpose of the report is to:

- i) Inform Cabinet of the Council's proposed Local Welfare Support Scheme and associated delivery model that will apply from April 2013.
- ii) Inform Cabinet of the proposed arrangements for administering Discretionary Housing Payments from April 2013.

Issue(s) for consideration by Cabinet

This Assistant Chief Finance Officer presented the report which provided background information to the Government's decision to transfer responsibility for some elements of the Department for Work and Pensions (DWP) Discretionary Social Fund to local authorities. The report outlined the Council's proposed Local Welfare Support Scheme and proposed arrangements for administering Discretionary Housing Payments from April 2013.

The new Local Welfare Support responsibility created two primary risks for the Council, reputational risk and financial risk. In terms of the financial risks, Members were referred to the Local Welfare Support grant allocation from the Government to the Council for 2013/14 as set out in section 5 of the report. The allocation at £532,000 was 11.6% (£70,000) lower than the actual DWP spend in Hartlepool in 2011/12. This Government allocation was cash limited and there was a significant financial risk that with the wider welfare reforms, demand for help would increase in the future placing further additional pressures on this budget. Expenditure would therefore need to be managed carefully to avoid any overspend which would transfer to the General Fund budget.

Hartlepool's proposed delivery model would be based around avoiding making cash payments to individuals and help would be provided for crisis type situations, details of which were set out in the report. The report included arrangements for dealing with non crisis type situations as well as how the Furniture Solutions Scheme would complement the Local Welfare Support (LWS) Scheme.

It was estimated that 6,700 applications per year would be received for Local Welfare Support and processing would involve financial evaluations of an individuals circumstances as well as appropriate challenge and validation checks. The proposed delivery model placed responsibility for the administration of Local Welfare Support awards with the team that administered Housing Benefit, Council Tax Benefit, Free School Meals and the Discretionary Housing Payment "top up " budget. There were natural synergies in terms of skills, knowledge and expertise required for the new LWS responsibility and the existing responsibilities performed by the Finance Division Benefits Team. Importantly the proposed delivery model for April would enable a holistic response to be provided to those most

vulnerable.

By applying efficient streamlined processes and the latest technology the Council would secure an 18% productivity improvement in terms of volumes of applications processed per officer as compared with indicative current processing information from the DWP and would link into the existing Discretionary Housing Payment responsibilities, as set out in section 9 of the report. By operating this integrated delivery model it was anticipated that administration costs could be contained at £87,000 covering 4 full time equivalent members of staff. This would allow £25,000 of the Local Welfare Support DWP Administration grant allocation to be transferred to top up the LWS Awards allocation to about £557,000 from £532,000.

Three options for implementing the necessary staffing structure had been considered to reflect the two year funding allocation provided by the Government and the potential impact of the review of the advice and guidance services provided by the Council, which would be completed in the early part of the year. These options were based on temporary employment contracts of either 24 months to reflect the period covered by the Government Local Welfare Support funding allocations, 12 months or 6 months to reflect the earliest anticipated implementation date of any changes arising from the review of advice and guidance service provided by the Council.

It was recommended that temporary 12 month fixed term contracts would provide the appropriate operational resources in the short term, whilst not committing the Council in any way pending the outcome of the review of advice and guidance services. Recruitment to these posts would be aligned with the redeployment process for the 2013/14 budget, which would be carried out over the next few weeks. Additionally, any training for staff wishing to take up redeployment would be provided and funded from the resources set aside in the 2012/13 budget for this purpose.

It was reported that the DWP in January this year had confirmed the Council's Discretionary Housing Payment Allocation for 2013/14. The £196,000 of new Discretionary Housing Payment funding needed to be considered in the context of the estimated £1.68m of Housing Benefit that would be cut associated with the Bedroom Tax and the future Benefit Cap changes.

With regard to the Bedroom Tax changes, the Department for Works and Pensions had issued guidance that the available Discretionary Housing Payment funding should be aimed at two specific groups, disabled people who lived in significantly adapted accommodation and foster carers. The cost of fully protecting foster carers and those in receipt of Disability Living Allowance, high level care, was estimated at £74,000 per annum.

The Government were introducing the Benefit Cap in 4 London Boroughs from April 2013 and the plan was to roll this out to the rest of the country in the summer. In Hartlepool, whilst only 140 households were at risk from the

Benefit Cap, the loss of Housing Benefit would be severe. The average weekly loss in Housing Benefit was estimated at £66 per week with some households losing £150 a week. The proposed Hartlepool model was to provide help to those affected on a tapered basis over as long a period as possible. The proposal was for full protection over 8 weeks, 50% support over 6 weeks and 25% support over 4 weeks.

The Assistant Chief Finance Officer referred to the recommendations set out in the report and commented that in order to ensure clarity recommendation (iv) had been expanded, details of which were tabled at the meeting and were reflected in the decision outlined below.

In relation to the options for implementing the necessary staffing structure and recruitment to these posts, a Member referred to the benefits of temporary 12 month fixed term posts and the proposal to align these posts with the redeployment process. Members were keen to ensure that any new staff were supported in terms of training and skills to undertake the role efficiently.

Decision

- (i) That the report be noted.
- (ii) That the Council's Local Welfare support Scheme, as detailed in Section 6 of the report, be approved.
- (iii) That the Council's 2013/14 Discretionary Housing Payments Scheme, as detailed in Section 9 of the report, be approved which included specific financial support for foster carers, households in receipt of Disability Living Allowance high care component and households affected by the Benefit Cap.
- (iv) It was noted that £87,000 of the Administration grant be allocated to provide 4 fixed term posts for 12 months to reflect the issues detailed in paragraphs 8.9 and 8.10 including aligning recruitment to these posts with the redeployment process for the 2013/14 budget and, where appropriate, training for staff wishing to take up redeployment would be provided and funded from the resources set aside in the 2013/13 budget for this purpose.
- (v) It was noted that the remainder of the DWP administration grant of £25,000 would be used to top up the DWP awards allocation.

185. Quarter 3 – Council Overview of Performance and Risk 2012/13 *(Corporate Management Team)*

Type of decision

Non-key

Purpose of report

To inform Cabinet of the process made against the Council's 2012/13 Corporate and Departmental Plans for the period ending 31 December 2012.

Issue(s) for consideration by Cabinet

The Finance and Corporate Services Portfolio Holder presented a detailed and comprehensive report which described overall progress made against the actions and performance indicators included in the Corporate Plan and three departmental plans for 2012/13 as well as risks included in the Council's risk register.

With regard to the Regeneration and Neighbourhoods Departmental Plan Action RND12/13 CSO1, it was highlighted that given that the Safer Hartlepool Partnership Strategic Assessment would not be delivered to the SHP Executive until 7 February 2013, Members approval was sought to agree a proposed due date change from 31 December to 31 March 2013.

Decision

- (i) That the current position with regard to performance be noted.
- (ii) That the proposed date changes, as detailed above, be agreed.

The meeting concluded at 9.55 am.

P J DEVLIN

CHIEF SOLICITOR

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