



Report to Safer and Stronger Communities Scrutiny & Policy Development Committee

26 September 2013

Report of: Director of Policy, Performance and Communications

Subject: Welfare Reform – September Update

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Summary:

At the July meeting of the Safer and Stronger Communities Scrutiny & Policy Development Committee, members requested that a one-page update on progress with Welfare Reform issues be provided to Committee Members bi-monthly. This report provides the update for September.

Type of item:

Reviewing of existing policy	
Informing the development of new policy	
Statutory consultation	
Performance / budget monitoring report	
Cabinet request for scrutiny	
Full Council request for scrutiny	
Community Assembly request for scrutiny	
Call-in of Cabinet decision	
Briefing paper for the Scrutiny Committee	
Other	X

The Safer and Stronger Communities Scrutiny & Policy Development Committee is asked to note the contents of the update report.

Category of Report: OPEN

Welfare Reform in Numbers¹

4401	Number of Sheffield Council tenants affected by Under-occupancy rules ('bedroom tax'). This number has fallen by 284 in the last two months.
23	Percentage of Sheffield Council tenants who have paid in full towards the Under-occupancy cut in their benefit, without receiving a DHP ² payment. This has increased by 11 percentage points in the last two months (at 30.06.13 only 12% of tenants had paid in full without receiving a DHP payment).
11	Percentage of Sheffield Council tenants who have paid nothing towards the Under-occupancy cut in their benefit. This has decreased by 5 percentage points in the last two months (at 30.06.13 16% of tenants had paid nothing).
33,000	Number of working age taxpayers in Sheffield who receive Council Tax Support (all of whom must now pay 23% of their Council Tax)
13,600	Number of summonses which have been issued to Council Tax Support customers since April 2013 for non-payment of Council Tax
£3.55m	Value of summonsed debt for Council Tax Support customers (the average amount of debt being £260 ³)
3180	Number of Council Tax Hardship Scheme awards made since 1 st April 2013. This number has increased by 1036 in the last two months.
2587	Number of Discretionary Housing Payment awards made since 1 st April 2013. This number has increased by 856 in the last two months.
579	Number of loans which have been awarded under the Local Assistance Scheme since 1 st April 2013. This number has increased by 177 in the last two months.
690	Number of grants which have been awarded under the Local Assistance Scheme since 1 st April 2013. This number has increased by 268 in the last two months.
303	Number of households in Sheffield who we believe to be subject to the Benefit Cap (the number of children in these households is 1513)

¹ All figures are to 31 August 2013, unless otherwise stated

² DHP = Discretionary Housing Payment

³ At this stage the full annual outstanding debt is summonsed, not the unpaid debt to that date

Welfare Reform: Key Updates

- On 5 September 2013 the National Audit Office published a report examining the early progress made on Universal Credit. This report makes it clear that the Department for Work and Pensions will not introduce Universal Credit for all new out-of-work claims nationally from October 2013 as had originally been planned. Instead it will add a further six pathfinder sites from October 2013. The report states that *“The Department is reassessing all milestones past April 2014. It is likely that Universal Credit will not be able to take all new claims and provide the full planned service until at least December 2014.”* The Safer and Stronger Communities Scrutiny & Policy Development Committee will be kept informed of any further announcements regarding Universal Credit roll out.
- The intended review of the Local Assistance Scheme at month 3 did not take place due to staffing issues and availability of data. However, the review will now be undertaken and a further update will be provided to the Safer and Stronger Communities Scrutiny & Policy Development Committee in due course.
- The first stage of the Benefit Cap was introduced in August 2013. The first stage involves a reduction of the household’s Housing Benefit (HB) entitlement. Once the HB reduction has taken place, if the income of the household is still above the level of the cap (£500 per week for a family, £350 per week for a single person) the household will continue to receive the “excess” income until they migrate to Universal credit, at which point their income will reduce to the level of the cap. The Department for Work and Pensions have identified 327 current households in the City who they consider will be subject to the Benefit Cap. However, after cross-referencing this data with data held by the Council’s Benefits Service, this number is likely to reduce to 303. Of these 303 households, 86 are Council Tenants, 67 are tenants of Registered Social Landlords (RSLs) and 150 are tenants of Private Sector Landlords. An analysis of these household has shown that the number of children in the affected households amounts to 1513.
- At the last meeting of the Safer and Stronger Communities Scrutiny and Policy Development Board Cllr Richards expressed concern that it had come to her attention that Council Tax were amending direct debit payments incorrectly. Following the meeting the individual case Cllr Richards had knowledge of was investigated and it was found that the Council Tax account had been administered correctly. As part of the investigation assurance was sought that careful attention is taken by Council Tax when re-profiling payment instalments following a change in the amount of Council Tax payable, and that due notice of any change in the amount to be called by Direct Debit is issued. Following this officers remain satisfied that Direct Debit payments are being administered correctly by the Council Tax Service.