

AGENDA ITEM

REPORT TO CABINET

18 JULY 2019

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET INFORMATION ITEM

Lead Cabinet Member – Leader of the Council - Councillor Bob Cook

UPDATE ON WELFARE RELATED ISSUES

SUMMARY

This report provides an update on the provision of welfare support and actions being undertaken by the Council to support some of the borough's most vulnerable residents.

REASON FOR PRODUCING THIS REPORT

This report is for information only. No decisions are required.

DETAIL

Universal Credit Roll-Out Timetable

1. Universal Credit (UC) full service has now been rolled out across the UK for new customers (subject to a number of exceptions). The full service began in Stockton in July 2018.
2. "Moving to Universal Credit" (formerly known as managed migration) is the next phase which involves existing legacy benefits ending and customers moving onto UC. This will not simply be a transfer of data from one system to another - customers will be required to submit new claims for UC. The process is currently being tested at the pilot site in Harrogate, which is expected to be completed during the current financial year. The intention is to then roll-out a significant migration programme from 2021 through to the end of March 2023.

Universal Credit "Help to Claim"

3. Until the end of March 2019, local authorities were funded by the Department of Work and Pensions (DWP) to offer 'Universal Support' to customers requiring assistance to claim and maintain their UC claim on-line and manage their budgets through 'Personal Budgeting Support'.
4. From April 2019, a new national service funded by the DWP is being delivered by the Citizens Advice Bureau. Unlike Universal Support, the "Help to Claim" service is limited to supporting claimants in the early stages of their UC claim, from submitting an application through to receiving their first payment. Locally this service is being provided by the Stockton and District Advice and Information Service (SDAIS). There is also a national 'help to claim' freephone number and webchat support through the Citizens Advice website.

Housing Benefit

5. The local authority continues to be responsible for the administration of Housing Benefit whilst UC is being rolled out. 12,225 customers are currently receiving Housing Benefit to help with their rental costs. The amount of Housing Benefit paid out in 2018/19 was £61.8 million. In addition over £530,000 was paid out in Discretionary Housing Payments to support the most vulnerable customers struggling with shortfalls in their rent.
6. The government has revised the timetable for transferring pensioners from Housing Benefit to Universal Credit. This will now commence following the completion of the roll out for working age customers in 2023.

Welfare Support Service

7. To create a more joined-up approach to the delivery of Welfare Assistance, the Back on Track Support Scheme, Discretionary Housing Payments and Council Tax hardship awards were brought together with the Welfare Rights Team to form the Welfare Support Team in 2016.
8. The Welfare Support Team is based within the Revenues and Benefits Service and is now able to offer more holistic support to our residents. The team also work in conjunction with Children's Services in assessing and awarding payments and are partners with the Learning and Skills Service in delivering the 'Routes to Work' Scheme.
9. In 2018/19 the team dealt with 4,800 welfare issues taking direct referrals from:
 - Adults and Health (including Dementia Hub, Carers Support Service, CPFA);
 - Children's Services (including Section 17 support payments)
 - Housing Solutions;
 - Revenues and Benefits;
 - Routes to Work; and
 - SDAIS.

Case Studies

10. The Welfare Support Team is delivering some excellent results for some of the most vulnerable people in the borough, with people supported to claim almost £2.3m in 2018/19.

Case Study 1: Miss A had her UC reduced as a result of a sanction. The team provided support through assisting with gas/electric and food from the Welfare Assistance Fund. Officers also appealed against the sanction and the client received her full UC entitlement and a lump sum in arrears.

Case Study 2: Mr B had been out of work due to illness and was looking to get back into employment. The team assisted him through the Routes to Work Scheme, maximised the family's benefits and assisted with a shortfall in Housing Benefit through the Discretionary Housing Payment scheme. As a result, Mr B was able to make a successful transition into work.

Case Study 3: Mrs C was referred by Adult Services. She had lost her disability benefits after a review, resulting in financial hardship and an inability to pay for her care. The team represented her at a Social Security appeal and her benefits were re-instated and arrears paid. As a result, Mrs C was able to meet her financial commitments, including paying for her care.

Take-up Campaigns

11. The Welfare Support Team can respond to legislative changes in entitlements to benefits through take-up campaigns. The most recent was the change for mixed age pensioner couples who from May this year have to claim UC instead of Pension Credit and as a result are potentially worse off. Using customer records, the team were able to identify 160 working couples who may have been affected by the change. 79 couples responded to a subsequent mail shot, with 37 claims identified.

Welfare Assistance Scheme – Back on Track

12. The Welfare Assistance scheme is intended to be a fund of last resort and currently provides two types of support:
 - Crisis Support for people in immediate need (food, fuel, clothing); and
 - Settlement Support to help people remain in the community or move back into the community after a period in supported or unsettled accommodation (i.e. furniture, carpets, white goods and removal costs).
13. In 2018/19 over £88,000 was awarded to support 540 vulnerable customers, mostly in relation to settlement support. Crisis support awards tend to be for smaller amounts, in the main to meet short term fuel needs. Welfare Assistance funding will be reviewed this year to ensure that it remains appropriate to the needs of residents.

Local Council Tax Support

14. Until 2013 Council Tax Benefit (CTB) provided low-income households with help to pay their Council Tax. In April 2013 the scheme was abolished and Local Authorities in England were charged with designing their own Local Council Tax Support (LCTS) scheme for those of working age. A prescribed, centrally determined scheme was introduced for pensioners.
15. Members considered a number of options for Stockton's LCTS scheme and, following public consultation, agreed on the "shared reduction" option whereby all working age claimants pay a minimum contribution of 20% of their Council Tax charge. In 2018/19 18,460 customers were supported by the Council Tax Support scheme, amounting to £15.6 million.
16. In March 2019 Members agreed to retain the existing LCTS scheme and to carry out a review of the scheme for working age customers during 2019/20. The review is being undertaken by the People Select Committee and will consider amongst other things the current level of support being provided, the administrative requirements to deliver the scheme, council tax collection rates and the impact of Universal Credit.
17. The review will provide recommendations on the performance of the current scheme, the impact of any changes and the level of support that can be provided in future years. Any proposed changes to the existing scheme will be subject to consultation. This will inform Council decision making ahead of making changes to the scheme from April 2021.

Care Leavers

18. In July 2017 Cabinet approved a new class of discretionary discount to reduce the amount of Council Tax payable by any care leaver living within the borough by up to 100%, up until their 25th birthday. This support is currently helping 44 young people within our borough.

Moneywise (Tees Credit Union)

19. The Tees Credit Union is part of Moneywise. Membership is open to all who live and work in Teesside, Tyne and Wear, County Durham and Northumberland. They now manage members' savings worth over £4,000,000 across the region.
20. Locally, the Tees Credit Union is benefitting from a prominent town centre presence at 38-40 Dovecot Street, Stockton, with opening hours 10.00 am – 4.30 pm Monday to Friday. During the last year they have signed up over 600 new members and started a new payroll partnership with Tees Active. Local members have saved over £1.2 million pounds.
21. Saving with Moneywise is easy and secure. Staff can support customers through the simple application process at the local office or customers can apply online.
22. Moneywise is also able to offer a range of loans, supporting local people to access flexible short-term loans without the huge interest rates charged by the payday loan providers. Locally customers have loaned over £560,000. The team have also worked closely with the Illegal Money Lending Team benefitting 70 local residents who are now using the service.
23. This year the team has seen an increase in requests for support from Universal Credit claimants. As a result, at least 30 members have moved onto their prepaid card programme.

Fuel Poverty

24. Household financial circumstances continue to be the biggest determinant of fuel poverty levels. In 2017 the number of households estimated to be in fuel poverty in Stockton-on-Tees was 9,219 (11.3% of all households) a decrease of 1,637 since 2016. The borough's fuel poverty rate is lower than the regional estimates and the lowest of the five Tees Valley local authorities by some margin. However households with an inability to heat and power their homes is a constant challenge and one the Council continues to prioritise.
25. 2,993 households have been assisted through our "Warm Homes Healthy People" programme since 2012 and in the winter of 2018/19 alone our partnership with SDAIS identified over £728k of unclaimed entitlement now being processed for the benefit of vulnerable individuals. 497 front line staff from 32 referral agencies are now trained to identify fuel poverty and these vital support programmes will continue to dovetail with support for income maximisation, affordable warmth and health and well-being.

Water Poverty

26. Northumbrian Water Group (NWG) have launched a new approach to eradicate water poverty across its area by 2030, focussing on the causes of water poverty. They have formed a new research and delivery partnership with the charity National Energy Action (NEA) to develop a new Water Poverty Unit, to bring affordable water and affordable warmth to all vulnerable and low-income householders.
27. To support these ambitions locally, the Welfare Support Team are in discussions with Northumbrian Water to promote "Supportplus", a scheme for households whose income is below £16,105 and whose water bills are more than 3% of their net household costs (after rent/mortgage). These customers may qualify for up to 50% reduction in their water charges and receive assistance with any water arrears.

For further details visit www.nwl.co.uk/your-home/our-future-vision.aspx and www.nea.org.uk.

Locality Forums / Infinity Partnership

28. The Locality Forums in partnership with the Infinity Partnership have continued to support residents on low incomes affected by welfare reforms. Examples include:

- Supporting a range of foodbanks across the borough to ensure they are able to respond to those most affected in our communities, including funding for kitchen kits, over a tonne in weight of donations provided for peak times in the year etc.
- Developed a range of support initiatives including a range of resident advice days delivered in different locations throughout the course of the year; briefings delivered across a range of groups and organisations; the development of factsheets to simplify the claiming procedure and established a dedicated UC webpage leading to over 4000 page views.
- Winter Ready Roadshows held across town centres and community venues supported over 100 residents to access a range of advice and information, leading to over 100 requests for boiler repairs and servicing and 78 people being referred to SDAIS services.
- Stockton-on-Tees was also in the top 10 local authorities for energy switching with 1,321 in the last year alone.
- Protecting the Vulnerable - Information and Advice Session June 2019, with key speakers from Citizens Advice Bureau, Moneywise and Northumbrian Water providing information on services and support available to low income families

Advice and Information Services

29. Stockton Borough Council has a contract with Stockton and District Advice and Information Service (SDAIS) for the provision of a borough wide advice and information service. The aim is to provide residents with access to high quality advice and information which meets local need, from simple diagnosis and information through to legal advice, assistance, advocacy and representation at court proceedings. The current contract runs for three years from April 2017 to March 2020 with an option to extend for two years.

30. In the last quarter of 2018/19 SDAIS staff supported 2,542 clients with a range of issues including:-

- welfare benefits
- debt
- utilities / communications
- employment
- family
- housing
- financial services / capability
- health and community care
- other

31. A recent office move from Bath Lane, Stockton to a more prominent position in Wellington Square, Stockton, has led to an increase in clients approaching the 'General Drop-In service' of approximately 27%, from an average of 1018 per quarter to 1290 in quarter 4.

32. Over the coming year the Council will be reviewing the provision of in-house welfare support along-side borough wide advice and information services to ensure that it continues to meet the needs of its residents, particularly important in the context of the national programme of welfare reforms.

Digital Transformation

33. The Council has committed to exploring ways of offering customers the ability to access a range of Council services anytime, anywhere through the delivery of high quality digital services. The Revenues and Benefits Service, in partnership with Customer Services is embarking on a two year programme to develop and implement new ways of working including the front-end digital options for customer contact and service requests as well as the transactional processes and delivery methods that sit behind. This includes, for example, access to online accounts, text messaging, on-line benefit applications and electronic notifications.
34. Crucially this programme will include the protection for those vulnerable customers who are unable to access services other than by traditional means. By providing those customers willing and able to self-serve with the means to do so, the Council can focus resources on those in greatest need.

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