NORWICH
City Council

Scrutiny committee

Date: Thursday, 19 July 2018
Time: 16:30
Venue: Mancroft room, City Hall, St Peters Street, Norwich, NR2 1NH

All group pre-meeting briefing – 16:00 Mancroft Room
This is for members only and is not part of the formal scrutiny committee meeting which will follow at 16:30. The pre-meeting is an opportunity for the committee to make final preparations before the start of the formal meeting. The public will not be given access to the Mancroft room before 16:30.

Committee members:

Councillors:
Wright (Chair)
Fullman (Vice-chair)
Carlo
Coleshill
Fulton-McAlister (M)
Hampton
Manning
Raby
Sands (S)
Smith
Stewart
Thomas (Va)
Thomas (Vi)

For further information please contact:

Committee officer: Lucy Palmer
t: (01603) 212416
e: lucypalmer@norwich.gov.uk

Democratic services
City Hall
Norwich
NR2 1NH

www.norwich.gov.uk

Information for members of the public
Members of the public and the media have the right to attend meetings of full council, the cabinet and committees except where confidential information or exempt information is likely to be disclosed, and the meeting is therefore held in private.

For information about attending or speaking at meetings, please contact the committee officer above or refer to the council's website

IN TRAN
communication for all

If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.

Agenda

Page nos

1 Apologies

To receive apologies for absence

2 Declarations of interest

(Please note that it is the responsibility of individual members to declare an interest prior to the item if they arrive late for the meeting)

3 Public questions/petitions

To receive questions / petitions from the public

Please note that all questions must be received by the committee officer detailed on the front of the agenda by **10am on Monday 16 July 2018**

Petitions must be received must be received by the committee officer detailed on the front of the agenda by **10am on Wednesday 18 July 2018**

For guidance on submitting public questions or petitions please see appendix 1 of the council's constutition.

4 Minutes **7 - 10**

To approve the accuracy of the minutes of the meeting held on 28 June 2018

5 Work programme 2018-19 **11 - 24**

Purpose - To consider the scrutiny committee work programme 2018-19

6 Update of the Norfolk Health Overview and Scrutiny Committee representative (verbal update)

Purpose - To receive the update of the NHSOC representative

7 The impact of universal credit on vulnerable groups of people **25 - 32**

Purpose - To scrutinise the plans for the Universal Credit full service implementation in Norwich.

Date of publication**: Wednesday, 11 July 2018**

T is this, the right **TIME** to review the issue and is there sufficient officer time and resource available?

O what would be the **OBJECTIVE** of the scrutiny?

P can **PERFORMANCE** in this area be improved by scrutiny input?

I what would be the public **INTEREST** in placing this topic onto the work programme?

C will any scrutiny activity on this matter contribute to the council's activities as agreed to in the **CORPORATE PLAN**?

Once the TOPIC analysis has been undertaken, a joint decision should then be reached as to whether a report to the scrutiny committee is required. If it is decided that a report is not required, the issue will not be pursued any further. However, if there are outstanding issues, these could be picked up by agreeing that a briefing email to members be sent, or other appropriate action by the relevant officer.

If it is agreed that the scrutiny request topic should be explored further by the scrutiny committee a short report should be written for a future meeting of the scrutiny committee, to be taken under the standing work programme item, so that members are able to consider if they should place the item on to the work programme. This report should outline a suggested approach if the committee was minded to take on the topic and outline the purpose using the outcome of the consideration of the topic via the TOPIC analysis. Also the report should provide an overview of the current position with regard to the topic under consideration.

By using the flowchart, it is hoped that members and officers will be aided when giving consideration to whether or not the item should be added to the scrutiny committee work programme. This should help to ensure that the scope and purpose will be covered by any future report. The outcome of this should further assist the committee and the officers working with the committee to be able to produce informed outcomes that are credible, influential with SMART recommendations.

Specific, **M**easurable, **A**ttainable, **R**elevant and **T**ime-bound

Scrutiny committee and a protocol for those attending meetings of the scrutiny committee

- All scrutiny committee meetings will be carried out in a spirit of mutual trust and respect

- Members of the scrutiny committee will not be subject to whipping arrangements by party groups

- Scrutiny committee members will work together and will attempt to achieve evidence based consensus and recommendations

- Members of the committee will take the lead in the selection of topics for scrutiny

- The scrutiny committee operates as a critical friend and offers constructive challenge to decision makers to support improved outcomes

- Invited attendees will be advised of the time, date and location of the meeting to which they are invited to give evidence

- The invited attendee will be made aware of the reasons for the invitation and of any documents and information that the committee wish them to provide

- Reasonable notice will be given to the invited attendee of ***all*** of the committees requirements so that these can be provided for in full at the earliest opportunity (there should be no nasty surprises at committee)

- Whenever possible it is expected that members of the scrutiny committee will share and plan questioning with the rest of the committee in advance of the meeting

- The invited attendee will be provided with copies of ***all relevant*** reports, papers and background information

- Practical arrangements, such as facilities for presentations will be in place. The layout of the meeting room will be appropriate

- The chair of the committee will introduce themselves to the invited attendee before evidence is given and; all those attending will be treated with courtesy and respect. The chair of the committee will make sure that all questions put to the witness are made in a clear and orderly manner

NORWICH City Council

MINUTES

SCRUTINY COMMITTEE

16:30 to 17:10 **28 June 2018**

Present: Councillors Wright (chair), Fullman (vice chair) Carlo, Coleshill, Fulton-McAlister (M), Hampton, Manning, Raby, Sands (M) (substitute for Sands (S)) Smith, Stewart, Thomas (Va) and Thomas (Vi)

Apologies: Councillor Sands (S)

1. Public questions/petitions

There were no public questions or petitions

2. Declarations of interest

There were no declarations of interest.

3. Minutes

RESOLVED to approve the accuracy of the minutes of the meeting held on 24 May 2018

4. Scrutiny committee work programme 2018-19

The chair informed the committee that the report on good quality jobs-digital and emerging economies would not be ready to be considered at the October meeting of the scrutiny committee and would instead be moved to the March 2019 meeting.

The October meeting would be used as a second meeting to consider the impact of Operation Gravity.

RESOLVED to;

(1) Move consideration of the good quality jobs- the digital and emerging economy report to 21 March 2019 meeting; and

(2) Consider the impact of Operation gravity report at both the September and October meeting.

5. The growth of short term letting of homes in Norwich

(The chair agreed to take this item first)

The chair welcomed Andrew Shorthose (operations manager at the Maids Head Hotel) David Parkin (area development manager, Norwich City Council) and Michelle Hurren (Tourism development manager, Norwich City Council) to the meeting.

The director of business services presented the report. He highlighted that a number of cities and local authorities had looked at ways to regulate short terms lets.

In response to a question, the area development manager said that if a property designated for residential use seemed to be let out to unrelated individuals (for example, different people arriving at weekends and cleaners being used) then there may be a need to look at a change of use as this would fall outside of usual planning usage.

Andrew Shorthose said that in general, more rooms coming into the market would reduce occupancy across hotels. Larger hotel chains would not be excessively concerned by this.
Independent hoteliers were being put in a more threatening position. A lot of work was put into quality, and insurance and employment standards which was a cost that Airbnb properties did not have. He said that the hotel did not receive the full cost that the customer paid for the night. Other overheads such as tax, insurance and empty rooms could reduce the revenue per night by over fifty percent. Chain hotels had a greater economy of scale with these costs compared to independent hotels.

In response to a question, Andrew Shorthose said that regulations for short term lets regarding health and safety and fire regulations would be welcome; however, he did not think that anything 'Norwich specific' could be enforceable. Financial penalties may be difficult to enforce as owners of short term lets were not easy to trace.

The tourism manager said that tourism in Norwich was mostly dependant on domestic travel. International marketing campaigns were expensive. However, a passenger survey of international visitors to England (VisitBritain International Passenger Survey 2016) revealed that the number of overseas trips to Norwich was up by 3 percent.

Members discussed the regulatory aspect of short term lets and the lack of regulations regarding fire safety and general health and safety. The chair made the committee aware of the Short and Holiday-Let Accommodation (Notification of Local Authorities) Bill 2017-19 which was awaiting a second reading in the House of Commons.

In response to a member's question, the director of business services said that he was unsure whether Airbnb owners would be covered by the same legislation as private landlords but would circulate information on this to the committee.

Discussion ensued around the idea of a small 'tourist tax' being implemented in Norwich to easily enable short term let properties to be identified. Andy Shorthose

commented that the cost of collecting a small tax could be off putting to hoteliers looking to invest in Norwich hotels.
In response to a member's question, the director of communications and culture said that periodically, campaigns were run to bring overseas tourists to Norwich, but the cost of these was high for the return. The council worked regionally with other local authorities and tourism bodies such as Visit East Anglia, NALEP and Visit Norfolk, to collaborate on marketing campaigns; for example, visitors to Cambridge were encouraged to visit Norwich.

Members discussed forming a select committee to continue research into the impact of short term lets and proposed that the remit of the committee would be research based, liaising with Trading Standards and looking at other UK cities response to this issue to formulate some further recommendations. Local hotel groups could also feed into the work.

RESOLVED to;

(1) Ask cabinet to promote a way for people to report sub-standard short term let properties to the Council

(2) Endorse the Short and Holiday-Let Accommodation (Notification of Local Authorities) Bill 2017-19 by asking the chair of scrutiny to write to the appropriate Minister

(3) Ask the chair of scrutiny to write to the head of the Health and Safety Executive to ask what actions are being taken around short term lets

(4) Set up a select committee to look at the growth of short term letting of homes in Norwich; and

(5) Ask the Independent Hoteliers Group to feed into this select committee investigation

The chair thanked Andy Shorthose, Michelle Hurren and David Parkin for attending the meeting.

6. Response to the Communities and Local Government report on effectiveness of local authority overview and scrutiny committees

The director of business services presented the report.

In response to a member's question, the chair suggested that the member meet with the scrutiny liaison officer to suggest an item for the work programme on the role of the New Anglia LEP.

RESOLVED to:-

(1) note the report; and

(2) recognise that there is no further action to be taken as a result of the report.

CHAIR

Norwich City Council

SCRUTINY COMMITTEE

Item No 5

REPORT for meeting to be held on Thursday 19 July 2018

Setting of the scrutiny committee work programme for 2018/19

Summary: The purpose of the report is to assist committee members in setting the work programme for 2018/19. A series of potential items have been listed in this report, which have been raised by the committee throughout the last civic year.

Conclusions: It is proposed that any discussion is as a whole committee using the TOPIC criteria. This will assist members in achieving the goal of an agreed work programme that is met by consensus.

Recommendation: To consider the options and agree a realistic and deliverable scrutiny committee work programme for 2018/19. The programme is a standing item at each committee meeting and can be adjusted as necessary

Contact Officers: Jo Rowan Scrutiny liaison officer
Telephone (01603) 212153
Email jorowan@norwich.gov.uk

1. Developing a work programme for the scrutiny committee

1.1 When the scrutiny committee considers which items to include on its work programme, it is useful to do so in the context of what the focus is for the council over the coming year and to look at how activity aligns to the council's corporate plan.

1.2 This is so that the scrutiny committee will be able to consider where and how it can add value to the work being carried out towards achievement of the council's priorities and ensure that resources are being focussed effectively.

1.3 The scrutiny committee has previously adopted the TOPIC flow chart as an aid to selection of scrutiny topics for its work programme. This is attached to the agenda for reference and members are encouraged to pay regard to this in ensuring that any topic that makes it onto the work programme has an agreed scope and may benefit from the scrutiny process.

2. Recurring items

2.1 There are certain areas of work identified for the scrutiny committee that are of a recurring nature. Presently, these are pre-scrutiny of the council's draft policy framework (corporate plan) and budget and the performance monitoring reports, as well as a yearly update on the environmental strategy. The scrutiny committee has also requested that it receives the draft equality information report on an annual basis. This latter item is usually in draft for the December meeting.

2.2 Update from the representative sitting on the Norfolk County Health and Overview Committee. The proposed dates after this meeting for NHOSC along with suggested scrutiny report dates are:

- 24 May 2018 (28 June2018)
- 12 July 2018 (19 July 2018)
- 6 September 2018 (20 September 2018)
- 18 October 2018 (22 November 2018)
- 6 December 2018 (13 December 2018)
- 17 January 2019 (31 January 2019)
- 28 February (21 March 2019)
- 11 April 2019 (TBC)

2.3 Scrutiny committee may wish to keep some space free to be able to move items on and off the work programme as required.

3. Scope for scheduling items to the work programme

3.1 Although sometimes not possible to achieve, it was previously agreed that the committee should agree as few as possible substantive topics per meeting. The main reason for this is to ensure that there is enough time for the committee to effectively consider the issues and has a fair chance of reaching sound, evidence based outcomes. Ideally, one main item per meeting would be the aim.

3.2 Although the future work of the committee has been set up to March 2019, members will have the opportunity on a monthly basis to revise the programme if and when required or due to changing events. This is done via the work programme standing item on the scrutiny committee agendas.

3.3 Along with this report, members have a copy of the cabinet forward agenda for consideration.

3.5 It is proposed that any discussion is as a whole committee using the TOPIC criteria. This will assist members in achieving the goal of an agreed work programme that is met by consensus.

DATE OF MEETING	TOPIC FOR SCRUTINY	RESPONSIBLE OFFICER, CABINET, PORTFOLIO HOLDER, COUNCILLOR,	SCOPE – REASON FOR TOPIC REQUEST and OUTCOME SOUGHT
24 May	**Setting of the work programme**	Joanna Rowan (Scrutiny liaison officer), Cllr Wright	To assist committee members in setting the work programme for 2018/19
28 June	**The impact of Airbnb type properties**	Anton Bull, Director of business services Cllr Wright	To consider the growth of short term letting of homes, and the impact of these on both income for the council and the wellbeing of local residents.
28 June	**Report of CLF inquiry for consideration**	Anton Bull, Director of business services; Jo Rowan, Scrutiny liaison officer	To provide an update to members the current position of Norwich city council in relation to the recommendations made by the communities and local government committee report 'Effectiveness of local authority overview and scrutiny committees'.
19 July	**The impact of universal credit on vulnerable groups of people, the impact of existing universal credit roll-out, preparation for full service of universal credit**	Anton Bull, Director of Business Services; Adam Clark, Strategy Manager; Nicki Bristow, Universal Credit Team Leader	The objective of this scrutiny would be to scrutinise the plans for UC full service implementation in Norwich based on the data and learning from the live service, and experience of other areas that have already implemented UC full service. This would form the basis of recommendations relating to the council's own preparation (as outlined below), as well as how the DWP nationally and locally are implementing full UC.
20 September	**The impact of operation gravity/organised crime**	Bob Cronk, Director of neighbourhoods;	

DATE OF MEETING	TOPIC FOR SCRUTINY	RESPONSIBLE OFFICER, CABINET, PORTFOLIO HOLDER, COUNCILLOR,	SCOPE – REASON FOR TOPIC REQUEST and OUTCOME SOUGHT
	in Norwich since 2016, the role of the council and police when dealing with communities blighted by anti-social behaviour	Jo Sapsford, Early help and community safety manager	
11 October	**The impact of operation gravity/organised crime in Norwich since 2016, the role of the council and police when dealing with communities blighted by anti-social behaviour**	Bob Cronk, Director of neighbourhoods; Jo Sapsford, Early Help and community safety manager	
22 November	**Responses to domestic violence in Norwich**	Jo Sapsford, Early help and community safety manager	
13 December	**Corporate plan and performance framework, equality information report**	Adam Clark, Strategy Manager	
10 January	**Pre scrutiny of the proposed budget, MTFA and transformation programme (before**	Karen Watling, Chief finance officer; Helen Chamberlin, Head of strategy and transformation	

DATE OF MEETING	TOPIC FOR SCRUTINY	RESPONSIBLE OFFICER, CABINET, PORTFOLIO HOLDER, COUNCILLOR,	SCOPE – REASON FOR TOPIC REQUEST and OUTCOME SOUGHT
	February cabinet)		
10 January	**Budgets, Medium Term Financial Strategy and HRA Business Plan 2019-20**	Cllr Kendrick, Karen Watling, Chief finance officer	To propose for approval the 2019-20 budgets, medium term financial strategy and capital programme.
10 January	**Capital Strategy 2019-20**	Cllr Kendrick, Karen Watling, Chief finance officer	To propose for approval the 2019-20 capital strategy.
14 February	**Scrutinise and feed into the parks and playgrounds review, its scope and approach**	Adrian Akester, Head of citywide services	
21 March	**Viability assessments and impact on delivery of affordable housing** **Good quality jobs in Norwich – the digital and emerging economy**	Graham Nelson, Head of planning services	

FORWARD AGENDA: CABINET and COUNCIL MEETINGS 2018 - 2019

NORWICH City Council

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
CABINET 11 JULY 2018	Capital Budget Carry-Forwards	To seek approval to delegate to officers the approval of carry-forward unspent capital budgets into the 2018-19 capital programme.	Councillor Kendrick Karen Watling Shaun Flaxman		Karen Watling	NO
CABINET 11 JULY 2018	Norwich, a sharing city	To ask approval from cabinet for Norwich to become a formally recognised member of the *shareN,* the alliance of Sharing Cities.	Cllr Waters Nikki Rostos		Nikki Rostos	NO
CABINET 11 JULY 2018	Scrutiny committee recommendations	To consider the recommendations from the scrutiny committee held on 28 June 2018.	Cllr Kendrick Adam Clark		Adam Clark	NO
CABINET 11 JULY 2018	Broadland Northway to A47 Western Link	To respond to the County Council consultation on the options for the western link road	Cllr Stonard Andy Watts Bruce Bentley		Dave Moorcroft	NO
CABINET 11 JULY 2018	Procurement of photovoltaic panels for free on housing properties	To consider the procurement process for installing photovoltaic panels on housing properties, and to seek approval to award the contract.	Cllr Harris Bob Cronk Carol Marney	Yes	Bob Cronk	NO

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
CABINET 11 JULY 2018	Procurement for the supply, installation and commissioning of a temporary boiler plant room and equipment at Barnard's Yard.	To consider the procurement process for installing a temporary boiler room for the district heating at Barnard Yard.	Cllr. Harris Bob Cronk Carol Marney		Bob Cronk	NO
CABINET 11 JULY 2018	Managing Assets (Housing) – **KEY DECISION**	To outline the options available for the assets future within the housing stock.	Cllr Harris Lee Robson		Bob Cronk	Yes (Para 3)
CABINET 11 JULY 2018	Norwich Airport – expiry of the Public Private Partnership, Agreement- **KEY DECISION**	To consider the implications arising from the expiry of the PPP agreement on March 1 2019	Cllr Waters Karen Watling		Karen Watling	Yes (Paras 3 and 4)
COUNCIL 24 JULY 2018	Local Government Boundary review	To consider draft recommendations on the new electoral arrangements for Norwich City Council from the Local Government Boundary Commission for England	Cllr Kendrick Stuart Guthrie		Anton Bull	NO
COUNCIL 24 JULY 2018	Members allowances and expenses	To consider calling the members' expenses panel together to consider the expenses element of councillors allowances	Cllr Kendrick Cllr Davis Stuart Guthrie		Anton Bull	No
COUNCIL 24 JULY 2018	Amendment to the minimum revenue provision policy statement	To approve an amendment to the existing MRP policy	Cllr Kendrick Karen Watling		Karen Watling	No

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
CABINET 12 SEPT 2018	Quarter 1 2018/19 quarterly performance report	To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 1 of 2018/19	Cllr Waters Adam Clark		Adam Clark	NO
CABINET 12 SEPT 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
CABINET 12 SEPT	Bethel Hospital Repairs Notice	To consider the possible service of a Repairs Notice or Notices under Section 48 of the Listed Buildings Act 1990 specifying those works considered reasonably necessary for the proper preservation of the Bethel Hospital complex of buildings	Cllr Stonard Graham Nelson		Dave Moorcroft	NO
CABINET 12 SEPT 2018	To write off non recoverable national non domestic rate relief	To provide an update on the position as at 18/07/2018 with regard to the write off of non- recoverable national non domestic rate (NNDR) debt and request approval for the write-off of debts totalling £169,939.27 which are deemed irrecoverable.	Cllr Kendrick Anton Bull Carole Jowett & Michelle Newell		Anton Bull	NO
CABINET 12 SEPT 2018	Norwich Airport Industrial estate - procurement of a developer partner	To approve the brief for procurement of a developer partner	Cllr Stonard Andy Watt Gwyn Jones		Andy Watt	NO
CABINET 12 SEPT 2018	Procurement of debt collection services including enforcement agents - **KEY**	To consider the future provision of debt collection services including enforcement agents	Cllr Kendrick Anton Bull		Anton Bull	NO

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
	DECISION					
CABINET 12 SEPT 2018	Procurement of Water supplies and additional services for Council sites – **KEY DECISION**	To inform Cabinet of the procurement process and seek approval to award the contract.	Cllr Kendrick Anton Bull Richard Buckenham		Anton Bull	NO
CABINET 12 SEPT 2018	Norwich Airport Masterplan – **KEY DECISION**	To report back on revisions to the draft masterplan and to seek approval of the final masterplan document.	Cllr Stonard Graham Nelson Judith Davison		Dave Moorcroft	NO
CABINET 12 SEPT 2018	Norwich Regeneration Ltd business plan – **KEY DECISION**	To approve the revised NRL business plan	Cllr Harris Gwyn Jones		Dave Moorcroft	NO
CABINET 12 SEPT 2018	Norwich Regeneration Ltd business plan – **KEY DECISION**	To consider the exempt appendix to the revised NRL business plan	Cllr Harris Gwyn Jones		Dave Moorcroft	Yes (Para 3)
CABINET 12 SEPT 2018	Proposed ban of sky lantern and mass balloon releases from council owned land	To consider a ban of sky lantern and mass balloon releases from council owned land	Cllr Maguire Adrian Akester		Dave Moorcroft	No
COUNCIL 25 SEPT 2018						
CABINET 10 OCT 2018						

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
CABINET 10 OCT 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
CABINET 10 OCT 2018	Greater Norwich Local Plan Consultation draft on New, Small and Revised sites	To consider whether to approve an additional stage of consultation on the emerging Greater Norwich Local Plan focussed on new, small and revised suggested site allocations.	Cllr Stonard Graham Nelson		Dave Moorcroft	NO
CABINET 14 NOV 2018						
COUNCIL 27 NOV 2018						
CABINET 27 NOV 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
CABINET 12 DEC 2018	Quarter 2 2018/19 quarterly performance report	To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 2 of 2018/19	Cllr Waters Adam Clark		Adam Clark	NO
CABINET 12 DEC 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
CABINET 16 JAN 2019	Quarter 2 2018/19 quarterly performance report	To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 2 of 2018/19	Cllr Waters Adam Clark		Adam Clark	NO
CABINET 16 JAN 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
COUNCIL 29 JAN 2019						
CABINET 06/13 FEB 2019	Corporate plan 2019-2022	To consider the corporate plan and performance framework 2019-22	Cllr Waters Adam Clark		Adam Clark	NO
CABINET 06/13 FEB 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
COUNCIL 19/26 FEB JAN 2019						
CABINET 13 MARCH 2019	Quarter 3 2018/19 quarterly performance report	To report progress against the delivery of the corporate plan priorities and key performance measures for quarter 3 of	Cllr Waters Adam Clark		Adam Clark	NO

ALLOCATED ITEMS						
Meeting	**Report**	**Purpose**	**Portfolio holder + Senior Officer + Report author**	**Date report signed off by**	**Management clearance**	**Exempt?**
		2018/19				
CABINET 13 MARCH 2018	Scrutiny committee recommendations	To consider the recommendations from scrutiny committee.	Cllr Kendrick Adam Clark		Adam Clark	NO
CABINET 13 MARCH 2019	An overview of external relationships, contracts and grants 2019-20 – **KEY DECISION**	To consider commissioned services for the period 2019-20. These are both planned and current relationships with external organisations including partnerships, grants, contracts and shared services.	Cllr Waters Adam Clark Tracy Woods		Adam Clark	NO
COUNCIL 19 MARCH 2019						

Norwich City Council

SCRUTINY COMMITTEE

Item No 7

REPORT for meeting to be held on Thursday 19 July 2018

The impact of universal credit on vulnerable groups of people

Summary: The purpose of this report is to scrutinise the plans for the Universal Credit (UC) full service implementation in Norwich based on the data and learning from the live service, and experience of other areas that have already implemented UC full service. This will form the basis of recommendations relating to the council's own preparation, as well as how the DWP nationally and locally are implementing full UC.

Recommendation: To review the report and consider any recommendations the committee wishes to make

Contact Officers: Nicola Bristow, Universal credit team leader
Tel: 01603 213756
NicolaBristow@norwich.gov.uk

Boyd Taylor, Financial inclusion manager
Tel: 01603 212458
BoydTaylor@norwich.gov.uk

Background

1. The stated policy aim of Universal Credit (UC) was 'to tackle the problems of poor work incentives and complexity within the current system of benefits and tax credits. The overarching aims are to:
    a) Encourage more people into work and to make even small amounts of work pay and be seen to pay;
    b) Smooth the transition into work by offering a single benefit that removes the distinction between being in and out of work;
    c) Offer a simpler support, with one system replacing multiple systems, therefore reducing administration costs and the propensity for fraud and error, and
    d) Tackle poverty both through increased take-up since the system will be simpler and from increased reward from employment for the customer'

2. Universal Credit is a payment to 'help with your living costs'. It replaces 6 existing benefits for most working age claimants (income related Jobseekers Allowance (JSA), income related Employment and Support Allowance (ESA), Income Support, Housing Benefit (HB), Child Tax Credit, and Working Tax Credit)

3. It is made up of a standard personal allowance, and additional elements in regards of:
    - Housing costs
    - Children
    - Disability or a long-term condition that results in an inability to work

4. It is paid monthly in arrears direct to the claimant's bank, building society or credit union account. Alternative payment arrangements (APAs) such as managed payments to landlord, split payments, and more frequent payments can be applied for. Couples receive a single payment for the household that takes into account both claimants' circumstances.

5. Implementation in most of the country (other than in certain pathfinder areas) is phased. The first phase was a 'live service', which was limited to new claims by certain claimants who would previously have claimed JSA, and was only partially digitised. This then would be replaced by new claims for the 'full service', which included a wider range of claimants, including those who would previously have claimed tax credits and income related ESA. The full service is fully digitised in terms of making and managing your claim online.

6. The original timetable was for implementation between October 2013 and 2017. As implementation has evolved this has been extended, and various changes have been introduced. The most recent set of changes announced at the autumn 2017 budget were as follows:

    a) Slower rollout to full service. Revised schedule 10 Jobcentre Plus (JC+) per month February, March and April, 41 in May and 60 per

month thereafter. Completion by December 2018. Norwich JC+ is scheduled for October 2018.

b) New claims to UC live service. No new claims to UC live service from the end of December 2017. Customers will claim legacy benefits instead.
c) To address the financial concerns raised by local authorities due to the short stay nature of temporary accommodation and the incompatibility of UC monthly assessments, housing costs for those in temporary accommodation will be met through Housing Benefit and not UC.
d) Removal of 7 waiting Days at the beginning of the claim.
e) Customers moving from HB to UC will receive an overlap (HB run on) of two weeks. This is to help avoid rent arrears.
f) Private rental sector customers who have their HB paid direct to landlord will be offered this when they claim UC
g) Repayment for new advance payments can be repaid over 12 months and customers can request up to 100% of their notional entitlement

7. As of June 2018, the following amendments were also announced:
    a) Claimants in receipt of severe disability premium will remain on legacy benefits even if they have a change of circumstances. This will be the case until they are moved as part of managed migration where they will then qualify for transitional protection.
    b) Capital of £16,000 and over will be disregarded for 12 months for claimants who are moved from tax credits to UC

Risks

8. The fundamental change to working-age benefits that UC represents means that there are significant risks to claimants. These can be summarised as follows:
    a) The payment system (calendar monthly in arrears) has been created to mirror the world of work, but this can pose a challenge for people on low income with no experience of salaried work. Without adequate preparation, arrears can build up quickly and over a relatively short space of time can become unmanageable. Help and support is offered to all UC recipients but take-up is down to the individual.
    b) The Welfare Reform Act 2012 introduced a new conditionality regime for working-age benefits, which has resulted in a higher level of sanctions nationally and locally. Data suggest that these have disproportionately affected younger claimants and that they are diminishing over time. Where high-level sanctions are applied, these can last up to 3 years, although emergency payments can be claimed.
    c) Claimants who are in work can be required to increase hours worked or pay received in order to reduce entitlement to benefit. This is called in-work conditionality. Ultimately sanctions can be enforced for failing to take opportunities to increase income although how this will work is still unclear. Whilst this has not been implemented yet, all relevant legislation is in place.

d) Self-employed claimants are assumed to be earning at least the equivalent of 35 hours per week on the National Minimum Wage (this is knowns as the minimum income floor). This means that those with fluctuating incomes may find that their UC payments are not reflective of their real circumstances.
e) Not all the benefit changes being felt by individuals are the result of UC. However, UC coming on top of cuts to tax credits, Housing Benefit, Child Benefit and the two-child limit will make managing a diminishing pot of money even more challenging. Research by Sheffield Hallam University in 2016 indicates that the financial loss per working age adult in Norwich due to welfare reform by 2021 is £730, making a total loss in Norwich of £68m
f) The DWP's equality impact assessment acknowledged that in moving to managing claims online 'there is a risk that not everyone has access to the internet or can use particular sites, which may include some of the protected groups under equality legislation.' This means that some of the most vulnerable groups who particularly require the financial support of UC may find it hardest to access it.
g) With the insistence that all claims are paid into fully transactional bank accounts, some people still struggle to access bank accounts. ID issues for young people and homeless are ongoing issues as is the need to manage accounts effectively once accessed without incurring overdraft fees.

9. The risks to individuals explored above add up to a potential for increased poverty in the city with the attendant impact on wellbeing. This may result in increased demand for council and other public services, for example due to increased homelessness and mental health issues. It is difficult to model future demand directly attributable to UC.

10. As a landlord, the council also faces a risk of increased rent arrears. This is partly due to the fact that, as UC is paid monthly in arrears, the claimant will wait at least 5 weeks for their first payment. For local authority tenants rent debits are applied to a tenants account on a weekly basis. This disparity in payment cycles will create 'technical arrears'. A recent study found that 73% of tenants on UC are in debt, compared with less than a third (29%) of all other tenants.

Lessons learnt

11. The key lessons learnt from areas that have already seen the advent of the full UC service (including Great Yarmouth) is that local authorities need to be prepared well ahead of roll-out. This includes:
    a) Working with customers to make them digitally confident. For example teaching them how to create safe passwords, where to access support and IT, and setting up email addresses.
    b) Making sure front facing teams and those who will support customers to make an online claim understand the claim journey and the claimants responsibilities

c) Being clear about what is required by banks etc to open accounts. Those most at risk are young people with no experience of living away from home or being responsible for budgeting within a household, and those with chaotic lifestyles who face difficulties in getting suitable ID
d) Being proactive by identifying and monitoring UC cases so that support can be provided asap
e) Making sure customers are aware of the support available, including advanced payments, council tax reduction, discretionary housing payments, alternative payment arrangements, budgeting and IT support.
f) Encouraging and supporting set up of transactional bank accounts
g) Creating good communication channels between the local authority and JC+
h) Considering a degree of co-location of digital and budgeting support within JC+ to improve customer engagement

UC implementation in Norwich

12. The live service began in Norwich in December 2015. This means that we already have over 30 months of experience of supporting residents to navigate UC. Key data on the live service includes:
    a) 940 Norwich residents claiming UC current caseload as at 10 May 2018. Numbers are slowly falling as no new claims to live service since 31 December 2017
    b) 292 tenants claiming UC as at 3 July 2018
    c) 197 UC claimants given budgeting support and 4 given digital support to the end of March 2018
    d) 116 UC claiming tenants on managed payments or managed payments applied for as at 3 July 2018
    e) 105.76% rent collection at week 52 for UC-claiming tenants, versus 98.76% for non UC-claiming tenants, which has been maintained through intensive management of UC-claiming council tenant accounts

13. The transition to the full service in Norwich is timetabled as follows:
    a) New claims will start on 17 October 2018
    b) Current live service claimants will be invited to claim full service in November 2018 (this will require a new application).
    c) Existing claimants of other eligible benefits will be ‘migrated’ to full service UC over several years, commencing with testing small numbers in January 2019, slightly increasing volumes from July 2019, and due to complete 2023. Full migration regulations and schedule still to be finalised.

Universal Support and the role of Norwich City Council

14. The city council as a local authority has a formal role in the DWP’s ‘Universal Support’ which seeks to address the cultural change and behavioural shift for claimants that is required under UC.

15. Universal Support (US) is advice, assistance and support provided by agreed US partners such as:
    - Local Authorities
    - Citizens Advice
    - credit unions
    - registered social landlords
    - relevant registered charities

16. In Norwich the council provides support to residents (not just tenants) to enable them to make and manage their online claim including accessing online services. This support is provided by our digital champions (from across the organisation), and volunteers (Voluntary Norfolk).

17. Full budgeting support is provided by 6 advisers within our housing income team. This includes telephone and face-to-face support and eventually support within the local JC+.

18. As well as its role in 'Universal Support' the council has also sought to play an active role in mitigating the risks to tenants and residents in the transition, as well as to itself as a council and landlord. The approach that the city council has sought to take thus far has been to work collaboratively, both internally and externally, to understand the issues and to plan accordingly. Whilst it is a DWP initiative, we have looked to work constructively with a range of stakeholders to ensure that the transition is as smooth as possible. This starts from a recognition that this is not simply a benefits issue but affects a range of services that the council provides. Key activities have included:

    - Cross-council co-ordination through project board and UC team leader
    - Identifying operational impact and trouble-shooting issues as they arise
    - Communication with residents and tenants around key messages (e.g. get online, learn to budget, get a bank account)
    - Stakeholder engagement (Anglia Revenue Partnership, advice and support agencies, social landlords, other councils etc.)
    - DWP liaison and providing statistics

19. The number of HB claims is slowly reducing but since the end of the live service customers have needed to claim legacy (soon to be known as Heritage Benefits) benefits (i.e. JSA and HB). HB caseload at the beginning of June was 13,866.

20. The benefits team have made specific preparations for the advent of UC including:
    a) Establishing a small team of advisers to handle UC work which will be scaled up across the team as we move to full service
    b) Working to automate large scale of HB stop notifications received through DWP 'Data Hub'
    c) Automation of UC Discretionary Housing Payment applications into Academy to mitigate risk
    d) Encouraging take up of CTR claims for UC customers

21. The housing income team have made specific preparations for the advent of UC including:
    a) Developing early identification of tenants who have made a claim for UC, so that they can be flagged and closely monitored
    b) Pro-actively identifying need for budgeting support rather than waiting for referrals
    c) Intensive management of rent payments, taking account of technical arrears that ensue from method of UC payment (monthly in arrears)

22. Wider activities that are supporting the transition to Universal Credit include:
    a) Social welfare commissioning: The Council is continuing its commitment to the advice sector in the city and providing resources to allow free access to specialist advice on a range of Social Welfare issues. One of the key target groups for this is residents who are affected by the introduction of Universal Credit and other changes to Social Welfare law.
    b) Betteroff Norwich is a software package purchased by the Council which is aimed at helping people check their own entitlements to benefit, and where there is a potential shortfall, assist them in applying for it directly and on-line. While the software is geared towards helping people to self-help, it can also be used by agencies advising their clients. Within the package there are also various budgeting and debt tools than can help people take control of their finances.
    c) The refurbishment of the contact centre has enabled the introduction of self-serve tablets, a scanning station, and floorwalkers to ensure there will be adequate support where it is needed most. This will enable those customers who can self-serve to do so, whilst freeing up officer time to help customers who need their support.

23. While some of the measures above are about empowering people to self-help regarding claiming and budgeting, the city council recognises that there will always be a need to provide individual help for some people in some cases. The work above is designed to allow staff the time and space to provide that intensive help where needed to the most vulnerable of people.

24. Key issues faced during the live service include:
    a) Initial confusion around whether temporary accommodation in LetNCC was in scope for UC
    b) Claimants not always receiving correct information from DWP
    c) Delays in receiving information to be able to award Discretionary Housing Payments
    d) Initial problems identifying payments coming into the authority
    e) Temporary accommodation – difficulties getting payment when tenants placed in full service area (Lowestoft)
    f) Some customers failing to claim Council Tax Reduction (which requires a separate application to the city council)

25. However, we have also managed to address some issues and have learnt that:

a) Close partnership working with the DWP and other stakeholders is key
b) BetterOff Norwich has been a useful tool to direct residents and tenants to support them to make claims
c) Norwich JC+ contacts have displayed willingness to help rectify problems
d) There has been minimal request for digital support (although it should be noted that claimants under full service are more likely to be vulnerable and have complex claims)
e) A number of changes have now been made to UC as a result of major concerns raised by local authorities and other stakeholders. Being late in the rollout has enabled us to learn from the experience of others and also benefit from the changes to the national programme.

Conclusions

26. Universal Credit represents a wide-ranging and fundamental change to working age benefits which impacts on residents and tenants, the council itself and other stakeholders in multiple ways. In order to ensure that we mitigate the risks and enhance the benefits of UC, we need to maintain our proactive, collaborative approach. The key to this is ensuring that the majority of our residents and tenants can adapt to the self-serve ethos of UC whilst providing dedicated resource to those who require extra support.

27. We believe that we are as prepared as we can be for the advent of the full UC service, but will continue to work with a range of stakeholders to evolve our approach. Members of the committee are invited to recommend ways in which we can continue to play an appropriate role in supporting our residents and tenants.

28. Members may wish to note that National Housing Federation have made the following recommendations to government ahead of the national roll out of full service:
    a) To allow housing association staff and agencies, such as Citizens Advice, to sort out problems with Universal Credit as advocates for tenants
    b) To scrap the “two child policy” and “benefit cap limit” which are pushing families into poverty
    c) To ensure Universal Credit is paid to people and their landlords on time, at the same time
    d) To adapt Universal Support to cope with greater numbers and more complex cases, and provide the funding to support more tenants
    e) To restore the in-work allowances and revise the rules so that the self-employed, those with fluctuating pay packets or those who are not paid monthly do not lose out.