

**WELFARE REFORM WORKING GROUP**

Minutes of meeting of the Welfare Reform Working Group held in Committee Room 3 at Council Headquarters, Glenurquhart Road, Inverness on Wednesday 20 September 2017 at 2.30pm.

**PRESENT**

Mrs M Davidson

Mr A Henderson

Mr A Jarvie (substitute)

Mr R Gale (substitute)

Mr R Laird (substitute)

Officials in attendance:-

Ms A Clark, Acting Head of Policy, Chief Executive's Office

Mr A McCann, Economy and Regeneration Manager, Development & Infrastructure Service

Mr A Gunn, Head of Revenue and Business Support, Finance Service

Mrs S McKandie, Benefits and Welfare Manager, Finance Service

Mr G Munro, Policy and Assurance Officer, Finance Service

Mr D Goldie, Head of Housing and Building Maintenance, Community Services

Ms G Ward, Housing Policy Officer, Community Services

Ms R Mackinnon, Principal Policy Officer – Equalities, Chief Executive's Office

Ms A Macrae, Committee Administrator, Chief Executive's Office

**1. Appointment of Chair**

The Group **AGREED** to appoint Mrs M Davidson as Chair.

**2. Apologies for Absence**

Apologies for absence were intimated on behalf of Mr A Christie, Mr J Gray, Mr A Mackinnon, Mr C Smith and Ms M Smith.

**3. Declarations of Interest**

There were no declarations of interest.

**4. Name, Remit and Focus of Group**

The Chair proposed that the name of the Working Group be changed to the Poverty and Inequalities Working Group and a new remit drawn up to better reflect and encompass the work of the Group across the Council. In this regard, she requested that clarification be sought on whether the Group currently had delegated powers. In addition, there was a need to renew the focus of the Group so that it was not only the guardians of the Council's activities, involvement in and response to poverty and inequalities but also initiated ideas and pieces of work, and made recommendations on policies that would make a difference.

Following on from the above, it was requested that the membership of the Group be revised so that Mr R Laird replaced Ms M Smith as a substantive member.

Following further discussion, the Group **AGREED** to recommend that:-

- i. the name of the Group be changed to the Poverty and Inequalities Working Group;
- ii. a new remit for the Group be drafted for approval; and
- iii. Mr R Laird replace Ms M Smith as a member of the Group.

**5. Welfare Reform Update**

There had been circulated Joint Report No. WR/04/17 by the Director of Finance and Director of Community Services.

The Chair requested that a copy of the report be circulated to all Members for their information on the basis it provided a comprehensive update on the current position in relation to welfare reform and the significant work being undertaken to help alleviate poverty in Highland.

The Benefits and Welfare Manager provided an update to the report during which she advised that the Scottish Government had recently announced that the Scottish Social Security Agency's main offices would be located in Dundee and Glasgow.

During discussion, Members raised the following issues:-

- it was noted that an update would be brought to the next meeting of the Group on the UK Government's review of the state pension age;
- potential options to reduce the charges for tenants in temporary accommodation; it was explained the intention was to remove these costs from Universal Credit in 2019, and therefore consideration was required as to whether a policy to address this issue should be implemented for the intervening period together with the implications of any such approach;
- it was also noted that work was ongoing to move from the private sector towards more HRA provision of temporary accommodation which would help reduce charges;
- concern that some tenants were in rent arrears through no fault of their own due to delays in payments of universal credit, and therefore the potential for more advice and support to be made available to alleviate the pressure on those tenants while recognising there was a balance to be achieved in terms of there being a liability for rent;
- in regard to the above, the Chair requested that financial modelling be undertaken on potential scenarios to assist tenants on universal credit with arrears together with the impacts any such measures would have on the Council;
- clarification was sought in regard to the predicted level of rent arrears as universal credit continued to be rolled out across the Highlands; it was confirmed that based on current trends the level of rent arrears due to the Housing Revenue Account was estimated to be £2.1m at the end of 2017/18, compared to £1.5m in 2016/17;
- the potential to use the Scottish flexibilities to make payment of the housing element automatically to the landlord; it was confirmed there were no proposals in this regard, and that the current emphasis was on tenants choice;
- further clarification was sought and provided in relation to the UK Government's policy to remove the automatic entitlement to the housing costs element of universal credit for some 18 to 21 year old new claimants from April 2017 onwards; it was explained there was an extensive list of exemptions from this policy and therefore the demand on the Scottish Welfare Fund, as an alternative source of support with housing costs, was likely to be low, there being no cases in Highland to date;
- the potential for the housing allocation policy to be reviewed to award more points for 18 to 21 year olds who would not be entitled to assistance with housing costs through universal credit, caution also being expressed in regard to the implications of any such change; and
- the Group be provided with clarification regarding local resources for the provision of pre-claim support from the Scottish Social Security Agency once this was announced.

Thereafter, discussion followed on the opportunities for the Group to lobby the DWP on the issues in relation to delays in payment of the housing element of universal credit, both to landlords and claimants. The Chair requested that a letter on behalf of the Group to the DWP making representations on this matter be drafted and circulated to Members for approval.

The Group:-

- i. **NOTED** the continued impact of the benefit cap and the mitigating measures in place within Highland including the financial support being provided from Discretionary Housing Payments;

- ii. **NOTED** that rent arrears associated with Universal Credit cases are around 3 times more than that of a tenant in receipt of Housing Benefit and the ongoing work to mitigate these impacts;
- iii. **NOTED** that the Scottish Government is developing delivery of Social Security in Scotland for devolved benefits. An announcement regarding the location(s) of the Government's main decision-making and payment agency had confirmed that the Scottish Government will establish centres in Dundee and Glasgow; Thereafter there will be an announcement regarding local resources for the provision of pre-claim support;
- iv. **AGREED** to support promotion of the "Apply Once" single online application for 11 council entitlements and **NOTED** that during April 2017 95% of all applications to the Scottish Welfare Fund were made online;
- v. **AGREED** to support the continued monitoring of changes in demand for food parcels which showed a 12% increase in demand from Highland residents during 2016/17 when compared with 2015/16; and
- vi. **AGREED** to be cognisant of the potential changes to the state pension age timetable after 2028.

The Group further **AGREED** that:-

- i. the report be circulated to all Members of the Council;
- ii. financial modelling be undertaken on potential options to assist tenants on universal credit with rent arrears together with the impacts any such measures would have on the Council;
- iii. the potential to review the housing allocation policy to award additional points for 18 to 21 year olds who would not be entitled to assistance with housing costs through universal credit be explored further; and
- iv. the Group write to the DWP in relation to delays in payment of universal credit, the terms to be circulated to and agreed by Members of the Group.

## 6. Review of Debt Advice and Related Services

There had been circulated Report No. WR/05/17 by the Director of Finance.

The Head of Revenues and Business Support invited the Group's feedback on the draft report to help inform the final report to be considered at the People Committee on 19 October 2017. He praised partners and members of the public who had positively participated in the extensive consultation that was being undertaken and discussed the need to ensure customers were at the centre of the design from April 2018. He confirmed to the Group that the Council's new shared procurement service was supporting Council officers as part of this process.

During discussion, Members raised the following issues:-

- the approach set out in the report be welcomed;
- in terms of potential bidders, it was important that service providers had the ability to deliver pan Highland services and also to be sufficiently flexible given the different challenges which existed across the Highlands;
- in terms of quantifying services there was a need to stipulate clearly what the Council required to be delivered through the contract;
- the scope for a LEAN type review to be undertaken across the whole landscape of support providers in Highland;
- the potential for the Council to develop its own metric for measuring poverty on the basis that national geographic measures of deprivation did not capture the very localised areas of deprivation within wards and towns/villages and rural areas;
- it was suggested there was a perception within the Council that the SEP Index be used for rural areas and SMID for other areas and the need for a like for like approach to be taken across the Highlands, on the basis that SEP identified different areas of

- deprivation in Inverness and better reflected the position on the ground;
- concern that the use of indicators such as SMID, may also influence the distribution formulas for funding in Scotland which it was suggested disadvantaged the Highlands due to the widespread nature of poverty in its urban and rural areas; it was suggested this issue be considered in more depth by the Corporate Resources Policy Development Group;
- the proposed targeted support to reach out to customers outlined in the report was welcomed, reference being made to the success of this approach in respect of the mental health project delivered by the CABx; and
- a point in regard to the ongoing challenges around delivering improvements in services while at the same time having to achieve budget savings.

Thereafter, the Group **AGREED** to recommend to the People Committee to support the following recommendations set out in the report:-

- i. the post April 2018 service delivery contract should as minimum meet the Council's statutory obligations and only if and when they are fully achieved, the Council should seek to fund non-statutory services which are not adequately provided by other bodies;
- ii. the contract will provide that customer accessibility requirements will be met;
- iii. targeted support for customers accessing midwifery and mental health services will be a key element of the standard service delivery contract from April 2018 onwards;
- iv. the current service to support young people will also be incorporated into the standard service delivery contract from April 2018 onwards to enable the annual funding to be re-directed within Children Services. Section 4.1 of the report refers;
- v. the standard service delivery contract should make provision for financial education to prepare young people for the world of work. This preventative measure should be included where appropriate within schools and delivered by advice services to enhance financial awareness amongst learners;
- vi. to support the introduction of a new Performance Management Framework as outlined in section 9.3 of this report;
- vii. to adopt the changes to governance of the Advice and Information (A&I) service delivery contract from April 2018 as described in section 9.4 of this report;
- viii. the budget for procured advice and information services from April 2018 will be to a maximum of £1.150m delivering the £0.130m budget saving from 2018/19 as agreed by Council in December 2014; and
- ix. identify and implement means to significantly increase the awareness of the available A&I services

The Group further **AGREED** to recommend to the People Committee that:-

- i. a review be undertaken of the support for Council tenants impacted by Universal Credit; and
- ii. the provider of the service delivery contract from April 2018 should take steps to attain the Disability Confident Employer Status within 12 months of the commencement of the contract.

## 7. European Social Fund – Poverty and Social Inclusion Update

The Acting Head of Policy gave a verbal update on the poverty and social inclusion element of the European Social Fund Programme. In particular, she provided a summary of progress with the two operational programmes, firstly the 'Move On: Intensive Support Service' in house project which was designed to adopt a targeted, problem solving approach in relation to individuals with multiple barriers by utilising existing service referral pathways to identify and target those most in need. The posts required to deliver this project had recently gone through the Council's job evaluation process and were to be advertised.

The second programme, 'Preventing Poverty and Increasing Financial Capability', had been designed to be a contracted service and this had recently been awarded to a consortium of CABx in Highland. This was designed to adopt a preventative approach within early years and school settings, with the key aim being to ensure that families were in receipt of all appropriate entitlements, ensuring any debt issues were explored and that the client was empowered to manage their financial matters.

In addition to the above, it was reported that further work ongoing included agreeing the milestones in terms of governance and the documentation and referral pathways to be put in place, and ensuring compliance with the complex EU audit requirements. In relation to timescales, while there had been some slippage, the Scottish Government had indicated it would be possible to extend and re-profile the funding commitment beyond mid-2019 and further details were awaited in this regard.

During discussion, Members raised the following issues:-

- concern that no funding should be lost as a result of the delays experienced in relation to the Scottish Government's processes;
- further information was requested on the Associated School Groups which would be involved in the project; the Acting Head of Policy confirmed she would circulate this information to the Group; and
- clarification was sought and received in regard to the process in schools for identifying which parents and families should receive support through the project, and reference was made to the potential for children service workers and other front line staff such as housing officers to assist in this regard.

The Group **NOTED** the update.

## 8. Socio-economic Duty – Briefing and Consultation Response

There had been circulated Report No. WR/06/17 dated 12 September 2017 by the Acting Head of Policy.

The Principal Policy Officer explained that a response to the consultation had been submitted to the Scottish Government to meet the consultation deadline, a copy of which was appended to the report. She indicated that homologation of the response would be sought at the next meeting of the People Committee on 19 October 2017.

During discussion, Members raised the following issues:-

- clarification was sought in relation to how the Council was required to demonstrate compliance with the duty and on the related reporting requirements; in response it was confirmed there was no set guidelines in terms of reporting and rather than identify separate monitoring frameworks, it was proposed the Council should use the existing frameworks, for example around the Highland Outcome Improvement Plan and Children's Plan, to measure progress to address socio-economic disadvantage;
- concern that while public bodies were required to consider and have regard to the socio-economic implications as part of the decision making process, this may not ultimately have any impact on actual decisions and policy; and
- issues in regard to the exclusions from the list of named public bodies in respect of which it was proposed the duty should apply and surprise that the Students Awards Agency for Scotland had not been included, given the volume of relevant data they held.

The Group **NOTED** the requirements of the duty set out in Section 6, and the consultation response submitted on 12 September 2017 at Appendix 1.

## 9. Taking Forward the Highland Outcome Improvement Plan

There had been circulated draft Highland Outcome Improvement Plan which had been produced by the Community Planning Board.

The Acting Head of Policy advised that following wider consultation, a final draft of the Plan would be considered by the Board on 4 October 2017. She advised that going forward there would be clear links between the work of the Group and taking forward the Plan.

In discussion, an explanation was sought in regard to the difference between the Plan and its predecessor documents such as the Single Outcome Agreement. In response, it was noted that the Plan, unlike previous Partnership documents, was not about everything that each partner agency did individually or together but had a clear focus on addressing inequality. It was also noted there was more emphasis on working in partnership to make a difference and that all partners were accountable for the delivery of the Plan.

The Group **NOTED** progress with the draft Highland Outcome Improvement Plan.

Thereafter, and in conclusion of the meeting, the Chair invited the Group to reflect on whether there were any changes that could be made to the way in which the organisation operated to address poverty and inequalities and which should be recommended to the Council. To assist Members in this regard, she requested that arrangements be made for the service reports which had been considered by the Group earlier in the year to be circulated to Members.

The meeting closed at 4.30pm.