

**06 April 2017**

**Monitoring the recommendations of the Welfare Reform Working Group**

**Ward(s)** All

**Portfolios:** Cllr D Coughlan – Social Care

**Executive Summary:**

In June 2015 the Corporate & Public services Overview & Scrutiny Committee established a working group to consider the impact of welfare reforms in the borough of Walsall.

The working group engaged with registered providers, welfare advice providers and the Department for Work and Pensions, in order to build a picture about what effects the reforms were having locally.

The working group produced a final report and recommendations that were approved by the Committee at its meeting on 14 April 2016.

The report provides an update of the progress made in implementing each of the recommendations made by the Committee. In particular it focuses on the efficiencies gained as a result of sharing data with key partners and pooling resources to enable more local residents to get the help they need.

**Reason for scrutiny:**

The changes to the welfare system are having a significant impact on some families and collaborative working with our partners remains vital to ensuring that help continues to be given to families in the greatest need.

The committee previously made a number of recommendations designed to ensure that the Council and its partners had the right processes in place to avoid duplication and maximise the help and support offered to those in most need.

The purpose of this briefing note is to review the actions that have taken place since those recommendations were made.

The recommendations were that:

1. The council and its partners continue to offer support to those residents affected by welfare reforms

This support should include

- Support and Advice
  - Crisis Support
  - Budgeting and financial planning
2. Improvement should be sought to existing partnership working in order to maintain service levels during a period of declining public sector funding;
  3. Data sharing between partners should improve;
  4. Profiling of local residents should take place to enable the Council and its partners to identify those residents adversely affected by the welfare reforms to be proactively assisted before they reach crisis;
  5. A policy for the spending of discretionary housing payments (DHP) should be developed. This should include a scoring matrix for officers to use to assist with the consistency of DHP awards;
  6. Lessons on household spending and budgeting should take place in schools;
  7. Consideration should be given to providing welfare advice and support outreach services at the boroughs foodbanks.

**Recommendations:**

1. That Committee review the actions taken place since the recommendations were made.

**Background papers:**

None

**Resource and legal considerations:**

None

**Citizen impact:**

All families/households affected by current or future welfare reforms.

**Environmental impact:**

None

**Performance management:**

n/a


**Equality Implications:**

None

**Consultation:**

Walsall Housing Group  
Caldmore Accord  
Citizens Advice Bureau  
Walsall Council Welfare Rights Team  
Black Country Foodbank  
Trussell Trust Foodbank  
Department for Work and Pensions

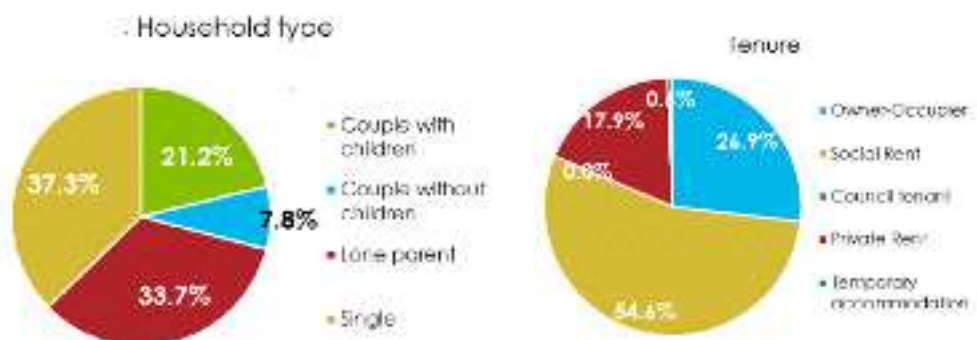
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## 1. Report

- 1.1. Following the Committee's recommendations, the Council and WHG jointly commissioned some independent research to help identify which Walsall households would be impacted by each welfare reform. As the information proved so useful in helping partners to direct their resources, we are delighted to report, that Caldmore Accord has also recently come on board with the project.
- 1.2. The table below is taken from the report entitled 'The Cumulative Impact of Welfare Reform in Walsall'. The analysis uses a snap shot of information about all households receiving either Housing Benefit or Council Tax Reduction in July 2016 and uses that data to forecast how household income will change as each of the reforms is introduced. The Council wrote to each claimant before the research was commissioned to explain how the data would be used, and give them the option to 'opt out' of having their information shared with their registered social landlord (RSL). The vast majority of claimants were happy for the information to be shared but those who were not have been removed from the dataset shared with the RSL's.
- 1.3. There were 34,773 households in the data set; 52,067 adults (including non-dependants) and 23,892 dependent children. Based on census data from 2011, this cohort represents approximately one quarter of all households in Walsall.
- 1.4. Almost 55% of households in this data set contain dependent children, who therefore could be affected by welfare reforms.

Figure 3: Cumulative impact of welfare reform



- 1.5. Actions taken since the recommendations were made are shown below

## 2. Support and advice; -

- 2.1. Understanding the specific impact on individual families has helped us to identify where to focus our support and advice services. Rather than each partner independently approaching the same households to offer help, or waiting for customers to approach them in crisis, partners have worked together to split the caseload and proactively offer support. WHG and

Caldmore Accord have each had information about their own tenants and have been proactively offering budgeting advice, support to find employment, and information about cheaper alternative housing options (to help tenants to plan for future reforms and reduce the chances of them falling into financial crisis). In contrast, the Council has focused our efforts on helping households who live in the Private Rented Sector and who do not typically receive the same level of support offered by registered social landlords. Taking this joint approach has helped us to improve the overall efficiency of the system so that more people have received the help they need.

2.2. The Council has also been leading on a range of other works and services to help tackle fuel poverty especially for families. These include in line with the Council's adopted Home Energy Conservation Act Action Plan:

- Continued promotion of the collective fuel switch scheme to help households secure lower energy bills
- Securing £860,000 of funds from government to provide brand new gas central heating to homes with electric or other expensive heating.
- Promotion of free boiler replacement scheme (Oct 2014 to Oct 16) direct to all owner occupiers in receipt of relevant means tested benefits including;
- Foundations Independent Living Trust grants to low income households with serious illness related to cold and damp conditions
- damp and condensation awareness at Palfrey Childrens Centre to new mothers
- Provision of free carbon monoxide detectors to vulnerable households in rented accommodation.

### **3. Crisis support –**

3.1. The Council is linking in with the job centres to better understand the services they provide and the help they can give to our customers Registered Housing Association Data told us that tenants on universal credit were at greater risk of falling into rent arrears and becoming homeless. In response we undertook training with Job Centre Staff and RSL's to make sure that they better understood the crisis support service offer. We have also used the data shared to proactively use Discretionary Housing Payments and Homeless Grant to prevent homelessness wherever possible.

3.2. The Council has also recently undertaken a service within Money Home Job that will mean that in the future the crisis team will be working more collaboratively with welfare rights and housing colleagues to learn and share core skills and share information, to avoid duplication and help support customers with the issues they have in a joined up way.

### **4. Budgeting and financial planning –**

4.1. The Council's 'core grant' contribution to the funding of the Citizens Advice Bureau (CAB) will continue at current levels for 2017/18 (overall funding was

reduced by £75,000, but this money related to time-limited contract which came to an end). Discussions are now underway between Council officers and the CAB to identify opportunities to save money in future years. Current ideas include greater collaboration with other local Voluntary Sector Organisations (to help share and reduce costs) and greater use of volunteers to deliver advice services.

4.2. Due to the large amount of customers impacted by welfare reforms in Walsall and the increasing need from residents requiring help with budgeting and financial planning, we are working jointly with RSL's. WHG have recognised the need to invest in providing additional front-line staff to deliver money advice services and are taking a very proactive approach to trying to secure additional funding.

4.3. The Council has delivered presentations to Local Job Centres on the Personal Budgeting Service (PBS) to help Work Coaches to identify any customers receiving Universal Credit that are having difficulties managing their money before the issues escalate.

**5. Improvement should be sought to existing partnership working in order to maintain service levels during a period of declining public sector funding; -**

5.1. The Welfare Reform Group has been setup to ensure that we work collaboratively, in order to support customers in the best possible way and engage CAB, RSL's and DWP. This has worked very well and has helped the authority to prepare for the benefit cap and provide support to customers.

5.2. The relationship between RSL's, CAB etc has developed into strong partnership working and is going from strength to strength. We are sharing problems and jointly working to solve them in order to provide the best support for Walsall residents.

**6. Data sharing between partners should improve;**

6.1 Following the Benefit Cap changes, the data sharing law was reviewed and data is now more easily shared in order to provide support to customers affected by the changes. We are already making the best use of data sharing and the feedback from RSL's is that this has helped them prepare and support customers. We are open to data sharing in consultation with the council's Information Rights Team and understand that by breaking down such barriers we will be better placed to support customers requiring help/support. Within the Free School Meals service, we have managed to award over 85% of eligible children in Walsall a free school meal without the need to complete an application form. We have achieved this by making use of information we already hold within the Housing Benefits Service. This will in turn increase the amount of Pupil Premium awarded to schools in Walsall. Reduce child hunger by promoting Free School Meals (we have increased uptake from eligible families by 24% in the last 12 months. The improvements in the last 12 months have resulted in circa 1000 new awards which equates to over £1.3m in Pupil Premium being awarded to Walsall Schools.

6.2 Nationally there is a low take up of families who receive free vitamins and drops; however, by working jointly with colleagues in Public Health, we have identified the families in Walsall who would qualify for free vitamins and drops from our Housing Benefit data. A promotional leaflet was produced and sent to all eligible families in a bid to increase the take up via the Housing Benefit Database.

**7. Profiling of local residents should take place to enable the Council and its partners to identify those residents adversely affected by the welfare reforms to be proactively assisted before they reach crisis;**

7.1. When the first scans were received from the DWP for the benefit cap, an analysis was carried out to profile the customers affected so that we could understand the impact that this and other welfare reforms had on these customers. This was done in order to: -

- Jointly understand with partners, the impact as a whole on these customers
- Understand what support will be required in order to proactively prepare for the change in demand.

7.2. A presentation for the profiling was delivered to DWP, RSL's, CAB and feedback from the DWP was that they wanted to share our profiling with other authorities to help them prepare. This has proved useful so that all partners collectively understand the impact and the extent of the issues we were facing jointly.

7.3. We commissioned research to identify which Walsall families are most at risk of financial hardship due to Welfare reforms. This has helped us to direct our resources towards people who need it most via

- Outreach support (such as budgeting or debt advice, income maximisation, skills training and employment advice).
- Awards of Discretionary Housing Payments (to help prevent homelessness by helping them to meet their housing costs).
- Assistance via our Council Tax Hardship Grant in circumstances where households are unable to pay themselves.

7.4. In addition, research was commissioned in conjunction with whg and Caldmore Accord with a company called Policy in Practice. They are specialists in using housing benefit data and profiling this against all of the current welfare reforms. The data derived can be broken down at household level which allows us amongst other things to: -

- see how much income each household will lose due to welfare reform
- have a rating for a customer's potential barrier to work
- have a rating for how badly affected each household will be, due to welfare reform

- 7.5. This information allows us to prioritise the data and initially concentrate on customers who are most badly affected by the reforms, but have low barriers to work. As more welfare reforms may be implemented in the future, we have commissioned a further 2 sets of analysis from Policy in Practice to ensure that the information we are working with is up to date and takes account of future changes.
- 7.6. This data is shared with key partners such as WHG so that we can reduce duplication and maximise the number of people offered help

## **8. Care Leavers discount**

- 8.1. From 1st April 2017, Walsall Council will be introducing a 100% discount for Walsall care leavers until they reach the age of 25.
- 8.2. The criteria to qualify for the discount is:
- Walsall Council must have been the Corporate Parent
  - The care leaver must be liable for Council Tax and be resident in the Walsall area
  - The care leaver must be under the age of 25
- 8.3 The policy has been designed to reduce the financial inequalities suffered by Walsall Care Leavers compared to their peers who would typically have long-term ongoing financial support from parents. .

## **9. A policy for the spending of discretionary housing payments (DHP) should be developed. This should include a scoring matrix for officers to use to assist with the consistency of DHP awards;**

- 9.1. We have used a scoring matrix in order to understand the customers that are our priority needs to ensure we are supporting the right customers. We are monitoring decisions to ensure we are consistent and the decisions made are fair and transparent. Officers have been supported in understanding that a DHP is a sticking plaster for short term support, however, we need to work with customers to solve the underlying issues, in order for them to be able to meet the shortfall in their rent in the future.
- 9.2. Clear guidelines were given to staff dealing with customers affected by the Benefit Cap, to ensure a consistent approach was being adopted and that customers were making some payments. This will better prepare them for making regular payments of rent as this is what is expected in the future.
- 9.3. Partners have also been briefed on this and are also working with customers to find solutions, completing paperwork and submitting requests to us for DHP's based on the guidelines.



## **10. Lessons on household spending and budgeting should take place in schools;**

- 10.1 The national curriculum states that citizenship lessons should "prepare pupils to take their place in society as responsible citizens by providing them with the skills and knowledge to manage their money well and make sound financial decisions".

Children studying the subject at key stage 3 – those aged 11-14 – will be taught about the functions and uses of money, the importance of personal budgeting, money management and a range of financial products and services.

At key stage 4, aged between 14 and 16, they will learn about wages, taxes, credit, debt, financial risk and a range of more sophisticated financial products and services.

In key stage 3 maths they will be expected to solve and devise problems in financial mathematics and understand simple interest.

### **10.2 About the PFEG Service**

- **PFEG** (Personal Finance Education Group) is the UK's leading financial education charity.
- **PFEG** provides free support, resources and expert consultancy to help schools plan and teach financial capability. Its mission is to ensure that all young people leaving school are equipped with the confidence, skills and knowledge they need in financial matters to take part fully in society.
- **PFEG** works with teachers, government, consumer bodies and financial industry representatives to assist schools in delivering personal finance education to the highest possible standards – making sure that children and young people are able to understand money and make informed choices which will guarantee them security and economic well-being in the long-term.

- 10.3 The importance of providing children with skills relating to household budgets has been raised at both the Children and Young Peoples Partnership Board and the Early Help Steering Group who are proactively working to ensure that children get the right start in life.

## **11. Consideration should be given to providing welfare advice and support outreach services at the boroughs food banks.**

- 11.1 Research revealed that the Blackcountry Foodbank already provides welfare advice and support from some of its foodbanks. They have access to the vouchers that have been issued and can check whether a client had had

numerous vouchers in the past. Contact is made with the voucher issuer to ensure that the client is being offered support

- 11.2 Walsall Money Advice, currently deal with some of the money and support issues that clients have when requesting a voucher and referrals have been taken from distribution centres and other voucher holders. Ablewell Advice and Willenhall Money Advice are set up to be able to deal with clients issues relating to money and welfare advice.

## **12 Conclusion**

The recommendations made by the committee have been implemented.

The Council and its partners are experiencing a significant increase in demand for advice and support as a result of increased financial hardship. This trend is expected to continue as further reforms are introduced over the next 12 months. Unfortunately this increased demand is coming at a time when there is less money to invest in front line services.

Sharing key information about how households are impacted by reforms with registered social landlords has enabled all partners to reduce duplication and share the workload which has improved the overall efficiency of the system. This has enabled the Council to focus on helping customers living in the private rented sector who do not benefit from the same level of support offered by registered social landlords.

We have also been able to use the data to help improve the uptake of freeschool meals and pupil premium. That initiative has gained over 1.3million in additional pupil premium income for local schools and helped to tackle child hunger. Work is now underway to use a refreshed dataset to proactively write to local young people (aged 16 to 29) who are not currently in education or employment to engage with the IMPACT Programme and take advantage of the many courses and job opportunities available.

It is clear that significant progress has been made in building relationships with key partners and sharing data via the Walsall Welfare Reform Group. A joined-up approach will be even more essential as demand continues to rise over the next 12 months.