



## OVERVIEW AND SCRUTINY COMMITTEE

**MEETING** : Wednesday, 17th January 2018

**PRESENT** : Cllrs. Coole (Chair), Ryall (Vice-Chair), Pearsall, Hilton, Lewis, Wilson, Dee, Hampson, Hawthorne, Melvin, Smith, Patel, Pullen and Taylor

### **Others in Attendance**

Councillor D. Norman MBE, Cabinet Member for Performance and Resources,  
Jon Topping, Head of Policy and Resources,  
Stacey Jellyman, Intelligent Client Officer

Julie Friend, Department for Work and Pensions  
Steve Olczak, Department for Work and Pensions  
Lisa Nicholls, Assistant Director: Gloucester City Homes  
Norman Gardner, Citizen's Advice Bureau

**APOLOGIES** : Cllrs. Finnegan

### **19. DECLARATIONS OF INTEREST**

19.1 There were no declarations of interest.

### **20. DECLARATION OF PARTY WHIPPING**

20.1 There were no declarations of party whipping.

### **21. GLOUCESTER CITY COUNCIL'S PREPAREDNESS FOR THE ROLL-OUT OF UNIVERSAL CREDIT.**

21.1 The Chair outlined that this was a meeting specifically to look at the implementation of the forthcoming introduction of Universal Credit in Gloucester. He stated that each partner organisation in attendance had had sight of questions which the Committee sought answers to, where possible:

What impact would Universal Credit have the organisation and the residents they worked with?

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What was the organisation doing to prepare for the roll out of Universal Credit within Gloucester?

How could the organisation best work with Gloucester City Council to ensure that the roll out proceeded effectively?

Given the organisations experience and involvement with the roll out in Gloucester, was there anything further that could be done to ensure the roll out was effective?

- 21.2 The Chair welcomed the Cabinet Member for Performance and Resources, Councillor David Norman MBE; the Head of Policy and Resources, Jon Topping and Gloucester City Council's Intelligent Client Officer, Stacey Jellyman to the meeting.
- 21.3 Councillor Norman thanked partner organisations, with whom the Council was working with closely, for attending. He stated that the Council had worked hard to get to a position where it was ready for the rollout in February and that he welcomed questions that would provide clarity in terms of the new benefit's implementation. Jon Topping informed the Committee that the Council had been working with Civica and that considerable work had been undertaken in order to disseminate information to the public through social media, the Council's website as well as printed literature. He further stated that the Council had worked with partners and learned from other authorities that had already implemented Universal Credit.
- 21.4 Stacey Jellyman outlined Civica's role in administering benefits and preparing for Universal Credit. She stated that Civica would see a decrease in Housing Benefit claims as Universal Credit claims increased and that the organisation was prepared for Discretionary Housing Payment (DHP) claims and Council Tax Support claims as these were already processed by themselves.
- 21.5 The Committee were further informed that Civica sat on the Universal Credit board and that the implementation manager had successfully shared their experiences having being integral to the rollout in the Forest of Dean. Stacey also advised that there was a strong, long-standing relationship with Civica and they would continue to monitor Universal Credit's impact on residents.
- 21.6 In response to a query from the Chair, Stacey advised that the Forest of Dean had not been under the Universal Credit system for a lengthy period and that a considerable level of knowledge had been gained from Bath and North East Somerset. The Chair enquired as to whether there would be difficulties administering two benefit systems given new claimants would receive Universal Credit while existing claimants would remain on their existing benefits. Stacey Jellyman advised that it would effectively be the same service with fewer Housing Benefit claims and that there would be a different focus.

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- 21.7 Councillor Pullen asked what the key matters learnt from other authorities which could improve the rollout in Gloucester. In response, Stacey Jellyman noted that the report from Stroud highlighted that many individuals preferred to 'self-serve' (i.e. apply from home) but that Gloucester would provide assistance at the Council. Jon Topping stated that the Council had learned from others on social media, the website and the need to provide information on the benefit to residents.
- 21.8 In response to Councillor Pullen's query as to whether there would be staff on hand to assist members of the public, Stacey advised that, whilst there would be, it was likely that other organisations would be better placed to deal with enquiries. She added that staff training had taken place so they could take individuals through the claim process.
- 21.9 Councillor Hampson noted that the length of time claimants would have to wait before receiving their first payment and asked whether any lessons had been learnt because of this change. Stacey Jellyman informed the Committee that it remained the same service but with a slightly different time scale. She stated that the council would still be signposting individuals to the right support and advice as well as offering personal budgeting support. She further stated that this advice would be dependent on individual circumstances.
- 21.10 Councillor Hilton highlighted the fact that new claimants required a bank account and that the first arranged payment should be their rent payment. He queried what the position would be for those who found it difficult to obtain a bank account and how advice would be given.
- 21.10 Stacey Jellyman brought to the Committee's attention the work that had been done around providing personal budgeting support such as explaining income and expenditure, how to set up direct debits and whether they required a DHP or Council Tax Support. She also highlighted that, as Civica was already providing the benefits service, staff training was always ongoing.
- 21.11 Councillor Melvin queried the ability for some residents to manage their claim online as there was restricted access to offices such as the Council and JobCentres. She also questioned how personal budgeting support could be provided in terms of available resources. Jon Topping advised that budgeting support would potentially be provided in partnership with the Citizen's Advice Bureau and that the Council would manage and deploy resources when it had a more accurate idea of numbers. Stacey Jellyman also advised, in response to a question from Councillor Wilson on giving online advice, that new computers would be installed in the Council's offices and that Officers would ask individuals methods by which they may get online.
- 21.12 Councillor Pullen raised the matter of signposting to other, voluntary organisations and queried whether the Council envisaged changing resourcing arrangements with these organisations. Jon Topping advised that this would be looked at but that there were no such plans in place at the moment but that the Council would work alongside these organisations in helping to deliver advice.

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- 21.13 Councillor Hawthorne highlighted that the change to Universal Credit would affect housing benefit and, therefore, private landlords. He asked what advice was being provided to private landlords. Stacey Jellyman advised that there had been a change in policy and that the DWP could now offer direct payment to landlords. She further explained the 'eight week rule' still remained in place in any event– the rule whereby, where a tenant was in arrears of eight weeks, the landlord could apply to receive benefit directly. Stacey Jellyman further confirmed, in response to a question from the Chair, that the DWP shares all claims information with Civica.
- 21.14 The Chair thanked Councillor Norman, Jon Topping and Stacey Jellyman for their assistance.
- 21.15 The Chair welcomed Lisa Nicholls, Assistant Director of Housing at Gloucester City Homes (GCH) to the meeting. She outlined that a large number of tenants at GCH would be affected by the benefit changes. She advised that: 66% of housing benefit claimants would transfer to Universal Credit; 72 tenants were currently in receipt of Universal Credit; the average level of arrears was £431 while the total value of arrears for GCH was £23k. Lisa Nicholls continued that the issuing of food bank vouchers had increased and some tenants were vulnerable to high-cost borrowing.
- 21.16 Lisa Nicholls advised that Gloucester City Homes had increased their bad debt provision and that they could increase this to 7%. She outlined that the organisation had been working to counteract any adverse effect on tenants including investing £250k which included service agreements with the Citizen's Advice Bureau, the Law Centre and others. Lisa Nicholls further informed the Committee that an active project team was in place. Given there were a small number of tenants already claiming Universal Credit, the change could be monitored. She stated that GCH had identified the most vulnerable tenants and wanted to help avoid hardship. GCH had re-designed income collection and had provided additional resources for tenancy support. She further stated that GCH provided a digital service with telephone support and home visits. Additionally GCH had a focussed communication plan including greater use of social media.
- 21.17 In terms of how GCH could best work with the City Council, Lisa Nicholls advised that there had been a good level of communication between the two organisations as well as access to the landlord portal. She stated that this continued communication was helpful and that GCH felt as prepared as it could be.
- 21.18 In response to a query from the Chair regarding GCH's approach to digital inclusion, Lisa Nicholls stated that this had been identified early on and that whilst many used smart phones for the internet, GCH recognised that a number of tenants did not have internet access. GCH had funded ten laptops and had tablets for remote use.
- 21.19 Councillor Wilson highlighted a submission made to the Parliamentary Work and Pensions Committee by GCH in early 2017 stating that 85% of tenants

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were in arrears. He stated that, whilst rent will be received, under Universal Credit, tenants will always be in arrears. He queried whether GCH would treat such a circumstance as a special case. Lisa Nicholls stated that GCH was very sympathetic to such circumstances and had found that those in arrears had been in arrears before they had been in receipt of Universal Credit. She advised that the receipt of payments could be planned for and that there could be numerous issues which led to evictions – not only arrears.

- 21.20 Councillor Pullen stated that he appreciated that GCH was doing considerable work with external partners such as the Citizen's Advice Bureau but that such organisations struggles with the workload. He questioned what additional resources GCH was providing for independent advice. Lisa Nicholls responded that one of the advisors from the Gloucester Law Centre worked very closely with GCH and that this was very helpful. She further advised that GCH was assessing the prospect of employing a money advice worker. The Chair thanked the Assistant Director for Housing at GCH for her assistance.
- 21.21 The Chair welcomed Norman Gardner of the Citizen's Advice Bureau (CAB) who provided an overview of CAB's experience nationally. He stated that problems had arisen from the initial Universal Credit claim and financial difficulties that had followed. He shared his view that he did not believe that this would be different in Gloucester. Of 9,000 Gloucester residents a year that the CAB attended to, 2,600 of these sought debt advice and a number had mental health issues.
- 21.22 Norman Gardner continued by outlining the CAB's preparations for the roll out including extensive training across their 120 volunteers as well as training in other agencies such as GCH and Green Square. He stated that whilst there had been a reduction funding, the CAB did still manage to see 9k residents a year. He informed the Committee that the CAB planned to open a digital hub to assist with claims and that they had attended sessions organised by the DWP.
- 21.23 Norman Gardner stated that improved communication between agencies would be of benefit and that a financial inclusion model (such as in Tewkesbury) could be examined. He also stated that it would be advantageous to work with the City Council on the main points of contact for Universal Credit claims.
- 21.24 Councillor Pullen asked how the CAB would like the Council to communicate with it as well for some further detail on the digital hub and its resourcing. Norman Gardner responded that it could be an idea to revive the Gloucester Advice Partnership. With regard to the digital hub, he advised that 3 or 4 PCs with an advisor to assist with claims were proposed. The level of service would depend on the number of available volunteers. He further advised that the CAB had applied to external bodies for funding and appreciated the financial pressures the Council was under.

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- 21.25 In response to a query for Councillor Melvin in relation to the levels of illiteracy the CAB dealt with, Norman Gardner stated that it was no more than between one and two percent. Councillor Patel noted that many accessed the internet on their phones and asked Norman Gardner what level of enquirers to the CAB accessed the internet in this way. Norman Gardner responded that many did indeed use their phones for the internet but that only 20% of those who came to the CAB were under 24 years of ages – the client base most likely to use phones for the internet but also the client base most likely to struggle with maintaining high levels of internet data. The Chair thanked Norman Garner for his assistance.
- 21.26 The Chair welcomed Steve Olczak and Julie Friend from the DWP to the meeting. It was noted that a key job was to bring the many operational strands of Universal Credit together and work in partnership with the various organisations involved. Steve Olczak stated that communication between partners was crucial and, as Gloucester would be the last in the county to go live, a considerable amount had been learnt from other authorities. He advised that JobCentres had invested in new staff and free Wi-Fi as well as free-to-use computers were available. In addressing concerns over internet access, he informed the Committee that the Universal Credit application was based on a mobile phone system and that it was user friendly on mobile devices.
- 21.27 Steve Olczak stated that he had conducted numerous overview events with social landlords and stakeholders and that Gloucester City Council had been a very good partner to work with. He further stated that he had been feeding back learning points from other areas. By way of example, he advised that as Gloucestershire Partnership Manager for the DWP he had encouraged voluntary organisations to come into JobCentres and that he hoped GCH would have a dedicated desk in the JobCentre which had been the case in Cheltenham. With regard to the increase in claimants with health issues that would come into contact with the DWP, Steve Olczak shared his view that it was clear that there was a need to produce ‘easy-read’ material and perhaps videos to guide claimants through the process.
- 21.28 Julie Friend informed the Committee that the system was new and agile and that it would develop with the needs of claimants. She added that it was a ‘24/7’ system and claimants could leave messages to ask questions at any point. She further stated that the DWP was working with Gloucester City Council for networking and partnership working. In response to a query from the Chair, Julie Friend advised that, were there to be individuals without internet access who lived a significant distance from the JobCentre, individuals could get in touch via a free phone number.
- 21.29 The Chair asked whether any work had been done with private landlords. Steve Olczak stated that private landlords were more difficult to contact and that they were attempting to get information to these landlords. Julie Friend stated that a good deal of training on information gathering (such as living circumstances) had been conducted and that three initial evidence interviews took place with each claimant.

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- 21.30 Councillor Wilson noted the existence of a HMRC calculator app and asked if such an app would be available for Gloucestershire. Julie Friend stated that this had been raised previously. In response to an intervention from Dawn Melvin in relation to the possibility of extending JobCentre opening hours for the initial phase of the roll out, Steve Olczak stated that this would be considered as there were no plans for this. He advised that, as many claimants were in work, the average call time was 21.30.
- 21.31 Councillor Hilton stated that it may be an idea to review Universal Credit's implementation in 6-12 months' time. Steve Olczak agreed that this would be a good idea and that some good work had been done as the meeting had heard from other speakers. He continued by offering Members a visit to the JobCentre to see applications in progress.
- 21.32 Councillor Hampson enquired as to whether there had been attempts to contact private landlords and Stacey Jellyman advised that Civica would be circulating literature. Councillor Hawthorne suggested that this literature go to Members when finalised which was agreed.
- 21.33 The Chair noted the clear requirement for claimants to prove their identity and queried what options were available for those with no passport, driving licence, bills or bank statements. Julie Friend advised that providing a combination of secondary ID was an option and that, failing that, a biographical evidence check was available. This would require an interview to ascertain individual circumstances and details. She further advised that expired identification would be accepted which was not previously the case. The Chair thanked both Steve Olczak and Julie Friend for their assistance.
- 21.34 The Chair opened the floor for questions from guests and the public. Councillor Haigh noted that 86% of Universal Credit claimants were in arrears and that there was a 60% sanction rate with a history of under-use of DHPs and the Council Tax Support scheme. She asked whether the Council would signpost individuals to credit unions for cheaper borrowing. She further queried whether Council staff in receipt of Universal Credit would be afforded time off for Universal Credit related business.
- 21.35 Stacey Jellyman advised that information on credit union saving and borrowing was available on the Council's website and Jon Topping stated that he would confirm the position on Council staff in receipt of Universal Credit and associated time off.
- 21.36 The Chair welcomed Councillor Norman and Jon Topping to respond to any comments or queries from Members. Councillor Norman shared the view that it was positive to hold the scrutiny meeting. He stated that he was not naïve that there would be no issues but felt positive and assured with preparations undertaken by partners.
- 21.37 Councillor Norman further stated that he supported Councillor Hilton's suggestion of a review and that Members should feel comfortable with preparations for Universal Credit. He reiterated that Gloucester benefitted

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from being the last in the county to go live and that the City was best prepared.

21.38 The Chair noted that that the Cabinet had decided to not change the Council Tax support scheme and queried how this would interact with Universal Credit. In response, Stacey Jellyman advised that there would be no automatic reduction and that it was best practice to learn from the first year. She further confirmed that this would not be detrimental to claimants.

21.39 In response to the Chair questioning how personal budgeting support would be provided, Jon Topping stated that it would be City Council staff (from housing and customer services) that would provide advice and training was being provided. Councillor Hampson questioned whether extra resources would be put into housing given the likelihood of hardship. Jon Topping advised that work was underway on how the Council deals with homelessness support. Lisa Nicholls of GCH stated that GCH provided 50 places for the homeless and was working to provide temporary accommodation. The Chair thanked all organisations for their time and assistance to the Committee

21.40 **RESOLVED:** That the Overview and Scrutiny Committee (1) produce a report outlining recommendations to Cabinet and; (2) conduct a review in 12 months time.

**22. DATE OF NEXT MEETING**

**Time of commencement: 6.30 pm hours**

**Time of conclusion: 8.15 pm hours**

**Chair**