Non-Executive Report of the:

COUNCIL

21 November 2018

Report of: Asmat Hussain, Corporate Director, Governance and Monitoring Officer



Classification: Unrestricted

Motion for debate submitted by the Administration

| Originating Officer(s) | Matthew Mannion, Committee Services Manager, |
|------------------------|--|
| | Democratic Services. |
| Wards affected | All wards |

SUMMARY

- 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in the previous six months; or which proposes that a decision of the Council taken in the previous six months be rescinded; unless notice of the motion is given signed by at least twenty Members.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 Seconder: Councillor Dan Tomlinson

This Council notes:

- 1. Universal Credit, the new social security payment which replaces 6 other benefits, is currently being rolled out across the country, including Tower Hamlets.
- 2. That the system and the rollout have been beset by numerous problems leading to real hardship.
- 3. The problems with Universal Credit are numerous and can have devastating impacts. These include cash flow crises, debt, rent arrears and evictions, and given that Universal Credit payments are made to a single bank account per household, this makes it easier for perpetrators of domestic abuse to control and exploit their victims.
- 4. That it can take up to 5 weeks before the first payment under Universal Credit is made.
- 5. That the Department of Work & Pensions (DWP) own survey of claimants published on 8th June showed that 40% of claimants are experiencing financial hardship even nine months into a claim and that 20% of claimants are unable to make a claim online.
- 6. That despite the roll-outs major problems, highlighted in a National Audit Office report (NAO, June 2018), the government sought to undermine it rather than address the very serious concerns it raised.
- 7. The NAO report also raised concerns that 'it is not clear that Universal Credit will cost less to administer than the existing benefits system.'
- 8. Tower Hamlets Council submitted written evidence to the Work and Pensions Committee inquiry into Universal Credit last year, on a joint basis with three other London boroughs.
- 9. The Times reported before the Budget that Esther McVey, Work & Pensions Secretary, confirmed to cabinet colleagues that millions of families could lose £200 per month under Universal Credit.
- 10. That under Mayor Biggs' Tackling Poverty Fund, £1m has been allocated to support Tower Hamlets residents affected by Universal Credit. This sits alongside a programme of Tackling Poverty work the council is undertaking.
- 11. Only 46% of respondents to Tower Hamlets own survey reported that they received correct payment from the start and an extraordinary 35% reported that they did not.
- 12. Tower Hamlets has launched our own Universal Credit Support service which has already started to work with clients who have moved onto UC.

This Council believes:

- Universal Credit should be stopped completely, and that a genuinely comprehensive system should be introduced in which nobody will be worse off.
- 2. As the Prime Minister has announced that "austerity is over", the Chancellor should reverse the cuts to social security.

- 3. That the Chancellor's announcement of an extra £1.7bn for Universal Credit work allowances is less than a quarter of the £7bn of welfare cuts planned over the next 5 years.
- 4. That the social security system is there to support individuals and families in tough times, not to punish them.

This Council resolves:

1. To call on the Government to stop the roll-out completely and deliver a genuinely comprehensive system in which nobody will be worse off.