

## PLYMOUTH CITY COUNCIL

**Subject:** Welfare Support Framework  
**Committee:** Cabinet  
**Date:** 8 March 2016  
**Cabinet Member:** Councillor Penberthy  
**CMT Member:** Carole Burgoyne, Strategic Director for People  
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**Ref:**  
**Key Decision:** No  
**Part:** I

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### **Purpose of the report:**

We are introducing a Welfare Support Framework. It will act as the overarching framework by which our welfare support procedures and decisions will be guided. It will support the Council's vision of being a fairer city by providing direction on our approach when offering financial and associated support to residents, where we have the discretion to do so.

It sets out the principles we will use when designing our welfare support, reviewing schemes and undertaking debt recovery.

It provides indicators of vulnerability to be considered when making decisions on support or enforcement.

It will ensure we have a consistent and holistic approach to our welfare support, which strives to make Plymouth a fairer city.

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### **The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17:**

Plymouth City Council, as a Co-operative Council, is committed to being a Caring City, where everyone is treated fairly; we promote independence and reduce social inequality. This framework is driven by our corporate values and objectives. It ensures that we are able to support our most vulnerable residents with the assistance needed, at the right time, to have a healthy and sustainable future. It will prioritise prevention and aims to prevent longer term costly interventions.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land**

There are no implications for the introduction of this framework

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

The Framework is intended to address the needs of those most vulnerable, provide access to support for those who find themselves in hardship which can lead to crisis or compromise their health and safety and welfare. It will support the delivery of the Child Poverty Plan and seeks to reduce inequality between and within communities which will contribute to improving community safety.

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**Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? Yes (Appendix A)

Summary of Findings:

- Most protected characteristics have been identified within the frameworks indicators of vulnerability and therefore no adverse impact is anticipated.
  - Each scheme is unique and officers should undertake an EIA to inform, assess and mitigate any unintended adverse impacts. EIAs will be undertaken in accordance with policy when any formal decisions are made in relation to our operation of relevant schemes.
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**Recommendations & Reasons for recommended action:**

1. To approve the principles within the framework
2. To approve the underlying vulnerability criteria
3. To approve the implementation of the framework

Reason:

These actions will make a contribution to mitigating the impacts of welfare reform without allocating resources beyond budget.

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**Alternative options considered and reasons for recommended action:**

Remain unchanged and continue to have lack of clarity regarding the principles of our welfare support and debt collection practices.

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**Background papers:**

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7
Equality Impact Assessment	X								

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**Sign off:**

Fin	AHK15 1672	Leg	DVS2 5103	HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Carole Burgoyne, Strategic Director for People											
Have you consulted the Cabinet Member(s) named on the report? Yes											

## **1. Introduction**

Welfare benefits provide an important role in supporting Plymouth's citizens, including people who are both in and out of work.

Whilst the majority of welfare benefit payments are administered by the Department for Work and Pensions and HMRC, Plymouth City council is responsible for a range of benefits including housing benefit and a number of discretionary schemes. These discretionary schemes which the Council has influence over, account for less than 3% of the total welfare benefits budget for Plymouth. Payments to pensioners account for 43% of the total Plymouth welfare spend and 28% of housing benefit payments. This Framework aims to provide a consistent approach to the way Plymouth city council designs and administers the welfare benefits schemes it is responsible for and to help ensure that support is directed to the most vulnerable and those most in need.

## **2. Background**

Plymouth City Council is a co-operative council and our ambition is to be a fair city where everyone does their bit. We have this aspiration whilst facing the challenges of 23% of families being described as 'low income, dependent on benefits' (health visitor caseload 2014); being ranked 69<sup>th</sup> most deprived of all local authority districts (IMD 2015) and with a third of adults having problem debt (MAS 2013).

We have identified Welfare Reform as a key strategic risk on achieving to our citywide objectives, including designing and delivering better services and making our City a place where an outstanding quality of life is achieved by all. Our analysis shows that Welfare Reforms will have a significant impact on some of our most vulnerable residents, such as those on low pay and single parent families. We are concerned this will result in increases of child poverty, homelessness, indebtedness and pressure on frontline services such as first stop shop, housing, children and adult social care and advice services. We have an ambitious growth agenda as set out in the Plymouth Plan to grow the population to 300,000, build 22,700 new homes and create 18,600 new jobs by 2031. Welfare Reform could impact on this aspiration and because this is a central government agenda, we will have limited ability to mitigate its' impact.

## **3. Localisation**

The Welfare Reform Act 2012 introduced the localisation of some benefit schemes such as the Social Fund and Council Tax Support. There continues to be an approach by central government to localise such welfare but the future of provision and funding is uncertain. With reducing resources and competing pressures, like many other councils, Plymouth City Council is struggling to continue offering this support without specific government funding.

In Plymouth, we are committed to reducing health and social inequality by supporting the most vulnerable residents and we administer a range of welfare schemes, including:

- Housing Benefit
- Emergency & Welfare Fund
- Council Tax Support Scheme
- Discretionary Housing Payment
- Disabled Facilities Grants
- Free school meals
- Homelessness Prevention Grant
- Section 17.

## **4. What this framework does**

As the primary framework for welfare, it:

- states the council's position on welfare reform and financial inclusion;
- adopts principles for our approach to welfare support, associated advice-giving and other help (encouraging prevention and sustainable solutions);
- defines our indicators of vulnerability and how we want to support vulnerable customers;
- clarifies our approach to debt recovery, including how we can proactively share appropriate information about vulnerable customers across departments;
- directs the application and implementation of our welfare support including any reviews or revisions;
- contains our approach to resourcing discretionary schemes with a focus on 'invest to save' and sustainability (up front funds preventing future, costly interventions); and
- supports the delivery of the Plymouth Plan.

## 5. Addressing Poverty

Our cross-party, Child Poverty Working Group's response on the Welfare Reform & Work Bill said..... "measures contained within the Bill may lead to an increase in child poverty and that some of our most vulnerable residents could be those that are most deeply impacted upon. Local analysis shows that Plymouth will lose an estimated £60 million per year due to welfare cuts, with up to 20% of our most vulnerable citizens being affected." The legislation also introduces a new national living wage and additional free childcare that for those in work, will offset, some of these reductions. However to fully realise this, will rely on job supply to those furthest from the labour market and flexible nursery placements.

## 6. Principles

Our welfare support will be designed to incorporate the following principles:

- Protect the vulnerable;
- Reduce disruption to families;
- Reduce costs to the council and our partners in the longer term;
- Enable people to move towards a more sustainable future;
- Reduce overcrowding / under-occupancy;
- People will be treated with dignity and respect.

To do this, we will:

- be democratic by engaging with customers in relation to any changes to schemes wherever practical and feasible to do so;
- be responsible by taking a strategic, holistic approach and provide best value for money by the sharing of appropriate information. This will assist with reducing duplication of support and ensure that the most funds are used to best effect;
- be fair by using this co-operative framework to provide a consistent approach to welfare support;
- be partners with the Department for Work and Pensions, social housing providers, welfare rights organisations and other agencies;
- maintain cross department working on welfare reform to monitor the impacts, inform mitigation and direct resources;
- work with services that are the first point of contact for people, to ensure appropriate support is provided as soon as possible;
- divert residents away from high cost credit and loan sharks;
- prioritise prevention by promoting access to:
  - affordable financial services and products, in particular Credit Unions;
  - full benefits entitlement via awareness raising campaigns;
  - free debt and money advice services;
  - financial education and money management tools;
  - employment services, skills enhancement and initiatives.

- work within the legal parameters attached to funds, follow statutory legislation and guidance and recognise individual schemes are unique.
- be mindful of the needs of our Service and Veteran's community and will endeavour to ensure vulnerable residents from this group are not disadvantaged within the framework protocols.

## **7. Underlying Vulnerability**

In order to target support effectively, our approach to administering welfare schemes and associated work, will be to consider vulnerability. For the purposes of this, the following will be considered as potential criteria for vulnerability and taken into consideration before making decisions eg on support or enforcement:

- Frailty due to old age
- Disability or long term limiting health condition including physical and mental health
- Learning disabilities
- Responsibility for dependent children or pregnant
- Carers including partners of people who have gone into residential care
- Victim of domestic abuse
- Substance/Alcohol Misuse
- Young people establishing themselves, including care leavers
- Homeless or at risk of being homeless including tenancy at risk
- Loss of independence
- In receipt of welfare benefits (both in and out of work)
- Life events causing severe financial difficulties eg bereavement
- Asylum Seekers, recent Refugees and other recent migrants
- Communication difficulties including low levels of literacy, numeracy and digital skills or English as a second language.
- Prison leavers
- Socially isolated (no friends/family/social networks)

It is acknowledged that not all customers in the groups / circumstances described above will be vulnerable and the criteria do not in themselves afford specific treatment; individual circumstances will always be considered.

## **8. Debt Recovery**

With decreasing resources, it is essential that we maximise income in order to deliver vital services. We are committed to assisting all customers to pay their council tax bills and helping those who have been overpaid benefit. Our debt recovery reflects our corporate plan outcome to help people take control of their lives.

Our approach to debt recovery is to:

- encourage customers to contact us at the earliest opportunity;
- ensure our collection does not place vulnerable customers at further risk;
- adapt and personalise our debt recovery and collection appropriately to minimise hardship or distress;
- broadly follow the best practice guidance produced by the Local Government Association and Citizens Advice Bureau;
- benchmark our approach against other best practice and consider research and associated recommendations.

## **9. Conclusion**

Welfare Reforms are likely to have an impact on 1 in 5 of our residents. As central government funding reduces, and demand on services increases, mitigation is becoming a greater challenge for local authorities.

We are committed to supporting our most vulnerable residents with the assistance needed, at the right time, to have a healthy, sustainable future and to prevent longer term costly interventions.

This framework ensures we have a consistent and holistic approach to our welfare support, which strives to make Plymouth a fairer city.