

Chief Executives' Group – North Yorkshire and York

14 November 2013

Citizens Advice Bureaux / Welfare Benefits Unit – funding requests

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| <p>1 Purpose of the report</p> <p>1.1 This report outlines funding requests received from Advice North Yorkshire (Citizens Advice Bureaux) and the Welfare Benefits Unit for funding to provide additional services to cope with the additional demand as a result of welfare benefit changes.</p> |
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- 2 Background**
- 2.1 Updates on the impact of welfare benefit reforms have been provided on a regular basis to Local Government North Yorkshire and York and the Chief Executives' Group.
- 2.2 Advice North Yorkshire (the partnership of the eight Citizens Advice Bureaux in York and North Yorkshire) and the Welfare Benefits Unit have submitted requests for funding to provide additional services to cope with the additional demand as a result of welfare benefit changes.
- 3 Advice North Yorkshire**
- 3.1 Advice North Yorkshire is requesting £140,000 per year for three years to meet escalating demand during the implementation of the most significant changes in welfare benefits. The funding would be used to employ four additional full time specialist welfare benefit advisers to recruit, train and support additional volunteers to provide an enhanced service across York and North Yorkshire through the eight CAB. Advice North Yorkshire estimates that the funding would enable an additional 1,200 cases to be supported per year.
- 3.2 The request from Advice North Yorkshire is attached (appendix 1). Also attached is a summary of research undertaken by Advice North Yorkshire regarding the adverse impact of the 'digital by default' approach on many of the people who are receiving, or may in the future need to receive, welfare benefits (appendix 2).
- 4 Welfare Benefits Unit**
- 4.1 The Welfare Benefits Unit is requesting £21,423 in year one and £22,065 in year two to continue providing second tier support to advice agencies in North Yorkshire with welfare rights complex cases and appeals (previously funded by the Big Lottery Fund). Other funding has already been identified to continue the service in York. The Welfare Benefits Unit estimates that the funding would enable 250 complex cases to be supported per year.
- 4.2 The request from the Welfare Benefits Unit is attached (appendix 3).
- 5 Next steps**
- 5.1 Advice North Yorkshire and the Welfare Benefits Unit have made their requests to the Chief Executives' Group, rather than the individual organisations that make up the Chief Executives' Group, because they believe that a strategic approach should be taken to the impact of welfare benefit reform. An alternative approach would be to approach each Chief Executive separately, but this would be more resource intensive and risk creating a patchwork of additional services across York and North Yorkshire.

- 5.2 Advice North Yorkshire and the Welfare Benefits Unit are aware that that the Chief Executives' Group itself does not have a budget and that the organisations that make up the Chief Executives' Group are all facing considerable budget pressures.
- 5.3 Subject to members of the Chief Executives' Group believing that an adequate case has or can be made for some or all of the requested funding, there are three potential sources:
- contributions from organisations that make up the Chief Executives' Group;
 - contributions from the Housing Benefit reforms transitional funding that DWP is currently providing to local housing authorities; and/or
 - contributions from the Universal Credit local support services framework that DWP will shortly be negotiating with local authorities.
- 5.4 Some additional information has been provided by Advice North Yorkshire and the Welfare Benefits Unit. A more detailed analysis of the requests, including the proposed benefits and value for money, could be undertaken if the Chief Executives' Group was minded to support one or both of the requests.

6 Recommendations

- 6.1 The Chief Executives' Group is asked to consider and agree how to respond to the two requests.

Neil Irving
Assistant Director (Policy and Partnerships)
North Yorkshire County Council

6 November 2013



The Need for Welfare Benefit Advice in York and North Yorkshire

- 1 Purpose**
- 2 Background**
- 3 Evidence**
- 4 The CAB role in the provision of welfare benefits advice and specialist services**
- 5 Recommendation**

1. Purpose

This report has been commissioned to consider how welfare reform has, and will, impact upon the needs of the community in North Yorkshire. Citizens Advice Bureaux offer free, independent, impartial and confidential advice - the CAB's of North Yorkshire collaborate, along with York CAB, through the consortium Advice North Yorkshire. As a result of the finding of this and other research we have developed a new advice model for welfare benefits advice which will build on our expertise and experience of working collaboratively, to offer value for money as well responding positively to the needs highlighted in this report. The aim of this report is to give new solutions to the challenges raised by welfare reform, following the recent withdrawal of legal aid funding for social welfare issues.

2. Background

The plans for Universal Credit were laid out in the Department for Work and pensions' *Welfare That Works* White Paper, published in November 2010, and the legislation to enable its introduction was created in the Welfare Reform Act 2012. Below are highlighted the main changes that have been introduced, or are due to be introduced, under welfare reform, together with additional changes to the welfare landscape.

- The Employment Support Allowance assessment process - This has already resulted in a rise in enquires, and in the numbers of clients going to appeal. Our statistics show that for the period 2012/13 we saw a 54% increase in ESA enquiries from the previous year. Independent reports and local client experience show that ATOS medical assessments are frequently flawed and have resulted in vulnerable clients being assessed as fit for work. The ESA appeals we dealt with rose in the last year by almost 60%.
- The abolition of Disability Living Allowance (DLA) and the introduction of Personal Independence Payments (PIP) - The qualification for Personal Independence Payments will be more restrictive and it is likely that a significant proportion of current DLA claimants will require assistance to claim, or transfer, successfully.

- The changes to the sanctions regime - The new regime set out fixed periods of sanctions which significantly reduce income for particular claimant 'failures', and raises the minimum sanction for jobseekers from one week to four weeks, or more. Citizens Advice Bureau's have been working in partnership with other agencies, such as Food Banks, the Local Assistance Fund and Credit Unions to try and support individual through this time. In Citizens Advice Bureaux this area showed the biggest increase in the last year. This was reflected locally.
- End to immediate right to appeal. From October 2013, it is compulsory that any challenge to a DWP decision must be made in stages. Concern has been expressed about the length of time potentially vulnerable clients will be left without any income at all, thus increasing the number of clients who will be in need of crisis support. It is therefore vital that early intervention with specialist advice is given so that complex, costly cases, involving vulnerable clients can be prevented.
- Changes to Council Tax Benefit - Where Local Authorities have been required to reduce assistance, the result has been a further drain on cash for clients already surviving on very low amounts of income. Clients need support to budget for this change and we have been preparing volunteers to deliver budgeting advice in response client and statutory agency demand.
- Changes to Housing Benefit under occupancy charge - Individuals who find themselves in arrears maybe threatened with eviction. These measures are all likely to lead to an increase in homelessness, placing a greater burden on Local Authorities Housing Options teams. Budgeting advice can and has already helped alleviate some of the impact of this change.
- The introduction of Universal Credit - This will be a single means tested benefit paid to people of working age. It will replace means tested benefits such as Income Support, Housing Benefit and Employment Support Allowance. We have been working hard with partner agencies to prepare our community for the introduction of this change. Many of our lessons learnt have come from our work with CAB colleagues in pathfinder areas.
- Changes in how claims are made and the impact this has on rural areas- This has been a major concern, resulting in us allocating resources to producing the Digital by Default report attached.

3. Evidence

The information below has been gathered from various reports and also from the experiences of clients captured in our social policy evidence returns and interviews with welfare benefits advisors. We have also used both local and national data to give a true picture of the changing needs.

In October 2012 "The Hardest Hit", a coalition of over 90 disabled people's organisations and charities, produced the report 'The Tipping Point' which brings together a survey of over 4,500

disabled people, a poll of more than 350 independent welfare advisers, and more than 50 in-depth interviews with disabled people with varying conditions and impairments. The report highlights the following:

- Nearly 9 in 10 disabled people said their everyday living costs are significantly higher because of their condition. Issues such as increased heating and travel costs are additional concerns in rural areas.
- a. 78 per cent of disabled people said their health got worse as a result of the stress caused by their Work Capability Assessment (WCA) for Employment and Support Allowance (ESA). *One physically disabled woman reports that she was so distressed by the process that she required admission to hospital due to a recurrence of her Chrones Disease.*
- b. 87 per cent of welfare benefits advisers evidence that the constant re-assessments for benefits are damaging people's health. *For example a man with brain damage has been called to three separate assessments 25 miles from his home since we ESA was introduced.*

In July 2012, Citizens Advice in conjunction with the Children's Society and Disability Rights UK published the report 'Disability and Universal Credit'. This report calculates that if the new system is rolled out in its proposed format, "financial support for some groups of disabled people will be much lower than the current support available for people in the same circumstances." An example of this is couples, where both partners are disabled people will lose considerably more than £100 a week under the new system.

Disabled people and their careers have experienced a drop in income of £500 million since the Emergency Budget of 2010¹. One estimate is that Britain's 3.6 million people claiming disability benefits will be £9bn worse off from 2010 to the end of this Parliament resulting in, on average, a loss of two to three thousand pounds for each household affected².

In July 2013 Harrogate and Ripon Council for Voluntary services produced a report 'The North Yorkshire emergency food provision research report' stating that

"In the first 6 months of 2013 frontline services reported that they encountered between 3,535 - 5,178 incidences of food poverty across North Yorkshire. This is an average of 726 incidences of food poverty per month".

Bureau have gathered evidence of client's experience of the welfare reform process. We have seen an increase in clients suffering stress around welfare benefit issues. Particularly we have seen an increase in levels of anxiety from those with mental health issues, older people and those in rural areas. These groups are telling us that they have a real fear about the future and the

¹ Demos, Destination Unknown, Summer 2012 Report (June 2012).

² The Disability in Austerity Study, Demos, see <http://www.demos.co.uk/projects/disabilityausterity>

changes to come, and they are looking to us to provide support and assistance to cope with the unknown. We have seen many misunderstanding by clients concerning the benefits changes which are adding to people fears. We are able to explain the process to the client, support them and achieved a positive outcome.

Our statistics show a rise in clients on low or irregular incomes due to the expansion of zero hour contracts. These individuals need specialist advice due to the complexity of their cases and they are particularly concerned about the lost of the existing safety net. To keep people in work it is vital they receive good accurate timely advice.

The case study below shows the positive effect advice can have on the individual, their families and surrounding communities:

Miss X has two children; she was made redundant last year and has been receiving Jobseekers Allowance. She came to the CAB following a decision to reduce her benefit for 4 weeks, as she had not complied with her Jobseekers Agreement. The advisor established that this was because she had been suffering from Shingles, and had been too unwell to submit a prescribed number of job applications that week.

The advisor assisted the client to appeal the benefit sanction and also identified, that for the period of her incapacity, Miss X should be claiming Employment Support Allowance.

4. The CAB role in the provision of welfare benefits advice and specialist services.

4.1 The evidence gathered shows that the welfare benefits reform agenda is causing significant distress and problems for some of the most vulnerable people in our region. Reports used show that the changes to come will act to this and present further challenges. Advising and supporting clients with their benefits is an integral part of a bureau's core service and we are committed to providing a service that meets the needs of every individual. However, current provision, particularly with the reduction in legal aid, is failing to meet escalating demand and we anticipate that as further changes are implemented, the demand for the service will increase further.

4.2 Advice North Yorkshire has identified that resources and adviser hours need to be carefully targeted in order to deliver increased value for money for our funders at the same time as meeting increased demand and the needs of the individual client. A key element of this will be providing training and support to our volunteer body (of over 300) to advise clients at the earliest possible stage so that prevention and early intervention are built into our advice work.

4.3 Our use of early preventive intervention will help us to limit the number of cases going forward to appeal needing tribunal representation. This type of case is lengthy and relies heavily on specialist advisers. Typical case durations for supporting an individual with an appeal and tribunal

representation are in the region of five or more hours. In our experience, if we adopt the following advice model, case duration can be significantly reduced.

Investing in the training of our volunteer advisers will in the long run save time and costs. Particular areas where we could invest to save through better volunteer training and shared procedures are outlined below.

- **Completion of Employment Support Allowance forms and procedures.** Many clients are seeking help with the ESA50 questionnaire at stage one of the DWP's assessment to determine capability for work. If clients receive help from experienced advisers, (including volunteers) at this stage in the process there will be more chance that the correct decision is made by ATOS and the DWP and less chance of having to lodge an appeal.
- **Completion of Personal Independence Payment claims, Disability Living Allowance and Attendance Allowance Claims.** If experienced advisers support clients with appropriate claims for disability benefits at the start of the process there will be less chance that the case progresses into a more complex and time consuming appeal case at a later stage.
- **Lodging an Official Appeal Benefit** advisers have a role in supporting clients with lodging an appropriate appeal but believe that we could improve how we work by sharing best practice in advice on the merits of their case and providing information on gathering appropriate medical evidence to meet qualifying legislation. Bureaus have experimented with information packs outlining the progress of a case which reassures clients.

5. A new advice model:

5.1 The appropriate use of volunteers

Our new model will rely on volunteers to deliver a high level of advice to clients. By recruiting additional volunteers all of whom will be trained to view the client's problems holistically and will continue to deliver a wide range of advice across the core disciplines of financial capability, debt, consumer, employment, tax, relationship breakdown as well as benefits. Bureaus are also recognized as key voluntary sector organizations in the North Yorkshire addressing many of the issues around rurality and social isolation.

5.2 Supporting volunteers

All bureau work to a high standard of supervision but we will develop this by using experienced welfare benefit advisers to support groups of volunteers through training, close supervision and file review. We would use the experience gained by Selby CAB's volunteer pathways project, funded by the Lottery, to inform the development of specialist volunteers.

Typically volunteers double the value of the work in a bureau and at the last tally the value of volunteering in bureau exceeded £2,000,000.

5.3 Working together to communicate best practice and achieve a standardised service

Advice North Yorkshire will work to ensure that our advice model is replicated across all offices in North Yorkshire and will monitor the delivery of the service against coordinated outcomes. We will actively monitor the effects of welfare reform on our clients, particularly those with a disability and we will use this information to responsibly influence social policy.

5.4 Deliver specialist welfare benefit

Where the complexity of the issue, or the vulnerability of the client, exceeds the competence of the volunteer advice team, there will be capacity for casework, up to representation. This will be undertaken by the team of highly skilled welfare benefits advisors.

5.5 Working in partnership with other advice agencies and relevant groups

With resources from the Advice Services Transition Fund and other projects we will be developing more efficient pathways to advice for clients, and sharing resources with other agencies to produce a joint up and effective service for clients and funders. We will be following the 'no wrong door' model.

Conclusion

In order to meet the escalating demand Advice North Yorkshire considers that the development of the following county wide delivery model is required as an addition to the advice provision which is currently funded.

Advice North Yorkshire, including York CAB, would employ four additional full time specialist welfare benefit advisers. This would be divided proportionality across the districts in line with current funding protocols.

Short term, one off annual funding is not conducive to securing and maintaining expertise, or building a sustainable service across the North Yorkshire Bureaux.

Advice North Yorkshire consider that a 3 year funded programme would be the ideal to deliver the proposed outcomes. The cost of this provision would be in the region of £140,000 per annum.

By working together with our partners we believe we can support our community through this time of change and by focusing on prevention provide a cost effective solution to the challenges raised in this report.

17/10/13

NORTH YORKSHIRE funding application October 2013

Name of organisation applying Welfare Benefits Unit

Project Sponsor/Accountable Body:
(To which all payments will be made and which may be the applicant organisation)

Welfare Benefits Unit

Contact Name for Project: Heather Theobold

Address:

Priory Street Centre
17 Priory Street
York
North Yorkshire
YO1 6ET

Tel No: 01904 646058

Fax No: 01904 654737

E-mail heather.theobold@welfare-benefits-unit.org.uk

1. Project Title

Benefits Advice and Tribunal Support. (BATS)

2. Project outline and method statement

Project aim

The aim of this project is to continue the work supported by the Big Lottery 5 yr funding under the project Power2Empower (P2E). Funding has been secured for the York based work so we are seeking funding for the project to continue to provide the service in North Yorkshire.

Background

The Welfare Benefits Unit successfully ran a 5 yr project called Power2Empower funded by The Big Lottery Advice plus fund. This enabled a full time specialist welfare rights adviser to be employed by the Unit to run a series of second tier services to support advisers in both the York and North Yorkshire areas to take on more complex welfare rights cases and to become more competent and confident in taking on appeals and cases to represent at tribunal. The project met all its outcomes and exceeded in some areas for example the number of cases supported and the numbers of advisers trained in appeal work.

Back in 2008 when the project was planned and launched we knew about some of the proposed welfare reforms however we were unaware of the impact on the number of people that would be affected and the number of appeals generated by the subsequent 2011/12 and 13 changes. It turned out the project could not have been undertaken at a better time, it meant that many ESA cases which had poor DWP decisions could be taken on and successfully appealed. Over £1,000,000 of extra money has been won back into the pockets of people in York and North Yorkshire. The advisers helped by the project come from a wide range of organisations including workers and volunteers in various sectors for example health, CAB, MPs, housing associations, CYC, NYCC, Church and Parish and other voluntary organisations.

We received extra funding from the Big Lottery, allocated to their recognised succeeding projects in 2012 in order to seek extra funding beyond March 2013. This work led to us securing enough funding from two sources to continue our work under the new project called BATS in the York area. Namely Joseph Rowntree Foundation and Big Lottery Advice Services Transition Fund. From March 2013 our Management Committee have continued to fund the work under BATS in the North Yorkshire area from our own reserves due to their high level of commitment to this work, however we cannot continue to do this indefinitely.

3. Need for BATS

The present welfare reforms aim to take around £20 billion out of the economy which equals to around £470 a year of every adult of working age in the country. It is clear that this estimation is based on more stringent testing of sickness and disability benefits in addition to greater levels of conditionality for working age people, however it is not clear how or to what extent accuracy in decision making will also impact on this figure. In our experience over 5 years of undertaking appeals work under P2E we have found a high level of poor DWP decision making and can therefore reasonably expect this trend to continue.

Areas due to be most affected over the next few years by the welfare reforms are those with the highest numbers of benefit recipients and these areas will be hardest hit by losses of income. This is creating widening gaps of inequality between the most prosperous and worst local economies within North Yorkshire.

This will all be unfolding alongside changes to the scope of legal aid as it is reduced for social welfare law including welfare rights. It is therefore reasonable to presume that it is the most vulnerable groups which relied on more often on this support which will be hit by these changes disproportionately. The BATS project will aid to redress this imbalance and provide at least some support for some cases losing out due to the end of legal aid for welfare rights.

4. Outcomes – how will this project make a difference?

The project will

- Provide one to one support for advisers with welfare rights complex cases and appeals.
- Impact on the lives of many people and families in North Yorkshire by preserving their income, and often gaining a backdated lump sum.

Monitoring and evaluation

- The project worker will provide feedback to the NYCC on a regular basis.
- All cases will be recorded.
- Feedback from the Units Service reviews will be gathered and used to improve and develop BATS.
- WBU manager will provide line management of the BATS project worker.
- WBU office administrator will provide admin support for the BATS project worker.

5. Timescale of project (start/finish dates) including an exit strategy where relevant

Start date: flexible – pref by Nov/Dec 2013 as this is when our next decision re using more reserves will be reviewed.

6. Funding profile

Project costs based on 50% of the full worker. The figures are for 1 year. With 3% add on for yr 2 (funding already secured for 2 years for the York area, Aug 2013 – Aug 2015)	BATS	£
	(NJC SO1 inclusive of NI and Pens)	15,523
	Travel	2000
	Training	400
	Other expenses/overheads/utilities	1000
	BATS supervision/admin	2500
	Total	
	£21423	
	Second year in region of	£22065
Open funding application	Any level of funding successfully secured from NYCC would be used pro rata to support this continuing work in the North Yorkshire area.	