



# Cabinet Meeting

4 February 2015

<b>Report title</b>	Scrutiny Review of Welfare Reforms Unclaimed Benefits	
<b>Decision designation</b>	AMBER	
<b>Cabinet member to give management response</b>	Cllr Andrew Johnson Resources	
<b>Key decision</b>	No	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All	
<b>Review Chair</b>	Cllr Rita Potter	
<b>Review Members</b>	Cllr Ian Angus Cllr Ian Claymore Cllr Jasbinder Dehar Cllr Valerie Evans	Cllr Jasbir Jaspal Cllr Peter O'Neill Cllr Tersaim Singh
<b>Lead Scrutiny Review Officer</b>	Deb Breedon Tel. Office: 01902 551250 <a href="mailto:Deborah.Breedon@wolverhampton.gov.uk">Email:Deborah.Breedon@wolverhampton.gov.uk</a>	
<b>Link Officer</b>	Anthony Ivko, Service Director, Older People Tel. Office: 01902 555310 <a href="mailto:Anthony.Ivko@wolverhampton.gov.uk">Email: Anthony.Ivko@wolverhampton.gov.uk</a>	
<b>Report to be/has been considered by</b>	Strategic Executive Board Executive Team	20 November 2014 14 January 2015

## **Recommendation(s) for action or decision:**

### **The Cabinet is recommended to:**

1. Receive the report of the review group (Appendix 1) and consider the following recommendations:

R.1.To request the City's Inclusion Board to receive the report of the review group and to consider the feasibility of developing a partnership forum to oversee development of a co-ordinated advice and support strategy for the City.

This report is PUBLIC  
[NOT PROTECTIVELY MARKED]

The aim of the partnership forum would be to focus on unclaimed benefits, in-work and out of work, to maximise incomes and defend benefit entitlement in the City.

The review suggests the following are considered for inclusion in terms of reference:

- a) To develop options for a hub and spoke framework and a coordinated. Advice and support strategy relating to income maximisation and defending benefit entitlement.
- b) To carry out a mapping exercise of existing mechanisms for access to information, advice and support relating to benefits and income maximisation across the City.
- c) To consider operational issues: process, communication, support accessibility and equality monitoring.
- d) To align advice and support for welfare rights and benefits with employability and skills and link into existing signposting, advice and guidance networks.
- e) To identify and prepare joint funding bids for advice and support in the City.
- f) To promote case studies to the wider public to raise awareness and encourage people who may recognise themselves in the scenario to seek advice and find out if they could be claiming benefits or back claiming if there has been a genuine problem or mistake made.

- R.2 To accelerate delivery of the Wolverhampton Digital Inclusion Strategy and Customer Services Strategy to enable access to the use of social media, information portals and mobile devices as tools to promote income maximisation, to signpost job seekers and people on benefits to relevant and accurate information.
- R.3 That each Community Hub should develop information stations which offer advice about benefits, work training and volunteering opportunities, and that a pilot hub be developed to provide advice and support 'drop in' sessions at Ashmore Park Community Hub.
- R4 That City Direct continues to develop and update the website relating to advice and support about benefits and income maximisation. That work with customer focus groups is undertaken to review what the Council website holds and that issues arising from research and development are built into future service planning.
- R5 That an internal canvass of Council employees is undertaken to recruit volunteers with awareness of benefits and working in a social care environment. Welfare rights training is available for volunteers and the Councils staff volunteering policy enables employees two days per annum to work with the CAB or other voluntary sector organisations.

- R6 That partners work to develop evaluation of volunteering work to give recognition of the additional skills, experience and confidence that volunteering can afford individuals and as a pathway into employment which can be taken into account as part of the claimant commitment when seeking employment opportunities.
- R7 That the Welfare Rights Team develop the work with law students in defending benefit entitlement and contact Wolverhampton University and College to discuss students from health and social care training courses getting involved. That students be offered opportunity to receive training and work experience in a volunteer capacity relating to benefit maximisation.
- R8 The Inclusion Board receives the response and considers the implications of the Department of Works and Pensions Freedom of Information analysis relating to the impact of Job Seekers Allowance (JSA) sanctions in Wolverhampton
2. Approve the executive response to the review recommendations (Appendix 2).
  3. Refer the Cabinet response to Scrutiny Board for it to track and monitor the implementation of the agreed recommendations.

## 1.0 Purpose

- 1.1 The report presents the findings and recommendations of the scrutiny review of 'Welfare Reform –Unclaimed Benefits'. Cabinet is requested to receive the report and agree the executive response.

## 2.0 Background

- 2.1 The [Scrutiny Review of Welfare Reform-communications](#) was reported to Cabinet 22 May 2013, the review focussed on the [Welfare Reform Act 2012](#) and communicating information about changes to benefits. In 2013/14 the Scrutiny Board agreed to review welfare reform with a focus on implementation of Universal Credit (UC).
- 2.2 Universal Credit (UC) is six benefits rolled into one and it is expected that there will be some adjustment needed for claimants moving from weekly to monthly direct payments. UC pilots have been held in local authorities nationally and although roll out for Wolverhampton has not been confirmed it is likely to be mid to late 2015.
- 2.3 Welfare reforms, arising from the Welfare Reform Act 2012, caused a fundamental change to many of the City's most vulnerable residents with many finding change confusing and the reduction in income hard to deal with. Most benefit claimants have adjusted to benefit changes, but every resident can face unexpected life or legal events that can cause them to struggle with living expenses. When left unchecked a regular shortfall in income can spiral into debt and other difficulties.

## 3.0 Context

- 3.1 There is a huge amount of information already available about debt, benefit changes, entitlement and income maximisation, if you know what you are looking for and where to look. However the breadth of national helplines, websites and local advice points can be both confusing and frustrating.
- 3.2 The Council has a duty to ensure that information and advice is accessible to all. This review recognised the need for organisations across the City to work in partnership to map out what already is in place and what initiatives are happening to develop advice and support mechanisms to make the best possible use of resources and to move towards a customer centric approach.
- 3.3 Resident's health and wellbeing is important with some of the city's most vulnerable residents being in need of, or at risk of needing, social care. Many residents need specialist Welfare Rights, debt or housing advice and some will need legal assistance to defend their benefit entitlement or fight sanctions or eviction.
- 3.4 The review group felt that many of the people entitled to benefits (in-work and out of work) are the same cohort of people seeking employment opportunities, who may have low skill levels or may be long term unemployed and identified a need to bring together advice and support for this cohort of people about what is available, if they are entitled to claim and who to contact.

- 3.5 Issues identified during the evidence gathering sessions have fed directly into service planning and delivery. As a result some adjustments have already been implemented on the website and work streams have been informed. The findings of the review have fed into a workshop held on 27 November involving a broad range of stakeholders to start developing Wolverhampton's response to the rollout of Universal Credit, known as Universal Support Services (formally Local Support Services), to support local residents through triage; Digital Inclusion and Personal Budgeting Support .
- 3.6 Universal Credit will require claimants to apply for and manage their account online, receive their payments monthly in arrears and pay their rent direct to their landlord. It is anticipated that some residents will require additional support, for example if they do not have access to or lack the skills and capability to get online.
- 3.7 The correlation between deprivation, debt, unemployment and benefits means that often people will need more than one service. There is a need to be able to distinguish between general advice and specialist services. The Council's transformation programme and Customer Services Strategy highlights the need to move towards enabling customers and partners to access services, advice and support and to signpost others to it.
- 3.8 Funding for voluntary organisations advice continues to be under funding pressure, making it imperative that we co-ordinate bids, resources and services to make best use of resources.
- 3.9 Should community representatives be utilised as a part of the final solution, there would be a need to cover some of the volunteer's expenses, be they City Council or wider community based.
- 3.10 Risks to vulnerable residents that have been identified as part of the review include: potential mortgage rate rise and implementation of Universal Credit (UC). UC has the potential to increase debt/homelessness and bed & breakfast costs in the City. Landlords may consider changing portfolios from benefit claimants to working tenants.
- 3.11 The impact of sanctions on those claiming Job Seekers Allowance (JSA) is not fully recognised. People 'fall off' the statistics for claiming JSA but may have no other form of income. Increases in discretionary grant loans and discretionary housing grants from Wolverhampton Homes may be an indication of increasing indebtedness in the City.
- 3.12 Based on the evidence received the review group made eight recommendations. The review group want people to have the tools, information and support, to be able to help themselves or to be signposted to advice and support if they have specific needs or seek expert knowledge. The review group focused on the need to develop a co-ordinated advice and support framework and strategy across the City and to be able to signpost individuals to the advice they need and to encourage people to help them-selves to information and guidance.

#### **4.0 Financial implications**

- 4.1 Funding has been identified from the public health budget to commission works identified in the executive response to recommendation one. Although not yet detailed, budget of £20,000 has been allocated from the Public Health Interventions Reserve to cover the work.  
[AB/22012015/K]

#### **5.0 Legal implications**

- 5.1 The Welfare Reform Act became law in March 2012 and introduced major changes to the way people receive housing and other welfare benefits. The Care Act requires us to provide information and advice.
- 5.2 The legislation governing Welfare Reforms is available via the following link:  
<https://www.gov.uk/government/policies/simplifying-the-welfare-system-and-making-sure-work-pays/supporting-pages/welfare-reform-act-2012-regulations>
- 5.3 The Council is required to comply with the Equalities Act 2010 (the Act) when exercising its functions, including those relating to Welfare Reform. At the time when decisions are taken about the Council's policy on Welfare Reform, the Council will need to have regard to the matters set out in section 149 of the Act.  
[RB/22012015/Z]

#### **6.0 Equalities implications**

- 6.1 The Welfare Reform equality assessment undertaken in November 2013 provides an analysis of the impact of welfare reform measures on individuals and households in Wolverhampton, as well as the consequential impacts on the Council, its partners and other service providers concerned for the welfare of those affected.

#### **7.0 Environmental implications**

- 7.1 There are no environmental implications as a direct result of this report.

#### **8.0 Human resources implications**

- 8.1 An internal canvass of Council employees is recommended to recruit volunteers with experience of benefits and working in social care environment to work with the CAB and to receive relevant welfare rights training. The Employee Volunteering Scheme give Council workers the chance to volunteer in the community in Wolverhampton for up to two working days per annum.

#### **9.0 Corporate landlord implications**

- 9.1 There are no corporate landlord issues as a direct result of this report.

## **10.0 Schedule of background papers**

- 10.1 Communicating information about Welfare reforms in the City was subject of a scrutiny review in 2013 following implementation of the Welfare Reform Act 2012. Empowering People and Communities is a key theme of the Wolverhampton City Strategy. With the following priorities for action:
- Undertaking early intervention and prevention
  - Supporting financial inclusion
  - Encouraging healthier lifestyles and independence at all stages of life
  - Supporting more people to be active within their communities
  - Encouraging the voluntary and community sectors