

Corporate Scrutiny Committee – 21st January 2021

Report of the Director of Finance and Legal

Benefits – Financial and other support (including Covid) and the work of the Corporate Welfare Reform Group

Purpose

1. To provide information about the various elements of support provided by DMBC, to provide an update on work specifically relating to Covid and the work and future plans of the Corporate Welfare Reform Group.

Recommendations

2. That the Committee acknowledges the work undertaken to date and ongoing work and agrees and supports planned future work.
3. That the Committee considers the option of this becoming an annual report where updates can be provided.

Background

4. Teams within DMBC provide a range of financial support services. Whilst the following list is not exhaustive, it is hoped that it captures the majority of these services.
5. Help with council tax is provided via council tax reduction (CTR). This is supplemented by a discretionary council tax reduction scheme. Nearly **27,000** people receive CTR at an annual cost of nearly **£20m**. This is increasing. Both schemes are administered by the Revenue & Benefit Services Division.
6. Help with housing costs (rent) is provided in the main via housing benefit (HB), when including help for pensioners. Whilst many working age customers continue to get HB, growing numbers are now receiving such support via their universal credit (UC) award. This change may cause confusion as HB is administered by DMBC, whereas UC is administered via the Department for Work & Pensions (DWP). Nearly **12,500** people receive HB at an annual cost of circa **£50m**. This is decreasing as more people move to UC. HB is administered by the Revenue & Benefit Services Division.



7. Further support for housing costs is provided via discretionary housing payments (DHPs). The demand for this scheme has increased significantly in recent years following a number of welfare reform changes. As a result, this has been an ongoing agenda item for the welfare reform group. Funding for this is provided by Government but Housing also supplement this up to £550k per year to meet demand in relation to council tenants. So far this year nearly **£950k** of DHP have been awarded. DHPs are administered by the Revenue & Benefit Services Division. See Appendix A for details.
8. Specific support to DMBC housing tenants is provided by a range of teams within the Housing and Community Directorate. See Appendix B for details.
9. Support is provided to private sector housing and in some instances housing tenants by Housing Options & Support. See Appendix C for details.
10. DMBC's welfare rights team provide advice and support to residents of Dudley who are vulnerable and in need of extra support. See Appendix D for details.
11. The Warm Home Discount is a Government scheme funded by suppliers that provides £140 to lower income and vulnerable households to help with energy costs during the winter. Those in receipt of Guaranteed Pension Credit automatically receive it, whereas those on a low income (less than £16k per annum) or in receipt of certain benefits may be eligible and need to apply. Each supplier has different criteria and not all are part of the scheme. Some suppliers have additional criteria e.g. be either elderly, have young children or receive a disability benefit. This is coordinated by the Council's Winter Warmth Team. Funding is limited and allocated on a first come first served basis.

Covid specific

12. **Business Grants.** The first set of grant schemes ran from March 2020 to August 2020. Well over **5,000** businesses were awarded nearly **£59m**. New grant schemes started again with the November 2020 lockdown and are continuing with a raft of schemes dependant on business type, whether a business has to close and what tier/lockdown the council is placed within. With regard to the "new" grants, to date nearly **2,000** grants have been awarded, totalling nearly **£2.4m**. The schemes are administered by the Revenue & Benefit Services Division and Dudley Business First, with support from a number of individuals from other service areas, particularly audit, finance and Dudley Council Plus (DC+).
13. **CTR Hardship payments.** This scheme is for working age council tax (CT) payers who are in receipt of CTR. For those eligible, a further reduction of up to £150 can be made from their 2020/21 CT liability. Over **16,000** people have received this award at a total cost of circa **£2.7m**. It is funded by Government. This scheme is administered by the Revenue & Benefit Services Division.
14. The **Emergency Assistance Grants scheme** commenced in August 2020. This scheme was launched in August 2020 and offers short term emergency help for people who are struggling to afford food, fuel and other essentials due to financial hardship and/or hardship caused specifically by Covid. This scheme is administered by DC+. DC+ are also supporting the track & trace work, attempting



to contact individuals where the nationally led work has been unsuccessful. See Appendix E for details.

15. **Isolation payments** commenced 28 September 2020, with eligible individuals entitled to a support/discretionary support payment of £500. This is to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result. From the end of September to the end of December, **1,824** applications were received, with **508** being successful. Government criteria on this scheme limits the number of applications that can be approved. This scheme is administered by the Revenue & Benefit Services Division.
16. **Covid Winter Support grant** was allocated at Christmas from the Government. It is primarily aimed at families with a proportion for vulnerable adults. The grant is for food and fuel/warmth. There is some cross over with other grants. Food vouchers were issued over the Christmas period. A process is being set up to offer financial support to eligible households who have a pre-paid fuel meter. It is more difficult to support those households not on a pre-paid meter and officers are working with partner agencies to find a speedy solution to this.

Welfare Reform Group

17. This group was revised and re-launched around March 2017. Group members represent various parts of DMBC, including Finance, Housing, Childrens Services, Adult Services and Public Health.
18. The group has a standard agenda, focussing on the effects and impacts of welfare reform and other associated issues. It meets on a monthly basis, but following significant pressures brought about by Covid, the group has been meeting fortnightly since August 2020.
19. In early 2017 the agenda was dominated by Universal Credit (UC), the Benefit Cap, Discretionary Housing Payment (DHP), Supported Accommodation, Under Occupancy Charge / Size Criteria, Council Tax Reduction (CTR) and Local Welfare Allowance (LWA) Loans.
20. More recently the group has focussed on the mitigating poverty project led by Public Health, UC, DHPs and various Covid support schemes.
21. The latest addition to the agenda has been at the request of Cllr Crumpton, where the group is now looking at collating efforts to make the journey to benefits awareness and claiming more simple and coordinated.

Looking Forward

22. Our immediate focus is to continue to find resources to ensure all Covid support schemes are designed and delivered as efficiently as possible, getting support to those in need as quickly as we can.

23. Our next task is to complete the first element of our “benefits awareness” work, by creating an insert to go out with the main council tax bills for 2020/21 that are due to start being issued in March.
24. As soon as possible the group will continue to provide significant support to the corporate mitigating poverty project. This project had made substantial progress up to February 2020, with a number of meetings involving a wide variety of internal and external stakeholders. One of the priorities for the Health and Wellbeing Board is to mitigate poverty across the Borough. The approach taken is to look at the systemic causes of poverty and create solutions, where possible, at that level. Parallel to this is to provide immediate help and support to those in poverty or on the edge of poverty. Due to demands on capacity because of Covid, the systemic work has not progressed as quickly as wanted, but immediate support and help has increased. There is a multi agency steering group overseeing operational work and colleagues from services mentioned elsewhere in this report attend the board.

Finance

25. Most of the “traditional” work described above, e.g. that of the welfare reform group, is met from within existing budgets. Other ongoing work that is non-Covid related, e.g. DHPs, are funded from Government grants. Most of the Covid related work attracts new burdens funding from Government. Increased workloads caused by Covid do put a considerable strain on budgets.

Law

26. The Coronavirus Act 2020 and associated Regulations make provision in connection with the coronavirus pandemic, and for connected purposes.

Equality Impact

27. The proposals take into account the Council’s Policy on Equality and Diversity. This report and areas of proposed expenditure are intended to promote independence and improve quality of life for protected groups. We know that there is a disproportionate representation of people from BAME communities in poverty. Data also tells us that those children from financially poor families are less likely to do well at school, which may put some children into generational poverty

Human Resources/Organisational Development

28. Again, the “traditional” work described above has little impact on HR/OD, however Covid related work has put great pressure on available DMBC resources. It has been heartening to be part of cross-directorate working and great achievements have been evidenced. However, most of this has been temporary and in response to specific issues/tasks. When Covid is behind us, it may be beneficial to review how DMBC was able to respond to these demands and whether any lessons need to be learned and / or changes introduced to enable us to be a more resilient / reactive organisation.



Commercial/Procurement

29. All procurements consider if the contracts awarded will allow Directorates to continue and develop their services to trade other public bodies and organisations.

Considerations should also be given to the Commercial Strategy 2021+ to enable the service to benefit from a commercial review of its business model and plans.

There are no direct commercial implications that are associated with this report, however the work through this crisis to support our education customer base helps improve relationships and retain / grow business.

Health, Wellbeing and Safety

30. The work described in this report needs to continue to help build stronger, safer and more resilient workforce, to enable us to better help Dudley residents and businesses through financial pressures and major issues.

Evidence shows that people in poverty are more likely to have poor health, educational outcomes and shorter lifespan. Helping people better manage financially will have positive impacts on resident health and wellbeing.



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Appendix A - discretionary housing payments

Discretionary Housing Payments (DHPs) are further financial assistance payments to help with housing costs. Claimants must already be in receipt of Housing Benefit (HB) or the housing element from Universal Credit (UC), in order to qualify.

Each year Government provide us with a yearly budget which is managed by Revenue and Benefit Services Division. This year the budget was £863,075, an increase of approximately 23% on the previous year allocation.

Local Authorities are permitted (within limits) to top up the fund with their own resources, and for a number of years now, Housing have made additional funding available to top up our fund, if required. Last year, Housing topped up our fund by just over £150k.

This year, due to the increased demand of further financial assistance, we reached 100% expenditure at the end of November 2020, just 8 months into the financial year. It is anticipated that by the end of the financial year, we will have reached approximately 130% of the initial budget. Demand for these payments have increased due to Covid with more claimants in need of further financial assistance.

As at 31/10/2020 we had received 4676 applications for DHP compared to just 1759 over the same period in 2019. Updated data is expected shortly but is not available in time for this report.

Appendix B - support for housing tenants

Specific support to DMBC housing tenants is provided by a range of teams within the Housing and Community Directorate. The Income and Rent Accounting teams manage rent collection and arrears recovery, using a case management approach and encouraging early contact with tenants at the point when they first have difficulty paying, so that arrears do not escalate. We use a wide range of communication methods, including telephone, text, email, letters, flyers, website messages and social media. We support tenants to maximise their income, offer help navigating the benefits system and guidance on repayment plans to help tenants who are in arrears. We encourage tenants to use automated and efficient methods of payment: our Direct Debit take-up has increased from year to year and currently we receive almost £2m per month from nearly 10,000 tenants on Direct Debit. We offer tenants who have fallen into arrears the opportunity to set up a repayment plan at an affordable level, where possible via Direct Debit, and we offer incentives for those who set up and maintain Direct Debit payments. We work with colleagues in Housing Support and Housing Management to support tenants to sustain their tenancies and pay their rent. Housing Support engage with individual cases where more intensive support is required, as well as running regular drop-in sessions across the Borough. Housing Managers work on a patch-based system and will develop local knowledge and awareness of tenants' issues and concerns. We engage at an early stage with the Homelessness team to prevent evictions, and have among the lowest eviction rates in the Midlands. We also work closely with partners in CAB and DWP, including with our local Jobcentres and the Universal Credit Service Centre. This includes regular contact and joint meetings as well as co-location and job shadowing (prior to Covid 19 and the move to remote working).

With this year having been dominated by the pandemic, we have changed our working methods and moved to home working and a primarily telephone-based service. We have undertaken only very limited enforcement action with no evictions in this financial year. We have focused on providing help and support for our tenants to sustain their tenancies. Arrears have increased to around £2.5m compared to £2m prior to Covid 19, but we are managing the majority of this through repayment plans, emphasising the importance of paying rent but recognising the difficult circumstances for many of our tenants and ensuring that they can repay an affordable amount.

Looking forward, we are reiterating our message that we are here to help tenants if they are having difficulties paying their rent in the current circumstances. We have received as a public sector housing landlord no specific government grant support, but we are working closely with colleagues throughout the Council to raise awareness and support those in need.

Appendix C - housing options and support

Housing Support

This includes 2 Substance misuse Housing Support Officers.

Housing First

Housing First is an evidence based approach to successfully support homeless people with high needs and histories of entrenched or repeated homelessness to live in their own homes. The philosophy is to provide a stable, independent home with intensive and personalised support to homeless people with multiple and complex needs. Multiple and complex needs may include complex mental health needs, persistent substance misuse, repeated offending history, physical health needs and experience of violence or domestic abuse and is usually a combination of several of these. Housing First is different to other models of housing as it provides housing 'first' as a matter of 'right' rather than as 'last' or as a reward.

We currently have 19 people housed who would otherwise have continued to/become rough sleepers.

Garden Pathways

This is a service for council tenants that are elderly and/or vulnerable and are no longer able to maintain their gardens.

This could potentially lead to problems with remaining within their tenancy conditions and lead to other problems such environmental issues & neighbour problems.

We offer two levels of service:

- Garden clearance – we will go into a garden that needs clearing and bringing back to a manageable level whereby the tenant maybe able to take back control.
- Regular Maintenance – we will assess a garden and agree a cycle of works to keep the garden in a presentable and manageable state to keep the tenant within their tenancy agreement.

It is important to note that this is not a landscaping service and is purely to keep gardens presentable and manageable. In order to be eligible for the scheme there is an eligibility criteria. The scheme is not advertised as we are always over capacity.

Mediation Service – link: www.dudley.gov.uk/mediation

Employability Service

Intensive Family Support

Telephone Support Service (Previously Drop-in Service)

Tenancy Start up project – To provide a comprehensive Tenancy start up support service to Dudley MBC residents with identified support needs. To help guide residents setting up a tenancy for the first time while offering a clear understanding of responsibilities cover aspects of tenancy management. To provide initial support within the first stages of a tenancy, support to access local health care, Welfare Benefits and continued sustainability. Criteria for Tenancy Support: Prospective clients must live



within the Dudley Borough and be of Council Tenure, completing a first time tenancy sign up, be considered vulnerable or disadvantaged in some way, have short-term needs – it must be demonstrated that clients will be able to gain independent living, must not be receiving support from a similar service, must show a willingness to engage with Tenancy Support for up to 3 months.

Pre Tenancy Workshops – face to face workshops are currently suspended due to Covid, however packs with information are provided for support and we are looking to launch a virtual workshop in the new year.

Face to face sessions for perspective applicant/tenants aims:

“We want everyone who rents a council property to make it a safe and secure home. At the workshops we share information about things that can help you make positive decisions for your home. It covers budgeting, debts, how to prepare and set up your home, where to get items you need and details of where to get help in the council and local community. It also clarifies yours and the council’s responsibilities for the tenancy. There is no test, and there is the opportunity to request extra information and support at the end of the workshop.”



Appendix D - Dudley welfare rights service

An overview of our service and how we offer support to Dudley residents:

We are a small team staffed by 3 full time and one part time officer (ex-benefit shop). We each have approximately twenty years of experience in providing advice. Our service aims to provide advice and support to residents of Dudley who are vulnerable and in need of extra support. We do this in a number of ways:

We provide training to workers both within the council, and from external bodies. The object of this is to upskill workers with basic benefits advice so that they can best support their service users. Alongside this, we provide an advice line and email service so that all workers can contact us for advice, but can also make referrals to our service for complex cases and appeals. This allows us to cascade our knowledge, whilst providing support where more expertise is required. Many teams within Dudley MBC (housing support, family centres, adult social care, homeless prevention, income team) use our service for advice, and also make direct referrals into our service. Externally, we receive queries from a range of organisations including refuge providers, foyer projects (CHADD), DWMH team, teenage pregnancy team, and Integrated Plus. We ensure that all workers are kept up to date with relevant changes in benefits by issuing regular 'updates' via email.

More recently, we have set up a small project to take referrals for residents applying for Covid emergency assistance grants. This allows us to make contact with residents in order to offer a benefit check, and to assist with any issues that may cause financial hardship. To date, we have helped resolve issues with Universal Credit, identified people with disability who were not claiming a benefit, helped with issues with council tax reduction, and discretionary housing benefit.

Pre Covid, we provided direct assistance at local foodbank surgeries once a week (Stourbridge, Dudley and Brierley Hill Project). This enabled us to meet directly with those experiencing difficulty with benefits and to provide assistance with resolution. Since the pandemic, we have provided telephone advice to the foodbanks. We will also be taking referrals for residents affected by food or fuel poverty where there are also issues with benefit entitlement or payment.

From the onset of the pandemic, we have provided 'factsheets' available on Dudley MBC's website. The factsheets provide information on a range of situations, and an overview of what benefits might be available and how to claim. The factsheets are updated regularly, and also contain contact details for our 'Covid advice line'. The line is open two days per week (due to low staffing levels) but is a way for anyone experiencing difficulties as a result of Covid (through reduced hours of work, redundancy, or illness for example) to receive some support and advice with identifying applicable benefits. We have also participated in a webinar for the BAME community highlighting support as outlined above and will be providing a further session for community and voluntary workers shortly.

The link to the fact sheets is below. Information on the advice line has been provided in a range of council newsletters and emails.

<https://www.dudley.gov.uk/residents/benefits/welfare-rights-service-and-covid-19-fact-sheets/>

Appendix E - emergency assistance grants

The emergency assistance grants (EAG) scheme commenced August 2020. Funding is provided by Government.

This scheme was launched, offering short term emergency help for people who are struggling to afford food, fuel and other essentials due to financial hardship and/or hardship caused specifically by Covid.

The scheme is delivered by Dudley Council Plus (DC+) on behalf of Public Health and applications can be made on line or by phone. Approved awards are made via electronic bank transfer.

Demand is high and continues to increase. In the first 3 months (August to October) we processed **697** applications; in November and December we processed **1034** applications. At the time of writing 723 people have been helped, with grants totalling **£164k** awarded. We expect this high level of demand to continue into 2021, with January showing no sign of a decrease in applications.

The individual circumstances of applicants have been varied. The scheme has dealt with a wide range of customers, many who have never previously asked for assistance from a welfare scheme. Many described unexpectedly losing their livelihood and income due to Covid.

The logistics of gathering evidence has sometimes proved challenging, with applicants isolating and unable to leave home to either obtain or bring in evidence. Technology has been invaluable, mobile phone photographs & screen shots and fast bank payments enabling us to process applications and get payments to people quickly.

The scheme is evidence of a successful joint project between Public Health, Customer Services, ICT and Finance, with each division/section delivering its own element within a tight timescale.