

# North Lanarkshire Council Report

## Youth, Equalities and Empowerment Committee

approval  noting

Ref LMM/JC

Date 26/08/19

## Financial Inclusion Service Activity Report 2018/19

**From** Lizanne McMurrich, Head of Communities

**Email** mcmurrichl@northlan.gov.uk **Telephone** 01236 8122338

---

### Executive Summary

The Report provides details of the income maximisation work carried out by the Financial Inclusion Service during 2018/19 which generated **£35,368,140** in additional benefit income for the residents of North Lanarkshire.

For the first time, this report also highlights the activity of the External Services commissioned by the Council under the new commissioning model which started in April 2018. The External Services generated **£5,736,534m** in additional benefit income for the residents of North Lanarkshire.

The challenges that the Council and partners will face over the next three to four years in respect of the ongoing UK welfare reform changes as well as the new Social Security powers which lie with the Scottish Government, which came into effect in 2016, are also covered within the report.

---

### Recommendations

The Committee is asked to note:

- (1) the content of this report; and
- (2) remit the report to the Integration Joint Board and Finance and Resources Committee for information.

---

### The Plan for North Lanarkshire

Priority Improve the health and wellbeing of our communities

Ambition statement (11) Increase economic opportunities for adults by understanding, identifying, and addressing the causes of poverty and deprivation and barriers to financial inclusion

## **1. Background**

Due to the complexity of the benefits system, general and specialist welfare rights services are crucial to individuals and families dependent on benefits. The Financial Inclusion Service 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 levels within North Lanarkshire, it is important that the Council mobilises its resources to tackle poverty amongst service users and in the wider community.

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.

A key role of the Financial Inclusion Service 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.

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 £1.5m, have been used to; enhance capacity to deal with the significant increase in demand for representation, training, advice, information and support.

All temporary funded posts within the Financial Inclusion Team were made permanent following the Review of the Financial Inclusion Service in 2018 approved by the Transformation Sub Committee on 14<sup>th</sup> November 2018.

---

## **2. Report**

### **2.1 Income Maximisation**

North Lanarkshire Council is the largest local authority landlord in Scotland with c36,315 houses. In addition, the local Registered Social Landlord sector owns and manages approximately 9,000 properties. It is estimated that around 58.5% of social tenants are in receipt of Housing Benefit (57.3% in the council housing sector).

Early intervention with income maximisation assists in the prevention of rent arrears and the sustainability of tenancies.

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 Service (FIS).

From 1 April 2018 to 31 March 2019, Housing Services generated **£10,002,225** in benefits for 3,910 new and existing tenants, making 6,306 claims for benefits of which 3,419 were claims for Housing, Discretionary Housing and Council Tax benefit (which is a direct income for the Council and in the longer term contributes to the sustainability of tenancies).

Similarly, FIS, together with Health and Social Care completed 16,339 Benefit Checks in 2018/19 generating an income to local residents of **£19,947,232m**.

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 FIS manages the service for North Lanarkshire which involves liaising with third sector organisations. Between 1 April 2018 and 31 March 2019, there were 1,005 referrals, of which 553 were for DS1500 cases (terminally ill) which generated £4,012,220 of income for those residents affected by cancer.

The table below summarises the income maximisation work undertaken throughout the year:

Social Work / FIS	£21,353,694
Housing Services	£10,002,225
Macmillan Lanarkshire Service	£4,012,220
<b>Total</b>	<b>£35,368,140</b>

The FIS and Health and Social Care Service generated 66.60% of the Council total, with Housing Services making up the remaining 33.40%. In cost/benefit terms, it is worth noting that every £1 invested by the Council in income maximisation during 2018/19 generated **£31.58** for residents and the local economy.

The Financial Inclusion Team also received **1,369** referrals from Elected Members, MSP's/MP's, NHSL and other agencies, for welfare rights advice and information.

## 2.2 Appeals

Representation is a core element of a Welfare Rights Officer's work. During 2018/19, Welfare Rights Officers represented at 1433 appeals (an increase on the previous year).

The overall success rate for Social Security Appeal Tribunals by the Financial Inclusion Team was **72%**, which is an improvement on last year and above the national average of **68%**.

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 – **100%** 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.

### 2.3 Money Advice (Debt)

The FIS received 1402 referrals for Money Advice/Debt Advice during 2018/19 from residents, elected members, CABx, Health and Social Care Services, Housing Services, NHS Lanarkshire and other Advice and Information agencies.

The FIS dealt with 72 Debt Repayment Programmes which were approved and 70 Bankruptcies were also awarded. The total debt dealt with was **£9,467,056** and total financial gains of **£1,406,462** (benefits, charities, and energy suppliers etc.) was also achieved.

The Money Advice, Consumer Advice Project (MACA project) for first and second level primary school pupils raises financial awareness in an interactive and enjoyable setting. Each session is linked to the curriculum for excellence experiences and outcomes. In 2018/19, 453 sessions were held in primary schools with **4205** pupils attending and more targeted sessions were held in 3 Assisted Support Needs Secondary Schools with 219 pupils attending.

### 2.4 Customer Satisfaction

During 2018/19, customers were asked to identify their satisfaction levels with the contact they had with staff. The following details the satisfaction levels:

- 96.4% were very / fairly satisfied with **how well staff did their jobs**
- 96.5% were very / fairly satisfied with **staff attitude**
- 96.5% were very / fairly satisfied with **staff treated them fairly**
- 96.4% were very / fairly satisfied that **staff were knowledgeable and informative**

100% of customers were very / fairly satisfied with the **overall service they received.**

96.4%) said 'yes' they would use the service again.

96.4% said 'yes' they would **recommend the service to others.**

### 2.5 Training

Throughout 2018/19, the FIS 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/briefing sessions were also provided in social work localities, other social work teams, Housing Services and Partners, covering updates on benefits, welfare reforms and legislation, financial assessments, employment and support allowance, Migrant Workers and other welfare benefits-related subjects.

The FIS 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.

## 2.6 **Legislative/Policy Changes (Welfare Reform)**

Universal Credit (UC) Live Service was introduced in North Lanarkshire on 9 March 2015, with Universal Credit (Full Service) rolled out in North Lanarkshire on 4<sup>th</sup> April 2018.

The number of UC claimants in North Lanarkshire as at 31<sup>st</sup> March 2019, is 13,482, with 9,749 not in employment and 3,733 in employment.

The Fairness and Wellbeing Action Group oversee and monitor the Tackling Poverty development work and the Welfare Reform Action Plan, Governance Chart and Communications Strategy, as well as the remits and membership of the various works-streams.

## 2.7 **Future Workplan Priorities**

The following areas will be priorities for the Council and its partners over the next three to four years:

- Over 26,000 residents are in receipt of Employment and Support Allowance (ESA), Income Support (IS) and Job Seekers Allowance (JSA) all of whom will be migrated over to Universal Credit (UC) from July 2020 to 2023.
- 16,496 Council housing tenants in receipt of Housing Benefit will be migrated to UC from 2020 to 2023.
- DWP information shows that 15,488 residents are in receipt Of Personal Independence Payments (PIP), however it also shows that 16,822 residents are still in receipt of Disability Living Allowance (DLA) and have still to be migrated to PIP over the next two years with at least 20% of claimants projected to lose their current award (3,364).
- DWP information shows that there are 10,761 carers in receipt of Carers Allowance (CA), with 6,196 in payments and the rest having an underlying entitlement, the migration of DLA to PIP has the potential to adversely impact on these Carers.
- 23,200 North Lanarkshire residents were in receipt of working tax/child credits, these residents will be migrated to UC full service over the next five years and are expected to fully comply with the UC rules as someone not in employment, this means that they could be sanctioned and lose their UC payments if they fail to follow their Claimant Commitment.

- Transfer of new powers from Westminster to the Scottish Government under the Scotland Act 2016 and the Scottish Government “Future Social Security in Scotland” and the introduction of amended benefits such as Best Start Grant, Carers Supplement, Funeral Assistance and Job Start Grant. With consultation ongoing regarding the other devolved benefits, such as Disability Assistance (Disability Living Allowance, Personal Independent Payments and Attendance Allowance). In total the new Scottish Social Security Agency will be responsible for 10 benefits devolved to the Scottish Government, following the decision by the Scottish Government to leave Severe Disablement Allowance with the UK Government and DWP, due to the small numbers of claimants.

## 2.8 External Services

The Transformation Committee in April 2016, commissioned a review of those information and advice services delivered by and funded by North Lanarkshire Council. The purpose of the review was two-fold;

- design a fit for purpose Information and Advice provision across North Lanarkshire; and
- deliver efficiency savings to the value of £321,000 as agreed as part of the Council’s ‘Budget Challenge’.

The review sought the views of all internal benefit and advice providers as well as all ten externally funded third sector services on the following three options;

- outsourcing all advice services to the third sector;
- a mixed economy of both internal council services and third sector alternatives; and
- a wholly ‘in-house’ service provided by the council.

The mixed economy option was supported by the majority of all respondents to the review as the best option for future service delivery. The review recommended that externally provided Advice and Information services could best be provided in future by adopting a commissioning model that would provide a standardised service to all NLC residents who may choose not to use council services. This would ensure a sustainable, responsive and effective means of providing advice and support to our communities across North Lanarkshire.

Under the new commissioning model and the application process/assessments of the applications by the Council, the following providers are the successful applicants for each locality to provide Type 2 welfare benefit advice and Type 1 housing and money advice as per the Scottish National Standards for Advice and Information Providers;

Airdrie: Airdrie CAB

Bellshill: Bellshill CAB

Coatbridge: Coatbridge CAB

Cumbernauld: Cumbernauld CAB

Motherwell: Motherwell and Wishaw CAB

Wishaw: Motherwell and Wishaw CAB

***The new commissioning model and 3 year grant funding agreement was implemented from 1 April 2018.***

The Financial Inclusion Team has carried out monitoring visits of each Citizen Advice Bureaux as outlined in the funding agreement and can provide assurances that each provider are meeting the outcomes agreed in the funding agreement and are providing a quality advice and information service in line with the Scottish National Standards for Advice and Information Providers, their locality profiles and the Council's 5 Strategic priorities.

The External Services have had 12,792 welfare rights enquiries, 4,910 Housing Advice enquiries with 940 referred to other agencies, 4,540 Money Advice enquiries with 1,186 referred to other agencies and completed 5,139 Benefit Checks in 2018/19 generating benefit income to local residents of **£5,736,534m**.

In cost/benefit terms, every £1 invested by the Council in External Services during 2018/19 generated **£13.28** for residents and the local economy.

It is important to reaffirm that the Council commissions the External Services to provide specific advice and information services (not CAB Services) and that they receive other funding from funders, ***the above information relates only to the funding that these External Services receives from the Council.***

---

### **3. Equality and Diversity**

#### **3.1 Fairer Scotland Duty**

The current activity of the FIS, Housing Services and North Lanarkshire Health and Social Care Services mitigates the impact of the welfare reform changes within North Lanarkshire and meets the requirements of the Fairer Scotland Duty by reducing inequalities.

#### **3.2 Equality Impact Assessment**

No groups will be disadvantaged or excluded through the implementation of the recommendations of the report. Indeed noting, the recommendations presents an opportunity to promote equality and ensure greater access to public services.

---

### **4. Implications**

#### **4.1 Financial Impact**

There are no financial impacts.

#### **4.2 HR/Policy/Legislative Impact**

There are no HR/Policy/Legislative impacts.

#### **4.3 Environmental Impact**

There are no environmental impacts.

#### 4.4 Risk Impact

There is a potential impact on the Council's Corporate Welfare Reform Risk (L10) (which is already a high risk), in respect of the Council's capacity to respond to the challenges arising from the Welfare Reform Act 2012 both in terms of Council priorities and Services' activities and assisting residents of North Lanarkshire, principally those currently in receipt of benefits (out of work and in work) and welfare assistance.

However, this risk is to be reviewed in light of the Plan for North Lanarkshire, programme of Work and the Fairness Commission recommendation to implement an overarching inclusive growth/tackling poverty strategy.

---

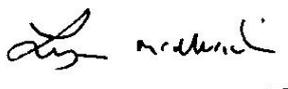
### 5. Measures of success

- 5.1 The Financial Inclusion Team re-applied for a renewal audit from the Scottish National Standards for Information and Advice Services and has recently successfully come through the 'Peer Review' element (auditing of cases for quality of advice). Organisational Audit will be completed in late August. The council is currently recognised through this as being the main provider of Type III services, in all areas of law for welfare rights and money advice in North Lanarkshire. Achieving this accreditation will provide assurance to residents that the best possible welfare advice is being provided and that the Council is providing the appropriate support and assistance in a time of significant welfare assistance change.
- 5.2 Ensuring and improving the standardised service to all residents and providing a sustainable, responsive and effective means of quality advice and support to our communities across North Lanarkshire.

---

### 6. Supporting documents

- 6.1 None



**Lizanne McMurrich**  
**Head of Communities**