

CO-OPERATIVE & COMMUNITIES SCRUTINY COMMITTEES

Minutes of a meeting of the Co-operative & Communities Scrutiny Committee held on Tuesday, 19th August 2014 at 6.00pm in Meeting Room 3, Darby House, Lawn Central, Telford TF3 4JA.

PRESENT: Cllrs. A. McClements (Chair), N. Dugmore, N. England, J. Pinter, J. Thompson and co-opted member J. Ellis.

Also attending: Chris Jones, Advice Services Manager, Telford CAB; M. O'Dwyer, Preventative Advice Officer, Telford CAB; Cllr, S. Reynolds; S. Jones, Scrutiny Officer.

CCSC-10 MINUTES

RESOLVED – that the minutes of the meetings of the Co-operative & Communities Scrutiny Committee held on 12th May 2014 be confirmed and signed by the Chairman.

CCSC-11 APOLOGIES FOR ABSENCE

Cllrs. S. Bentley, M. Ion and K. Tomlinson

CCSC-12 DECLARATIONS OF INTEREST

None

CCSC-13 BENEFIT SANCTIONS

The Chair reminded members of the reasons for the committee's concern about benefit sanctions which had led to the issue being included in the work programme. A key concern had been about adults with learning disabilities having their benefit sanctioned because of communication issues. The CAB national submission to the Oakley independent inquiry into benefit sanctions and the government's response to the inquiry's recommendations had been circulated as Appendix B1 and B2.

The Chair welcomed Chris Jones the Advice Services Manager and Majella O'Dwyer the Preventative Advice Officer from Telford CAB to the meeting and thanked them for stepping in at short notice to replace Lyn Brayne the Service Director who had been called away on a family emergency. She invited them to give a sort overview of their roles at the CAB and to describe some of the issues relating to benefit sanctions seen by the CAB.

Ms. Jones said she had worked for the CAB for 10 years. As Advice Services

Manager she has both management and service delivery responsibilities so she is able to see things from a management and client perspective.

The welfare reforms have brought about a radical shakeup of the whole range of benefits and sanctions were only one element. Other examples were changes to the rules on eligibility of EU jobseekers to benefits and upcoming changes to bereavement benefits which would also reduce entitlements. The waiting time for JSA (Jobseekers Allowance) for new claimants would be increased from 3 days to 5 days next year. Weekly JSA is £72.40 for people 25 and over and £57.35 for people under 25.

Once a sanction is applied, benefit payments stop straightaway. The CAB were seeing clients who had no idea that their benefits had been stopped until they went to the bank and found they could not withdraw any money. Some of the clients were also affected by other welfare benefit changes such as the bedroom tax or had their housing benefit stopped at the same time. Once benefit has stopped it tends to lead to a spiral of debt. Sanctions affect single people without children most because families or people with children at least have other benefits such as child benefit or tax credits to fall back on.

Nationally, the CAB had seen a 64% increase in the number of clients presenting because of benefit sanctions over the last year. The norm was a 4 week sanction but the sanction could be up to 3 months or even longer.

Reasons for sanctions were failure to actively seek work, failure to turn up to sign-on or failure to attend interview. These formed part of the Claimant Commitment introduced in January which sets out what is expected of the claimant in return for their benefit. An example was given of where a person had not signed on for good reason and their benefit had been sanctioned leaving them without money for food over the Easter bank holiday weekend.

Members then asked questions and discussed a number of issues:

- Mr. Ellis said the case studies in the national CAB report seemed to have a common theme of sanctions being imposed because of human error then compounded by the inability to correct the error and he asked whether this was a fair assessment. Ms. Jones said one of the issues is that JCP is such a huge organisation and is driven by systems which make it very difficult to correct an error once it has happened. Appeals for mandatory reconsideration have to be made in writing. Decisions are taken by Mandatory Decision Makers who are not named and the claimant does not know who they are or where they are to be able to speak to them in person. This makes it difficult for the CAB to advocate on behalf of clients. Also, there is no set time limit on responding to mandatory reconsiderations. Ms. O'Dwyer said this was especially problematic for clients with learning disabilities, special needs or literacy issues. She gave an example of a client with literacy issues who had a 3 month sanction for failure to look for work. The client had requested a literacy course but had been refused because the course could not be funded because he was claiming JSA. She said that the

computer driven systems at JCP can affect vulnerable people.

- The Chair asked if the Communications Group set up by the government to review the communication of information about sanctions was having any effect. Ms. Jones said they had not seen any effect yet. The CAB has to call the contact centre at JCP to find out what is happening for clients. Staff in the contact centre only have limited information, for example the length of a sanction and the reason for it, and do not have detailed information such as mitigating circumstances which makes it very difficult to advocate on behalf of the client.
- There was a question about clients' awareness that a sanction has been applied. Ms. Jones said clients are provided with letters and documentation that a sanction may be or has been applied but they are not told personally by a JCP advisor. The expectations of what claimants have to do to receive benefit payments are set out in the Claimant Commitment but this is a very lengthy document and for people who have just been made redundant, benefits are a new culture and they do not always realise the significance of what they are signing. Ms. O'Dwyer explained that the Commitment had been introduced in January 2014 and was a lengthy document which the JCP advisor should go through with the client, but clients seem to be put under pressure to sign it quickly. Once the Commitment has been signed, the client can be sanctioned for breaking any part of it. She gave an example of a client with autism who had been sanctioned for breaking a commitment they had signed up to when their circumstances meant they were not able to fulfil the commitment. The client's father had contacted JCP but he said they did not seem to care, and they were unable to put it right quickly.
- The Chair asked if the national CAB report reflected the local picture. Ms. Jones said she thought it did. She gave an example of a highly qualified professional client who had been made redundant and told Jobcentre Plus that they only wanted to look for work in their chosen profession and because he failed to seek alternative employment had received a 12 month sanction.
- Cllr. Dugmore asked what the top 3 things that needed to be done to address issues were, and what could be done locally to address issues. Ms. Jones said she felt very strongly that no one organisation could tackle issues in isolation and that they can only be addressed by agencies working together in a genuine partnership. The CAB already works with the local authority, for example they call Revenues & Benefits to put a flag on the system to ensure that client entitlement to Housing benefit is not affected. This gives time to start to remedy the situation by helping the client make hardship payment applications or request mandatory reconsideration of the sanction decision. She said she would like to see agencies - LA, JCP, CAB etc. - working together to share best practice to give the client a good experience.

There was also a need for more innovative service delivery – one example was integrating JCP into First Point. Ms. O'Dwyer said they had held discussions with the Partnership Manager at JCP who was very receptive and willing to engage

but there were capacity issues and staff were under pressure to deliver targets. There had been negotiations with JCP about involvement in the Autism Hub but although they were willing they do not seem to have the capacity for sustained involvement.

Ms. O'Dwyer said the approach of JCP to partnership working needed to come from senior management level. If they could get buy-in from JCP there was an opportunity for Telford to become a champion of making the welfare reforms work better. It could make a huge difference, and would help save public money because problems caused by sanctions ultimately cost the taxpayer more.

Ms. Jones said they also needed more funding for vulnerable groups. It is difficult getting some clients in for appointments – they ring or text people but they don't always turn up. Some people have lost all motivation, or they have agoraphobia or some people do not have enough money for the bus fare to the CAB. For every client they see, they estimate there are another 2 or 3 vulnerable people who are hidden. The CAB carries out telephone interviews but they do not have the resources to offer home visits or to reach all the hidden clients.

Ms. Jones said that the JCP system is laborious and there needs to be a more rapid response. There needs to be a change of strategy at senior level to have an impact on the front line service delivered to customers.

- Cllr. Dugmore said that from what he had heard the process was driven by inflexible systems so making any changes takes a long time and is expensive. Ms. O'Dwyer said the welfare changes had required a lot of changes to the systems and said that if they had a focus group to identify how to deal with special circumstances they could save a lot of money. Ms. Jones said that the Preventative Advisor Officer, Ms. O'Dwyer, had done a huge amount of good work and some creative ways of getting the message out including message screens running in the CAB office and there was even a rap! But for vulnerable people it was not enough to give them a leaflet, they needed one-to-one support.
- The Chair asked what links they had with other partners and support provision. Ms. Jones said they used the Food Banks a lot. She was a Trustee of the Food Bank and the Council had funded an apprentice to support the Food Banks which was good. The Crisis Assistance was fantastic and the Council had done a great job but the on-line application system was difficult to use and crashed a lot. The Council did not accept telephone applications which made it more difficult for people with no access to IT. The Preventative Advisor Officer project was supported by National Lottery funding – there had been a slight decrease of 13.9% on sanction decisions from January 2013-January 2014 in Telford which could partly be a result of the impact of the project. The statistics do not take account of ESA sanctions.
- Cllr. Tompson asked which wards the Wellington Jobcentre Plus office covered but they did not know.

- Mr. Ellis said it sounded to him as though the approach and culture of Jobcentre Plus had changed from one of helping people to find work to one of punishing people for not finding work. He was very concerned that there was a lack of systemic democratic accountability (for example holding the Mandatory Decision Makers to account) and a lack of local accountability. He wanted to know whether this was a fault of the way the system operates or the way the system had been set up under the Welfare Reform Act. Ms. O'Dwyer said they could not speak for JCP but from the CAB's point of view they seemed to be a leaner and meaner organisation. Sanctions were one way of saving money. Mr. Ellis said the sanctions could create a debt history which ends up as a greater cost to the state. Ms. Jones said they can have a cyclic impact – the sanction may lead to non-payment of Council Tax, fines or court cases, or people go to Food Banks for supplies of food, toiletries or even clothes. Mobile phones have become essential items and some people pay for their phones before they buy food.
- Mr. Ellis said the committee had heard at the last meeting that the Council had seconded an officer from DWP and that they had made a difference. He suggested the committee should ask whether this was something the Council could afford to do further ahead so that DWP are working within the Council. The Scrutiny Officer explained that the Children & Young People Scrutiny Committee had been told that the secondment had been to help the Council identify JSA claimants so they could be offered targeted support.
- Cllr. Dugmore asked if the CAB has a direct line to the local JCP office. Ms. Jones said that apart from HMRC, they did not have a direct line and had to go through the call centre. She suggested members should read the government's response to the Oakley Inquiry to find out more about the issues and the government's response to the recommendations. The CAB had asked clients for feedback on JCP and some of it had been very negative.
- Mr. Ellis referred to the minutes of the previous meeting and asked about the support that was available to sanctioned claimants. Ms. Jones explained that they can claim for Hardship Payments. JCP have forms for them to apply. Clients have to show why they are in hardship. If an award is granted they receive a proportion of their JSA. Awards seem to be paid to single people more frequently than families because they have no child tax credits to fall back on. Once the sanction has been made the first step is to support the client to make a hardship claim, until the sanction is lifted.
- Mr. Ellis asked if an appeal is successful whether the client has to repay hardship payments but was told they do not. Housing Benefit and Council Tax support are not cut when JSA is sanctioned but can be suspended initially. Housing Benefit is often paid directly to landlords which protect tenancies. Crisis Assistance is cashless so people get vouchers for gas/electricity or goods. Mr. Ellis suggested that the committee could recommend the Council invests in a post to support people to offset the cost of providing crisis assistance and the costs associated

with spiralling debt. Ms. O'Dwyer said she thought it was about more than individual posts and was more about bringing about a culture shift with JCP so that they engaged as an organisation in positive partnership working which would make a real difference. There was a need to work with the voluntary sector. JCP had been willing to engage with the Autism Hub but they may not have the capacity for involvement. There needs to be a culture shift and not just one or two posts getting involved.

- The Chair asked if there were cases of recurring sanctions. Ms. Jones said the CAB works with clients to explain what has happened and why they have had their benefit sanctioned but the problem is when people have learning disabilities like autism and they cannot read or write. The CAB does preventative work and work on financial capabilities such as money buddies, but clients like this can have their benefit sanctioned 2 or 3 times. Ms. O'Dwyer said that they also encourage clients to take someone with them when they discussing the Claimant Commitment with JCP so they do not sign up to things that they cannot do – the Claimant Commitment can be adjusted. Ms. Jones said that some clients can be verbally abusive and JCP make a note on the claim and use an office with a safety window to interview the client.
- Mr. Thompson wanted to know if any money had been saved from sanctions. Ms. Jones did not have that information available at the meeting but she thought that nationally any savings from the sanctions regime would have been outweighed by costs of the IT systems or costs to the public purse related to debt such as court costs for non-payment of bills or bailiffs costs – an initial instruction fee was £75 and enforcement costs £275. There were also wider societal effects such as mental and physical health issues which cost the NHS money. There was a discussion about the cyclical nature of debt and that debt can be linked to poor education or health which perpetuates the problems.
- There was a discussion about support for helping people into jobs and Ms. Jones suggested that JCP could offer their own staff work experience in local agencies such as the CAB or local authority and that there needed to be more joined up working and commitment.
- Cllr. Reynolds said she knew from her job at TCAT that the college could only offer funded training to someone on JSA if there was a guaranteed interview at the end of the training. Ms. Jones said that County Training delivers the mandatory work programme and clients have to attend job search from 9am-5pm and if they don't attend they can have their benefit sanctioned. The Chair asked if the CAB divert clients to the Job Junctions or Job Box Mentors and Ms. O'Dwyer said they did and that they had done a lot of training with Job Junction staff and the were excellent and really positive and this was a good example of effective partnership working. Mr. Ellis said the Oakengates Job Club is also doing a good job – it has been running for four years and there is one every Thursday and they use second hand computers and volunteer staff. Ms. Jones said that JCP had removed telephones from Jobcentres and had moved to being digital. They have some 0800 numbers for clients to use but JCP seem to see

their role as getting people off benefits and they refer clients to CAB for support rather than offer it themselves.

- The CAB officers highlighted some of the other changes happening to welfare benefits. There was a discussion about Universal Credit and the CAB staff and members expressed concerns about the possible implications in particular the fact that benefit would only be paid to one person in the household. The Chair asked for clarification about changes to bereavement benefit and was told that the lump sum appears to remain the same but the widows parent allowance, currently paid until children leave full time education, would only be paid for one year.

There were no further questions and Ms. Jones and Ms. Dwyer put on record their thanks to the Council for its continued support for the Food Banks and they left the meeting.

There was a discussion about further work and members agreed that they would like to discuss the issues arising at the meeting with JobCentre Plus and the authority. The Scrutiny Officer reminded members that there are no powers of scrutiny over Jobcentre Plus and they cannot be required to attend meetings but scrutiny could play a role in having a constructive dialogue. With regard to the mandatory work programme, the Children & Young People Scrutiny Committee was currently reviewing provision for young unemployed people and had requested data from the prime work programme contractors Serco and ESG. This review was drawing to a close but members said they would be interested in seeing the draft CYP scrutiny report.

CCSC-14 WORK PROGRAMME

The Chair referred to items in the committee's work programme. The withdrawal of Crisis Assistance was due to come to the committee in September. She had discussed the suggestion about community capacity building with Cllr, Shaun Davies and Richard Partington and they had suggested it would be useful for the committee to look at the barriers, access and incentives to volunteering. Mr. Ellis said that his interest in transport issues was not accurately recorded in the minutes of the previous meeting and that what he wanted to look at was the rationale for decisions about which bus routes the Council would subsidise. The Scrutiny Officer clarified that the Housing, Economy & Infrastructure Scrutiny Committee was leading on this issue and members of the Co-operative & Communities Scrutiny Committee would be invited to take part in the meeting. Any scrutiny work would be arranged according to the timetable for the review of the transport arrangements and the Scrutiny Officer would check the timetable.

The Chair advised members that the Scrutiny Officer had been offered a secondment to the Co-operative & Commercial Delivery Team until June 2015 and this would affect scrutiny resources. The Scrutiny Management Board in September would review the work programme across all the committees and decide which

issues would be prioritised and there could be some slippage or changes to the committee's work programme.

The meeting ended at 7.50pm

Chairman:.....

Date:.....