

Agenda Item	18.
Report No	PEO 39/17

## HIGHLAND COUNCIL

**Committee:** People Committee

**Date:** 19 October 2017

**Report Title:** Review of Debt Advice and Related Services

**Report By:** Director of Corporate Resources

### 1. Purpose/Executive Summary

1.1 Advice and information services are proven to be a critical approach in alleviating poverty. At the Highland Council meeting of 9 March 2017, Members agreed to “undertake a wide ranging review of debt advice and related services”. This report presents the findings of this review and recommendations to further improve advice and information services delivered to our customers.

### 2. Recommendations

2.1 Members are invited to agree:

- 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 of £20,000 to be re-directed within Children Services. Section 4.1 of this 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. To note 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.
- ix. Identify and implement means to significantly increase the awareness of the

available A&I services

- x. Review support for Council tenants impacted by Universal Credit.
- xi. That the provider of the service delivery contract from April 2018 take steps to attain the Disability Confident Employer Status within 12 months of the commencement of the contract.

### 3. Background

3.1 At the Highland Council meeting of 9 March 2017, Members agreed to “undertake a wide ranging review of debt advice and related services”.

3.2 Such services can be described as:

- Debt Advice (sometimes known as *Money Advice*)
- Welfare Advice / Income Maximisation (helping customers claim all the benefits to which they are entitled)
- Housing Advice (e.g. tenancy disputes)
- Employment Rights (e.g. employee disputes with their employer)

3.3 The Council has a legal duty to provide certain advice and information services for local residents. Legislation requirements include:

Advice type	Statutory requirement	Legislation
Debt	Yes	Social Work (Scotland) Act 1968, section 12; <i>provision of Social Welfare advice</i>
Welfare	Yes	Social Work (Scotland) Act 1968, section 12; <i>provision of Social Welfare advice</i>
Housing	Yes	<ul style="list-style-type: none"><li>• Housing Scotland Act 1987 (Section 32B) - <i>Covers Housing Support;</i></li><li>• Housing Scotland Act 2001 (Section 2) &amp; (Section 14 &amp; 14 A – As amended by Section 155 of the Housing Scotland Act 2010) – <i>Homelessness and Secure Tenancies Advice;</i></li><li>• Scottish Secure Tenancies (Proceedings for Possession)(Pre-action Requirements) Order 2012 – <i>Advice requirements in order to proceed with an eviction.</i></li></ul>
Employment Rights	No	Corporate Development Services has confirmed there is no statutory duty on the Council to provide employment rights advice.

3.4 Research undertaken by various organisations including the Joseph Rowntree Foundation and Child Poverty Action Group has shown poorer households will experience worse outcomes with regard to physical and mental health, educational attainment and employment prospects. These

factors will ultimately exacerbate the social costs which are felt hardest by the families and communities who live in poverty.

- 3.5 Low income is a cause of poverty and people living on low incomes are more likely to rely on public services. It is important to recognise that households experience poverty in different ways and to various degrees over their lifecycle. Additionally, the need for advice and support in response to life events is greater among those in poverty than for wealthier households.
- 3.6 Households experiencing poverty have fewer financial or other resources, for example skills or social networks to access in times of crisis. This constrains viable options and intensifies the impact of changes when they occur. Therefore, it is essential that quality local advice and information services are available and are capable of addressing problems holistically to mitigate the demand on shrinking resources within public services.
- 3.7 Members will be aware given the financial and demand pressures facing the Council, significant budget savings are required. In December 2014, the Council agreed a budget saving of £0.130m for 18/19 for the provision of money advice.

#### **4. Current provision**

##### **4.1 Contracted Providers – advice and information contracts**

- 4.1.1 Council-funded advice and information services in Highland are currently provided via eight contracts with each Citizens Advice Bureau (CAB). Service delivery contract funding for these advice and information services in 2017/18 is £1,226m. In addition, project funding for the delivery of the Mental Health and Midwifery initiatives amounts to £50,000 for 2017/18.
- 4.1.2 In addition, the Care and Learning Service currently fund Inverness, Badenoch and Strathspey CAB £20,000 per annum to provide an advice service for Looked After Young People. Performance from this provision is not directly reported to any of the Council's Committees.
- 4.1.3 The circumstances and complexity of advice required will determine the type of support which would be delivered by the provider. The majority of Citizens Advice Bureaux in Highland, with the exception of North West Sutherland, are accredited by the Scottish Government's "Scottish National Standards" to provide housing, money and benefits advice and information services. The Standards are categorised as follows:
- Type 1 Active information, signposting and explanation
  - Type 2 Casework
  - Type 3 Advocacy, representation and mediation at tribunal or court action
- 4.1.4 Due to the specialist nature of Type 2 and especially Type 3 advice provision, referrals within a CAB are necessary as is the need to refer to other specialist agencies to resolve an individual's needs in a holistic manner. In these circumstances a single adviser will not possess the expertise to resolve multiple issue cases when for example, a customer may require specialist support for benefits, debt and housing. In this type of case a holistic approach

will be undertaken by a number of specialist advisers to address each issue.

## **4.2 Other provision**

### ***Short Term Housing Support Service (Community Services)***

- 4.2.1 In accordance with the Housing Support Services (Homelessness) (Scotland) Regulations 2012, the Council has a duty to assess and provide housing support services to any person threatened with homelessness and/or who is unintentionally homeless.
- 4.2.2 From April 2017, managed by Community Services, the Council introduced a new 18 month framework agreement worth £1.6m per annum to deliver Housing Support Services. There is an option to extend this framework for a further year at the end of the 18 month period.
- 4.2.3 The service aims to develop a service user's capacity to maintain and sustain a tenancy following the completion of an agreed programme of support. The following 'prescribed housing support services' are defined in the above stated regulations:
- a) Advising or assisting a person with personal budgeting, debt counselling or in dealing with welfare benefit claims;
  - b) Assisting a person to engage with individuals, professionals or other bodies with an interest in that person's welfare;
  - c) Advising or assisting a person in understanding and managing their tenancy;
  - d) rights and responsibilities, including assisting a person in disputes about those rights and responsibilities;
  - e) Advising or assisting a person in settling into a new tenancy.

### ***European Social Fund (Priority 2 : Promoting Social Inclusion, Combatting Poverty and any discrimination) (Chief Executive's Office)***

- 4.2.4 The Council is the lead partner for a number of strands within the European Structural Funds Programme 2014-2020. This includes Priority 2: Promoting Social Inclusion, Combatting Poverty and any discrimination.
- 4.2.5 The aims of the ESF Priority 2 strand focus on employment, equal opportunities and active participation while recognising the need to further assist individuals who require more intensive and long term support to enter the job market. There are 2 activities within Priority 2.
- 4.2.6 **Activity 1** is a Move On support service which will 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. This project will be delivered in-house.
- 4.2.7 **Activity 2** will adopt a preventative approach within early years and school settings, with the key aim being to ensure that families are in receipt of all

appropriate entitlements, ensuring any debt issues are explored and that the client is empowered to manage their financial matters. These components are critical in the prevention and alleviation of poverty.

### **4.3 Other providers of advice within the Council**

- 4.3.1 Council Services also provide a variety of Advice and Information services for residents within Highland. The majority of provision will offer Type 1 or Type 2 advice for residents with the exception of the Welfare Support Team which provides the full range of advice types as described in paragraph 4.1.3.
- 4.3.2 Welfare Support Team (Finance Service): This team provides income maximisation services by offering advice about all benefits and other available entitlements which involves providing face to face assistance, including a significant number of home visits, to apply for all eligible benefits. The team also prepares submissions to appeal against decisions including representation at tribunals. In addition, the team undertakes various “Revenues” visits such as Council Tax and Non-Domestic Rates inspections (e.g. discounts) as part of the overall governance of local taxation.
- 4.3.3 Within the Welfare Support Team there are 2fte new posts, Intensive Support Officers. Their sole role is to help mitigate the impact Universal Credit is having on arrears within council properties. New from April 2017, these posts provide an effective customer-focused service to support the Council’s tenants. The officers work effectively and holistically with Council tenants to identify all the issues impacting on their financial situation and to assist them to find and implement solutions to deal with these issues.
- 4.3.4 Local Housing Teams (Community Services): Housing Options Officers deal with homelessness prevention. In many cases homelessness is related to debt. Both Housing Options Officers and Housing Management Officers (HMO) deal with estate management services and issues. They also undertake out arrears control to ensure the Council’s policies and procedures for rent collection are being administered. HMOs also provide basic welfare advice including Housing/Council tax benefits. In the main however, their role is one of signposting to specialist officers who deal with related advice.
- 4.3.5 Employability Team (Development & Infrastructure Service): The Employability Team help clients prepare for and enter the world of work. They work with young people who have left school but who are not in work or studying and adults who are actively seeking to enter or to return to the labour market but who need support to overcome barriers to employment.
- 4.3.6 When doing so, the team contract providers to deliver client focused services. Some of this activity is short-term, for example, developing CVs, job searching and interview preparation, while for other clients, additional specialist longer term support is needed to overcome personal circumstances. Allied to this work the team creates jobs, including work based learning job placements with the Council and give advice and provide financial support to encourage the private sector to create jobs for unemployed individuals.

4.3.7 Reaching the Unreached project (Funded by Scottish Legal Aid Board – funding ends 31<sup>st</sup> March 2018): This project 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 other specialists to receive appropriate services.

#### **4.4 Other sources of advice**

4.4.1 In addition to the Council's advice provision, there has been a substantial effort in recent years by public and 3<sup>rd</sup> sector organisations in Scotland, in partnership with a wide range of other UK/Scottish agencies/stakeholders, to address the challenges presented by welfare reforms and in-work poverty.

4.4.2 Given the scale and changing landscape it is difficult to ascertain the exact number of providers. Funding of these services can come from a variety of sources including the Scottish Government, Improvement Service (IS, Money Advice Scotland (MAS), the Scottish Legal Aid Board and public donations: (\*The following lists are not exhaustive. The majority of organisation operate throughout Scotland/UK)

- **\*Debt:** Christians Against Poverty, Money Advice Service, Step change, National Debtline;
- **\*Welfare:** Turn2us, Housing Associations, Health charities e.g Maggies, MND Scotland;
- **\*Employment:** ACAS;
- **\*Housing:** Shelter, Renting Scotland, Poppy Scotland (armed forces);

4.4.3 These services are delivered by a variety of methods including face to face, telephone and online.

### **5. Corporate Governance / Performance Management**

5.1 The Council's Benefits and Welfare Manager is responsible for the contract management of the eight advice and information service contracts including governance and performance management and reporting.

5.2 Given the significant financial investment by the Council annually in advice and information services it is important that service levels and performance are appropriately governed.

#### **5.3 Corporate Governance**

5.3.1 Governance of 8 separate contracts is resource intensive for both the Council and the CABx. Governance includes:

- Annual contract reviews
- Annual audits
- Quarterly monitoring to Members
- Annual report to Members

5.3.2 Each Citizens Advice Bureau in Scotland is an independent and autonomous charity that is a member of Citizens Advice Scotland (CAS). CAS also undertake regular audits to ensure a bureau is meeting the high standards necessary, in both advice-giving and organisational management, to be

called a Citizens Advice Bureau.

CAS intend to introduce a new audit process which is currently in the pilot stage and consists of:

- A quarterly quality of advice monitoring process
- An annual member information request
- An annual portfolio update request
- Full desktop audit and audit visit once every three years

5.3.3 The majority of Citizens Advice Bureaux are accredited to the Scottish National Standards for Information and Advice Providers. The National Standards are a framework for the development of effective and efficient services and were compiled in recognition of the fact that people choose to access information and advice from various sources.

5.3.4 The Scottish Government has funded a new three year cycle (November 2016 – November 2019) in which advice providers have the option to go through the new process for accreditation or re-accreditation. This means the accredited CAB currently have a rolled-on accreditation but have the option to apply for re-accreditation in the new three year cycle if they wish to continue to meet the Scottish National Standards.

#### **5.4 Performance Management**

5.4.1 Key Performance Indicators provide evidence of the degree to which service is being attained over a specified time. Performance reporting within the existing contracts is perhaps limited and focuses on the following areas:

- Number of contacts
- Confirmed welfare gains
- Debt presented

5.4.2 **Number of contacts: 12,406** customers received support from the Citizens Advice Bureaux through council-funded advice and information services during 2016/17. This compares to **9,253** customers during 2015/16 and represents a significant increase (**34.1%**) year on year in overall customers engaging with CABx for assistance with welfare and debt problems.

	<b>15/16</b>	<b>16/17</b>	<b>+ / -</b>
Number of customers reached by the CAB money advice and welfare rights teams	9,253	12,406	34.1%

5.4.3 **Confirmed welfare gains:** The figures detailed in the following 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 2016/17).

	<b>15/16</b>	<b>16/17</b>	<b>+ / -</b>
Benefit to customers from the advice given by the CAB money advice and welfare rights teams	£12,932,006	£15,044,292	16.3%

5.4.4 **Debt presented:** From 1 April 2016 the CABx assumed full responsibility for

delivering the money advice service in Highland on behalf of the Council. Debt presented to CABx during 16/17 increased slightly (0.1%). The complexity of individual cases remained high and resource intensive to address customers' debt issues.

	15/16	16/17	+ / -
Debt presented by customers for advice given by the CAB money advice and welfare rights teams	£19,386,982	£19,406,686	0.1%

## 6. Current and future landscape

### 6.1 Welfare Reforms

6.1.1 In a report to the Scottish Parliament's Social Security Committee published in November 2016 entitled *The Impact on Scotland of the New Welfare Reforms*, researchers from Sheffield Hallam University show that by 2020-21 Scotland can expect to lose just over £1 billion a year as a result of the post-2015 welfare reforms introduced by the UK Government.

6.1.2 Sheffield Hallam also estimates that the pre-2015 reforms are already costing claimants in Scotland just over £1.1 billion a year. This brings the cumulative loss expected from all the post-2010 welfare reforms up to more than £2 billion a year.

6.1.3 Members may wish to note an infographic summarising the research report findings is available at *appendix 1* of this report.

### 6.2 Benefit take up

6.2.1 The latest statistics available show that it is estimated, in 2014/15, for tax credits and the main income-related benefits, there could be over 500,000 cases of individuals or families in Scotland not claiming benefits they were entitled to.

6.2.2 The Department for Work and Pensions (DWP) and Her Majesty's Revenue and Customs (HMRC) provide GB or UK level estimates of take-up rates for pension credit, housing benefit, income-based JSA, income support and ESA, tax credits and child benefit.

Benefit	Source	Geographic level for take-up rate	2014-15 Caseload Take-up Rate, GB/UK	Estimated Scottish number entitled but not claiming
Pension credit	DWP	GB	62%	130,000
Housing benefit	DWP	GB	79%	140,000
JSA (income based)	DWP	GB	50%	80,000
IS & ESA	DWP	GB	82%	60,000



Child tax credit	HMRC	UK	86%	50,000
Working tax credit	HMRC	UK	65%	90,000

### **6.3 Socio-economic duty**

- 6.3.1 The socio-economic duty was included as a provision in the UK Government's Equality Act 2010 but was not commenced along with the other provisions in the Act. In Scotland, following the recommendations of the Smith Commission, the power to commence the duty was included in the Scotland Act 2016. The Scottish Government intends to commence socio-economic duty by the end of 2017. The duty will place an overarching requirement on strategic public authorities to do more to tackle persistent inequalities of outcome caused by socio-economic disadvantage.
- 6.3.2 In Scotland, it is estimated that in 2015-16 880,000 people (17% of the population) were living in poverty, up from the previous year. Overall, it is estimated that 19% of young people in Scotland live in poverty.
- 6.3.3 In Highland, wages in remote and rural areas in particular are below the equivalent of the national living wage. This combines in some areas with an over-reliance on seasonal employment and contributes to 'in-work poverty'. Affordable housing and childcare are significant factors in the cost of living in Highland, and there have been recent increases in fuel poverty in the region.
- 6.3.4 The Scottish Government expects public authorities to focus on communities within particular disadvantaged places, but also within particular disadvantaged communities of interest, such as young people leaving care or disabled people, and also the specific nature of socio-economic disadvantage for people living in rural, remote and island areas.

### **6.4 Child Poverty**

- 6.4.1 A report published in November 2016 by campaign group End Child Poverty showed almost one in five children in the Highlands are living in poverty. The report highlighted the percentage of children living in poverty after housing costs in the Highland Council area is 19.2%.
- 6.4.2 The percentage of children living in poverty after housing costs in Wards in Highland varied from 11.17% (Inverness South) to 34.41% (Wick).
- 6.4.3 The Child Poverty (Scotland) Bill is currently progressing through the Scottish Parliament to become legislation. The Bill has two main elements:
- a set of income-based targets against which child poverty is to be measured.
  - a set of reporting mechanisms, which include requirements on the Scottish Ministers to set out their proposed actions to tackle child poverty and to report progress against these actions. Local authorities and partner health boards are also to jointly report on their activity to address child poverty at the local level.

- 6.4.4 The four statutory targets set out in the Bill are:
- Less than 10 per cent of children live in households that are in relative poverty\*;
  - Less than 5 per cent of children live in households that are in absolute poverty\*\*;
  - Less than 5 per cent of children live in households that are in combined low income and material deprivation;
  - Less than 5 per cent of children live in households that are in persistent poverty.

The targets are to be met in financial year commencing 1 April 2030.

\* **Relative poverty** - individuals living in households whose equivalised income is below 60 per cent of **median income** in the same year. This is a measure of whether those in the lowest income households are keeping pace with the growth of incomes in the economy as a whole.

\*\***Absolute poverty** - individuals living in households whose equivalised income is below 60 per cent of **inflation adjusted median income** in 2010/11. This is a measure of whether those in the lowest income households are seeing their incomes rise in real terms.

- 6.4.5 Barnardos and Children in Scotland have suggested a list of the issues that Scottish Ministers should address in the plans including the provision of information, advice and assistance to parents and carers in relation to welfare rights and income maximisation.

## **6.5 *Independent review of debt advice funding***

- 6.5.1 The Debt Advice Steering Group is an independent cross-sector group whose aim is to coordinate and improve the debt advice sector. Core membership comes from the following organisations:

Advice UK, Barclays, UK Finance, HM Treasury, Citizens Advice Northern Ireland, Money Advice Scotland, National Advice Network Wales, Citizens Advice, Finance and Leasing Association, Money Advice Trust, RBS, StepChange.

- 6.5.2 The Debt Advice Steering Group has commissioned an independent review of debt advice funding which has been established in response to a challenging and complex debt advice funding landscape. This includes an increasing need for advice, growing consumer debt and challenges to sufficient funding for free advice.
- 6.5.3 The Steering Group report that the review is widely supported across the debt advice sector including debt advice providers, existing funders and the Financial Conduct Authority. The review is expected to report its findings and recommendations within the next 12 months.

## **6.6 *Scottish Government financial advice services review***

- 6.6.1 The Scottish Government is commissioning an independent research organisation to undertake a mapping study of financial advice services in Scotland.
- 6.6.2 The Scottish Government will report their findings in due course. At the time of writing this report, the date for reporting is unknown.

## **6.7 Financial education in Scotland**

- 6.7.1 During March 2017, Scotland undertook its first national Financial Education Week. Launched in partnership with Education Scotland, the Money Advice Service and the Scottish Financial Capability Partnership, it was designed to raise awareness of the importance of financial education across Scotland.
- 6.7.2 Research from the Money Advice Service on levels of financial capability among Scotland's children revealed that thousands are seriously unprepared to manage their money in later life. The results showed that for 16-17 year olds across Scotland – those about to leave full-time education – 31% do not have a current account and, of those that do, a quarter (26%) have no experience of putting money into it. Furthermore, a worrying 55% are unable to read a pay slip.
- 6.7.3 Engaging young people in managing their money from a young age is a vital step to giving them the skills and confidence needed to cope financially in later life. Schools have a vital role to play in this – over 90% of young people who received financial education in schools said they found it useful, though less than half (46%) of those surveyed said they'd actually received financial education.

## **6.8 Disability Confident**

- 6.8.1 The Disability Confident scheme supports employers to make the most of the talents disabled people can bring to a workplace. The scheme has 3 levels designed to support employers at every step on their Disability Confident journey. Each level must be completed before moving on to the next.
- Level 1: Disability Confident Committed
  - Level 2: Disability Confident Employer
  - Level 3: Disability Confident Leader
- 6.8.2 In February 2017, the Council attained Level 2: Disability Confident Employer. The Council is currently working towards becoming a Level 3 Disability Confident Leader. When achieved the Leader status will also be incorporated into the Council's strategic Workforce Plan which was approved at the Corporate Resources Committee on 30 August 2017. There is an anticipation that future A&I service providers will attain Disability Confident Employer status.

## **7. Consultation / Research**

- 7.1 Since the decision at the Highland Council meeting of 9 March 2017, the Head of Revenues and Business Support and the Benefits and Welfare Manager have implemented a wide ranging and inclusive review of debt advice and related services within Highland.
- 7.2 Through the Council's existing contract with the Centre for Remote and Rural Studies (UHI) for research-related activities, the UHI have undertaken a literature review into this service area. Key points from this review can be found in section 7.4.
- 7.3 In addition, the Head of Revenues and Business Support and the Benefits

and Welfare Manager have undertaken a significant number of consultation exercises to seek views on the methods and approach of delivering future advice services which will meet the needs of local communities within Highland. Members can find further information about these consultations in section 7.5.

#### **7.4 UHI – A review of literature**

7.4.1 The purpose of the report is to summarise the main recurrent themes that emerged from a review of literature on advice and information (A & I) services focusing on financial issues undertaken within a short time scale. It aims to complement ongoing discussions related to developing strategies for the provision of A & I services in the Highland Council area.

7.4.2 The following paragraphs summarise the findings of the review.

7.4.3 The literature search was limited to covering the period c.2000-2017 and focused on the UK with a specific emphasis on Scotland. Overall four inter-related themes consistently emerged from the literature reviewed. Specific issues related to rurality are mainly cited in the context of access and delivery of services. The four themes are:

- Quality of Evidence
- Demonstrating need
- Accessing A & I services delivery
- Standards and management performance frameworks

These issues emerge across the board in terms of both, types of A & I services (e.g. housing, money, debt, employment rights, legal aid, etc.), and in relation to a range of vulnerable groups (e.g. elderly, disabled, those in poverty, young people, minority ethnic groups, etc.).

Each of these four themes are discussed in more detail during the remainder of this section.

##### ***Quality of Evidence***

7.4.4 The beneficial outcomes from quality A & I service is without exception widely acknowledged. However, what constitutes evidence and the methodological approaches for obtaining evidence are recurring challenges, with recommendations for more research.

7.4.5 The review highlighted repeated weaknesses in relation to methods used to record evidence including:

- A lack of a consistent and universal approach across the providers and sectors to recording and reporting on measures of outcome or quality in Scotland.
- Little or no use of recognised methods to evaluate the impact of services.
- Evaluation studies on the health impact of A & I services often lack proper controls, do not include long-term follow up and lack

approaches that are sensitive to detecting change over time.

### ***Demonstrating need***

7.4.6 The current concerns about 'benefits income maximisation' and demand for A & I services and 'money advice' in particular, across the UK including Scotland, have become more salient and critical in the context of the following inter-related trends:

- The continuing impact of the economic crisis and recession.
- Rising levels of debt and the lack of affordable credit provision (e.g. reliance on pay day loan, etc.).
- Poverty and widening inequalities.
- Ongoing impacts of welfare reform.

7.4.7 These trends have increased the vulnerability of a wide range of individuals/households /groups to poverty, destitution and ill-being who need access to A & I services. Some predominant themes which are inter-related include:

- A & I services are most effective when they are targeted at the needs of specific groups.
- A recognition that no matter which group is being targeted 'one size does not fit all'. Addressing the diverse factors that shapes the lives of individuals/households is critical to ensuring that A & I services are meeting the complex needs of individuals/households which transverse identity and service/sectoral categories.
- A & I services must be timely and tailored to people's abilities, life course stage /age, language, experiences, culture, circumstances and knowledge.
- The importance of preventative measures to ensure needs that arise can be avoided and don't surface in the first place.

7.4.8 The question of how to avoid the 'revolving doors' syndrome in a context where users of A & I services have multiple issues that cross sectoral (finance, employment, health, housing, etc.) and institutional boundaries is an old and recurring theme.

7.4.9 The need for A & I services to be reconfigured to address these issues discussed is of growing importance raising questions as to what are the best ways to develop A & I services in a way that is more holistic, flexible and targeted.

### ***Access to A & I services***

7.4.10 Issues of accessibility to A & I services are integral, whilst it may make sense to co-locate A & I services where populations access health services, this may not serve the needs of young people who may not be frequent users of health services.

7.4.11 Access to good and independent financial advice and support as well as issues related to financial literacy /capability have gained more urgency in the light of a number of following trends:

- Rising personal /household debt.
- A lack of confidence of many sections of the public in dealing with money matters.
- The impact of austerity measures on individuals/households and on already stretched public sector budgets impacting on the availability of A & I services.
- While the restructuring of the financial services industry may have benefited some groups, it has led to an increased risk of financial exclusion and debt for others.

7.4.12 Balancing policies which prioritise economies of scale whilst tailoring services to meet the requirements of sparsely populated rural areas with residents with diverse needs, although not new, is a continuing source of contention. The combined impacts of remoteness, sparsity, travel distances and changing demographic trends (in particular an ageing population) in increasing the vulnerability of some people to debt and financial exclusion and in under claiming benefits.

7.4.13 The question of how to address these challenges in the context of A & I services is a continuing source of discussion and research. In a report commissioned by Angus Citizens Advice Bureau (CAB) on behalf of the Financial Inclusion Partnership, McTier and Macdougall (2017) reported that there is an acknowledgement that there is no one solution for the delivery of A & I services and financial inclusion in particular. Rather, there is a need for a combination of service delivery options to be considered. These may vary from specific services related to addressing financial matters only to one stop shops/community hubs, co-location of service, outreach, mobile services, to online and telephone services.

### ***Standards and Performance Management Frameworks***

7.4.14 There are issues related to a lack of a consistent approach to recording and reporting of performance information for A & I services including money advice services in Scotland. The reviews such as those reported at 6.5 and 6.6 will likely consider such matters too.

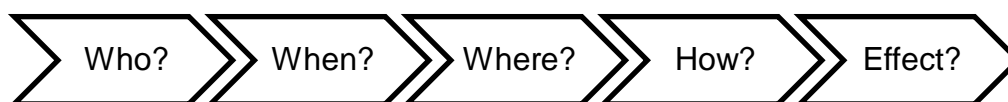
7.4.15 At present, there is considerable ongoing collaborative work being undertaken to assist and support the work of local authorities and third sector A & I agencies in Scotland. Much of it has focused on standards and performance management frameworks to assist with improving impacts and outcomes and have involved a wide range of agencies and stakeholders.

### ***Summary***

7.4.16 In general, it is reported that more rather than less A & I provision is required, especially given changes in welfare provision and in a context of increasing and widening inequalities. However, it is also acknowledged there are challenges in meeting A & I needs against a background of austerity measures leading to cuts in public sector budgets and services.

7.4.17 Balancing these two trends raises difficult questions about how A & I services are best reconfigured to meet these challenges. The need to be 'smart' in the way services are designed, provided and delivered are seen as a necessity,

so that agencies can respond effectively to the questions:



## 7.5 Consultations

7.5.1 The wide ranging internal and external engagement has ensured stakeholders and the public have had an opportunity to express their views and make representations in a genuine and transparent dialogue before any decisions are made about the future delivery of advice services within Highland from April 2018 onwards.

7.5.2 The following table details the activities undertaken to date:

<b>Stakeholder</b>	<b>Approach</b>	<b>Description</b>
<b>CAB</b>	Workshop with CAB Managers	The types of issues discussed include what works well at present; what can be improved; how do we know performance is good (effective/efficient); what would be the key performance indicators (KPIs).
<b>THC Welfare Support Team</b>	Workshop with all staff	The types of issues discussed as above.
<b>Customers</b>	Council's Annual Performance & Attitudes Survey (Citizens Panel)	A section specific to this service area was added to the survey for the first time. The 2017 annual survey issued was in May 2017 with final survey results expected September 2017.
<b>Council Services</b>	Workshops	Workshops have taken place with all Services who may provide some "advice" / related services.
<b>Community Partnerships</b>	Brief presentation followed by "Q&A" and feedback	At the time of writing, invites have been received for the Easter Ross CP, Inverness CP, Badenoch & Strathspey CP and Sutherland CPs and all have been attended by Council Officers.
<b>Tenant participation group</b>	Face to face session with participants	Tenants completed the questions from the Council's Annual Performance & Attitudes Survey which were included in the section specific to this service area. The HRA Finance and Participation Group also submitted some feedback as

<b>Community Councils</b>	Survey questions	part of the advice review. The questions from the Council's Annual Performance & Attitudes Survey which were included in the section specific to this service area have been circulated to all Community Councils in Highland.
<b>Members</b>	Welfare Reform Working Group	Officers have discussed the emerging findings of this review and report with Members of the Group.

7.5.3 This ongoing cumulative approach has utilised a wide range of mechanisms and avenues to facilitate the widest possible participation from community stakeholders. This review has enabled the Head of Revenues and Business Support and the Benefits and Welfare Manager to gain a valuable insight into the strengths, weaknesses, opportunities and threats of the current advice and information contract. Whilst obtaining ideas and innovative thinking including economic and social sustainability, the Council is looking to ensure the new advice and information contracted services from April 2018 meet the needs of communities throughout Highland within affordability.

## 8. Emerging themes

8.1 The following is a summary of key findings from the various stakeholder consultation exercises. The themes are a distillation of feedback received from a number of sources. The responses refer to advice and information services currently available in Highland and the suggested improvements that can be made in the future advice and information contract.

8.2 The themes are supported by the UHI literature review which aimed *“to complement ongoing discussions related to developing strategies for the provision of A & I services in the Highland Council area.”*

8.3 The priority outcomes identified are inter-related and action in one area can bring wider social, health and economic benefits to the Highlands. This includes ensuring the future delivery of advice and information services are pro-active and adopt a preventative approach to poverty which will align with the Councils developing approach to addressing poverty and inequalities across all services. The UHI review highlights:

*“it is the responsibility of agencies for reaching out to those who need A & I services; the onus should not be on the person who needs support to seek agencies out. The service which first perceives that problems exist (whether health, educational, social care, etc.) needs to ensure that effective referrals are made.”*

8.4 The key findings / emerging themes from the review include and are discussed at paragraphs 8.5-8.9:

- **Paragraph 8.5:** an emphasis on the need for A&I services to be accessible and flexible in their method and means of delivery in order



- to meet people's individual requirements;
- **Paragraph 8.6:** improved awareness raising of advice and information services amongst the public;
- **Paragraph 8.7:** ensure the customer is at the heart of service design and delivery;
- **Paragraph 8.8:** a clearer understanding by local advice and information services in relation to what other agencies operate in Highland to enable a more efficient approach to meeting customers' needs including correct signposting, referral and effective collaborative inter-agency working;
- **Paragraph 8.9:** consideration of the impact of the continued welfare changes on people's increasing need to access information and advice services.

**8.5 *An emphasis on the need for A&I services to be accessible and flexible in their method and means of delivery in order to meet people's individual requirements***

- 8.5.1 Throughout the consultation process a recurring priority for customers has been the need for advice and information to deliver services which are accessible and take account of a customer's individual circumstances. This has been especially apparent in the more rural areas within Highland.
- 8.5.2 Whilst the city of Inverness and the larger towns all tend to have some pockets of urban-style deprivation (characterised by low income, low levels of employment, poorer health outcomes and shorter life expectancy), across the extensive rural parts of the region people at different ends of the social spectrum can often live quite close together. This form of social mix tends to mask the true level of deprivation.
- 8.5.3 The UHI review further highlights the rural challenge by "*The combined impacts of remoteness, sparsity, travel distances and changing demographic trends (in particular an ageing population) in increasing the vulnerability of some people to debt and financial exclusion and in under claiming benefits are widely rehearsed by the literature on rural poverty and social exclusion in particular, as well as in relation to access to A & I services.*"
- 8.5.4 The Councils Annual Performance & Attitudes Survey shows 96% of respondents rate "Accessibility of Advice services" to be important of which 48.7% rated this feature as "extremely important" while 35.0% rated it as "very important".
- 8.5.5 It is evident then that advice and information services must be accessible to all customers regardless of location. The localism agenda is also threaded throughout the Council's Programme. It holds the potential to enable greater empowerment for local communities and support for customers in order to meet their needs.
- 8.5.6 The report included recognition by UHI that "*no matter which group is being targeted 'one size does not fit all'.*" Addressing the diverse factors that shapes the lives of individuals/households is important to ensure that A & I services are meeting the complex needs of individuals/households which transverse identity and service/sectoral categories.

8.5.7 This recognition of *'one size does not fit all'* is further demonstrated from the responses within the Councils Annual Performance & Attitudes Survey which asked for *"Views on Importance of Different Ways to Deliver Advice Services in Highland."* The feedback revealed:

- Overall 70% of respondents gave their opinion about the importance they attach to **"someone visiting you at home"** as being between important to extremely important. It is notable that 54% of people with a disability rate this method of delivery as either "extremely important" or "very important". This compares with 34% of people without a disability. This reinforces the need for a targeted service delivery approach for A&I services.
- Overall 95% of respondents gave their opinion about the importance they attach to **"speaking to someone on the telephone"** as being between important to extremely important. Just over 1 in 2 respondents rate this way of delivering advice services as either "extremely important" or "very important".
- Overall 92% of respondents gave their opinion about the importance they attach to **"accessing information online"** as being between important to extremely important. 81% of those aged 16-44 regard this method as either "extremely important" or "very important", whilst 39% of those aged 65+ classify it in these categories.
- Overall 88% of respondents gave their opinion about the importance they attach to **"visiting a dedicated office"** as being between important to extremely important. Just under 1 in 2 respondents rate this way of delivering advice services as either "extremely important" or "very important".
- Overall 82% of respondents gave their opinion about the importance they attach to **"being provided with information leaflets"** as being between important to extremely important. Respondents who rate this method as either extremely or very important are: aged 65+ (43%); disabled (42%).

8.5.8 The challenge then – and indeed the requirement for our customers – is to deliver a blended accessible service through a variety of delivery methods including community hubs, co-location of service, partnerships, outreach, and mobile services including home visits, online and telephone services which meet the requirements of residents including those with diverse needs.

8.5.9 Innovation will be crucial to overcome the current challenging financial climate in achieving cost effective delivery models. The potential exists for a provider to move from being a 'supplier' to a 'creator' of specific services to effect the step-change that is essential to address poverty in Highland within affordability.

8.5.10 Whilst the evidence is that there are some outstanding performances delivered by those involved in delivering A&I services to date, the changing landscape of increasing customer demand with challenging financial settlements for Local Government, does mean that it is more important than ever to deliver services in a way that can meet such challenges for the benefits of all our customers across all of Highland. This includes better performance management information – financial and non-financial.

**8.6 *Improved awareness raising of advice and information services amongst the public***

- 8.6.1 Earlier in this report at section 6.2 it was highlighted during 2014/15 there could be over 500,000 cases of individuals or families in Scotland who did not claim benefits they were entitled to receive.
- 8.6.2 The UHI review identifies *“Yet, the evidence, such as it is, points to a continuing under-claiming of benefits, a lack of awareness of rights and entitlements and where individuals may go to seek A & I services from.”*
- 8.6.3 The need for a better understanding of advice services by the public was also identified at several consultation sessions. Issues included lack of understanding of what advice agencies can offer, an absence of awareness of where to get help and support and people being mis-informed by friends and family were regularly discussed.
- 8.6.4 During a Community Partnership meeting, a member of the public suggested advertising advice and information services on medical prescription bags dispensed by pharmacies. As these bags are produced commercially it is not possible to influence universal advertising across the range of national/independent chemists.
- 8.6.5 Following the Community Partnership, and agreed with the Chair, Councillor Graham Ross, the Council’s Benefits and Welfare Manager has proposed advertising A&I services on medical prescriptions and has raised this proposal with the Scottish Government’s Minister for Social Security. This was subsequently discussed with Scottish Government’s Head of Communications and Engagement who has asked marketing colleagues to investigate whether it is a route that can be pursued.
- 8.6.6 In addition, the Scottish Government is delivering a programme of activity intended to raise awareness of social security benefits, and to ensure that people are receiving what they’re entitled to.
- They are working with local authorities, NHS boards, third sector organisations and a range of advice and support services to:
- better understand the barriers preventing people from claiming benefits
  - ensure they take every reasonable step to encourage people to receive their full entitlement
- 8.6.7 Activities have previously been undertaken throughout Spring and Summer 2017. During Autumn 2017, the Scottish Government are encouraging people across Scotland to find out if they are entitled to benefits and to claim them. This will be carried out with organisations including local authorities, NHS Boards and third sector organisations, based on local needs and circumstances.
- 8.6.8 Improving awareness of advice and information services in Highland requires a co-ordinated approach involving public sector organisations, A&I providers and the 3<sup>rd</sup> sector. A range of communications, channels and formats should be accessible to the public to ensure awareness, understanding, signposting and to enable referrals to be undertaken effectively.
- 8.6.9 It should also be recognised that, although digital communication is a

valuable tool and cost effective way of communicating with a large audience, it is not always the most appropriate method. For example, digital channels (including texting, email, online) are not always accessible for people on low incomes, in rural areas or disabled people, homeless people and in some instances the elderly.

## **8.7 *Ensure the customer is at the heart of service design and delivery***

8.7.1 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 welfare policies for example, against a backdrop of alleviating poverty for Highland residents within the context of reducing Local Government financial settlements. .

8.7.2 In a published report by Audit Scotland “An overview of local government in Scotland 2016”, it was highlighted ‘... *a dependency on incremental changes to services, increasing charges and reducing employee numbers in order to make savings. But these are neither sufficient nor sustainable solutions set against the scale of the challenge facing councils. Cuts can only be part of the solution. What is required is a more strategic approach, longer-term planning and a greater openness to alternative forms of service delivery.*’

8.7.3 A common thread all through this engagement exercise was the importance of meeting the customers’ needs. The current financial backdrop intensifies the need to explore new sustainable models for service delivery that improve customer experience and outcomes through enhanced service levels at the same or reduced cost.

8.7.4 Advice and information services do not choose their customers; the fact that they are required to service them and their diverse requirements is another factor driving the need for customer-focused service delivery models. The solution lies in developing customer-centric models that address this situation and put the customer at the heart of service design and service delivery.

## **8.8 *A clearer understanding by local advice and information services in relation to what other agencies operate in Highland to enable a more efficient approach to meeting customers’ needs including correct signposting, referral and effective collaborative inter-agency working***

8.8.1 Members will note section 4 of this report details the various advice and information provision currently available which is delivered by local, Scottish and UK organisations in Highland.

8.8.2 Additionally, the UHI review acknowledged “... *there is considerable ongoing collaborative work being undertaken to assist and support the work of local authorities and third sector A & I agencies in Scotland.*”

8.8.3 During the consultation process, it was apparent customers appreciate and benefit from various pathways within Highland to access high quality A&I services. This is demonstrated through numerous examples of innovative

referral systems and successful inter-agency working already taking place including co-location on partner premises to improve the customer experience. For example, agencies have referral processes in place to support vulnerable groups including those affected by mental ill health, cancer and expectant mothers.

- 8.8.4 However, feedback also identified a need for improved signposting and referral processes for organisations who wish to 'access' advice and support for their customers. The needs of customers within an increasingly complex landscape means it is essential for agencies to overcome working in 'silos'. Instead they must work collaboratively to provide an inter-agency solution which is easily identifiable and can be implemented through a triage system that aligns agency and customer priorities.
- 8.8.5 Overcoming the challenges of linking and focusing the services of different A&I providers can be significantly aided by technology. However, this alone cannot overcome the challenge of balancing demand against available resource to deliver a more outward-looking service that involves signposting/referrals whilst also being sufficiently flexible to meet the needs of customers.
- 8.8.6 Customer feedback is a powerful tool, not only for understanding customers' experiences and satisfaction with A&I services, but also for developing strategies to improve and re-shape those services. Feedback from both customers and front-line advisers can help to ensure that service improvement strategies focus on areas such as signposting, referral mechanisms and collaborative working that will make the most difference to customers.

## **8.9 *Consideration of the impact of the continued welfare changes on people's increasing need to access information and advice services.***

- 8.9.1 The Welfare Reform Act 2012 introduced major reforms to the UK welfare system. The aim of the Act was to improve work incentives and simplify the benefits system. Members will be aware that the impacts of the reforms in Highland have been well documented through regular updates to the Council's Welfare Reform Working Group and also reports to Resources Committee.
- 8.9.2 The introduction of Universal Credit (UC) has had a significant impact on service delivery throughout the Highlands for all stakeholders. A substantial volume of customers require additional support from Council Services, advice agencies and landlords to sustain their UC claim and their tenancy.
- 8.9.3 Through a collective approach with A&I providers, the Council's experience, skills and assets have been effectively utilised to support claimants during their transition to the new 'culture' of Universal Credit. The Council's aim is to improve claimants' financial resilience; health and wellbeing; independent living; housing sustainment; and continued employment. However, the increasing rent arrears as reported by Community Services is reflective of one of the challenges UC customers are having to contend with.
- 8.9.4 The Social Security (Scotland) Bill sets out an over-arching legislative

framework for the administration of social security in Scotland, making provision for operational functions such as overpayments, fraud, error, re-determinations and appeals.

- 8.9.5 The Bill places a duty on the Scottish Ministers to give assistance to persons who are entitled to it and provides a brief description of each type of assistance that Scottish Ministers will give. Secondary legislation will provide detail on what assistance will be available and how the system will work. This will follow once the Bill has been agreed by the Parliament.
- 8.9.6 The legislation is expected to come into force within the current Parliamentary term. The first social security payments to be delivered by the Scottish Government from summer 2018 will be the increased Carer's Allowance, followed by the Best Start Grant and the Funeral Expense Assistance from summer 2019.
- 8.9.7 Many households experience problems at some stage in their lifetimes which can give rise to a wide range of needs for information, advice or support. The ongoing welfare changes coupled with the introduction of the Scottish Social Security system will present further challenges and additional pressures on A&I services from customers in Highland.
- 8.9.8 These events may carry with them significant financial implications and the need to reassess living arrangements or apply for welfare benefits. The management of changes are likely to be significantly more challenging for households experiencing poverty than for others.
- 8.9.9 The Council is committed to a preventative approach to mitigate the problems associated with Universal Credit and the wider welfare reform agenda. It is essential people are able to access the right information and advice as early as possible. Early intervention not only improves a customer's financial circumstances, but also their emotional outlook; and levels of stress, health and wellbeing resulting in a more positive impact for society as a whole.
- 8.9.10 As reported to the Poverty and Inequalities Working Group in September 2017, staff across Council Services have continued to engage at local and national level aiming to inform national policy. This has recently included submitting detailed consultation response to various UK enquiries including the benefit cap and Universal Credit.
- 8.9.11 Officers from the Highland Council have provided evidence at the Scottish Parliament on welfare matters. The Head of Revenues and Business Support is a member of CoSLA's LA Welfare Reform Advisory Group which informs national issues and policies. The Director of Finance is a member of CoSLA's Settlement Distribution Group which includes informing distribution formulae for income from the Scottish Government such as Discretionary Housing Payments.
- 8.9.12 The Benefit and Welfare Manager is the Council's lead contact for Universal Credit. The role includes close liaison with internal services and local and national DWP representatives for the Councils strategic and operational corporate responses to the implementation of Universal Credit within Highland.

- 8.9.13 Officers are also invited to speak to Scottish and UK audiences on the impacts of Universal Credit. This recently included the Institute of Revenues Rating and Valuation (IRRV) Scottish and UK annual conferences where a Policy and Assurance Officer delivered well received presentations.
- 8.9.14 In addition, the Council continues to provide support to other Scottish local authorities in their preparations for the introduction of Universal Credit Full Service. For example a Policy and Assurance Officer from the Benefits and Welfare Team helped deliver UC workshops on behalf of Aberdeenshire Council at an event in Aberdeen during May 2017.

## **9. Conclusion / Improvements**

### **9.1 Funding**

- 9.1.1 The existing advice and information contract within Highland is scheduled to finish at the end of the current financial year.
- 9.1.2 This review will contribute and inform the framework and contents of a future advice and information contract post April 18. The Council's new shared procurement service is supporting council officers as part of this process.
- 9.1.3 Against a landscape of increasing demand for A&I services, the Council is being faced with significant financial challenge and is required to deliver significant budget savings. In December 2014, the Council agreed a budget saving of £0.130m for 18/19 for this service area.
- 9.1.4 Demand for Money Advice services has remained fairly static with a very small increase in debt presented as reported at 5.4.4. However, since December 2014, there has been the impact of Welfare Reform including the roll-out of Universal Credit across Highland. Examples include the increase in rent arrears and the increase in demand for benefits/income maximisation as reported at 5.4.3 (a 16% increase in 16/17 compared to 15/16). So whilst such challenges in meeting increased demand are very real, this review nonetheless aims to deliver a solution/s that can meet both challenges of demand and budget/efficiency wherever possible.
- 9.1.5 Sufficient performance management information is not readily available. Therefore, it has not been possible to clearly establish the impact of providing funding to service providers at a level of £0.130m less than is at present provided. On the one hand, it could be said that if 12,406 customers are currently assisted with existing funding, and the status quo remains in service delivery approaches, then the number of customers helped may reduce over that same period if funding decreases.
- 9.1.6 However the reality is the "status quo" cannot continue for reasons of (a) meeting all our customers' needs across all of Highland and (b) reducing financial settlement, to name just 2 reasons. Indeed, as well as all involved continuing to work together to deliver greater efficiencies such as improved data sharing, there are other positive changes such as more proportionate governance as discussed at 9.4 and the services contracted in respect of the Council's statutory function at 9.5.

## **9.2 Future Provision**

- 9.2.1 The key findings described in section 8 ultimately mean the delivery model for an area as geographically challenged as Highland must be accessible i.e. the provider going to the customer and customers coming to the provider. . Within this model, clear performance standards and frameworks should exist to:
- measure service delivery;
  - improve awareness of advice and information services amongst the public;
  - enhance where possible, data sharing and joint working with other public service providers such as the NHS;
  - deliver services flexibly around the needs of the customer.
- 9.2.2 In addition, the UHI review highlighted “...to be effective services have to be reflexive, dynamic, flexible and establish multiple ways and modes of communicating about services and ensure that their services have effective reach.” Therefore, it is important there are multiple delivery channels within the service delivery model to ensure it affiliates with the customer journey.
- 9.2.3 The need to implement new sustainable models for service delivery which improve customer experience and outcomes through enhanced targeted service levels has been demonstrated in recent years through the successful delivery of the Mental Health and Midwifery projects. Supporting such customers need to continue and this review intends to put such support on a permanent basis rather than their current “project” (finite) basis at present.
- 9.2.4 In a similar manner, the Intensive Support service aims to help mitigate the impact Universal Credit is having on arrears within council properties. This provides an effective customer-focused service to support the Council’s tenants.
- 9.2.5 The solution lies in developing the experience and learning from these customer-centric models which put the customer at the heart of service design and will be at the core of the service delivery model from April 2018.
- 9.2.6 The impact of the continued welfare changes will increase demand for A&I services although as previously highlighted there is some evidence to show that demand for money advice services is relatively static. The service delivery model should as a minimum meet the Council’s statutory obligations (Paragraph 3.3) and only if and when they are fully achieved, (e.g. all customers entitled to benefit are actually receiving it) only then should the Council consider funding non-statutory services where there is a lack of provision from other professional bodies (in this particular case employment rights advice).
- 9.2.7 The Council recognises the benefits of financial education (section 6.6) as a life skill necessary 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.

## **9.3 Performance**



- 9.3.1 The current performance levels based on the available management information detailed in section 5.4 indicate a positive return for the Council's investment. However it is difficult to evaluate such a service by pure performance metrics, something which is acknowledged in the UHI review *"The issues related to a lack of a consistent approach to recording and reporting of performance information for A & I services including money advice services in Scotland is widely acknowledged."*
- 9.3.2 Members can find details of the performance reporting information required under the current contract at appendix 2. The proposed performance reporting information to be included in the new contract from April 2018 is available at appendix 3 of this report. The proposed performance reporting information has been agreed with all council officers. This should enable .... better evaluation of customer experience from accessing the service including financial and non-financial metrics used to quantify objectives that reflect the performance of a provider.
- 9.3.3 A clear and transparent performance management framework in respect of performance areas such as speed and accuracy of resolving a customer's enquiry is essential. Challenging targets should be set and performance against these openly reported for all interested parties/customers. While officers will seek to align the performance management framework as closely as possible to the geographic boundaries of each Community Partnership it is recognised that this will be more challenging in some areas than it will be for other Partnership areas. The vision however is that A&I performance information (financial and non-financial) will help to support individual Community Partnerships to reduce poverty and inequalities.
- 9.3.4 In addition, two further areas which have the potential to improve the customer experience and reduce error and delay in resolution of customer issues will be introduced:
- Providers to undertake quality assurance checking process for all advice types to mitigate the repeated issues which are identified and thereafter to report the level of accuracy per advice type.
  - The Council will introduce a continuous improvement process to obtain customer feedback and suggestions. This will involve officers within the Council undertaking outbound calls to customers who have accessed advice from the service delivery contractor. Feedback will be 'fast tracked' and where appropriate developed to enhance service delivery.

## **9.4 Governance**

- 9.4.1 The report of the Commission on the Future Delivery of Public Services (also known as the Christie Commission) was published on 29 June 2011. The report set out what it saw as the scale of the challenge facing public services in Scotland. The Commission identified four key objectives for the programme of reform. These are that:
- public services are built around people and communities, their needs, aspirations, capacities and skills, and work to build up their autonomy and resilience;
  - public service organisations work together effectively to achieve outcomes;
  - public service organisations prioritise prevention, reducing inequalities

- and promoting equality; and
- all public services constantly seek to improve performance and reduce costs, and are open, transparent and accountable.

9.4.2 One of the principal themes identified from this review has been the resource intensiveness of current governance within the existing A&I contract as detailed in section 5.3. The governance challenge for the Council must be to align the commissioning of new services and the implementation and delivery to better balance the dual challenge of delivering performance and compliance.

9.4.3 The current financial challenges faced by the Council coupled with the potential reduction in funding for new A&I services mean a new approach to governance must be applied whilst still providing assurance on the performance, cost and value of service delivery to the customer.

9.4.4 It is incumbent on the service provider to become more innovative and efficient and also it is obligatory on the Council to look at ways to contribute to that efficiency drive.

9.4.5 Therefore, based on the need for efficiencies and feedback received within the review process the following changes to governance will be incorporated within the new contract from April 2018 onwards to enable opportunity costs to be realised :

- **Reduce the number of separate contracts within the A&I contract for service delivery within Highland:** The Benefits and Welfare Manager is currently responsible for 8 separate contracts and the extent of governance detailed in paragraph 5.3.1.
- **Introduction of new performance management framework:** Section 9.3 sets out the Council's intentions to introduce new performance management framework including customer surveys to provide assurance for service-level standards.
- **Adoption of risk based approach to audits:** Customer experience, outcomes and feedback are a key source of performance and operational risk. The intended monitoring strategy will provide an overview of satisfaction with service delivery objectives and value for money.
- **Verification of benefit gains:** Existing advice providers are required by the Council to verify benefit gains before they can be reported. Benefit entitlement will on the whole be identified during a benefit check with only a small minority of customers receiving a differing amount once the benefit decision/appeal process is complete. Therefore, enabling providers to maximise customer centricity through the removal of verification will free up resources to focus on the needs of the customer.

## **9.5 Statutory and Non-statutory services**

9.5.1 As reported at paragraph 3.3, of the four service areas currently contracted, 3 are a statutory requirement for the Council to deliver. The non-statutory function is Employment Rights.

9.5.2 The Highland Citizens Advice Service: Best Value: Joint Statement reported that the topics for which there was most demand in 2015/16, 8% of queries were for employment rights advice. Such services are already available from specialist employment rights providers, for example ACAS, and are free at

point of use. That being so, to most effectively and efficiently meet the various challenges for A&I services such as an increasing demand from benefit customers, removing that service requirement from the contracted services post April 18 is recommended.

## **9.6 Short Term Housing Support Service**

9.6.1 As previously highlighted in section 2 of this report Members will be aware in April 2017, the Council introduced a new 18 month framework agreement worth £1.6m per annum to deliver Housing Support Services. There is an option to extend this framework for a further year at the end of the 18 month period.

9.6.2 In preparation for the new Housing Support Services arrangements from October 2018, the Director of Community Services will consider the findings of this A&I review as part of the review undertaken in advance of October 2018.

## **10. Implications**

10.1 **Resource** – the budget for procured advice and information services from April 2018 will be to a maximum of £1.150m. This will deliver the £0.130m budget saving from 2018/19 as agreed by Council in December 2014.

10.2 **Legal** – the existing service delivery contracts with each of the 8 Citizens Advice Bureau will cease on 31 March 2018. This review of debt and related services will inform the Council's procurement arrangements from April 2018.

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 [...]'

Commercial and Procurement Shared Services is currently aligning all partner Council's in respect to procurement practices and processes. This will include if proportionate and relevant to an individual procurement, a "Fair Work Practices including Living Wage" Method Statement to be included in most award criteria.

The following overarching statement will be included in the standard Method Statement:

*"...The Council considers the delivery of high quality public services to be inextricably linked with workforces that are well-rewarded, well-motivated, well-led, have access to appropriate opportunities for training and skills development, recognise and respect diversity and are involved in some key decision making affecting them."*

The Method Statement further emphasises *"...promoting equality of opportunity and developing a workforce which reflects the population of Scotland in terms of characteristics such as age, disability, gender, religion or*

*belief, sexual orientation, pregnancy and maternity, gender reassignment, marriage and civil partnership and race (including Gypsy Travellers). The Equality Act 2010 makes it unlawful to discriminate against people with a 'protected characteristic'. Organisational policies (including but not limited to recruitment) should ideally account for and respect all protected characteristics"*

- 10.3 **Community (Equality, Poverty and Rural)** - the report highlights a range of community issues and sets out changes that will positively support the Council's developing approach to reducing poverty and inequalities. The whole report seeks to consider and address community issues that impact on equality, poverty, vulnerability and rurality. Prevailing welfare issues which exacerbate the causes of debt and poverty within the Highlands are also acknowledged throughout this report.
- 10.4 **Climate Change/Carbon Clever** - there are no implications.
- 10.5 **Risk** – implications are set out in the paper.
- 10.6 **Gaelic** - there are no implications.

Designation: Director of Corporate Resources

Date: 5 October 2017

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Sheila McKandie, Benefits and Welfare Manager  
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Background Papers:

UHI Literature review

Outcomes from consultation process

The Councils Annual Performance & Attitudes Survey

Advice and Information end of year monitoring report 2016/17

Housing Support Service Framework

ACAS website: <http://www.acas.org.uk>

A report to the Scottish Parliament's Social Security Committee published in November 2016 entitled *The Impact on Scotland of the New Welfare Reforms*

Scottish Government news call to encourage uptake of benefits

The UK Government's Equality Act 2010

A report published in November 2016 by campaign group End Child Poverty

Child Poverty (Scotland) Bill

Money Advice Service news – Peter Wyman to head independent review of debt advice funding

The Disability Confident scheme gov.uk

A published report by Audit Scotland An overview of local government in Scotland 2016

The Social Security (Scotland) Bill

The report of the Commission on the Future Delivery of Public Services (also known as the Christie Commission)

The Highland Citizens Advice Service: Best Value: Joint Statement

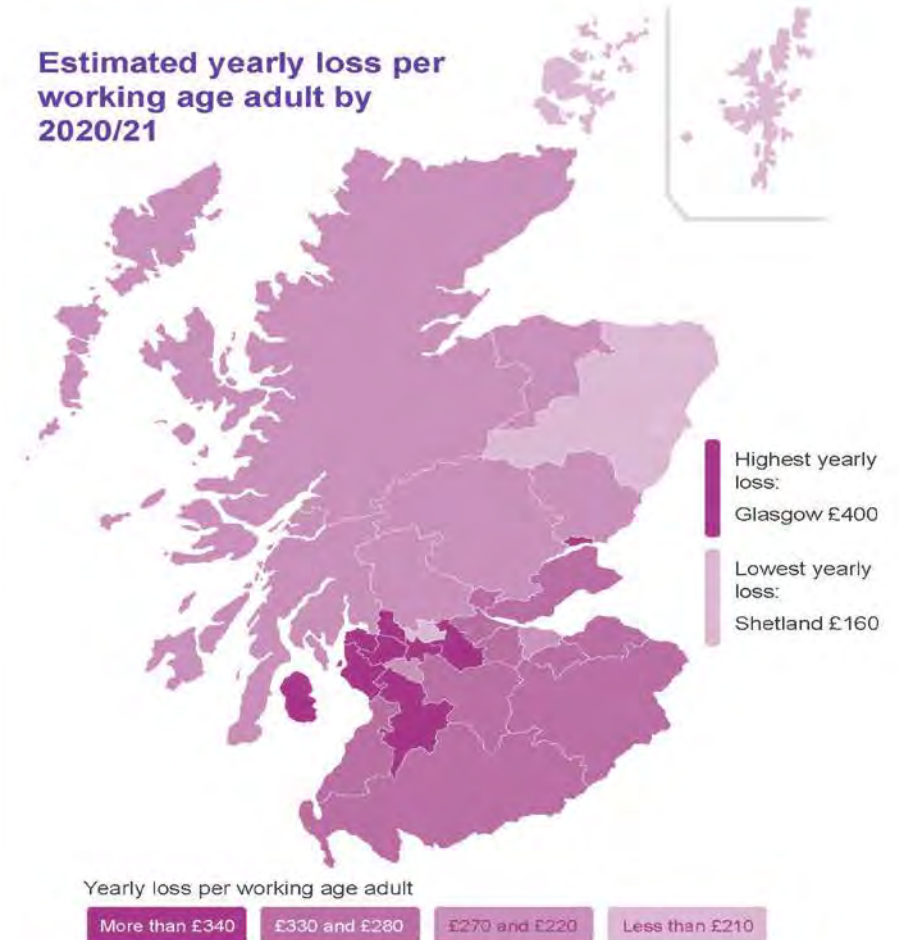


# The Impact of the New Welfare Reforms on Scotland

## Estimated effect in 2020/21

	Total loss	Number of adversely affected	Average loss by affected
Benefit freeze	£300m	700,000	£450
Universal Credit work allowances	£250m	240,000	£1,050
Personal Independence Payments	£190m	70,000	£2,600
Tax Credits	£140m	150,000	£950
Employment and Support Allowance	£65m	70,000	£900
LHA cap in social rented sector	£40m	55,000	£750
Benefit cap (extension)	£25m	11,000	£2,400
Mortgage interest support	£25m	17,000	£1,450
Housing Benefit for 18-21 year olds	£4m	1,500	£2,600

## Estimated yearly loss per working age adult by 2020/21



Source: Sheffield Hallam University

## Appendix 2

Service Delivery Area	KPI	Additional KPI	Frequency	
<b>Delivery of Advice and Information</b>				
All advice areas	At least maintain the number of client contacts - baseline 2010/11		Quarterly	
Welfare Benefits	Total number of client contacts for welfare benefits advice	Number of client contacts at Type 2	Quarterly	
		Number of client contacts at Type 3		
Debt Advice	Total number of money advice client contacts	Number of client contracts at Type 2	Quarterly	
		Number of client contacts at Type 3		
		Number of emergency actions		
Housing Advice	Total number of client contacts for housing advice	Number of housing advice client contacts at Type 2.		
	<i>By:</i>		<i>By:</i>	
	<input type="checkbox"/> Rent arrears	<input type="checkbox"/> Eviction	<input type="checkbox"/> Rent arrears	<input type="checkbox"/> Eviction
	<input type="checkbox"/> Mortgages/secured loans	<input type="checkbox"/> Anti-social behaviour	<input type="checkbox"/> Mortgages/secured loans	<input type="checkbox"/> Anti-social behaviour
	<input type="checkbox"/> Housing benefit/council tax benefit	Harassment and illegal eviction	<input type="checkbox"/> Housing benefit/council tax benefit	<input type="checkbox"/> Homelessness
	<input type="checkbox"/> Disrepair rented housing	<input type="checkbox"/> Homelessness	<input type="checkbox"/> Disrepair rented housing	<input type="checkbox"/> Rent: Private sector
	<input type="checkbox"/> Housing options	Relationship breakdown	<input type="checkbox"/> Housing options	<input type="checkbox"/> Statutory Tenancy Rights
	<input type="checkbox"/> Discrimination in housing	<input type="checkbox"/> Rent: Private sector	<input type="checkbox"/> Discrimination in housing	<input type="checkbox"/> Repair and improvement grants
	<input type="checkbox"/> Security of tenure	<input type="checkbox"/> Statutory Tenancy Rights	<input type="checkbox"/> Security of tenure	
	<input type="checkbox"/> Repair and improvement grants		Number of housing advice client contacts at Type 3.	
		<i>By</i>		

## Appendix 2

		o Rent arrears	o Eviction	
		o Mortgages/ secured loans	o Housing benefit/ council tax benefit	
		Number of evictions avoided		
Employment Advice	Total number of client contacts for employment advice	Number of employment advice client contacts at Type 2		Quarterly
<b>Consistency</b>				
Referrals	Number of referrals made:			Quarterly
	To the Council			
	To other CABx			
	Number of referrals received			
	From the Council			
	From other CABx			
Waiting service standard	% of emergency clients seen within 15 working days			Quarterly
<b>Community Benefit</b>				
Volunteering	Ratio of volunteers to paid staff or optimum number of volunteers			Annually
	Number of volunteers entering employment or training			
	Number of volunteers retained			
<b>Quality and Standards</b>				
Audit	Satisfactory CAS audit results			When available
	Satisfactory National Standards audit results			
	Satisfactory Highland Council audit results			
Accreditation	Achievement and retention of National Standards accreditations for all Types of Services			Ongoing
Client Satisfaction	Number and outcome of complaints			Quarterly



## Appendix 2

	Client satisfaction results from annual CAB survey		Annually
	Client satisfaction results from Highland Council annual survey		Annually
<b>Reporting</b>			
Management Information	Provision of timeous management information (i.e. monitoring reports, business intelligence information)		Ongoing
	Provision of timeous statutory reporting requirements (as and when requested)		
<b>Meetings</b>			
Meetings	· Attendance and participation in quarterly collaborative review meetings		Ongoing
	· Attendance levels at annual performance review meetings		
<b>Quarterly Information</b>		<b>Annual Information</b>	
<b>Debt</b>		<b>Debt</b>	
Total Debt (single and multiple) handled in the previous quarter;		Total contacts by type of debt handled annually;	
Total Debt by type in the previous quarter		Total debt contacts by income breakdown annually;	
Total housing debt handled quarterly by tenure;		Housing	
Number of housing debts over £1,000 quarterly;		Number of cases referred to the private Rented Sector Housing Panel;	
<b>Welfare Benefits</b>		<b>Number of Cases where settled or temporary accommodation is secured;</b>	
Total financial gain from benefits and other entitlements in the previous quarter;		Number of evictions prevented by tenure.	

## Appendix 2

Number of reconsiderations in the previous quarter;	Number of people supported at Court or referred for support at Court stage;
Number of successful reconsiderations in the previous quarter.	Number of referrals to the Homeowners support Fund;
<b>Consistency</b>	<b>Number of people receiving housing advice by Type 1, 2 and 3 and by housing tenure;</b>
Details of any backlogs or waiting lists held by the Contractor;	Number of re-payment arrangements negotiated/set-up;
Number of cases where Type 3 was not met;	
Details of any office closures	

**Advice and Information services April 2018 onwards  
Draft Quarterly Management Information  
Council funded services for Highland residents only**

- **Number of customers by primary advice type (benefit, debt, housing)**
- **Total benefit take up £:**
  - Number Mandatory Reconsiderations, Appeals
- **Total debt presented £:**
  - Amount of rent arrears
  - Amount of Council Tax
  - Number of cases recommended for sequestration/bankruptcy
- **Delivery channel (first interview):**
  - e.g. co-location, home visit, office, telephone, email etc.
- **Customers first interview following initial contact:**  
(Target to be finalised – number of days)
  - % of customers seen within target
- **Average number of days to resolve customers enquiry:**  
(Initial contact until case closed)
- **Number of customer complaints received re quality of A&I**
- **Provider to undertake quality assurance checking process for all advice types (% sample to be finalised) to mitigate the repeated issues that are identified:**
  - Report the % level of accuracy per advice type.

**Looked after Young People – Care and Learning:**

- Number of young people accessing the service by age
- Number of cases resolved in month/quarter

**Housing enquiries - Community Services:**

- Tenure type i.e. Council, RSL or Private
- Reason for approach e.g. housing options, repairs, capital works, arrears, etc.
- Repeat cases
- Case outcomes e.g. arrears advice given, referral to Home Energy Scotland.

Report the above information by Community Partnership where possible.