

Council – 5 November 2007

Welfare Rights Service: Progress Update

Service Area: Corporate Services

Wards: All Wards

Summary of report

To consider a report from the Corporate Scrutiny and Performance Panel informing Council of their considerations following a motion from Council requesting the Panel to review the options to establish whether or not it would be beneficial for the Welfare Rights Service to become an independent trust.

Recommendations

That, subject to any comments Members may wish to make, the report be noted.

Resource and legal considerations

The continued work to establish a business case for the Welfare Rights Service becoming an independent trust will incur resource considerations. This will involve officer time to research the proposals and reviewing the legal and financial implications of establishing a Trust.

Depending on the outcome of this report there may be legal considerations in terms of the TUPE arrangements for any staff members involved. This could also have legal impact in terms of the Trust being accepted into the Local Government Pension Scheme.

Inevitably there could also be financial and legal considerations in terms of developing and creating the Trust in terms of a separate legal entity. A further report will be presented upon the conclusion of the business case to clarify the full impact on funding and revenue streams of the service becoming an independent trust.

Citizen impact

Depending on the outcome of this report the impact for citizens will largely centre on the delivery model for Welfare Rights Services and any associated functions that may be subsequently included within the trust. The levels of funding that will be made available and grants accessible will very much depend upon the outcomes of the business case.

Environmental impact

No implications as a result of this report.

Performance and risk management issues

The potential development of an independent trust could have significant impact on the performance management framework that currently exists for the service. Depending on the outcome of this report there could be a need to develop a new contractual arrangement to ensure that performance monitoring and management functions are in place to ensure that council reports on all statutory performance information. Performance measures may also need to be developed to ensure that the chosen delivery vehicle delivers the required outcomes for the service and contributes towards the delivery of the Council's vision and priorities.

A full risk analysis and associated management action plan will need to be completed alongside any business case before the outcome can be decided.

Equality implications

All equality implications will be considered within the business case that is being developed.

Consultation

This report has been prepared following consultation with officers and detailed discussion at the Corporate Services Scrutiny and Performance Panel. Initial consultation on this proposal was undertaken by the Institute of Revenues, Rating and Valuation (IRRV) who met with a number of stakeholders including staff and managers from within the service and elected members. In addition to this they have reviewed and benchmarked the options for consideration against other authorities when developing the original proposals.

Relevant staff groups and managers will be further consulted as the development of the business case progresses.

Background papers

- Welfare Rights Briefing Note to Corporate Services Scrutiny and Performance Panel - 14 December 2006.
- Progress Report to Council - 15 January 2007
- Interim IRRV Presentation - 12 April 2007
- Final IRRV Report - Strategic Review: Options for the Administration of the Welfare Rights Service

Report

Purpose

To inform Council on the progress made with the investigations into the creation of a Trust for the Welfare Rights Service.

Service Area

Revenues and Benefits are split into 3 operational strands. Each puts money back in to residents pockets by granting benefits, discounts and exemptions

- Welfare Rights Identified an estimated additional £6m last year
- Revenues Granted £13.5m this year
- Benefits Granted £90m this year

Background

- The following motion was passed at council 6 November 2006:

‘This Council therefore tasks the scrutiny process to review options to establish whether this (Welfare Rights Service as an independent trust) would be beneficial to this Council and to the citizens of Walsall and if so that all endeavours are undertaken to effect this change of status to be in place by April 2007’

- Scrutiny considered this motion on 14 December 2006
- Agreed process to investigate the proposal and reporting mechanism
- Delivered an update at full Council 15 January
- Institute of Revenues, Rating and Valuation (IRRV) commissioned to undertake a strategic review and consider the options in January 2007
- IRRV met with key stakeholders, including elected members and staff and managers from the service
- Interim findings were presented back to Scrutiny 12 April 2007
- Final report received 31 May 2007
- Opportunity for final Scrutiny comment in August
- 30 August 2007 the Corporate Services Scrutiny and Performance Panel instructed Revenues and Benefits to produce a charitable trust business case

Update on Business Case

The Welfare Rights Service has compiled a draft business case on the principles that have been discussed throughout the Scrutiny Panel deliberations and is 75% complete.

The financial costings and projections related to any potential Trust are being collated and analysed.

Contact has been made with the Head of Personnel and a meeting has been set-up to discuss and consider the legal requirements and support needed.

Meetings are being arranged with Councillor Longhi, Chairman of the Corporate Scrutiny and Performance Panel, to present the initial findings.

It is anticipated that the business case will be completed by 31 November 2007.

25 October 2007 – Meeting of the Corporate Scrutiny and Performance Panel

The Corporate Scrutiny and Performance Panel met on 25 October 2007 to consider a draft of this report to Council. The panel considered the report and the update on the formulation of the business case.

After much debate the Panel unanimously resolved that the following points be investigated as part of the business case development:

1. that the staff under the management of the Welfare Rights Service at the moment be consolidated for consideration of them going into a Trust from 1 April 2008, these staff being:
 - a. 12 Welfare Rights Staff plus 7.5fte Neighbourhood Renewal funded contracts that end on 31 March 2008;
 - b. 10 Fairer Charging staff, and;
 - c. 2 Financial Assessment Benefits staff.Total 31.5 fte staff
2. that the staff under the management of the Welfare Rights Service at the moment be consolidated together with all of their budgets and to ring fence them in preparation of a Trust Body status coming into effect from 1 April 2008 and all of these staff be seconded in the first instance from 1 April 2008 until such time as the admitted body status for the Local Government Pension Scheme is agreed and then TUPE would then be applied to these staff in the new trust;
3. that the second phase target to include the Neighbourhood Community Care Officers to be TUPE transferred into the new Trust no later than 30 September 2008, and;
4. that a scoping exercise be undertaken in the third phase of consolidation of staff to establish similar staff that might be considered for transfer into the new Trust. This to be completed by 31 December 2008.

The Panel hope to consider the draft business case at its meeting on 13 December 2007. Once this has been considered the Panel will report back to Council with its recommendations on the future of the Welfare Rights Service.

Signed:

**Councillor M. Nazir
Vice-Chairman,
Corporate Scrutiny and Performance Panel**

Date: 29 October 2007

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