

Agenda Item	6.
Report No	CLH 20/18

HIGHLAND COUNCIL

Committee: Care, Learning and Housing Committee

Date: 22 August 2018

Report Title: Advice and Information Services: End of Year Monitoring 2017/18

Report By: Report by the Depute Chief Executive and Director of Corporate Resources

1. Purpose/Executive Summary

1.1 Advice and information services are proven to be a critical approach in alleviating poverty. This report provides Members with the end of year monitoring of those council-funded advice and information services led by the Head of Revenues & Customer Services.

2. Recommendations

2.1 Members are invited to note:

- i. the 15.4% overall increase in the number of customers reached by the Council's Welfare Support team and CABx during 2017/18;
- ii. financial gains for customers exceeded £24 million (+22.9%) which is mainly attributable to Universal Credit and challenging adverse decisions relating to Employment and Support Allowance/Personal Independence Payment;
- iii. the downward movement to £16.5 million (-15.5%) in the amount of debt presented; and
- iv. the increase in the number of tenants in receipt of Universal Credit which accounted for £1.3m of the Council's £2.5m total rent arrears at March 2018.

3. Background

- 3.1 The links between poverty and ill health are well established. Poverty and low income are associated with shorter life expectancy, poorer physical and mental health and other indicators of disadvantage including education achievement and employment potential. There is a growing recognition of the need to approach problems holistically to reduce these issues which are experienced strongest by the families and communities who live in poverty.
- 3.2 Recognising the need for a more inclusive approach, the Council continues to take a strategic approach with partners such as the NHS, to improve outcomes, maximise incomes and improve individuals' overall standard of living.
- 3.3 Therefore, it is essential that quality local advice and information provision is accessible and capable of addressing problems holistically. Such services have the ability to transform lives through income maximisation, debt and housing advice. Furthermore, they can improve public health: reducing poverty can increase mental well-being and may improve physical health.
- 3.4 Council-funded advice and information services in Highland for the last financial year were provided via eight contracts with each Citizens Advice Bureau (CAB). Service delivery contract funding for these advice and information services in 2017/18 was £1.276m. In addition, £387,961 was provided for the Council's Welfare Support Team located within the Revenues & Customer Services section of the Corporate Resources Service.

4. Advice and Information Support

- 4.1 Demand from people seeking support from advice services within the Highlands continued to increase, with the financial year 2017/18 experiencing further growth for overall customer engagement.
- 4.2 The following table details the number of customers who sought advice within Highland during the 2 year period ending March 2018. There was a **30.7%** increase in customers supported by the Council's welfare support service and an **11.9%** increase in customers accessing CABx for money and benefits advice.

Teams	16/17	17/18	% +/-
Number of customers reached by Council's welfare support	2,842	3,713	30.7%
Number of customers reached by the CABx money & benefits advice	12,406	13,877	11.9%
Total	15,248	17,590	15.4%

- 4.3 The introduction of Universal Credit Full Service throughout Highland, first in Inverness Jobcentre during June 2016 and then in the other 5 Jobcentres during July 2017, has resulted in additional demand with increased complexities for welfare advice.

4.4 Universal Credit Full Service is not the only cause of the increase in demand for welfare advice. The Council's Welfare Support team and CABx have experienced growth in customers seeking advice and assistance to challenge adverse benefit decisions especially in relation to Employment and Support Allowance and Personal Independence Payment.

5. Benefits – Financial gain

5.1 Total financial gains are presented in the table below. The figures are generally a combination of the backdated benefits gains customers have received plus the annualised weekly entitlement (irrespective of when the claim started during 2017/18).

Teams	16/17	17/18	% + / -
Benefit gain to customers by Council's welfare support	£4,651,372	£6,024,983	29.5%
Benefit gain to customers by the CABx money & benefits advice	£15,044,292	£18,186,146	20.9%
Total	£19,695,664	£24,211,139	22.9%

5.2 There was a substantial increase (**22.9%**) in total financial gains during 2017/18, which was mainly attributable to the introduction of Universal Credit Full Service and an increased number of customers who sought complex advice and assistance to challenge adverse benefit decisions especially in relation to Employment and Support allowance and Personal Independence Payment.

6. Debt presented to CABx

6.1 The following table below shows a reduction of 15.5% in debt presented during financial year 2017/18.

Team	16/17	17/18	% + / -
Debt presented by customers for advice given by the CABx	£19,406,686	£16,407,701	-15.5%

6.2 The number of customers seeking support with debt issues from CABx increased slightly to **3,038** (0.6% on prior year).

6.3 A preventative approach continued to be adopted by CABx during 2017/18 with the aim of breaking the cycle of households' debts and improving clients' money management skills. CABx delivered money advice in a way that supported their clients to respond to changes in their circumstances and to minimise financial shocks.

6.4 During 2017/18, rent arrears associated with Universal Credit Full Service continued to increase the pressure on rental income with all social landlords across Highland reporting an increase in the average rent arrear per household for Universal Credit claimants in comparison to other tenants.

6.5 Details of the Highland Council's current tenant rent arrears:

All tenancies	Total Mar 2017	Total Mar 2018	Average Mar 2017	Average Mar 2018
In receipt of full HB	£120,394	£69,594	£183	£140
In receipt of partial HB	£320,472	£159,235	£296	£220
Not receipt of HB/UC	£904,989	£941,463	£343	£397
In receipt of UC	£871,905	£1,341,418	£966	£748
Total	£2,217,760	£2,511,710	£447	£376

6.6 In the 12 month period to March 2018, the number of current tenants in receipt of Universal Credit had increased from 903 at 31 Mar 2017 to 1,793 at 31 Mar 2018 reflecting the ongoing roll-out of Universal Credit.

6.7 At March 2018, the Council's total rent arrears were £2.5m, a 13% increase from March 2017. The average rent arrears for current tenants in receipt of partial and full HB was £140 and £220, respectively. Those in receipt of Universal Credit were evidently significantly higher at £748.

6.8 At £748, the average rent arrears per Universal Credit current tenant was 20% less than the March 2017 position. Reasons for this could include some of the changes DWP implemented in relation to housing costs and Universal Credit, including the improved Alternative Payment Arrangements and the introduction of the Landlord Portal which enabled faster verification of rent details. However, even with those changes, the average rent arrears for Universal Credit cases can be more than 5 times higher than those tenants on Housing Benefit.

7. Implications

7.1 Resource – Implications are set out in the paper.

Legal – The Council has a legal duty to provide certain advice and information services for local residents. The legislation requirements include

- Social Work (Scotland) Act 1968, section 12: *provision of Social Welfare advice*; and
- Carers (Scotland) Act 2016, Part 6 Chapter 1, Section 34(2)(b): *requires local authorities to provide information and advice on income maximisation for carers.*

Community (Equality, Poverty and Rural) - the report highlights a range of issues that impact on rural areas. The whole report seeks to consider and address the issues arising from welfare reforms that effect poverty and vulnerability.

Climate Change/Carbon Clever - there are no implications.

Risk – implications are set out in the paper.

Gaelic - there are no implications.

Designation: Depute Chief Executive & Director of Corporate Resources

Date: 2 August 2018

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Background Papers: Performance monitoring and analysis