

FINANCE, ASSETS & PERFORMANCE SCRUTINY COMMITTEE

Thursday, 19th September, 2019
Time of Commencement: 8.00 pm

Present: Councillor Helena Maxfield (Chair)

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| Councillors: | G. Burnett | S. Pickup | M. Stubbs |
| | A. Fear | B. Proctor | J Tagg |
| | Hutton | K. Robinson | P Waring |
| | T. Kearon | A. Rout | |

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| Officers: | Jayne Briscoe | Democratic Services Officer |
| | David Elkington | ICT Operations and Development Manager |
| | Martin Hamilton | Chief Executive |
| | Jane Spencer | Benefits Manager |
| | Jan Willis | Interim Executive Director - Resources and Support Services and Section 151 Officer |

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| Also in attendance: | Councillor Mark Holland | Portfolio Holder - Leisure, Culture and Heritage |
| | Councillor Stephen Sweeney | Deputy Leader of the Council and Portfolio Holder - Finance and Efficiency |
| | Councillor Simon Tagg | Leader of the Council and Portfolio Holder - Corporate and Service Improvement, People and Partnerships |

1. APOLOGIES

There were no apologies

2. MINUTES OF THE LAST MEETING - 27 JUNE 2019

Resolved: That the minutes of the meeting held on 27 June 2019 be agreed as a correct record

3. DECLARATIONS OF INTEREST

There were no declarations of interest

4. UPDATE FROM CABINET

The Leader, Councillor S Tagg provided an update report in response to the recommendations made by the Scrutiny Committee on 27 June 2019. Councillor Tagg explained how members were kept informed about issues affecting residents within their ward, although there was a need to respect confidentiality in some

instances. In respect of publicity for the Lyme Lottery the Communications team would prepare a media plan to include both social and traditional media.

5. IMPACT OF UNIVERSAL CREDIT ROLLOUT IN NEWCASTLE UNDER LYME

Ms Hubbard representing the Citizens Advice Bureau and Mr Leese from the Department for Work and Pensions) joined the meeting to help address the issues raised by members.

The Benefits Manager provided information relating to the impact on both benefit claimants and Newcastle under Lyme Borough Council since the introduction of Universal Credit.

Impact on residents

At 11 July 2019 the number of people nationally receiving Universal Credit was 2.3 million. This is a 5% increase from 13 June 2019. At this time the number of people receiving Universal credit in Newcastle was 2817 and for Kidsgrove 1275.

The major issues identified since the roll out of the benefit included:

- Wrong advice about which benefit should be claimed
- 1 in 5 claimants do not receive their benefits on time (National Audit Office 2018)
- Failure to pay housing costs because tenancy agreements are lost
- Tenants without a standard tenancy agreement are being refused housing costs
- Housing costs incorrectly calculated
- Difficulties establishing and maintaining a claim due to no computer access or lack of digital skills
- Issues with the award of disability related elements of UC
- Communications with the DWP and processing of evidence
- Housing benefit paid to claimant and not being paid over to Landlords to pay rent
- UC assessment period not falling in line with four weekly paid salaries, meaning two salary payments could fall within one month's assessment period.
- Excessive deductions from UC for court orders etc., leaving a claimant with little money for that month

These issues, together with the impact on local residents, were being addressed by the DWP. The CAB received funding to support disability claimants.

Impact on NULBC

Following the introduction of UC the staff/work ratio had seen changes. The Housing Benefit caseload in April 2013 prior to the introduction of UC was 7945 claims. In December 2018 the start of full service, the case load had fallen to 6894. The caseload had further reduced to 6101 at 31 July 2019.

This reduction had resulted in an impact on the resources needed within the benefit team. Staffing levels had reduced since 2013 by way of flexible retirement. Since December 2018, following the substantial loss of new Housing Benefit claims, more resource had been put into the recovery of Housing Benefit overpayments. The

administration of Pensioner claims and Council Tax Reduction was still a significant part of the workload. Staff had also been allocated additional work from within the Revenues and Benefit service.

Future resourcing needs and service delivery model for the benefit service are currently being addressed within the restructure of the Resource and Support Services directorate to implement more flexible and integrated ways of working that offer improved efficiency and resilience as well as providing a better customer experience.

The reduction in new claims had also had an impact on the number of claimants contacting the Customer Services Team.

All benefit and customer services staff at NULBC are fully trained to provide the correct advice regarding claiming the correct benefit. In this respect a secondment arrangement had been in place since May 2019 for two members of the Revenues and Benefits Customer Service Team to support the CAB with the project 'Help to Claim'.

Job Centre Plus, Aspire Housing and other agencies also provided support to UC claimants.

Financial Implications

Housing Benefit administration was mainly funded by the Department for Work and Pensions by way of an annual Administration Grant. NULCs grant for 2019/20 was £311,345 compared with £547,327 in 2013/14.

As local authority caseloads reduce the admin grant will also reduce so that the grant will only support the administration of pensioner claims.

Members raised issues concerning budgeting for claimants which had resulted in constituents having to access the foodbank. In response the DWP representative explained that payments were made in arrears which included a 5 week wait for benefits. Although an advance payment could be made this was recovered. Claimants experiencing hardship were signposted to projects such as Moneywise.

Councillors were concerned that, with the reduction in staffing levels NULBC would be less able to support claimants and asked how long present staffing levels could be sustained without redundancies. It was confirmed that staffing would not be reduced beyond natural wastage and that teams would be further integrated. A consultation exercise had been completed with managers and it was agreed that this report would be considered by this Committee.

Members raised the issue of claimants who could not complete application on line and the representative from DWP confirmed that there was also a telephone service available. A member suggested that funding for a shared service in respect of digital exclusion should be explored.

Agreed: That the report be noted and a further report concerning staffing proposals be submitted to this Committee for consideration.

6. ICT STRATEGY AND DEVELOPMENT PROGRAMME

The Head of Customer Services and Digital Services submitted a report which outlined the significant development programme within the Councils ICT Service. The report described the current priorities, the relationship with the Councils Digital Programme and how the future strategy would be developed.

The ICT Team were responsible for the day to day operation and development of the Councils ICT services supporting approximately 400 active ICT users and working to ensure service delivery within:

Desktop & Service Desk
Applications Support
Infrastructure
Project Management

A full copy of the development plan and ICT Strategy was included as an Appendix to the report.

Members discussed the alternatives to Microsoft together with the costs and benefits. Discussions also included the impact of the uncertainties surrounding Brexit and in this respect it was confirmed that with the exception of J2 all services were hosted in house and the hardware sourced from outside the UK.

Agreed: That the report be noted.

7. DIGITAL STRATEGY OUTLINE BUSINESS CASE

The Head of Digital and Customer Services submitted a report which provided an overview of the rationale for change and potential costs and benefits of the proposed programme of work to deliver the digital strategy considered by 4 September Cabinet.

The Strategic section of the Outline Business Case set out how the strategy would support delivery of the Councils key priorities. The Commercial Case outlined the financial rationale for change and described how the strategy would contribute to the long term financial sustainability of the Council by enabling efficiency savings and income generation. The Economic Case set out the investment required to deliver the digital programme and its benefits. The Financial Case set out the broad categories of financial benefit that the programme would provide.

It was anticipated that over the initial 3 years of the programme £919,800 was required to cover predominantly staff costs. Whilst the majority of these costs could be met from existing budgets a contribution of £100,000 per year was required in each of the next 3 years to meet the costs of a dedicated Digital Business Manager and Business Process Engineer. There would also be costs for technology, development and specialist external input.

Members asked for reassurance that a HR Strategy was in place to support any member of staff at risk. In response it was confirmed that a revised redeployment process had been drawn up which was subject to consultation with staff and trade

unions and most recently a Mutually Agreed Resignation Scheme had been introduced.

A member was concerned that, as an organisation the Borough had a tendency to hand over technology to an expert which was often difficult to interpret within a social context. In response the Officer stated that the Digital Delivery Strategy engaged at an early stage with excluded residents. In addition a partnership arrangement with other agencies to ensure accessibility of services was sought.

Agreed: That, subject to feedback to Cabinet on the issues raised by Members the report be noted.

8. DATE OF NEXT MEETING - 16 DECEMBER 2019

9. WORK PROGRAMME

It was noted that both the 16 December and 9 January meeting of this Committee would offer scrutiny members a pre-Cabinet opportunity to examine the Councils proposed budget, including the MTFS.

10. PUBLIC QUESTION TIME

There were no members of the public present at the meeting

11. URGENT BUSINESS

There were no items of urgent business

Chair

Meeting concluded at 8.50 pm