

DECISION-MAKER:	CABINET		
SUBJECT:	RESPONSE TO OVERVIEW AND SCRUTINY MANAGEMENT COMMITTEE WELFARE REFORMS INQUIRY		
DATE OF DECISION:	18 JUNE 2013		
REPORT OF:	CABINET MEMBER FOR COMMUNITIES AND CHANGE		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Sara Crawford	Tel: 023 80832673
	E-mail:	sara.crawford@southampton.gov.uk	
Director	Name:	John Tunney	Tel: 023 80834428
	E-mail:	john.tunney@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY
None

BRIEF SUMMARY

Overview and Scrutiny Management Committee (OSMC) requested Scrutiny Panel A to hold an Inquiry into the Welfare Reforms. The Scrutiny Panel met between October 2012 and March 2013 and made a number of recommendations. Cabinet has already responded to the Panel's early recommendations on the Social Fund and Local Council Tax Reduction Scheme. This report provides Cabinet's response to the recommendations made to Cabinet on the 16th April 2013.

RECOMMENDATIONS:

- (i) To approve, in principle, subject to resources, all recommendations from the Scrutiny Panel A Welfare Reforms Inquiry for implementation, as set out in Appendix 1.
- (ii) To note that the Scrutiny Panel's recommendations 1 and 2, relating to Local Council Tax Reduction Scheme, were agreed by Council on the 16th January 2013. Recommendations 3 and 4, relating to Social Fund/Local Welfare Provision were agreed by Council on the 13th February 2013.
- (iii) To delegate authority to the Head of Communities, Change and Partnerships and the Head of Finance and IT, following consultation with the Cabinet Member for Communities and Change and the Cabinet Member for Resources, to agree allocation of Local Welfare Provision funding for 2013/14 and 2014/15.
- (iv) To allocate £128,800 from the General Fund Revenue Budget contingency of £458,500 in order to provide the additional resources as set out in Appendix 2, which it is forecast will enable the implementation of the recommendations from the Scrutiny Panel A Welfare Reforms Inquiry detailed in Appendix 1 in full.

- (v) To agree the establishment of a city-wide, Welfare Reforms Monitoring Group, chaired by the Cabinet Member for Communities and Change.

REASONS FOR REPORT RECOMMENDATIONS

1. Cabinet considered Scrutiny Panel A's Inquiry report on Welfare Reforms on 16th April 2013 and has to make a formal response within 2 months. Therefore, this report details Cabinet's response to the recommendations of the Welfare Reforms Inquiry.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

2. None. Cabinet is required to consider and respond to outcomes of Scrutiny Panel Inquiries.

DETAIL (Including consultation carried out)

3. Overview and Scrutiny Management Committee (OSMC) requested Scrutiny Panel A to hold an Inquiry into the Welfare Reforms. The Inquiry took place from October 2012 to March 2013 and considered a wide range of evidence. The Scrutiny Inquiry made 11 main recommendations which were presented to Cabinet on 16th April 2013.
4. These recommendations have been considered in the light of the Council's financial challenges, work that is already taking place as well as feedback from agencies who were invited to be involved in the Inquiry. This assessment has informed the recommended way forward, which Cabinet is now requested to consider and approve.
5. Recommendations 1- 4: Due to the timing of the Inquiry, several interim recommendations were made to enable findings to be incorporated into the Council's decision making and budget proposals for 2013/14. These recommendations relate to the Local Council Tax Reduction Scheme and the abolition of discretionary elements of the Social Fund/Local Welfare Provision.
6. Additional funding has been received for the transition of Social Fund to Local Welfare Provision for 2013/14 and 2014/15. The funding allocation for 2013/14 is £654,232 and the indicative amount for 2014/15 is £644,232. The Panel has outlined the principles and model for Local Welfare Provision (recommendations 3 and 4). It is recommended that Cabinet delegate authority to the Head of Communities, Change and Partnerships and Head of Finance and IT, following consultation with the Cabinet Member for Communities and Change and the Cabinet Member for Resources, to agree allocation of Local Welfare Provision funding for 2013/14 and 2014/15.
7. Recommendations 5 -11: These recommendations cover the main themes and issues identified by the Inquiry in relation to:
- access to support services
 - monitoring of the impacts
 - prioritising the welfare reforms
 - communication and awareness
 - voluntary sector capacity
 - pathways to employment
 - joining up Council policies.

8. One of the recommendations of the Scrutiny Panel is to set up a Welfare Reforms Monitoring Group for the two year transition period (recommendation 6, Appendix 1). It is recommended that this group is set up with a city wide membership and chaired by the Cabinet Member for Communities and Change. This purpose of this group will be to:
 - maintain an overview of the ongoing impact of the Welfare Reforms on Southampton residents
 - develop a co-ordinated, citywide response
 - ensure the implementation of the Panel's recommendations
 - continue to identify emerging issues or changing needs and suggested responses.
9. In addition to the main recommendations, a range of activities have been identified which together could potentially mitigate some of the cumulative impacts of the Welfare Reforms on individuals, households and services.

RESOURCE IMPLICATIONS

Capital/Revenue

10. There are resource implications linked to the Council's response to the Welfare Reforms Scrutiny Inquiry and in considering the recommendations, due regard has been given to the current financial pressures faced by the Council.
11. The main recommendations can be implemented in principle, within existing resources, but there are additional costs associated with implementing the recommendations in full as some activities would require additional resources. Indicative costs and allocation are provided in Appendix 2. These costs are forecast to be £128,800 and it is proposed that this is met from the General Fund Revenue Budget contingency.

Property/Other

12. No immediate property implications are raised by this report.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

13. Matters referred to this report are permitted by virtue of section 1 of the Localism Act 2011 (the General Power of Competence), which permits a Council to do anything an individual may do subject to any pre- and post-commencement restrictions, none of which have been identified in this instance. Additionally, the duty to undertake overview and scrutiny is contained within Section 21 of the Local Government Act 2000 and the Local Government and Public Involvement in Health Act 2007.

Other Legal Implications:

14. None

POLICY FRAMEWORK IMPLICATIONS

15. The recommendations relate to the relevant Policy Framework plans and will also assist the Council to meet the overall aims of its policy framework.

KEY DECISION? Yes

WARDS/COMMUNITIES AFFECTED:	All
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SUPPORTING DOCUMENTATION

Appendices

1.	Welfare Reforms Scrutiny Inquiry: Summary of Recommendations
2.	Welfare Reforms Scrutiny Inquiry: Indicative Costs

Documents In Members' Rooms

1.	Report of Scrutiny Panel A: Welfare Reforms Inquiry October 2012- March 2013. http://www.southampton.gov.uk/modernGov/documents/s16600/OSMC-%20Amended%20App%202.pdf
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	Yes
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Other Background Documents

Equality Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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