

Agenda Item	12
Report No	FHR/97/13

Advice and Information Services: End of Year Monitoring

Report by the Assistant Chief Executive and the Director of Finance

Summary

Advice and information services are recognised as a critical approach in alleviating poverty in the Council's Programme and Single Outcome Agreement. This report provides Members with the end of year monitoring of advice and information services in Highland for 2012/13. The report also provides an update on the new contractual arrangements with CABx, feedback from the Annual Performance Survey and a briefing on a new Consumer Partnership between CABx and the Council's Trading Standards team.

1. Introduction

1.1 The Council's Programme states that "The Council will work to alleviate poverty by encouraging benefit uptake and supporting a range of advice services". The Single Outcome Agreement also includes a short term outcome to increase the number of low income households taking up income maximisation advice.

2. Background - current services and resources

2.1 Advice and information services in Highland are provided by eight Citizens Advice Bureaux and the Council's in-house customer income maximisation and money advice teams. Current funding for these services is as follows:

- £1,134,979 third sector services;
- £379,132 in-house customer income maximisation and money advice teams.

Appendix 1 shows the apportionment of costs across these providers.

2.2 It was agreed at the Council's Budget setting meeting in February 2013, that £250,000 be allocated to mitigate the impact of Welfare Reform. This funding would be apportioned as follows:

- £150,000 Council's in-house team
- £100,000 CAB network

2.3 The Council's in-house team is utilising the additional monies to recruit 4 new full time members of staff; 3 officers for the Customer Income Maximisation Team and 1 officer for the Money Advice Team. All 4 positions have been recruited, with one starting and the remaining three working notice with current employers.

2.4 The £100,000 allocated to the CAB network has been apportioned primarily to fund additional welfare benefits advice hours, along with some additional debt advice time for 2013/14. The allocation of this funding will be agreed with CAB managers on a year to year basis in order to effectively target the pressures associated with Welfare Reform.

3. New CAB Contracts 2013/14 – 2015/16

3.1 New contracts have been developed along with the Highland CABx and began in April 2013. The contracts remain broadly similar with a greater emphasis on the provision of services for welfare benefits, debt, housing and employment advice. Alongside the new

contracts, a new performance framework has been agreed with the bureaux.

4. Demand for, and benefits of, advice and information services

4.1 Contact with people seeking advice services remains high in Highland with increases in customer contact experienced by both the in-house and CABx over the last three years. The following summarises the contacts received by the eight CABx and in-house teams.

4.2 Advice Agencies

4.2.1 Total contacts with the advice sector in Highland have continued to rise over the past three years. The 5% target set for bureaux to achieve over the course of the 2008/9 to 2012/13 Contracts was achieved in year 1. These contacts include all those who access bureau services for specialist welfare benefits and debt advice support. Table 1 outlines the pattern of contacts for the past six years:

Table 1

	2007/8 baseline	2008/9 Year 1	2009/10 Year 2	2010/11 Year 3	2011/12 Year 4	2012/13 Year 5
Total contacts	38,139	40,995	30,947	34,598	43,606	44,961
Total issues	70,413	85,552	78,184	95,349	127,709	129,216

There was a 7.5% increase in the number of contacts to third sector advice providers between 2007/8 and 2008/9 but a significant decline in total contacts during 2009/10. This decline was predicted and has been attributed to the introduction of a new case recording system CASTLE and the resultant under-recording of statistics. It was difficult to determine however whether the decline in contacts was solely due to the challenges in the new recording system or a real decline in individuals presenting for advice.

The last three years have seen a continued rise in contacts made with the bureaux. The total number of issues dealt with have also increased significantly. Some of the increase is likely to reflect improvements in the recording of statistics.

4.2.2 CAB managers report an increase in the number of customers seeking assistance because of current and proposed changes arising from the UK Government's welfare reforms and changes to benefit entitlement.

4.2.3 A further key statistic relates to the financial gain to customers from welfare benefits cases. A 5% target was set for this indicator in the 2008/9 service delivery contracts. Financial gain fell between 2007/8 and 2008/9 from £4.1m to £3.4m. Gains in 2009/10 increased considerably to £4.5m and again in 2010/11 to £6.6m, an increase of 60% since the contracts were put in place, well above the 5% target. Despite a slight fall in gains during 2011/12, there has been a further increase in gains to £8.2m in 2012/13. CASTLE now enables the recording of gains from all welfare benefit cases which includes those undertaken by volunteers. This will have contributed to the increase in gains in the past two years. Alongside this, the overall increase in Employment Support Allowance appeals will have impacted upon this figure. It is important to note that financial gain fluctuates because the level of benefit derived varies dependent upon client entitlement.

4.2.4 Table 2 provides data on specialist debt advice cases. The number of individuals presenting with debt issues has continued to fall. With the exception of 2011/12, this pattern is replicated in the level of debt presented by individuals. Bureaux report that debt advice staff continue to be busy as the complexity of cases presented has

increased.

Table 2

	2008/9	2009/10	2010/11	2011/12	2012/13
Total No. of Specialist Debt Advice Cases	830	955	915	860	696
Total Debt presented from Specialist Debt Advice Cases	£14,362,027	£17,241,728	£15,072,327	£15,160,682	£14,708,000

4.3 *In-house Council Teams*

4.3.1 The customer contacts dealt with by the in-house Money Advice Team increased only marginally from 2011/12 to 2012/13. The Money Advice Team is working at maximum capacity at the moment. The debt figure dealt with by the Team increased by 7.7% however it should be noted that the amount of 'payday lending' being dealt with by the Money Advice Team has increased between 2010/11 and 2011/12 by 310 % and between 11/12 and 12/13 by 44%.

Table 3 below provides further performance data.

4.3.2 **Table 3**

Money Advice/Debt	Out turn	2012/13				Out turn
	11/12	Q1	Q2	Q3	Q4	12/13
Total number of customer contacts	1055	267	270	246	273	1056
Total debt presented by multiple debt clients (excludes mortgages and secured loan debts that haven't been called up)	£6,717m	£2024m	£1,538m	£1,812m	£1,862m	£7,237m
% of clients renting from HC	34.1%	27.27%	45.13%	43.90%	43.18%	39.33%
% of clients with incomes <£10k	42.1%	39.86%	39.82%	48.78%	43.94%	43.05%
% Debt queries completed in time from first contact to initial interview of 10 days (ytd)	98.12%	92.86%	97.28%	97.26%	97.91%	96.33%

The 5% increase in clients renting from The Highland Council reflects the close working relationship between Housing & Property and the Money Advice Team; working to mitigate financial pressures on vulnerable tenants and preventing homelessness.

4.3.3 Table 4 provides information regarding the number of customers that contacted the Customer Income Maximisation Team and the value of confirmed financial gains achieved. During 2012/13, there was an 11.5% increase in the number of contacts which is mainly attributable to the substantial number of clients seeking advice about the anticipated and actual impact of Welfare Reform. Although this work is extremely time consuming it continues to be essential for the people of the Highlands. The demand arising from the Welfare Reforms is borne out in the 32.84% increase in the value of confirmed client financial gains to £2.3m. It is anticipated that while the number of

contacts will increase in the next 12 months, the average financial gains to customers could decrease as a result of more restricted eligibility criteria and resources having to be directed to helping customers address changes as a result of Welfare Reform.

Table 4

	2008/09	2009/10	2010/11	2011/12	2012/13
Customer Income Maximisation	Out turn	Out turn	Out turn	Out turn	Out turn
Number of contacts	911	1040	1090	1640	1828
Total Gains	£402,110	£1,377,928	£1,757,082	£1,734,080	£2,303,574

4.3.4 The total financial gain to customers from CAB and in-house services amounted to £10.5m in 2012/13. Ensuring benefit take up is of value not just to those people entitled to benefits but also for a more accurate calculation of the Government grant for the Council where this factor is included.

5. Feedback from the Citizens' Panel

5.1 This year, the Council's Performance Survey included a series of questions regarding satisfaction with Advice and Information Services – both in-house and the CAB network.

5.2 Of the people who responded to the survey 99.3% (1,143 people) answered this question. Some 92.3% said they had not made contact while 7.7% (88) said they had made contact. Contact levels were highest amongst people who are:

- unable to work (26%);
- unemployed (16%);
- disabled (14%).

5.3 Those who had made contact were asked which of the services they had contacted. Respondents were asked to select all that applied. The responses show that:

- 94% had contacted the CAB service;
- 9.6% had contacted the Highland Council's Money Advice Service;
- 8.4% had contacted the Highland Council's Income Maximisation Service.

5.4 Respondents were asked how satisfied they were with the service used in terms of ease of access/waiting times/the way you were treated? Satisfaction levels were as follows:

Provider	Fairly/Very Satisfied	Neither Satisfied nor Dissatisfied	Fairly/Very Dissatisfied
CAB Providers*	78.2%	3.8%	18%
In-house Teams**	64%	7%	29%

*n=78 **n=14

5.5 It is important to note that the numbers responding to this section in the survey are low however it is helpful to gain an insight of usage and satisfaction amongst panel members of advice and information services. This will complement satisfaction information gathered on an ongoing basis by the CABx and in-house teams and also quality of advice levels as assessed through annual audits.

6. Highland Consumer Partnership

6.1 There has recently been a change in the institutions involved in regulating and promoting consumer affairs in the UK. The previous “consumer landscape” contained a range of national and local bodies and was thought by the UK Government to be duplicative and confusing for the public. The new landscape identifies two main organisations to take consumer matters forward: Trading Standards (through Local Authorities) and Citizens Advice. While Citizens Advice is now responsible for consumer advice, education and advocacy, Trading Standards has the lead role in business advice and education and enforcement of consumer law.

6.2 It was recognised early in Highland that a close partnership was necessary between the two bodies. There had been joint working in the past, but it was ad hoc in nature and a more regular and systematic partnership was needed. There are four aspects to the Highland Partnership:

- **Help for consumers with their individual disputes:** local arrangements put in place to complement the on-going work of the national telephone helpline
- **Consumer “intelligence” sharing:** CABx will share information about consumer problems with Trading Standards to inform which matters and which businesses require attention.
- **Second-tier support to advisers:** CAB advisers can phone named officers in Trading Standards to receive specialist advice on any consumer case.
- **Campaigning work:** joint publicity campaigns reflecting CAB’s consumer education role and Trading Standards crime prevention strategies

6.3 There have already been a number of concrete outcomes from the Partnership. Joint working and information-sharing has led to a number of businesses that were causing problems for Highland consumers being dealt with, including local builders, car scammers and internet sellers. Successful outcomes have included a Court Enforcement Order, rogue websites being taken off-line and some retailers’ internet delivery surcharges to the Highlands being reduced. The Partnership has also had its first joint campaign, with Scams Awareness Month in May 2013 when five events were held up and down the Highlands, in shopping centres, community halls and other venues. These alerted Highland consumers to the wide variety of online, telephone, postal and doorstep scams currently operating.

6.4 At present, the Highland Consumer Partnership is the only one of its kind in Scotland and is attracting considerable interest from across the country. It has had a successful first phase which now must be built upon going forward.

7. Resource and risk implications

7.1 The current budget for information and advice services (in-house and procured from CABx) is £1,514,111. To meet increasing demand for the service, especially among those affected by welfare reform an additional £250,000 has been allocated to CAB and Council services. New contracts are managed with clear performance criteria and audits.

8. Legal Implications

8.1 The legislative requirement for advice and information services is set out in Section 12 of the Social Work (Scotland) Act 1968. It outlines the general social welfare services of local authorities, stating that: ‘It shall be the duty of every local authority to promote social welfare by making available advice, guidance and assistance on such a scale as may be appropriate for their area [...]’ Section 12 (1).

9. Climate Change Implications

9.1 There are no climate change implications.

10. Equalities Implications

10.1 An updated screening has been undertaken on the new contractual arrangements.

11. Recommendations

Members are asked to note that in 2012/13:

1. Through the Council's contracts with the CAB network 44,961 customer contacts were made. The complexity of advice sought is increasing and pressures experienced particularly in the area of welfare benefits.
2. Contact with the Council's in-house money advice service has remained stable between 2011/12 and 2012/13. The in-house income maximisation team has experienced a further increase in the level of contacts which is mainly attributable to the substantial number of clients seeking advice about the anticipated and actual impact of Welfare Reform.
3. The total financial gain to all customers from these services amounted to £10.5m.
4. Note the development of the Highland Consumer Partnership between the CAB network and the Council's Trading Standards team.

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Current Advice and Information Budgets

CAB Contracts	Amount
Inverness, Nairn, Badenoch & Strathspey CAB	£367,620
Nairn CAB	£93,321
NW Sutherland Advice and Information Service	£42,236
East Sutherland CAB	£77,097
Caithness CAB	£117,490
Lochaber CAB	£121,863
Skye and Lochalsh CAB	£105,455
Ross & Cromarty CAB	£169,054
Total CAB Contract costs	£1,094,136

Additional CAB Funding	Amount
Responsive funding for SDCs (interpretation costs, staff absence cover and other support)	£20,843
Volunteer Development and Support Budget	£20,000
Total CAB Budget	£1,134,979

In-house Budget	Amount
In-house staff costs , Finance Service - Money Advice Team (6 FTE) and a small Benefits Maximisation Team (4 FTE) and joint training with CAB.	£379,132

Total Advice and Information Budget	£1,514,111
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Additional Welfare Reform Funding	£250,000
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Total (<i>incl. welfare reform monies</i>)	£1,764,111
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