


Cabinet Decision 1 st October 2014	
Report of: Aman Dalvi, Corporate Director for Development and Renewal and Chris Holme, Acting Corporate Director for Resources	Classification: Unrestricted
Impact of welfare reform and Next Steps	

Lead Member	Cllr Rabina Khan (Cabinet Member for Housing and Development) and Cllr Alibor Choudhury (Cabinet Member for Resources)
Originating Officer(s)	Louise Russell, Service Head for Corporate Strategy and Equality
Wards affected	All wards
Community Plan Theme	One Tower Hamlets
Key Decision?	Yes

1. Executive Summary

1.1. The Government's package of welfare reforms started in April 2011 and has resulted in a major overhaul of the welfare system in the UK.

1.2. The impact of these changes locally has been, specifically (with further information available in section 4):

- Local Housing Allowance is currently failing to cover 48% of rental costs in Tower Hamlets. This is linked to eviction from private rented sector which is the fastest growing reason for homelessness in Tower Hamlets.
- The Benefit Cap has affected 754 households in Tower Hamlets, with an average loss of c£86 per week.
- Bedroom Tax affected 2,331 households at an average of c.£19 per week.
- 12,260 residents in Tower Hamlets access Employment Support Allowance (ESA) and 46% have a mental or behaviour disorder as their primary condition. Following reforms, high proportions are being found fit for work and therefore ineligible for ESA. However in Tower Hamlets 38% have successfully appealed their assessment.

1.3. In response to this unprecedented level of change, the Council established the Welfare Reform Task Group in 2012. Under its remit it has drawn on evidence from a range of agencies to provide the Council and partners with a detailed understanding of the impact of welfare reform in the borough and overseen a range of mitigating actions to help support residents through the reforms.

1.4. The Task Group has engaged a wide range of partners. Over fifteen

organisations, including housing providers, Job Centre Plus, advice agencies, health providers and third sector support services regularly attend and support its work.

1.5. Support has included:

- Advice Events
- Financial Support
- Employment, Training and ESOL Support
- Financial Inclusion Support

1.6. This has helped to successfully support residents through the reforms. Early intervention in the form of information, advice and support prevented many families from reaching a point of crisis and employment and housing advice has enabled some families to move into sustainable housing or employment.

1.7. However a series of new challenges are emerging, including Universal Credit, the transition from Disability Living Allowance to Personal Independence Payments and the reduction in Central Government funding for financial support, including Crisis Loans and Discretionary Housing Payments. This is against the backdrop of the Council's own reducing resources. To respond the Welfare Reform Task Group is refocusing support from immediate actions which inform, prepare and mitigate, towards longer term programmes of support to address these new challenges. To assist in this the Council commissioned the Centre for Social Inclusion (CESI) to undertake an independent study to:

- Explore how residents, delivery organisations and stakeholders are being affected by current welfare reforms
- Identify the range and scale of possible future impacts on residents (health and wellbeing, debt, employment and housing outcomes) and on organisations (including arrears, service demand and ways of working)
- Make evidence-led, practical proposals for how services and support could be delivered in future, both current support and future services.

1.8. This report provides Cabinet with an end of financial year (2013/14) update on the impact of Welfare Reform in the borough, the mitigating actions overseen by the Task Group, a summary of the CESI report and suggests proposals for future activity.

2. Recommendations:

The Mayor in Cabinet is recommended to

- 2.1.1. Note the update on the impact of welfare reform in the borough in section 4.
- 2.1.2. Note the action taken to support residents through welfare reform, including the provision of financial support (section 5).
- 2.1.3. Note the CESI report and recommendations (section 7)
- 2.1.4. Agree the development of the approaches outlined (section 8)

1. REASONS FOR THE DECISIONS

- 1.1 Central government reforms to welfare support, including Universal Credit, the transition from Disability Living Allowance to Personal Independence Payments and the reduction in Central Government funding for financial support, including Crisis Loans and Discretionary Housing Payments mean that a new approach to supporting resident through welfare reform is required.
- 1.2 This is also against the backdrop of the Council's own reducing resources which limit's the Council's ability to provide ongoing financial assistance to affected residents.
- 1.3 The approach suggested in this report and the recommendations in section 8 refocusing support from immediate actions which inform, prepare and mitigate, towards longer term programmes of support to address these new challenges.

2. ALTERNATIVE OPTIONS

- 2.1 Cabinet could choose to continue with our current approach, however this is not recommended as there are not sufficient resources to continue this approach.
- 2.2 Cabinet could choose not to undertake the proactive employment and housing support suggested in section 8, however this is not recommended as this will reduce the support available to residents affected by reforms.

3. BACKGROUND

3.1. Timeline of reforms:

Since April 2011, Government has introduced a series of reforms to a range of benefits. The main changes are summarised below:

April 2011	Local Housing Allowance Cap at the 30% percentile
	Staged increases in non-dependant deductions (reductions in housing benefit if additional adults living in the household)
April 2011 – March 2014	Migration of Incapacity Benefit claimants onto Employment Support Allowance via a reassessment process
May 2012	Single Parents with children over 5 (was at age 7) moved from Income Support to Job Seekers Allowance with requirements to actively seek employment
January 2013	Removal of Child Benefit for Households with one member earning over £50,000
April 2013	Social Sector Size Criteria (Commonly referred to as the "bedroom tax")
	Cap of 1% yearly uprating on all benefits
	Reductions to tax credits

September 2013	Staged roll out of Benefit Cap (£500 a week for a family, £350 a week for a single person)
October 2013	" Claimant Commitment " increased use of conditionality and sanctions for JSA and ESA
2015 – 2017	Staged move onto Universal Credit (integrated real-time online benefit and tax credit system, with one monthly payment to replace all other working age benefits).
	Phased introduction of Personal Independence Payment (PIP) to replace Disability Living Allowance (DLA) for adults.

4. IMPACT ON RESIDENTS

4.1. Number affected by each reform and the financial impact

Local Housing Allowance Cap	<ul style="list-style-type: none"> As of July 2014, the total number of claims affected by the Local Housing Allowance (LHA) was 4,310. The Local Housing Allowance is currently failing to cover 48% of the total number of claims of renting in Tower Hamlets, compared to the average rent. Rental prices have not increased noticeably as experienced in the previous financial year, with a small increase of 4% from £94.38 (shared accommodation rate) per week in 2013/14 to £98.16 in 2014/15. However, the shortfall is particularly stark for 1 and 2 bedroom properties where the average shortfall is £37.06 per week, affecting 1,858 cases in the borough. In comparison, the average shortfall for larger properties is £29.42 per week affecting 248 cases. Eviction from private sector tenancies remains the fastest single growing reason for homelessness in Tower Hamlets, supported by sharp increases in the number of warrants issued and outright orders for immediate possession.
Non-dependant deductions	<ul style="list-style-type: none"> As of July 2014, there are 4,041 claims subject to Housing Benefit non-dependant deductions and 3,660 claims subject to Council Tax Reduction non-dependant deductions This translates to 11% of all Housing Benefit cases and 10% of all Council Tax Reduction cases are subject to non-dependant deductions from benefit entitlement.
Employment Support Allowance	<ul style="list-style-type: none"> In May 2013, 12,260 residents were claiming either ESA or Incapacity Benefit in Tower Hamlets – representing 6.2% of

<p>(ESA)</p>	<p>the working age population.</p> <ul style="list-style-type: none"> • The claim rate rises with age: 18% of residents aged 45-64 claim ESA or Incapacity Benefit in Tower Hamlets - twice the rate nationally (9%) and the second highest in London. • Three quarters of claimants have been receiving incapacity related benefits for 2 or more years and almost half (46%) have mental or behavioural disorders as their primary condition. • The roll out of ESA is ongoing. Of all 12,260 ESA/IB claimants, 45% were receiving ESA, a further 24% were in the ESA assessment phase and 31% were still on 'predecessor' benefits (IB) awaiting re-assessment. • ESA claimants have to undergo a Work Capability Assessment (WCA) – this has been controversial because of the high proportion of claimants found 'fit for work' and ineligible for ESA, and the high number of successful appeals. In Tower Hamlets, during 2008-12, 38% of new ESA claimants who appealed against fit-for-work decisions were successful and had their initial decision overturned – similar to the national rate (37%). <p><i>Accurate as of February 2014</i></p>										
<p>Social Sector Size Criteria (SSSC) (Commonly referred to as the "bedroom tax")</p>	<ul style="list-style-type: none"> • As at July 2014, in Tower Hamlets 2,331 households (in social rented accommodation) were subject to the Bedroom Tax. The average loss in Housing Benefit due to the Bedroom Tax is around £19 per claimant per week. • Most claimants affected (84 per cent) by the Bedroom Tax were deemed to be under-occupying by one bedroom. The remaining 16 per cent were under-occupying by 2 or more bedrooms. • By tenure, three quarters of those affected are RSL tenants and the remaining one quarter are THH tenants. • Reflective of higher rent levels, households in Tower Hamlets incur significantly higher bedroom tax reductions on average than that anticipated by Government assessments. 										
<p>Benefit Cap</p>	<p><u>Households affected in LBTH</u></p> <table border="0"> <tr> <td>Registered Social Landlords households</td> <td style="text-align: right;">242</td> </tr> <tr> <td>Private Tenancy households</td> <td style="text-align: right;">180</td> </tr> <tr> <td>THH households</td> <td style="text-align: right;">72</td> </tr> <tr> <td>Homeless households</td> <td style="text-align: right;">260</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">754</td> </tr> </table> <ul style="list-style-type: none"> • A total of 754 households in Tower Hamlets were subject to the Benefit Cap – as at 31st March 2014. The tenure profile of Benefit Cap households comprised: Homeless Licenced accommodation (34%); Housing Association (32%); private tenants (24%) and THH tenants (10%). 	Registered Social Landlords households	242	Private Tenancy households	180	THH households	72	Homeless households	260	Total	754
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	<ul style="list-style-type: none"> Data from October 2013 shows that the loss in benefit income per claimant household averages £84 per week which represents an average loss of around 13% of benefit income. The median benefit reduction is £63 per week, which means half the caseload will lose more than £63 per week.
<p>“Claimant Commitment” increased use of conditionality and sanctions</p>	<ul style="list-style-type: none"> The use of JSA sanctions is becoming more widespread. Numbers have been seen a six-fold increase since 2006. Following the new “Claimant Commitment” introduction on 22nd October 2012, a total of 13,828 sanction decisions have been made, resulting in 6,505 adverse decisions, affecting 4,284 individuals (October 2012-Sept 2013). Of these the majority (58%) have been “low level” sanctions, with the loss of JSA for 4 weeks. Of all those sanctioned, the majority were sanctioned for not actively seeking employment (34%) and failure to participate in the work programme (30%). Young claimants are overrepresented among those sanctioned as are men. However increasing number of women are being sanctioned, including lone female parents (From 0.8% in 2008/09 to 2.7% under the new Claimant Commitment). Sanction numbers have continued to rise over the last year despite a significant fall in the claimant count.

4.2. The wider social impact

The Welfare Reform Task Group has also recognised that, beyond the direct financial impact on individuals and households, welfare reform will also create a wider, cumulative impact on residents’ health and wellbeing, education, safety and levels of need.

To demonstrate this wider impact we have reviewed a variety of measures, of which the following have shown the most marked change which is likely to be due to the impact of Welfare Reform.

<p>Food bank referrals/usage in the borough</p>	<p><i>Accurate as at end of June 2014</i></p> <p>Food banks and food aid charities gave more than 20 million meals last year to people in the UK who could not afford to feed themselves – a 54 per cent increase on the previous 12 months, according to a report published in June 2014 by Oxfam, Church Action on Poverty and The Trussell Trust.</p> <p>Tower Hamlets saw 1,329 adults and 943 children visit the Trussell Trust food bank for three days’ emergency food between 1st April 2013 and 31st March 2014.</p> <p>In addition to the Trussell Trust Food Banks, the Bow Food</p>
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	Bank has also opened in the borough, which operates a different model of support, without referrals.
Advice Service Demand	From April 2013 to April 2014, advice agencies in the borough dealt with over 28,000 cases. Over 50% of the case enquiries relate to Welfare Benefits and around 15% Debt and Money Advice and 13% Housing Advice.
Mental health	<p>Proxy data is pending although it is important to note that it is difficult to capture the impact of welfare reforms on mental health.</p> <p>Case studies provided by mental health organisation Mind in Tower Hamlets and Newham, which runs a welfare advice service for Tower Hamlets and Newham residents suggests that there is a correlation between welfare reforms and the detrimental impact of this on mental health. Mind in Tower Hamlets and Newham has recorded the suicides of 3 clients following stress caused by negative decisions being made by Job Centre Plus, having to undergo medical examinations and during the bureaucratic appeals process as a result of the transition from Incapacity Benefit to Employment Support Allowance.</p>
Rent arrears	<p><i>Only sample data available, dependent on RSLs self-reporting - Accurate as of end April 2014</i></p> <p>Poplar Harca Bedroom Tax</p> <ul style="list-style-type: none"> • 358 tenants are impacted • 167 are in arrears (47%) • 23 (6%) have fallen into arrears since April 2013, who were not in arrears as of the 31st March 2013 <p>Poplar Harca Benefit Cap</p> <ul style="list-style-type: none"> • 72 households impacted • 27 (38%) households in arrears • 3 (7%) household have fallen into arrears who were not in arrears prior to Benefit Cap implementation <p><i>Accurate as of end October 2013</i></p> <p>THH Bedroom Tax</p> <ul style="list-style-type: none"> • 521 households impacted (5% of the overall tenant profile) • Of these 521 cases, 42% are in arrears • 42% appears to be steady with little change from March 2013 with minor fluctuations throughout the financial year mirroring the trend for 2012/13. • The average rent arrears is £287.85; up from £224.58 in March 2013.

	<p>THH Benefit Cap (Accurate as of March 2014)</p> <ul style="list-style-type: none"> • 46 households have been impacted by the benefit cap (0.38% of the overall tenant profile) • Of these 46 cases, 37% are in arrears • The average rent arrears amongst this group is £130.60
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5. ACTION TAKEN

5.1. Informing:

5.1.1. The fast pace and width of scope of the changes meant that it was a priority to ensure residents were properly informed and able to take action. The Task Group prioritised the provision of high quality and standardised information as well as the provision of personal advice, through the following actions:

5.1.2. The preparation of materials including:

- Two borough wide poster campaigns on bus stops for the 'prepare and act now' and 'money matters month' campaigns
- Information Leaflets and two Booklets distributed widely across the borough to schools, GP surgeries, One Stop Shops, Idea Stores, and advice agencies.
- Animated Video
- Welfare Reform website www.towerhamlets.gov.uk/welfarereform

5.1.3. Communications activity, including regular articles in East End Life, press releases picked up across local, regional and national media and interviews/debates with the lead member on regional and national media, including BBC London and ITV.

5.1.4. Training for frontline staff, especially for staff in Education, Social Care and Wellbeing to ensure they were aware of the changes affecting families they may be working with, and can provide consistent messages and sign posting.

5.1.5. Money Matters Month and additional events which resulted in ten events throughout the borough reaching over 800 residents face to face providing advice and support from a range of advice agencies.

5.1.6. Providing personal visits to those affected in homeless temporary accommodation or in social housing and direct contact with those affected in the private rented sector to advise on options and support.

5.2. Financial Support:

Following decisions made by the Mayor and Cabinet, the Council is currently providing a high level of financial support residents affected by welfare reform.

5.2.1. Discretionary Housing Payments and Mayor's Preventing Homelessness Fund:

Discretionary Housing Payments are designed to help Housing Benefit claimants facing hardship. In 2013, funding was increased to assist claimants during the introduction of welfare reforms. This is funded through the Department for Work on Pensions and the allocation to each local authority is calculated using a methodology which takes into account the previous level of awards and spend and the total loss of benefit income from residents in the local authority.

In Tower Hamlets, the Mayor has also introduced the Mayor's Preventing Homelessness Fund which supplements Discretionary Housing Payment and provides funding for families affected by the benefit cap living in temporary homeless accommodation. A total of £2.2m was made available.

For the full financial year April 2013 – March 2014:

- 4,828 Discretionary Housing Payments (DHP) were made, of which 738 (15%) were from the Mayor's Preventing Homelessness Fund.
- In total the Council has spent £2,407,330 (100%) of the 2013/14 DHP allocation and £552,974 (25%) of the total Mayor's Preventing Homelessness Fund.
- The average DHP award was £613 and the average Mayor's Preventing Homelessness Fund award was £1,207.
- 84% of applications were successful.
- For both funds:
 - 48% of awards (33% of spend) went to households affected by the SSSC/ "Bedroom Tax".
 - Of all households impacted by the Benefit Cap 80% were in receipt of DHP.
 - 36% of awards (57% of spend) went to households impacted by the Benefit Cap.
 - Of all households affected by the bedroom tax 39% were in receipt of DHP.
 - 3% of awards (4% of spend) went to households affected by LHA reforms
 - 37% of awards were given to provide 'help pending move' (help with short term rental costs whilst cheaper accommodation is sought); 30% of awards were given to provide 'help pending employment' and 2% to help secure accommodation (for example, rental deposits)

5.2.2. Crisis and Support Grants:

Following the localisation of this support in April 2013, the Mayor and Cabinet agreed a scheme which replicated the previous support available through the provision of cash grants. Tower Hamlets is one of few boroughs to have successfully replicated

the previous scheme, which ensure that the Council allocated 94% of available funding. Research in April suggest that the Council is in the minority, with over half of boroughs spending less than 40% of their funds¹

For the full financial year April 2013 – March 2014:

- 14,028 applications received, 6,391 (46%) approved
- £1,356,450 paid (94% of available funding)
- £212 average payment
- 42% daily living expenses, 27% replace damaged items and 13% “other emergency” were most common
- 48% of the value of awards is for “setting up home”, moving from homelessness or furnished accommodation to an unfurnished property, which was paid to 581 households.

5.2.3. Council Tax Benefit:

In effect from April 2013, the Government localised the provision of Council Tax Benefit and reduced the funding by 10% per local authority, which equated to a £2.7m loss for Tower Hamlets in 2013/14.

Tower Hamlets is one of the few Councils (45 out of 326) to continue to provide the level of support available under the former Council Tax Benefit system.²

Had the Council decided to pass on the reduction to those of working age in receipt of Council Tax Benefit, the estimated average annual financial cost to those on Full Council Tax Benefit would have been £157.90 (16,160 residents). The estimated average annual cost to those on Partial Council Tax Benefit would have been £264.09 (8,801 residents).³

In the 2014/15 budget, full Council agreed a further £25 Council Tax rebate to those on Partial Council Tax Benefit, both of working and pension age. This has benefited 23,000 residents.⁴

5.2.4. Free School Meals:

From September 2013 the Council has provided Free School Meals to all children in reception and year one. From September 2014 the Council will be providing Free School Meals to all children in Primary School. This represents a £437 saving for each child per year.

This is of particular benefit in Tower hamlets due to the high percentage of families in receipt of in-work tax credit⁵. Whilst these families would not be entitled to statutory

¹ <http://www.theguardian.com/politics/2014/apr/20/emergency-welfare-scheme-local-councils>

² <http://counciltaxsupport.org/schemes>

³ <http://moderngov.towerhamlets.gov.uk/documents/s29254/Welfare%20Reform%20and%20Council%20Tax%20Benefits.pdf>

⁴ <http://moderngov.towerhamlets.gov.uk/documents/s54217/6d%20Full%20Council%20Report%20MTPF%20February%202014%20-%20Appendices.pdf>

⁵ 92% of children in families who claim child benefit were either in receipt of Child Tax Credits and/or Working Tax Credit (so includes in-work and workless families).

Free School Meals, they will be on a low income and the changes to tax credit will further reduce their income.

5.3. **Employment Support:**

5.3.1. In addition to our existing range of employment support Job Centre Plus (JCP) and the Council have put in place a variety of specific support for those impacted by welfare reform, especially the benefit cap. This includes:

5.3.2. Co-location project with JCP and the Benefits Service:

The Council's Benefit Service currently hosts one JCP staff member full time to support residents affected by the Benefit Cap to find employment.

Since September 2013 to April 2014 this project has resulted in:

- 57 claimants assisted and moved into either full or part time employment
- 2 claimants closed claims and now on Pension credit
- 3 claimants now exempt and claiming DLA
- 2 claimant now in full time education
- 1 claimant now living abroad
- 1 claimant moved back home to live with her parents

The Benefits Service Team Plan has a target of assisting 10 residents per month off the Benefit Cap for as long as the initiative continues to have JCP support, which it currently has until further notice. Tower Hamlets is currently the only Local Authority to have retained co-location with a JCP staff member.

5.3.3. Skillsmatch and Housing Options focus on Benefit Cap Households:

In November 2013 the Housing Options referred a list of 283 clients who were at high risk of losing their tenancy due to the benefit cap, to Skillsmatch.

All clients were approached using a variety of methods including, telephone, email and text messaging. There were 5 incidences where no contact details were provided leaving 278 clients to contact.

The clients were called 4 times over an 8 week period to establish communication and offer appointments to register with the service. In addition invites were sent to clients inviting them to two events dedicated to offering clients who were affected by

This is the highest percentage of all 325 local authorities (the England average was 67%).

Source: HM Revenues and Customs: Provisional Child and Working Tax Credits data, April 2012; Child Benefit Statistics, August 2011

the benefit cap support in pre-employment skills and job searching. Of the 99 clients who responded and were invited, a total of 22 clients attended these events.

- 28th November 2013 - Trashed Event 54 Invited 16 attended
- 5th February 2014 – Benefit Cap Event 45 Invited 6 attended

Through further efforts to engage these clients we established that 42 clients had found employment leaving 236 clients unemployed or requiring support to find work with more hours.

20 clients registered with Skillsmatch and of these 4 have so far secured employment through support of Skillsmatch Job Brokers and Pre Employment Officers. Three of these clients applied for direct vacancies with Skillsmatch for the Local Authority Kitchen Assistant vacancies via ITRIS and were successful with their applications. They are now working between 8 and 16 hours. The fourth client has secured work as a stock replenisher at Sainsbury and we are continuing our support to assist him in renewing his SIA licence.

89 clients have been identified as requiring ESOL provision and have been referred to external agencies to complete their appropriate ESOL program. These clients are receiving ongoing support via our client contact centre advisors to maintain communication and assist with referrals back into the service once the clients have completed their studies.

5.3.4. Children's Centres Employment Support:

Headline figures for April 2013 to March 2014:

- 433 individual parents that were supported by the children's centres for pathways to employment
- 56 parents who gained sustained employment
- 82 parents who volunteered in children centres
- 122 parents accessed training related to pathways to employment

Of these 433 parents:

- 110 identified as lone parents
- 151 identified as living in a workless household
- 8 identified as having a disability
- 206 identified as receiving out of work benefits

Some parents could have identified as more than one category.

The figures do not reflect the baseline starting point for parents when accessing the children's centre services. For some parents the pathway to employment takes time and a range of different support.

Parents would also have accessed a range of support including:

- Sign posting to training providers
- Working in partnership to provide and sign post to ESOL classes
- Support with job searches, cv writing, interview skills

Advice and guidance on in work benefits and sign posting to appropriate support

- Raising awareness and providing support related to the 2,3 and 4 year old grants
- JCP advisors hold 1-1 sessions in children centres
- Supporting a referral to energy efficiency project
- Holding information sessions about welfare reforms
- Turn 2 us calculations
- Money management courses and encouraging parents to be money mentors
- Referrals to credit unions
- Being a signatory for food bank vouchers and referrals for crisis loans
- Helping parents to appeal against sanctions and supporting parents to be proactive to reduce the likelihood of being sanctioned
- Support with housing issues through the specialist housing officer dedicated to working within children centres
- Support to access the 15 hours free entitlement for 3 and 4 year olds and those eligible for the 2 year old funding
- Parenting classes and adult psychology support

5.3.5. Employment Support delivered through the Troubled Family Programme:

Employment has been a primary focus for the borough's Troubled Families programme.

A significant amount of work has taken place to improve the skill set for staff who traditionally work with families facing complex barriers, so that they can include employment support in their intervention plans.

Two JCP workers have been seconded to work alongside the lead professional for each family identified in the programme.

A specific approach has been developed to working with families with multiple barriers to work that incorporates the usual journey to work/education support with specific therapeutic work and parenting delivery. This is being delivered directly to THH residents affected by the benefit cap who have not easily entered work as a result of the initiatives described above.

To date the service has assessed 57 families and identified that 21 (3 working, 18 not working) meet the Troubled Families criteria. They have prevented eight evictions of both working and non-working families. 11 individuals have started work. The service is currently working with a second group of ten families.

Kineara, the social enterprise linked to the Family Intervention Service, has developed a rent support programme that has been commissioned by two RSL's and the City of London authority. The focus of the work is to prevent eviction of residents with significant rent arrears. The service provides a targeted intervention akin to the FIP model, but over ten weeks and has been successful in stabilising the tenancies for a number of families. The work has evidenced significant cost savings to the housing provider and to primary health provision.

5.4. **Skills and Resilience Support:**

5.4.1. This final element of support reflects some of the additional work taking place in the Council and by wider partners to help build the skills and resilience of residents' impacted by Welfare Reform.

5.4.2. Financial Inclusion: Through the Financial Inclusion Strategy 2013 – 16 and the Financially Inclusive Tower Hamlets Partnership the Council and third sector partners have created a range of actions across four themes to improve financial inclusion in Tower Hamlets:

- Improving financial literacy and capability;
- Improving access to financial products;
- Improving access to debt and money; and
- Raising awareness of financial inclusion services.

5.4.3. Since the strategy was launched, the FITH partnership has:

- Trained over 200 community Money Mentors
- Delivered Made of Money workshops to 160 parents
- Through the Getting on with Money Project – worked with over 9 local housing providers on reviewing policy and practice so they do not unintentionally undermine their service users' financial health
- Delivered awareness raising of the dangers of payday loan companies and other high cost credit and promoting the Credit Union and other affordable credit options, through Money Matters articles and dedicated insert in the 14th April 2014 Edition of East End Life.
- Created new specialist debt and money advice in the East and West of the borough, through a Toynbee Hal and Island Advice Partnership Project
- Launched the FITH website: www.fith.org.uk

5.4.4. ESOL: Language skills are a major barrier to employment within the borough, with an increasing number of jobs requiring a high level of language proficiency. There are two types of ESOL provision in the borough – through the Lifelong Learning Service and through third sector providers.

In the academic year 2012-13, Idea Store Learning provided 847 ESOL course places. Beyond the Council provision, courses are provided by the third sector, which provided 969 ESOL course places in the academic year 2012/13, and Tower Hamlets College which provided 1,500 ESOL course places in the academic year 2012/13.

All providers in the borough are now coordinated through the ESOL Providers Advisory Group which co-ordinates good referrals between courses and proper progression routes.

There are a wide range of courses available from Pre Entry to Level 2 and the International English Language Testing System, as well as specialist course in IT for ESOL and Maths for ESOL. Courses are held across the borough, in all eight LAPs.

Currently there is a waiting list of over 800 residents.

6. UPCOMING CHALLENGES

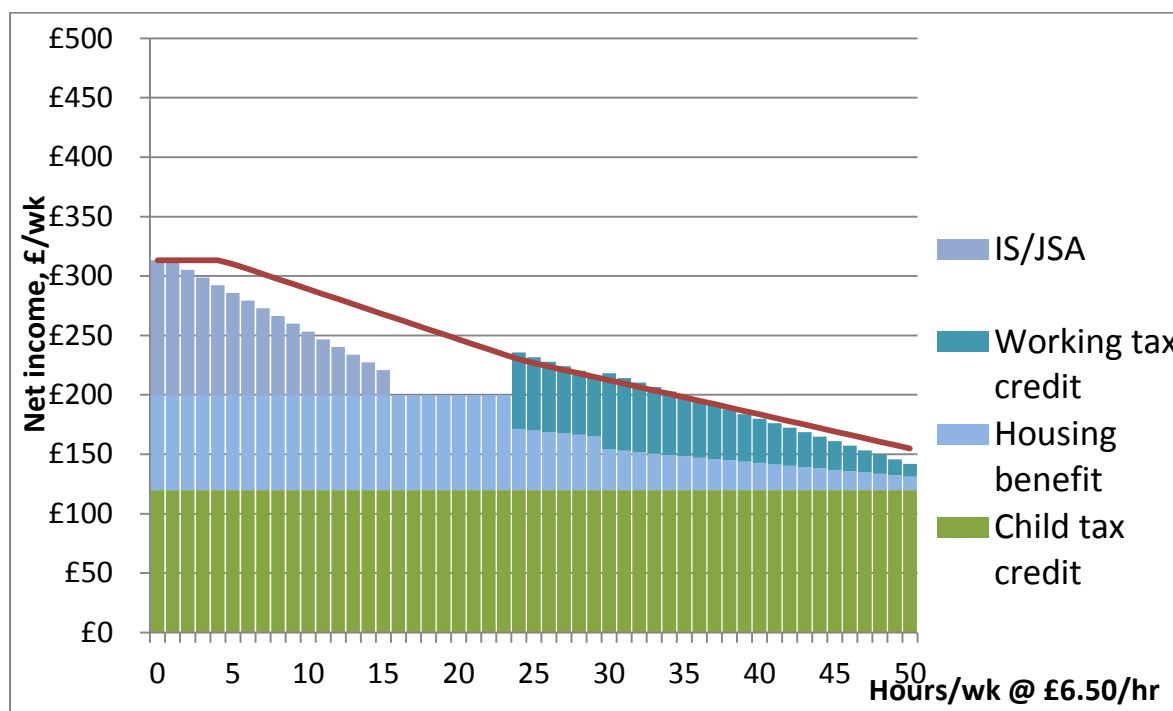
6.1. Introduction:

A series of new challenges are emerging, including upcoming reforms in the implementation of Universal Credit, the transition from Disability Living Allowance to Personal Independence Payments: the reduction in Central Government funding for financial support, including Crisis Loans and Discretionary Housing Payments; and the backdrop of the Council's own reducing resources.

6.2. Universal Credit:

Universal Credit is the Government's flagship policy to create a fully integrated means tested benefit for people of working age. As it is not specifically an 'in work' or 'out of work' benefit it is designed to ease the transition into and out of work, with fewer transitions and interactions, less churn between benefits, and less chance of non-take-up.

The following graph illustrates the smoother tapering of benefits as more hours are worked. *Assumes: couple with 2 children, 1 earner on £6.50/hr, receiving £80/wk LHA or eligible rent. It ignores child benefit.*



Universal Credit will include and replace the following benefits:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment Support Allowance
- Housing Benefit
- Working Tax Credit
- Child Tax Credit

Universal credit will be applied for online only and will be paid monthly directly to only one member of the household, except in exceptional circumstances. There are four levels of conditionality to reflect different levels of ability to work.

The Department of work and pensions has recognised, following their trial period, that the implementation of Universal Credit will cause challenges for claimants, especially around online claims and direct monthly payments. In response they have prompted councils and Job Centre Plus to work together to create partnerships under the Local Support Services Framework to support residents in three key areas:

- Triage and explaining the new services;
- Digital Inclusion;
- Financial Inclusion

These reflect the issues already identified by the Welfare Reform Task Group as areas where we need to focus future work.

In May 2014 the Government announced a pilot programme for Local Authorities to start in September 2014. We have had discussions with JCP and are planning to express an interest in being an informal trialling site as part of this programme. It is assumed that following the pilot the government will provide some funding to support the establishment of these Frameworks.

Whilst the implementation date for Universal Credit has been delayed and the Department for Work and Pensions is facing a series of challenges in developing the technology, it is likely that the government will continue to move towards implementing many of the principles underpinning Universal Credit, including monthly payments and online applications.

6.3. Transition from Disability Living Allowance to Personal Independence Payments:

Personal Impedence Payments (PIP) are the new benefit which replaces the Disability Living Allowance (DLA) to help towards the extra costs arising from a long term health condition or disability.

It is:

- not affected by earnings, other income, savings or capital;
- not taxable;
- can be paid to someone in or out of work;
- for the individual and not for a carer;
- paid whether or not the person receives help; and
- can be spent on anything the individual wishes.

Key changes:

PIP differs from DLA as it changes the types of support available. DLA consisted of a care component (with three levels of financial support: lowest, middle and highest) and a mobility component (with two levels of financial support: lower and higher). PIP consists of a daily living component and a mobility needs component, both with two levels of financial support (standard or enhanced). The removal of one level of financial support risks some DLA claimants losing the lowest level of care support altogether, currently £21 a week.

Significantly, whilst DLA was only assessed once, PIP payments will usually only be awarded for 2 years or another fixed period, after which an additional assessment will be required.

Several disability charities have expressed concern at the assessment process and criteria, especially following the high levels of successful appeals on ESA work capability assessments.

Implementation:

DLA is slowly being phased out and replaced by PIP, with individuals being written to from the DWP, after which they will have 28 days to apply. If they fail to apply in that timeframe, they will no longer receive their DLA.

Impact:

The impact in Tower Hamlets could be significant, as we have a higher than average number of residents in receipt of DLA.

There are currently 7,540 DLA claimants aged 16-64 in Tower Hamlets (Nov 2013).

Overall the Treasury originally stated they expect a 20% reduction in DLA cost and caseload as a result of the new medical assessments to receive PIP⁶. This could result in a large number of residents either losing DLA/PIP altogether or being assessed at a lower level of need.

In addition, advice agencies experience of supporting residents through ESA work capability assessments means they expect a high level of demand for support when DLA claimants start to transition to PIP.

6.4. Reductions in Financial Support

Discretionary Housing Payment: The additional money allocated to the DPH fund in 2013/14 and 2014/15 has always been described as temporary to provide time limited support for residents impacted by the Housing Benefit Cap whilst they find employment or alternative accommodation. Our allocation for 14/15 is £2,289,949 and we are allowed to "top-up" using our own finds to £5,724,8737 However Central Government has indicated that Discretionary Housing Payments at such a high level

⁶ <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmworpen/1153/115306.htm>

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/275971/s1-2014.pdf

will not continue and it is unclear for how long the support will be continued at this level.

Mayor's Preventing Homelessness Fund: This fund was a one-off pot of £2.2m of which £0.552m has already been spent.

Crisis Grants: In the final financial settlement given to Councils in December 2013, the government removed the funding for Crisis Grants (currently approx. £1.4m) from April 2015 onwards. This decision was challenged in the High Court and the Government agreed to reconsider their decision rather than letting the matter go to a hearing. This means that the government will now revisit its decision to cut the fund and undertake a review of local welfare provision, consultation with stakeholders and due consideration of equalities implications. It has undertaken to announce its new decision in December and we will continue to monitor the outcome.

7. THE CENTRE FOR SOCIAL INCLUSION REPORT

7.1. Report Summary:

- 7.1.1. The research undertaken by CESI included undertaking 35 in-depth interviews with residents affected by various welfare reforms and a series of workshops and interviews with delivery organisations, including the Council. This qualitative research was complemented by the Council's performance and quantitative research.

The full report is included as an appendix to this report. In summary, their research highlighted the following:

7.1.2. Cumulative Financial Impact:

- The cumulative financial impact of welfare reforms in Tower Hamlets will mean that households claiming benefit will be on average £1,670 per year (£32 per week) worse off than would have been the case without reform.
- This is in the top 10% of impacts nationwide, and equates to a reduction in welfare support of £68 million per year.

7.1.3. Key Impacted Groups:

- Households where one or more members were disabled: CESI calculated that around 10% of the total financial impact of welfare reforms will be accounted for by changes to ESA and DLA.
- Lone Parent Families: Who are especially impacted by changes to tax credits and LHA reforms, as well as the Social Size Criteria.
- Households in private rented accommodation: Who are increasingly vulnerable due to changes in LHA and the benefit cap.

7.1.4. Responses:

- 7.1.4.1. Residents reported responding in a variety of ways, including:
- Economising by not using heating and cutting down on food

- Borrowing money mainly from friends and family, and did not report using pay day loans.
- Not paying bills, by putting off paying utility and rent, which is reflected in high levels of arrears in social tenancies
- An awareness and use of food banks
- More residents looking for work, but facing major barriers including skills gaps, ESOL, and childcare need.
- Residents trying to move with most bidding for social housing, but not looking for private rented accommodation in cheaper areas

7.1.4.2. They also reported:

- Impacts on health, including a worsening of levels of depression and anxiety.
- Impacts on education, especially for families currently living outside the borough but with children continuing to attend schools in Tower Hamlets, with children arriving tired and hungry at school.

7.1.4.3. Delivery organisations reported:

- An increase in demand for support, especially driven by LHA reductions leading to evictions from private rented sector, work capability assessments, changes to housing benefit and from residents, especially lone parents, requiring assistance in looking for work.
- This increase in demand was leading to prioritisation of support, redirecting more resources to support residents impacted by welfare reform, and changes in the services they provide – with housing providers in particular now providing a wider range of support services.

7.2. Report Recommendations:

Recommendation 1: Tower Hamlets Council and its partners should develop a common approach to identifying and referring those likely to be ‘in crisis’ or ‘at risk’ due to welfare reforms.

Recommendation 2: This common approach should be underpinned by data-sharing between partners and enhanced monitoring, to ensure that the right groups are being supported.

Recommendation 3: Work through communities and local services, including faith groups, to engage those further from support

Recommendation 4: Co-ordinate referrals and signposting for residents, by mapping agencies and services that can provide specialist support, and ensuring that referrals are logged and followed up

Recommendation 5: Explore the scope for greater co-location of services – particularly to bring in support on debt and financial inclusion and from health services.

Recommendation 6: Consider piloting an integrated case management model with a single ‘key worker’ for those in crisis – with an assessment of its fiscal and economic costs and benefits.

Recommendation 7: Provide case-managed ‘resettlement support’ for those relocated out of the Borough.

Recommendation 8: Explore the scope to make Discretionary Housing Payments – and potentially Crisis and Support Grants – conditional

Recommendation 9: Make it easier for residents in social housing to move – in particular by using discretion on rent arrears

Recommendation 10: Take forward the Fairness Commission’s ‘re-imagined’ labour exchange by piloting specialist, personal adviser-led employment support for those affected by welfare reform – working in partnership with Jobcentre Plus and local colleges

Recommendation 11: Explore the scope to expand the provision of work focused training and ESOL, and that residents are referred as appropriate

Recommendation 12: Focus on testing approaches to supporting residents to manage their finances monthly in preparation for Universal Credit – and consider becoming an ‘informal trialling site

8. RECOMMENDATIONS AND NEXT STEPS

8.1. Further analysis of the headline figures in section 4 suggest that following the work of the Welfare Reform Task Group to inform and support residents affected by welfare reforms, there are three key groups impacted by the reforms, who are currently supported by Discretionary Housing Payments and the Mayor’s Preventing Homelessness Fund. These are:

1. Current Homeless Families in Temporary Accommodation affected by the Benefit Cap
2. Other Households affected by the Benefit Cap
3. Households affected by the Spare Room Subsidy / Bedroom Tax

The number of families in each of these groups has reduced over time, following support and intervention. However with financial support reducing, a short to medium term direct intervention is required to further reduce the number of families affected in each of these groups.

In addition a longer term refocus of the work around welfare reform is proposed which will provide more integrated support for residents currently affected by welfare reform, and for those who may become impacted in the future.

The CESI report recommendations outlined in 7.2 above, alongside existing streams of work including the Mayor’s manifesto commitments on employment, the Troubled Families programme (now moving into phase 2) and reshaping of the Housing Options Service have prompted the actions outlined below to be developed.

Outcome:
Reduce the number of residents affected by the “Spare Room Subsidy / Bedroom Tax”

Method:
Incentivise and support downsizing

Action	Lead	Timescale
<p>Move to mainly providing DHP on a three monthly basis at which point it will be reviewed. Part of the reviewing criteria will be whether there has been activity to move including registration and bidding. Residents for whom there is a clear need for an additional room due to caring or disability needs, shared custody of children etc will continue to have these taken into consideration when assessed for DHP.</p> <p><i>CESI recommendation 8</i></p>	Steve Hill, Benefits Service	With immediate effect
<p>Offer DHP to cover rent arrears to enable a downsizing move</p> <p><i>CESI recommendation 9</i></p>	Steve Hill, Benefits Service	With immediate effect

Outcome:
Reduce the number of residents affected by the Benefit Cap

Method:
Support residents into Employment:

Action	Lead	Timescale
<p>Move to mainly providing DHP or the Mayor’s Fund on a four monthly basis at which point it will be reviewed. Part of the reviewing criteria will be whether a member of the family has engaged with employment support services.</p> <p><i>CESI recommendation 8</i></p>	Steve Hill, Benefits Service	With immediate effect

<p>Establish a dedicated employment support service which will engage individually with each affected family to undertake triage of needs and abilities. This triage will be undertaken by the service which has a current relationship with them: the Troubled Families programme, their Housing Provider, Skillsmatch or Housing Options.</p> <p>Alongside this engagement, job roles will be identified within the Council and partners which match residents' skills. Current ideas include roles within the parenting support team, the clean and green service and the Idea Stores. Finance is available to support this through a bid to the Local Economic Partnership and planning gain employment contributions. These roles will be available initially for one year to enable residents to gain skills for employment.</p> <p>A co-ordinator role to be established to ensure the job opportunities are identified and matched to residents. Funding is being sought for this role through a bid to the Local Economic Partnership, if this is not successful funding could be made available through the Homeless Prevention Grant.</p> <p><i>CESI recommendations 6 and 11</i></p>	<p>Andy Scott, Economic Development</p> <p>Colin Cormack, Housing Options</p> <p>Louise Russell, Welfare Reform Task Group</p> <p>Nikki Bradley, Troubled Families programme</p>	<p>October 2014</p>
<p>Develop a communications plan to accompany this new approach to ensure residents are aware of the reducing financial support from Central Government and the support that is available from the Council.</p>	<p>Louise Russell, Welfare Reform Task Group Takki Sulaiman, Communicatio ns</p>	<p>October 2014</p>
<p>Outcome: Provide long term employment support for current and future residents affected by the reforms</p>		
<p>Method: Develop the Integrated Employment Service</p>		

Action	Lead	Timescale
<p>The development of the integrated employment service will include a common triage tool and shared data system. Ensuring adequate support for residents impacted by welfare reform will be built into the common triage tool and the referral system.</p> <p>The integrated service will enable the different services engaging with job seeking residents to share data and track referrals and progress into a job outcome. This will include Job Centre Plus, the Troubled Families programme, Skillsmatch, third sector providers etc.</p> <p><i>CESI recommendations 1, 2, 4 and 10</i></p>	<p>Andy Scott, Economic Development</p>	<p>2015</p>
<p>Method: Continued Co-location</p>		
Action	Lead	Timescale
<p>Council is refreshing the Memorandum of Understanding with Job centre Plus, which also includes provision for co-location.</p> <p>Co-location will continue to take place through various projects, including the pilot project 'Raising Aspirations' in Trussler Hall in Poplar, which involves Job Centre Plus, Skillsmatch and the Limehouse Project to support local residents into work. In addition Economic Development are in discussion with Idea Stores to provide employment services within Idea Stores.</p> <p>The benefits service will continue to work with Job Centre Plus to locate a JCP officer within their offices to support residents impacted by the Benefit Cap into work. The Children's Centres and Troubled Families programme will also continue to host a co-located JCP advisor.</p> <p><i>CESI recommendation 5</i></p>	<p>Andy Scott, Economic Development</p> <p>Steve Hill, Benefits Service</p> <p>Amanda Hicks, Children's Centres</p> <p>Nikki Bradley, Troubled</p>	<p>Autumn 2014</p>

	Families	
Method: Phase 2 of the Troubled Families programme		
Action	Lead	Timescale
Phase two of the project increases the number of families the service is expected to work with, and widens the criteria of who the service can support. The new criteria will include the risk of financial inclusion and health risks. This will enable the service to support more families affected by welfare reform, providing them with specialist and intensive support. Once the service is linked to the integrated Employment Service, it will be easier for residents who meet the criteria to be referred to this service.	Nikki Bradley, Troubled Families programme	2015
Outcome: Provide long term resilience support for current and future residents affected by the reforms		
Method: Local Support Services Framework		
Action	Lead	Timescale
The Council work with the local Job Centre Plus to become an “informal trailing site” for the Local Support Services Framework. The Local Job Centre Plus is supportive of this work. Through the Local Support Service Framework, develop a common approach to supporting residents with financial inclusion support and to become digitally included. This will be supported by the ongoing work of the Financial Inclusion Strategy and by the development of the Partnership Digital Inclusion Strategy. <i>CESI recommendation 12</i>	Louise Russell, Welfare Reform Task Group	Winter 2014

Outcome: Provide improved housing outcomes for current and future residents affected by the reforms		
Method: 'No Wrong Door'		
Action	Lead	Timescale
The Housing Options Service to develop a 'No Wrong Door' model to provide better support for residents, whose housing needs are prompted by additional support needs, including with benefits advice, financial advice and employment advice. It will create an enhanced referral mechanism, common triage tool and may involve some level of co-location.	Colin Cormack, Housing Options	Winter 2014
Method: Improving Temporary Accommodation		
Action	Lead	Timescale
To address the lack of suitable temporary accommodation for homeless families, housing officers will investigate using Right to Buy receipts to provide more permanent, more affordable, in-borough housing for families currently in expensive temporary housing.	Aman Dalvi, Development and Renewal	Winter 2014

9. COMMENTS OF THE CHIEF FINANCE OFFICER

- 9.1. This report provides an update on the impact of welfare reform on residents of Tower Hamlets and the effectiveness of the range of support options, including those being provided through the use of Discretionary Housing Payments Grants (DHP), Mayors Preventing Homelessness Fund (MPHF) and the Crisis & Support Grants (CSG).
- 9.2. In 2013/14 a total of £4.32m was spent against the total £6m available through the three funding streams.
- 9.3. In 2014/15 a total of £5.38m is available through amounts carried forward from 2013/14 allocations (£1.68m), new allocations for DHP (£2.3m) and the final allocation of CSG (£1.4m). However, beyond 2014/15 the funding streams currently available will reduce significantly as CSG will end and MPHF is one off funding that is likely to be fully utilised in 2014/15.
- 9.4. As a result of these central government funding reductions, the current offer of support is not sustainable. A range of options are recommended in this report to enable more targeted support to be available for longer within the available resource envelope.
- 9.5. The current estimate of funding that could be available in 2015/16 is in the region of £2.3m should DHP continue at current levels, which appears unlikely. Any decision to commit additional LBTH funding for these support services will add to existing pressures in the MTFP, increasing the savings requirement.
- 9.6. In addition, absorbing the council tax support funding reductions has cost the council £2.7m in 2013/14 and similar provisions have been made for 2014/15 and 2015/16

10. LEGAL COMMENTS

- 10.1. The report proposes limiting the duration for which discretionary housing payments are made and use of such payments to cover rent arrears to enable downsizing.
- 10.2. The Council may make payments by way of financial assistance to persons who are entitled to housing benefit or universal credit and appear to require further financial assistance to meet housing costs. The power to make such payments (called discretionary housing payments) is provided in the Discretionary Financial Assistance Regulations 2001. In determining its approach the Council should also have regard to the Government's Discretionary Housing Payments Guidance Manual, April 2014.
- 10.3. The Discretionary Financial Assistance Regulations permit the Council to restrict the period for or in respect of which discretionary payments may be

made. The Council may restrict that period to such period as it considers appropriate in the particular circumstances of the case. Provided that an individual's circumstances are still considered, there does seem to be an obstacle to generally restricting payments to 3-month or 4-month periods in the first instance, as is proposed.

- 10.4. The making of payments to cover rent arrears in support of downsizing appears to fall within the scope of the discretionary housing payments scheme. The Discretionary Housing Payments Guidance Manual states that: "DHP could be used to facilitate a move of home (such as through a mutual exchange) where a landlord will not allow a move for someone who is in arrears".
- 10.5. The report proposes the establishment of a dedicated employment support service and the development of an integrated employment service. These actions may be supportable by reference to the Council's general power of competence under section 1 of the Localism Act 2011, pursuant to which the Council has power to do anything that individuals generally may do, subject to specified restrictions and limitations imposed by other statutes. Individuals may provide employment support either on a charitable basis or for reward. There does not appear to be a relevant statutory restriction which would prevent the Council from providing such support.
- 10.6. In providing employment support, the Council may be furthering the objectives of the Tower Hamlets Community Plan. Achieving a prosperous community is one of the key themes in that plan, which contains the Council's sustainable community strategy for the purposes of section 4 of the Local Government Act 2000. Under this theme, supporting more people into work, supporting residents through national welfare reform and fostering enterprise and entrepreneurship are priorities. The provision of employment support should be made consistently with the Council employment strategy.
- 10.7. To the extent that data sharing is proposed, this will need to be in accordance with the requirements of the Data Protection Act 1998.
- 10.8. The proposal for continued co-location may be consistent with good administration. It may also be consistent with the arrangements made by the Council consistent with its best value duty. Under section 3 of the Local Government Act 1999 the Council is required to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness". If any change in service provision is involved, then consultation will be required for the purposes of compliance with the Council's best value duty and its public sector equality duty.
- 10.9. The proposal for trialling the Local Support Services Framework may be supportive of a number of the Council's statutory functions, in the same way that the Council's financial inclusion strategy is so supportive. For example, the measures may help combat child poverty, thus contributing to

obligation under section 10 of the Children Act 2004 to make arrangements with its relevant partners to promote the well-being of children in the borough.

- 10.10. The Local Support Services Framework measures may also have a preventative effect relevant to discharge of some of the Council's functions. For example, promoting good financial management may help to avoid rent arrears and, in turn, homelessness. This may be viewed, in respect of some of the Council's functions, as making an indirect contribution to discharge of those functions. If so, this would be supportable by reference to the Council's incidental power. By virtue of section 111 of the Local Government Act 1972, the Council has power to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions. This may involve expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights.
- 10.11. The Council may also rely on its general power of competence to support trialling the framework for similar reasons to those outlined in paragraphs 5.5 and 5.6 above.
- 10.12. The proposals for enhanced housing options advice and the provision of more housing in the borough appear capable of being carried out within the Council's housing functions under the Housing Act 1996 and the Housing Act 1985.
- 10.13. When considering the proposals the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). Information relevant to these considerations is provided in the report, particularly in section 6.

11. ONE TOWER HAMLETS CONSIDERATIONS

- 11.1. Welfare Reform changes will have significant impact on the most vulnerable residents of the borough especially those who are disabled, those who have large families and those who are furthest from the labour market. Our research suggests that lone parent families and BME families are particularly affected by the reforms.
- 11.2. The Welfare Reform and Discretionary Support Report agreed in Cabinet in July 2013 included a detailed Equalities Impact Assessment, the evidence for which is still relevant for this report. That analysis is appended. As part of the mitigating actions identified through the impact assessment we have undertaken ongoing monitoring of residents in receipt of discretionary housing payments and the Mayor's Temporary Housing Fund. This monitoring has prompted the actions suggested in this report.
- 11.3. The refocus in approach towards employment may mean that some residents, especially those furthest from the labour market, including lone

parents and disabled residents will require further support. The dedicated employment support service suggested in section 8 will help to provide specific support to these groups and in addition financial support will still be provided on a discretionary basis.

12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

12.1. Not Applicable

13. RISK MANAGEMENT IMPLICATIONS

13.1. The suggested actions in this report should reduce risk to the Council of not meeting our strategic and community plan aims of increasing employment and reducing poverty and inequality in the borough. In addition supporting more residents into long term employment and housing, should reduce the financial risk to council services, including housing options, children's social services and benefits services.

14. CRIME AND DISORDER REDUCTION IMPLICATIONS

14.1. There is a complex relationship between poverty, worklessness and crime however providing residents with improved support towards finding employment may have positive crime and disorder reduction implications.

15. EFFICIENCY STATEMENT

15.1. The increased co-ordination of services and support for residents, as well as the expanding co-location of services suggested in the report, should improve service efficiency.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- Appendix 1 - The impacts of welfare reform on residents in Tower Hamlets: A report to Tower Hamlets Council from the Centre for Economic and Social Inclusion
- Appendix 2 – Equalities Analysis – Discretionary Housing Payments from Welfare Reform and Discretionary Support Cabinet report of 31st July 2013

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- NONE

Officer contact details for documents:

- Not Applicable