

Agenda Item	16
Report No	RES/52/16

Advice and Information Services: End of Year Monitoring 2015/16

Report by the Director of Finance

Summary

Advice and information services are proven to be 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 council-funded advice and information services in Highland for 2015/16.

1. Background

- 1.1 Good quality information and advice are essential for health and wellbeing, to enable people to access entitlements and services, make informed decisions, and to make a valuable contribution in their community and society as whole. This is particularly important at times of welfare reform and the current climate of major changes to policies, services and the drive, where appropriate, for reduced dependency on the public purse against a backdrop of alleviating poverty for Highland residents.
- 1.2 During 2015/16, council-funded advice and information services in Highland were provided by eight Citizens Advice Bureaux (CABx) and the council's customer income maximisation and money advice teams. Core funding for these services in 2015/16 amounted to £1,612,465: £1,217,465 in respect of the Citizens Advice Bureaux plus £395,000 for the customer income maximisation and money advice teams located within the Revenues & Business Support section of the Finance Service.
- 1.3 As detailed in the Welfare Reform Update report (Item 11a) to the May meeting of this Committee, 2 vacancies in the council's money advice team arising during 2015/16 were not filled in the knowledge that, as part of the budget process for 2016/17, Members considered and approved a savings proposal reviewing the split of internal money advice services and those provided by external providers which delivers an annual saving from April 2016 of £130k for the Council.
- 1.4 In addition to core funding, specific project funding of £316,354, enabled three projects to be delivered during 2015/16 as set out in Section 4 of this report.
- 1.5 Although other Services within the council are also involved in the provision of advice and information, this report does not capture or reflect the cost of these other services and related performance.

2. Advice and Information Support

2.1 Demand from people seeking **welfare** support from advice services within the Highlands continues to grow, with the financial year 2015/16 experiencing an 8 year high for overall contacts **(+15.2%)**. Conversely, the combined number of people seeking **debt advice** from the CABx and the council's money advice team reduced significantly **(-24%)**.

2.2 Overall there were 86,486 contacts with advice and information services during 2015/16. This compares to 86,246 contacts during 2014/15 and represents a slight increase of 0.3% year on year in overall contacts with advice providers.

2.3 The following tables detail the key types of advice being provided:

Council teams	Contacts by advice type		
	Total	Welfare	Debt
2014/15	34,786	16,502	18,284
2015/16	33,802	20,746	13,056
% +/-	-2.8%	+25.7%	-28.6%

Citizen Advice Bureaux	Contacts by advice type				
	Total	Welfare	Debt	Housing	Employment
2014/15	51,460	20,850	6,421	3,164	3,034
2015/16	52,684	22,285	5,709	3,207	3,191
% +/-	+2.3%	+6.9%	-11.1%	+1.4%	+5.2%

NB The total contacts figure also includes other advice areas that are not detailed and therefore the individual strands do not reflect the total contacts figure

Total Contacts: THC and CABx	Contacts by advice type				
	Total	Welfare	Debt	Housing	Employment
2014/15	86,246	37,352	24,705	3,164	3,034
2015/16	86,486	43,031	18,765	3,207	3,191
% +/-	+0.3%	+15.2%	-24.0%	+1.4%	+5.2%

NB The total contacts figure also includes other advice areas that are not detailed and therefore the individual strands do not reflect the total contacts figure

2.4 All measured advice types, with the exception of debt, have seen an increase in contact numbers.

2.5 The highlighted increases in demand for welfare advice are as anticipated and reflect the impact of the UK government's welfare reforms. The CABx and the council's team reported an increase in people seeking advice and assistance to claim potential benefits and to challenge benefit decisions. In addition temporary, seasonal and zero hour contracts are examples where demand for employment advice continues to increase within the Highlands.

3. Debt presented/benefit gains

3.1 **Total debt presented:**

Year	CABx	Council	Combined
2014/15	£14,975,514	£5,968,212	£20,943,726
2015/16	£19,386,982	£4,726,297	£24,113,279
% +/-	+29.5%	-20.8%	+15.1%

3.2 During financial year 2015/16 there was a 15.1% increase in the amount of total debt presented when compared with 2014/15. Whilst the overall demand for debt advice is reducing as reported at 2.1 & 2.3, the complexity of individual cases remains high and resource intensive to address customers' debt issues. Debt advice can help people avoid problem and enduring debt as well as recover from their debt and start afresh. However, stigma and a failure to recognise problem debt are highlighted as key barriers that are preventing and delaying people from accessing these vital services.

3.3 In addition to customers in receipt of out of work benefits, money advisers engaged with Highland residents from a variety of backgrounds who have sought advice and support with debt issues. Variable hour contracts and DWP benefit delays are two examples of a range of factors that contribute to debt. Customers affected by these factors are often on low incomes and are unable to independently achieve the financial position they were originally in before the income shock(s) occurred.

3.4 Personal circumstances can mean that some customers are more vulnerable to problem debt than others because of low levels of savings, low income and a lack of financial resilience. Those who are unemployed, some older people, single parents and those on low wages can be susceptible to such crises as they have limited or nil disposable income and spend a disproportionate amount of their income on basic living costs.

3.5 **Total financial gains:**

Year	CABX	Council	Combined
2014/15	£13,052,358	£3,974,620	£17,026,978
2015/16	£12,932,006	£4,014,792	£16,946,798
% +/-	-0.9%	+1%	-0.5%

3.6 The figures detailed in the above table are generally a combination of the backdated benefits gains customers have received plus the annualised weekly entitlement (irrespective of when the claim started during 2015/16).

3.7 The marginal decrease (0.5%) in total financial gains during 2015/16 reflects the cumulative impact of welfare reform and the reducing amount of benefit payment awards / levels available for customers at a time when more customers are seeking advice to assist with significantly more complex matters.

- 3.8 Welfare reform, Employment and Support Allowance (ESA) and Personal Independence Payments (PIP) continue to be of particular concern with intensive support being required to resolve customers' complex circumstances. In addition, demand continues for representation work associated with appeals which is further exacerbated by the current benefit sanction regime.
- 3.9 The increased demand for services is anticipated to continue in 2016/17 as the roll-out of Universal Credit Full Service (UCFS) develops and the re-assessment process for Personal Independence Payment picks up pace. More information relating to UCFS is discussed in Item 16 on today's agenda.
- 3.10 All CABx and the council's welfare support team continue to identify and implement efficient processes; to make effective use of technology; and to secure additional funding streams to those available from the Council.

4. The Highland Council's Welfare Fund: Projects delivered during 2015/16

4.1 As detailed in paragraph 1.3 above, the undernoted advice and information projects were delivered during 2015/16 following funding approval from the Resources Committee.

4.2 *Maximising Benefit Take-up project - £63,345 (Led/delivered by the Highland Council's Customer Income Maximisation Team)*

4.2.1 This project began during June 2015 and involves identifying customers with potential entitlement to additional benefit(s). Making best use of reports from the Council's Revenues and Benefits IT system, advisers initially undertake a benefit check, based on the customer's circumstances, to identify potential entitlements. With the customer's consent, advisers then complete the necessary application forms, and when appropriate, appeal decisions and represent customers at tribunals. During 2015/16 this project achieved £372,558 in benefit gains. As a result of a vacancy within the project team, and given the success of this initiative, this project has been extended to March 2017 and will be delivered within the original project funding amount utilising the existing specialist resource/ skills already built since the project started.

4.3 *Midwifery project – £89,346 (original allocation) (Led/delivered by CABx – project extended to 31 March 2017)*

4.3.1 Following the successful pilot by the Council's own in-house advice teams, CABx commenced delivery of this project on 1 June 2015. Expectant mothers are offered a welfare/money advice service on an opt-out basis when attending midwifery appointments with community midwives. During 2015/16 this project achieved:

4.3.2

Number of referrals	Customers assisted	Financial gains
1,114	791	£200,069

4.3.3 These positive results show the value of assisting expectant mothers, especially given two of the Early Years Collaborative key changes of:

- Early support for pregnancy and beyond; and
- Addressing child poverty

4.3.4 It should be noted the amount of recorded client financial gains does not fully reflect the potential financial benefit to each customer as many of the entitlements are available after the baby is born or upon a return to work. For example an adviser may have provided information regarding the potential to claim Working Tax Credits, Child Tax Credits, Child Benefit, Income Support, Healthy Start vouchers, or dependent upon where they live, Universal Credit.

4.4 ***Mental Ill-Health project - £163,000 (original allocation)
(Delivered by CABx- project extended to 31 March 2017)***

4.4.1 This project started in January 2015 and as a result the associated contacts and gains (295 customers and in excess of £102,477 gains) for the last quarter of 2014/15 are reflected in the CABx performance at paragraphs 2.3 and 3.5 above.

4.4.2 The full roll-out of this project across the Highlands started in April 2015 with the additional services benefiting all Council wards.

4.4.3 Performance for this project is detailed below:

Customers assisted	Financial gains
1,932	£1,139,176

4.4.4 Extremely positive feedback has been received from customers and health professionals alike with regard to this project. As a result of the council's funding and the expertise within one bureau within Highland, the Child Action Poverty Group (CPAG) has now updated their leaflet "*Financial Help in the Early Years*" to include advice for parents to call Healthy Start as soon as the baby arrives.

5. Reaching the Unreached: Scottish Legal Aid Board funded - £86,540

5.1 Following a competitive application process, The Scottish Legal Aid Board approved funding for Highland Council to deliver the "*Reaching the Unreached*" project. This assists tenants and owners who are at immediate risk of losing their homes by substantially reducing their rent/mortgage arrears through an affordable payment plan. Advisers also assist customers to maximise their income and to claim relevant backdated benefits. When appropriate, referrals are made to specialist agencies to receive appropriate services.

5.2 The large majority of customers have multi-faceted challenges, many of which are the underlying causes of their debt issues. During 2015/16 this project

achieved:

Customers assisted	Debt managed	Financial gains
152	£865,070	£64,300*

*This excludes the debt paid / recovered as a direct result of the interventions by SLAB staffs.

- 5.3 All 152 households who engaged with this project received intensive support from the council's advisers to address their arrears issues. As a result of this support a 100% success rate was achieved in preventing any individual or family being evicted from their property during 2015/16 financial year.
- 5.4 This project was originally scheduled to finish in March 2016. The Scottish Legal Aid Board then extended the project to September 2016 and thereafter to March 2017 following the achievements being delivered for our customers.

6. Funding Opportunities 2016/17

- 6.1 As explained at paragraph 3.10 above, efforts continue to be expended on attracting funding from out with the Council to support the changing and increasing demand for advice and information services in Highland and to provide more targeted support for residents.
- 6.2 Members will wish to note that, led by the Benefits & Welfare Manager, the Highland Council has submitted an expression of interest for funding to the UK Money Advice Service's "*What Works Fund?*" If successful, the CABx are well placed, having both the experience and infrastructure, to effectively deliver this project to support working-age adults who are accessing health services and young adults who are transitioning to independent living.
- 6.3 Officers will continue to explore further opportunities to work with partners and to secure external funding to further enhance the breadth and depth of support for Highland residents.

7. Implications

7.1 Resource Implications

Resource implications are set out in the paper.

7.2 Legal implications

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).

7.3 Risk Implications

There is a risk arising from the impacts of Welfare Reform and impact on demand for these services during 2016/17 at a time when the Council's budgetary position may impact on funding for advice services. This reinforces

the importance to deliver services in the most efficient manner, examples of which are set out in this report. To mitigate these risks, CABx and the Council's Welfare Team are currently benefiting from other funding sources and work will continue to seek further opportunities for funding external to the Council.

7.4 **Equality Implications**

The report seeks to consider and address equalities issues that impact on poverty and vulnerability. These services are available to everyone requiring advice, including those on low incomes and those in receipt of, or that have an entitlement to, benefits. This includes those with disabilities, women, working age, pensioners, lone parents, and those with entitlements to child-related benefits. This assists the Council to comply with its duties under the Equality Act.

7.5 **Rural Implications**

Advice and information services are provided throughout the Highlands. This ensures provision is in place across the Council area and within rural and remote rural communities. Advice providers also provide home visits where appropriate and a telephone advice service to ensure services are accessible.

7.6 There are no climate change/Carbon Clever; or Gaelic implications.

Recommendation

Members are asked to:

Consider:

1. The level of support provided to customers across Highland in 2015/16 and the pressures associated with delivering the intensive resource required to resolve complex cases.
2. The positive outcomes being achieved when supporting Highland residents to mitigate the effects of poverty.
3. The effective and often life-changing outcomes for residents as a result of the projects funded via the Welfare Fund.
4. The continuation of external funding by the Scottish Legal Aid Board beyond the original project end date.

Support:

1. The Expression of Interest that has been submitted to the UK Money Advice Service's "What Works Fund?".
2. The opportunities that are being sought to secure additional external funding and for partnership working to enable enhanced services to be targeted in a manner that aligns with the preventative, anti-poverty and localism agenda.

Designation: Director of Finance

Date: 8 August 2016

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