

Item No. 3.2	Classification: Open	Date: 25 March 2015	Meeting Name: Council Assembly
Report title:		Motion on the Theme: Welfare reform with an emphasis on financial inclusion	
Ward(s) or groups affected:		All	
From:		Proper Constitutional Officer	

BACKGROUND INFORMATION

The theme for this meeting is welfare reform with an emphasis on financial inclusion.

The relevant cabinet member shall submit a motion on the theme. All other political groups on the council are allowed to submit one amendment to the motion. The cabinet member's motion and the amendments do not need to be seconded. The cabinet member will present the motion to the meeting, followed by the lead opposition spokesperson's response and moving of their amendment. Following this the subject matter of the theme will be open to debate. Amendment(s) from other opposition groups on the council can be moved during this part of the meeting.

MOTION FROM COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

1. Council assembly believes that the coalition government's welfare reform has utterly failed, with hardship and deprivation increasing, at the same time as the cost of implementing the reforms is mounting.
2. Council assembly condemns the government's changes to benefits which have targeted the most vulnerable and hit families with children under five harder than any other group.
3. Council assembly notes that despite the government's rhetoric on repairing the nation's finances, cuts to welfare have been offset by tax cuts for the most well off, meaning the government's welfare reform has made no overall contribution to paying down the deficit.
4. Council assembly notes that residents in Southwark have been hit hard by the coalition government's welfare reform, including:
 - The cruel and unfair bedroom tax, which has hit 5,000 Southwark residents;
 - A benefit cap which disproportionately affects families in London and has left some households facing the threat of eviction;
 - Unacceptable delays in personal independence payments, which have left over 300,000 disabled people in limbo nationally as they wait for a decision on crucial support;
 - Cuts to local government funding for discretionary housing payments and council tax benefits.

5. This administration has prioritised our most vulnerable residents, using our resources to protect them as far as possible from the worst excesses of the government's welfare cuts, including:
 - Providing financial assistance and support for residents affected by the bedroom tax and other welfare changes through the welfare hardship fund;
 - Providing a much-needed safety net for our most vulnerable residents through the Southwark Emergency Support Scheme, despite government cuts to the funding;
 - Helping residents to ensure they are claiming all benefits entitled to them, through the Rightfully Yours advice service.
6. Council assembly is concerned about the rollout of universal credit, particularly following direct payment pilots in Southwark, which have highlighted the risk of residents struggling to cope with complex budgeting and increasing numbers of residents falling into rent arrears.
7. Council assembly welcomes the steps that have been taken by this administration to mitigate against these risks and to promote financial inclusion, working in partnership with Lambeth and Lewisham to deliver support for residents to prepare for universal credit, including opening bank accounts, dealing with debt and coping with budgeting on a monthly basis.
8. Council assembly believes that employment is central to improving the financial resilience of our residents and recognises that current welfare to work provision fails to meet the needs of our most vulnerable residents. Council assembly therefore welcomes the steps this administration is taking to support residents with the most complex needs to develop the skills, motivation and experience to be able to secure employment.
9. Council assembly believes that the growth of insecure, low-paid, poor quality jobs under the coalition government is undermining the UK's ability to earn our way out of the current cost of living crisis and adding to welfare spending.
10. Council assembly believes that the country's welfare system can only become sustainable for the long-term by getting more people into work, and creating better paid and more secure jobs.
11. Council assembly therefore welcomes Labour's national commitments to:
 - Abolish the cruel, costly and failing bedroom tax, which is hitting over 400,000 disabled people nationally;
 - Make work pay by increasing the national minimum wage and encouraging more employers to pay a living wage;
 - Tackle the root causes of rising housing benefit spending by getting 200,000 homes a year built by 2020;
 - Introduce a compulsory jobs guarantee, paid for by a bank bonus tax, to provide a paid starter job for every young person unemployed for over a year, and everyone over 25 unemployed for over two years.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet member's motion	Constitutional Team 160 Tooley Street London SE1 2QH	Andrew Weir 020 7525 7222

AUDIT TRAIL

Lead Officer	Ian Millichap, Constitutional Manager
Report Author	Lesley John, Constitutional Officer
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