

14. WELFARE REFORM AND ASSOCIATED MATTERS

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Estates advising of the current position in relation to Welfare Reforms, including action taken to mitigate the impact and to consider how the council could further develop a proactive response to the Welfare Reform changes.

The Head of Finance explained that the UK Government was undertaking a major programme of Welfare Reform which would have a significant impact on local authorities and the communities in West Lothian. Overall it was estimated that people in West Lothian would lose £17 to £20 million per year in benefits.

The council had set up a working group on Welfare Reform, with membership from those services most affected by the reforms, including Area Services, Finance and Estates, Housing, Construction and Building Services and Social Policy.

The welfare reform changes would result in a reduction in benefits income for a significant number of West Lothian residents and as a result the council would face a changing context in relation to the collection of housing rent and council tax. Under the terms of the council's Corporate Debt Policy and Financial Regulations, the council had a duty to ensure that all reasonable actions were taken to collect outstanding housing rent and council tax arrears.

The report explored the areas that would be most affected by the changes and included the council's Corporate Debt Policy, financial regulations to write off debt, housing arrears and convictions and specific issues in the Welfare Reform Act. The Head of Finance and Estates also explored the impact of the changes specifically on West Lothian and actions that were being taken to mitigate the actions of the welfare reform act.

The Head of Finance and Estates explained that the council had already allocated significant time limited resources towards providing advice and support to people affected by the welfare reform changes. The largest financial risk to the council was its ability to collect rent and council tax. The amount of housing benefit that would be lost to current council house tenants through the introduction of the size criteria restrictions was estimated to be £1.36 million.

Further actions would continue to provide a proactive response to welfare reform and these were summarised in the report.

In conclusion the welfare reform programme would have significant consequences for people in West Lothian and would present significant challenges to our customers, communities and to the council itself. To date the council had implemented a number of positive interventions aimed at advising and providing support to those affected by the Welfare Reform changes.

It was recommended that the Council Executive :-

1. Note the current position with regard to Welfare Reforms including the range of actions already taken by the council to mitigate the impact on communities in West Lothian;
2. Agree that officers should :-
 - Carry out an impact assessment of the Welfare Reform Action 2012 changes;
 - Develop the council's approach to financial inclusion;
 - Review Corporate Debt Policy, including processes for collection of council house rent and council tax;
 - Review housing policies and procedures to take account of welfare reform changes; and
 - Consider any other appropriate actions in relation to welfare reforms.
3. Agree that officers should report the results of the impact assessment and reviews and any recommended actions through the Policy Development and Scrutiny Panels.

Motion

“Council Executive agrees recommendation 1, recommendation 2 (parts I, II, III, IV & V) and recommendation 3 of the report, and further agrees that, pending the outcomes of the impact assessment and reviews :

That for any Council tenant facing financial hardship as a direct result of the “Bedroom Tax”, providing they have contacted the Council to discuss their financial position, are doing all they reasonably can to avoid falling into or escalating arrears, and, have entered into and are fulfilling an agreed payment plan, West Lothian Council will use all legitimate means of supporting tenants to pay their rent, but will not pursue eviction measures.

Council Executive also calls upon Scottish Government to take the lead on this issue, to protect all tenants and local authorities across Scotland, to introduce emergency legislation and funding for local government and social landlords to deliver this policy, and agrees to write to the Cabinet Secretary responsible to demand that they take this action urgently.

Council Executive also instructs officers to bring a paper to the relevant PDSP with proposals to expand and promote access to Credit Union services in line with the Administration's manifesto commitment.

The Head of Finance and Estates has verified the financial content of this motion.”

- Moved by Councillor Paul and seconded by Logue

Amendment

“West Lothian Council notes that despite 82% of Scotland’s MP’s opposing the “Bedroom Tax”, this unfair and totally unacceptable legislation has been imposed on the people of Scotland by the Westminster Tory Government in April this year.

Council notes that for many tenants, already under severe pressure as a direct result of the Westminster Government’s austerity programme, the loss of 14% or 25% of their housing benefit will force many to choose between eating, heating and providing essentials for their family or finding substantial additional money, up to £18.37 a week, to meet increased rent payments.

Council condemns the Labour Party’s introduction of the Bedroom Tax for the private rented sector through their Local Housing Allowance, which had led to the Tory Westminster Government extending this to the social rented sector.

Council agrees to;

1. Carry out an impact assessment of the welfare reform changes.
 2. Further develop the council’s approach to financial inclusion
 3. Review Corporate Debt Policy, including the processes for collection of council rent and council tax with the specific caveat that where the Head of Housing, Construction and Building Services is satisfied that tenants suffering “Bedroom Tax” benefit reductions are doing all that can reasonably be expected to avoid falling into rent arrears, Council will not proceed to evict any such tenant for “Bedroom Tax” rent arrears.
 4. Review housing policies and procedures with the specific caveat that this review will consider such policies and procedures from the perspective of the needs of our tenants and community and not the financial requirements of the “Bedroom Tax”.
 5. Consider any other appropriate actions in relation to welfare reforms
- Moved by Councillor Anderson and Councillor Johnston

The Council Executive agreed that a roll call vote be taken, the result of which was as follows :-

Motion

Tom Conn

Jim Dixon

Lawrence Fitzpatrick

Amendment

Frank Anderson

Peter Johnston

Dave King

Danny Logue

John McGinty

Anne McMillan

David Dodds

Tony Boyle

George Paul

Decision

Following a vote the motion was successful by 10 votes to 2 and it was agreed accordingly.