

Non-Executive Report of the: COUNCIL 15 January 2020	
Report of: Asmat Hussain, Corporate Director, Governance and Monitoring Officer	Classification: Unrestricted
Motion for debate submitted by the Administration	

Originating Officer(s)	Matthew Mannion, Head of Democratic Services
Wards affected	All wards

SUMMARY

1. Council Procedure Rule 11 allows for time at each Ordinary Council meeting for the discussion of one specific Motion submitted by the Administration. The debate will follow the rules of debate at Council Procedure Rule 13 and will last no more than 30 minutes.
2. The motion submitted is listed overleaf. The Administration Motion is submitted by the Labour Group.
3. Motions must be about matters for which the Council or its partners has a direct responsibility. A motion may not be moved which is substantially the same as a motion which has been put at a meeting of the Council in the previous six months; or which proposes that a decision of the Council taken in the previous six months be rescinded; unless notice of the motion is given signed by at least twenty Members.
4. Notice of any proposed amendments to the Motions must be given to the Monitoring Officer by Noon the day before the meeting.

MOTION

Set out overleaf is the motion that has been submitted.

7 – Administration Motion Regarding Universal Credit

Proposer: Councillor Rachel Blake

Secunder: Councillor Dipa Das

This Council notes:

1. That Universal Credit (UC) has fundamentally failed as a social security system and has caused hardship wherever it is rolled out;
2. Councils are not recognised partners for Universal Credit in the way they are for Housing Benefit and receive no funding to check Universal Credit claims as they are managed by Department for Work and Pensions (DWP);
3. New figures and case studies from Tower Hamlets Council which highlight just how flawed the Universal Credit system is:
 - a. Over 700 errors flagged to the DWP by this council alone since April 2018 – these errors resulted in £335k in overpayments and £215k in underpayments;
 - b. In many cases council staff have had to refer the DWP to their own regulations;
 - c. In February 2019 LBTH Housing Benefit assessors identified an obvious contrived tenancy between family members and notified the DWP that UC housing element should not be paid. The council issued four notifications to DWP before they stopped the payment which resulted in a £18k overpayment;
 - d. A lone parent placed in temporary accommodation had claimed UC, but the DWP did not understand its own rules (which the DWP had changed) and argued that the council should be paying Housing Benefit. The case took from January to September to resolve and eventually the DWP acknowledged their mistake and awarded £15k UC.
4. The Council commissioned the Child Poverty Action Group (CPAG) to research the experiences of Tower Hamlets' families with children in receipt of universal credit. A qualitative research study between October 2018 and July 2019 found:
 - a. 79% of responses included some negative sentiment about universal credit;
 - b. The transition to Universal Credit has been problematic, and that claimants found making and managing claims using the online system difficult;
 - c. Claimants often had problems with Universal Credit payments, finding they varied and were often miscalculated or unexpectedly stopped;
 - d. Stakeholders highlighted the monthly payment system, Advance Payment Arrangements and deductions as problematic for claimants;
 - e. Claimants and stakeholders had negative experiences of JobCentrePlus (JCP) and interactions with the DWP. "A lack of support, training and awareness among JCP staff seems to have resulted in an absence of dignity for claimants, while stakeholders complained of poor communications with the DWP";
 - f. Many claimants were struggling to get by with the amount of universal credit they received, and were in debt and arrears as a result of being on universal credit. This is exacerbated by the system of payment in arrears and the five-week wait at the start of claims;
 - g. Universal credit was seen to have had a negative impact on children.

5. That Tower Hamlets Council has established a multi-million pound Tackling Poverty Fund and is working in partnership with CPAG to understand the impact of Universal Credit in Tower Hamlets and to deliver welfare advice in a local food bank which delivered £230k in income maximisation for residents in its first 5 months.

This Council believes:

1. That social security should lift people out of poverty, but Universal Credit is leaving people in debt and arrears, forcing many people to turn to food banks to survive;
2. Social security should support people rather than driving them into poverty;
3. That Universal Credit is not fit for purpose and is having a severely detrimental impact on residents in Tower Hamlets;
4. That Universal Credit should be scrapped and replaced with a new social security system that will support our residents rather than drive them into poverty.

This Council resolves:

1. To support calls for Universal Credit to be scrapped and replaced;
2. To campaign for emergency mitigation to be introduced, including scrapping the two-child limit and the benefit cap;
3. To ask the Cabinet Member to update members on how the council is responding to the recommendations set out in CPAG's report.