

North Lanarkshire Council

Report

INFRASTRUCTURE COMMITTEE

Agenda item 24 approval noting Ref JC/AM Date 16 August 2017

Financial Inclusion Team Activity Report 2016/17

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Executive Summary

The Report provides details of the income maximisation work carried out by the Financial Inclusion Team which generated **£29,015,130** in additional benefit income for the residents of North Lanarkshire Council.

The report provides a background of the work of the Financial Inclusion Team, Health and Social Care staff and Enterprise and Housing Services in maximising the income of residents.

The report highlights that of the **£29,015,130** in additional benefit income for residents that the Financial Inclusion Team and Health and Social Care generated 69.93% of the Council total, with Housing Services making up the remaining 30.07%.

The report highlights the cost/benefit terms that for every £1 invested by the Council in income maximisation during 2016/17 generated **£25.91** for residents and the local economy.

The report also highlights the Macmillan Lanarkshire Advice Service which is managed by the Financial Inclusion Team, generated **£4,264,125** for people and their families living in North Lanarkshire and who are affected by cancer.

The report highlights that the Financial Inclusion Representation (Appeals) Team have a success rate of **66.5%** at Social Security Appeal Tribunals compared to the UK national average of **46%**.

Finally the report highlights the challenges that the Council and partners will face over the next two to three years with the continuing welfare reforms changes.

Recommendations

The Committee is asked to note this report and remit the report to the Integration Joint Board and the Enterprise and Housing Committee for information

Supporting Documents

Council business plan to 2020 The council plan identifies key areas of priority, the Financial Inclusion Team's contribution to these key areas is that through income maximisation we assist in improving outcomes for households that experience economic disadvantage. There are clear and well documented links between health and poverty and income maximisation also assists in improving the health and care of our communities. Through the review of information and advice services, the Financial Inclusion Team will be improving the council's resource base by working in a more collaborative manner with the third sector

Background

- 1.1 Following a Review of Information and Advice Services, the Policy and Resources Committee on 15th September 2016, approved the recommendation that the existing internal services (welfare rights and money advice) should merge and be located within Infrastructure Services from April 2017.
 - 1.2 The existing teams merged on 3rd April 2017 to create the new Financial Inclusion Team. Whilst this is a Council service, the teams are co-located within Health and Social Care settings, with the governance of the Team being provided joint with the Council and Health and Social Care.
 - 1.3 Due to the complexity of the benefits system, general and specialist welfare rights services are crucial to individuals and families dependent on benefits. Members of the Financial Inclusion Team provide support and assistance to staff about the range of state benefits and assist service users to claim all benefits to which they are entitled. The main thrust of all welfare rights work is the maximisation of income for individuals, for the Council and for the community as a whole. Given the poverty indicators within North Lanarkshire, it is important that the Council mobilises its resources to tackle poverty amongst service users and in the wider community.
 - 1.4 Access Social Work provides service users and members of the public with advice and assistance on a wide variety of benefit-related issues. A full benefits check is offered to all new service users. Income maximisation also plays a vital role in longer term Social Work services such as Community Care, Children and Families, Justice Services, Mental Health and Addictions
 - 1.5 A key role of the Financial Inclusion Team is to support the income maximisation service through consultation and guidance for fieldwork staff, representing clients at tribunals and hearings, and supporting specialist Social Work services. Successful welfare rights intervention, where individuals are awarded extra benefit, frequently means that, as a result of increased income, they are better able to manage their own affairs and often do not require further social work services.
 - 1.6 The Council has succeeded in securing financial contributions from a number of partner organisations to help fund programmes aimed at reducing the impact of welfare reform. These additional resources, which to date amount to approximately £1.2m, have been used, together with HRA surplus balances, to create temporary posts, within both the Financial Inclusion Team and Housing Services, to enhance capacity to deal with the significant increase in demand for representation, training, advice, information and support
 - 1.7 All external funding (excluding that for Macmillan Cancer Support) ended on 31st March 2017. The remaining temporary posts within the Financial Inclusion Team are currently being funded by Housing and Enterprise and the Integrated Joint Board (Health and Social Care) until 31st March 2018.
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2. Report

Income Maximisation

- 2.1 North Lanarkshire Council is the largest local authority landlord in Scotland with approximately 36,400 houses. In addition, the local Registered Social Landlord sector owns and manages approximately 8,000 properties. It is estimated that around 60% of social tenants are in receipt of Housing Benefit (62% in the council housing sector).
- 2.2 Early intervention with income maximisation assists in the prevention of rent arrears and the sustainability of tenancies.
- 2.3 Housing advisors provide basic information and advice to vulnerable tenants and homeless people, concentrating on housing benefit to ensure people can pay their rent. They receive welfare rights training and are supported by Welfare Rights Officers from the Financial Inclusion Team (FIT).
- 2.4 From 1 April 2016 to 31 March 2017, Housing Services generated **£8,725,522** in benefits for 4,184 new and existing tenants, making 6,307 claims for benefits of which 3,348 were claims for Housing and Council Tax benefit (which is direct income for the Council and in the longer term contributes to the sustainability of tenancies). This is an increase of **£329,952** on the previous year.
- 2.5 Similarly, FIT, together with Health and Social Care completed **21,795** Benefit Checks in 2016/17 generating an income to local residents of over £16 million.
- 2.6 The Macmillan Lanarkshire Advice Service is provided by North Lanarkshire Council and provides home visits, telephone interviews, office visits and surgeries in local hospitals. The Financial Inclusion Team manages the service for North Lanarkshire which involves liaising with third sector organisations. Between 1 April 2016 and 31 March 2017, there were 1006 referrals, of which 509 were for DS1500 cases (terminally ill) which generated over £4 million of income for those residents affected by cancer.
- 2.7 The table below summarises the income maximisation work undertaken throughout the year and the total figure represents an increase of **£567,733** from 2015/16:

Social Work / FIT	£16,025,453
Housing Services	£8,725,522
Macmillan Lanarkshire Service	£4,264,125
Total	£29,015,130

- 2.8 The Financial Inclusion Team and Health and Social Care Service generated 69.93% of the Council total, with Housing Services making up the remaining 30.07%. In cost/benefit terms, it is worth noting that every £1 invested by the Council in income maximisation during 2016/17 generated **£25.91** for residents and the local economy.

Appeals

- 2.9 Representation is a core element of a Welfare Rights Officer's work. During 2016/17, Welfare Rights Officers represented at 711 appeals (a slight increase on the previous year) however appeals across the UK still remain low due to the introduction of Mandatory Reconsiderations and other welfare reforms
- 2.10 The overall success rate for Social Security Appeal Tribunals by the Financial Inclusion Team was **66.5%**, which is an improvement on last year and well above the national average of **46%**.
- 2.11 The Service is committed to providing service users with the best possible representation at appeals. To ensure continuous improvement every service user represented by North Lanarkshire Council is sent a questionnaire requesting feedback on their appeal with regard to:
- a) Service prior to the appeal – **99%** were satisfied with the service prior to the appeal;
 - b) Service during the appeal – **99%** strongly agreed or agreed that the service they received was professional; and
 - c) Service after the appeal – **90%** of service users were happy with the service they received after their appeal, regardless of whether they were successful or unsuccessful.

Training

- 2.12 Throughout 2016/17, the FIT has provided, via the Learning and Organisational Development Team, 5 five-day training courses to staff within Enterprise and Housing and Health and Social Care, including staff from social care providers. Local training was also provided in social work localities, other social work teams and Housing Services, covering updates on benefits, welfare reforms and legislation, financial assessments, employment and support allowance, Migrant Workers and other welfare benefits-related subjects.
- 2.13 The FIT maintains and updates online e-learning training packages for the Scottish Welfare Fund, Personal Independence Payments and Universal Credit, which are available to all council services, elected members and partners via their online platforms.
- 2.14 The FIT revised and updated the guidance for Services and Benefits for Refugees, Asylum Seekers, EEA Nationals and other country nationals including those with no recourse to public funds and Unaccompanied Asylum Seeking Children

Legislative/Policy Changes (Welfare Reform)

- 2.13 Universal Credit was introduced in North Lanarkshire on 9 March 2015. Council/ DWP Strategic and Operational Groups have now been set up to take

forward the "Delivery Partnership Agreement" (Universal Support Services) which outlines the roles and remits for both organisations.

- 2.16 At 13th April 2017, there were 3,613 people in North Lanarkshire in receipt of Universal Credit (2,370 out of work and 1,243 in work). Referrals to the Council for online support/personal budgeting support remain low. There are 873 Council tenants in receipt of Universal Credit and the Council is working with them to ensure they have the appropriate skills / knowledge to manage their Universal Credit payments including housing costs.
- 2.17 The Corporate Welfare Reform Working Group has reviewed and revised the Welfare Reform Action Plan, Governance Chart and Communications Strategy, as well as the remits and membership of the various works-streams
- 2.18 The following areas will be priorities for the Council and its partners over the next two to three years:
- With the replacement of the Disability Living Allowance (DLA) with the new Personal Independence Payment during 2016/19 it is estimated that up to 7,800 people may lose their DLA and are likely to appeal this decision. This will result in a significant increase in the number of appeals to be supported by the FIT.
 - Over the last 24 months, the DWP has delayed the processing of new claims and review of existing benefits. This will result ultimately in an increase in demand for advice, information and representation later in 2016/17 and into 2018.
 - Universal Credit (Full Service) will be rolled out in North Lanarkshire from April 2018. At this point there will be three benefit systems with North Lanarkshire: the current benefit system, Universal Credit (Live Service and Universal Credit (Full Service). This will provide further confusion to residents and additional support will be required.
 - Migration to full Universal Credit from 2019 to 2022. This migration will have a significant impact on Infrastructure Services, Housing Services and Health and Social Care Services as well as all residents in North Lanarkshire.
 - Transfer of new powers from Westminster to the Scottish Government under the Scotland Act 2016 and the Scottish Government "Future Social Security in Scotland".

3. Implications

3.1 Financial Impact

Not applicable

3.2 HR/Policy/Legislative Impact

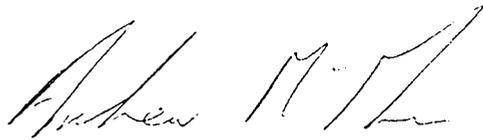
Not applicable

3.3 **Environmental Impact**
Not applicable

3.4 **Risk Impact**
Not applicable

4. Measures of success

4.1 The Financial Inclusion Team intends to apply for a renewal audit from the Scottish National Standards for Information and Advice Services late 2018. The council is currently recognised through this as being the sole provider of Type III services in North Lanarkshire. Achieving this accreditation will provide assurance to our residents that the best possible welfare advice is being provided and that we are providing the appropriate support and assistance in a time of significant welfare change



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