



## Report to Safer and Stronger Communities Scrutiny & Policy Development Committee

**27 March 2014**

**Report of:** Director of Policy, Performance and Communications

**Subject:** Welfare Reform – March 2014 Update

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**Summary:**

At the meeting of the Safer and Stronger Communities Scrutiny & Policy Development Committee in July 2013, 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 March 2014.

**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	<b>X</b>

**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 Numbers

4,076

Sheffield council tenants are affected by under-occupancy rules ('bedroom tax')



44 less than two months ago

25%

have paid in full the shortfall in their benefit resulting from under-occupancy without receiving a DHP\* payment



down from 30% two months ago

5%

have paid nothing towards the shortfall in their benefit resulting from under-occupancy

compared with 6% two months ago

33,000

working age tax payers in Sheffield receive council tax support



All of whom must now pay 23% of their Council Tax

19,836

summonses have been issued to Council Tax Support customers since April 2013 for non payment of Council Tax



£5.28m

= value of summonsed debt for Council Tax Support customers



Average amount of debt = £266\*\*

1,772

Local Assistance Scheme grants have been awarded since 1<sup>st</sup> April 2013

7,857

Council Tax Hardship Scheme awards have been made since 1<sup>st</sup> April 2013

1,225

Local Assistance Scheme loans have been awarded since 1<sup>st</sup> April 2013

6,617

Discretionary Housing Payment awards have been made since 1<sup>st</sup> April 2013



155 households in Sheffield are subject to the Benefit Cap

=

837 children



All figures are to 31 February 2014

\* DHP = Discretionary housing payment

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

## Welfare Reform: Key Updates March 2014

### Universal Credit:

- The Council's Universal Credit Project Group is continuing to oversee work to enable the Council and its customers to prepare for the introduction of Universal Credit (UC). Current work is focussed on mapping access points in the city to enable and support people to get online.
- The Council is still expecting that the earliest that UC will be introduced in South Yorkshire will be April 2015, and that it is more likely that we will not see UC in Sheffield until 2016.
- The Council has yet to receive details from DWP on how the Government intends to fund local authorities to support Universal Credit claimants. This information is expected to be received between April and October 2014; until this is received there is a limit to what the Council can do in terms of preparation for the introduction of UC.
- National roll out of the 'Claimant Commitment' is due to be completed 'by spring 2014' for new claimants to Jobseeker's Allowance. The Claimant Commitment is a fundamental part of Universal Credit and benefit will not be paid unless claimants sign up. DWP states that: *"The new commitment is an important part of the cultural transformation that Universal Credit will bring and will place a strong focus on the responsibilities that claimants must fulfill."*

### Other Updates:

- At the meeting of the Scrutiny Committee on 30 January 2014, after consideration of the report on Welfare Reform, members agreed to 'note the aspects of good practice operating in Bristol and Manchester and request that consideration be given to adopting these measures in Sheffield'. A full update on progress will be provided to the Scrutiny Committee in July 2014.
- In January 2014 DWP confirmed that Sheffield's allocation of funding for the Local Assistance Scheme (LAS) for 2014/15 would be the same as the indicative figure - £2,071,098 for 'Programme Funding' and £401,143 for administration. DWP informed the Council that the resources for 2014/15 will be paid in quarterly instalments, starting at the beginning of April. DWP have stated that: *'whilst we do not intend to withhold money, if evidence comes to light that the money is not being spent we will have to revisit that decision during the course of the year'*.
- DWP have confirmed that 2014/15 will be the last year of separate funding for LAS; from 2015/16 onwards local authorities will be expected to use general funds if they wish to continue with a local welfare provision scheme.
- The Council Tax Scheme for 2014/15 has now been agreed; the scheme will stay the same, at 23%. The Council Tax Hardship Scheme will continue in 2014/15.

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