

To: Scrutiny Committee

Date: 2 March 2015

Report of: Head of Customer Services

Title of Report: A report on research into the impact of Welfare Reforms in Oxford

Summary and Recommendations

Purpose of report: To provide a summary of the findings of research into the impact of Welfare Reform in Oxford, and the Council's Strategy for mitigating this.

Report Approved by:

Finance:

Legal:

Policy Framework: Efficient, Effective Council

Recommendation(s): To note the agreed action plan

APPENDICES:

Appendix 1 – Welfare Reform Research Action Plan

INTRODUCTION

1. In 2014, Customer Services commissioned a report into the impact of welfare reform in Oxford. Since 2010, many changes have been made to the benefits system, and the cumulative impact was not understood. The research was undertaken in order to inform our policy response, and to help us understand the likely demand for support from the Council in the future. The work was tendered and the contract subsequently awarded to the Centre for Economic and Social Inclusion (CESI).
2. CESI have estimated that households claiming benefit in Oxford will be £1,594 worse off this year, than prior to the benefit reforms. The majority of this impact (nearly 75%) is as a result of changes to Tax Credits, restricting increases in benefits to 1%, and the changes to Local Housing Allowance (which is the Housing support paid to private sector tenants). The research identified two key groups of people adversely impacted by reforms: lone parents and disabled people.

3. A qualitative approach was taken to the research, which included forty representative, in-depth face-to-face interviews and three focus groups with Oxford residents. These were supported by interviews with support organisations in the City. This approach has provided more depth and detail than pure quantitative analysis, as it records attitudes, feelings and behaviours, not just numbers.
4. A workshop was used to consider the initial findings and the Council's response. The workshop was attended by a wide range of Council staff as well as partner organisations and used to inform the recommendations in the final report. These recommendations have been incorporated into the Financial Inclusion Strategy action plan.
5. A common response from people interviewed was to say they were skipping meals and not heating the house to reduce their outgoings. Many of those who had children reported that they were eating less in order to ensure that their children were able to eat regularly.
6. Overall, the welfare reforms have led to a reduction in the quality of life of residents interviewed. The changes have increased stress and anxiety levels and for many, this has had a knock-on effect on their health – particularly for those who had pre-existing conditions.
7. Interviews with support agencies identified an increase in disabled people and those with health conditions seeking support – particularly in relation to applications for Employment & Support Allowance (ESA) – and support for social housing. The agencies also reported that more people seeking support had anxiety, depression and other common mental health problems.
8. A number of factors were identified which affected people's abilities to cope with the reforms. The rising costs of living, the availability of social networks, language barriers, and dependencies on alcohol or drugs were all cited as having a bearing on people's ability to cope. The main way respondents were coping with reforms was by economising, borrowing money from family and friends, and by claiming Discretionary Housing Payments.
9. The research suggested people affected by the welfare reforms had three main support needs: financial support, housing support and employment support. They also required help in navigating the system. These findings have informed the Council's Financial Inclusion Strategy and Action Plan.

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Background papers:

The impacts of Welfare Reform in Oxford – CESI
Financial Inclusion Strategy
Version number: 0.1

Appendix One

Welfare Reform Research Action Plan

| THEME | TASK | TIMESCALE | TARGET/OUTCOME | RESP. | DELIVERY PARTNERS |
|---------------------|--|--------------------|---|-------------------------------|--|
| DATA | Develop a Dashboard to help monitor the impact of Welfare Reform | Jun 15 | By monitoring different sets of data, we can prioritise resources and target interventions | Revs & Bens Programme Manager | JCP, Housing, Advice Sector |
| | Building on the triage tool used by the Welfare Reform Team | Ongoing | Continual improvement of the triage process to ensure we can deliver the most effective support to people affected by welfare reforms | Welfare Reform Manager | Internal |
| DEBT – Long Term | Explore the scope for integrated casework for debt and arrears | Dec 15 | A co-ordinated approach to collecting multiple Council debts | Revs & Bens Service Manager | Internal action |
| HOUSING – Long Term | Explore a common approach across agencies to identify priority groups, underpinned by data sharing & Develop the “Oxford offer” | Feb 15 to Mar 16 | Ensure a more consistent approach is taken in dealing with people affected by welfare reform across different organisations. | Welfare Reform Manager | Various |
| SKILLS – Short Term | Explore the scope to work with adult education providers City College to provide short, focused training as part of the offer to residents | June 14 to June 15 | Ensure people affected by welfare reforms have the necessary skills to allow them to find work locally | Welfare Reform manager | City of Oxford College, EMBS, WEA |
| SKILLS – Long Term | Work through communities and local services to engage those further from support | Ongoing | Explore whether community champions and peer support can be used effectively to support people affected by Welfare Reforms | Welfare Reform manager | CAN Team Support services in regen areas |
| | Take the opportunity of the Local Support Services Framework | Jan 15 to Mar 16 | Use the Delivery Partnership Arrangement to test how different support needs can be delivered by working together with local | Revs & Bens Programme Manager | Various |

| | | | | | |
|--|---|------------------|---|------------------------|--------------------------|
| | | | providers | | |
| | Build on 'Benefits in Practice' to reach those with health conditions and disabled people | Jan 15 to Jun 15 | Improve access to the Welfare Reform team for harder to reach customers | Welfare Reform Manager | Health Improvement Board |

Recommendations which are already being delivered

A number of recommendations that CESI made are already being delivered as part of our Business as Usual processes or are already actions within the Financial Inclusion Strategy. These are as follows:

Try to build in follow-up activity as well as signposting and referral – Anyone affected by a welfare reform who is being supported by the Welfare Reform team with a DHP will have any referrals for support followed up

Build on existing employment and support and focus this on residents impacted by welfare reforms – This is already being undertaken by the Welfare Reform Team

Ensure that links are made with wider strategy and policy work within the Council – This is happening through co-ordination with Corporate Policy which has resulted in papers going to the Health Improvement Board and Oxford Strategic Partnership. Work has also been undertaken with the LEP to inform its Strategy and to develop the Commissioning work.

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Recommendations which won't be taken forward

Information sheet with key contacts for support services – To be useful, this sheet would need to be a booklet to contain all the useful contacts that support services would require, and it would constantly need to be updated. The OOAST Partnership that was formed last year has developed a website aimed to support signposting to support services, and this is a more useful tool than an information sheet

For priority groups, explore the scope for integrated case management through a 'key worker' model – The recommendation proposes using the caseworker model to co-ordinate delivery of housing, health, employment and advice services. Whilst desirable this is not something which can be lead by the Council's FIS

Jobcentre Plus should look to provide case-managed adviser support to residents who claim JSA and have significant welfare reform impacts – The best way for this to be taken forward is for the City Council to work in partnership with JCP to support and case manage customers utilising each organisation's respective strengths

Develop the cost-benefit case for additional investment in managing reforms – This proposal suggests lobbying central government for greater local control of funding to for case managed support of residents. This is not the function of the FIS

In the longer term, ensure that the need for affordable housing for low-income workers is a clear part of the planning cycle – This is not something the FIS can take forward, but the recommendation is a priority for the Council