

<b>SUBJECT:</b>	<b>WELFARE REFORM, COVID SUPPORT AND DHP UPDATE</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE</b>
<b>LEAD OFFICER:</b>	<b>CLAIRE MOSES, REVENUES AND BENEFITS MANAGER</b>

## **1. Purpose of Report**

- 1.1 To provide Joint Committee with an update regarding the national and local position of welfare reform, with a specific focus on the local advice referral process, COVID-19 support and Discretionary Housing Payments (DHP) for this report.

## **2. Executive Summary**

- 2.1 This report provides Joint Committee with an update on national Universal Credit changes; to include reference to the national statistics and national legislation changes.

The report will also provide Joint Committee with an update regarding local advice referral into the Welfare Reform Support team.

The report will also provide Joint Committee with an update regarding the national and local changes made to support those financially adversely affected by COVID-19.

The report will also provide an update on the financial position for Discretionary Housing Payments.

## **3. Background**

- 3.1 Future reports will provide Joint Committee with an up to date position on the following:

- National UC Progress - statistics;
- National legislation changes; and
- Background Papers.

## **4. National Progress – Statistics**

- 4.1 Latest figures published by the Department for Work and Pensions (DWP) were released on 13 October 2020, with statistics relevant to the period up to 10 September 2020.

- 5,688,095 households receiving UC (this is an increase from 5,461,352 as reported at the last meeting of this Committee)

Local authority statistics are also available as at 10 August 2020: -

- City of Lincoln – 10,354
- North Kesteven – 6,451.

## 5. Advice Referrals to Welfare Reform Support team (City of Lincoln)

5.1 The referrals come from Councils' service areas, customers and external stakeholders into the Shared Service Welfare Reform Support team (formerly Universal Support Team). **Appendix 1** shows the areas referrals are received from, along with details of the point of referral.

5.2 Since 27 January 2020, the Welfare Reform Support team have received 802 referrals. The table below shows the first point of contact and where these referrals have been received from: -

Benefits	110
Citizens Advice	29
Customer	135
Customer Services	116
DWP	46
Hospital	12
Housing	234
Housing Solutions (Council)	3
Housing Solutions (Private)	55
Parking	6
Private Landlord	9
Recovery	1
Support Workers	10
Voids	1
Welfare	32
Blanks	3
<b>TOTAL</b>	<b>802</b>

5.3 The advice referral process has resulted in all internal teams and partners working together with the objective of improving the customer journey. Financial outcomes for these customers will be mapped and an update will be provided at the next meeting of this committee.

5.4 As a result of COVID-19, the Welfare Reform Support team has been able to provide vital support to new and existing customers – both over the phone and via email. The team are able to explain customers what support is available to them (national and local), undertake assessments for Universal Credit, Housing Benefit, Council Tax Support and Discretionary Housing Payments.

The team also provide advice and guidance to the Revenues and Benefits staff regarding changes to legislation.

## **6. COVID-19 National support for customers affected**

- 6.1 As a result of the outbreak of COVID-19, there have been a number of changes made to legacy benefits, Universal Credit and support for those in or retaining employment. These announcements are detailed in **Appendix 2**.

## **7. COVID-19 Test and Trace Self Isolation Payments**

- 7.1 From 28 September 2020, anyone who has been told to self-isolate has a legal obligation to do so. To support those who self-isolate, the Department for Health and Social Care (DHSC) introduced the Test and Trace Self Isolation Payment (TTSIP).
- 7.2 The TTSIP is administered by Local Authorities, with guidance from DHSC. There are two schemes – the mandatory and discretionary. Both schemes are payments of £500 and certain eligibility criteria need to be met.

### **The mandatory scheme:**

- 7.3 This is a national scheme and eligibility criteria has been set by the Department for Health and Social Care. The payment is £500 providing the individual lives in England and meet all the following criteria: -
- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive; and
  - employed or self-employed; and
  - unable to work from home and will lose income as a result of self-isolating; and
  - currently receiving at least one of the following:
    - Universal Credit
    - Working Tax Credit
    - income-based Employment and Support Allowance
    - income-based Jobseeker's Allowance
    - Income Support
    - Housing Benefit
    - Pension Credit

### **The discretionary scheme:**

- 7.4 There are three national eligibility criteria which has been set by the Department for Health and Social Care, then each Local Authority can include their own discretionary criteria.

7.5 The shared service has approved the same policy for both City of Lincoln and North Kesteven District Council. The eligibility criteria are as follows: -

- have been told to stay at home and self-isolate by NHS Test and Trace, either because they have tested positive for coronavirus or have recently been in close contact with someone who has tested positive; and
- employed or self-employed; and
- unable to work from home and will lose income as a result of self-isolating; and
- have capital of less than £1,000; and
- have income which does not exceed expenditure.

7.6 The Welfare Reform Support Team have received all applications and undertaken assessment decision.

In total, the team have received 248 applications, of which at the time of writing this report, 44 have received a payment. A breakdown of the payments is shown in the table below:

City of Lincoln:

				Paid	
	Received	Pending	Unsuccessful	Total	Value
Mandatory	148	14	14	13	£6,500
Discretionary		58	35	11	£5,500

North Kesteven:

				Paid	
	Received	Pending	Unsuccessful	Total	Value
Mandatory	100	7	14	8	£4,000
Discretionary		30	29	12	£6,000

## 8. Discretionary Housing Payments

8.1 Demand against 2020/21 DHP grants remains high. City of Lincoln budget is £250,113 and North Kesteven is £172,612. 2020/21 DHP central government grants for both City of Lincoln and North Kesteven have increased from 2019/20

8.2 The impact of UC in Lincoln and North Kesteven is constantly increasing and will continue to do so as UC continues to be rolled out. COVID-19 has had an impact on the number of UC claims being made – seeing an increase in claims, and as a result and increase in UC related DHP awards. The next stage of UC rollout is still due to

be undertaken, with a managed migration process for remaining legacy benefit customers

8.3 The table below updates on DHP spend to the 31 October 2020

LA	Total funding = Central Government DHP Grant 2020/21	DHP net spend as at 31 October 2020	DHP committed for 2020/21	DHP Total spend for 2020/21	% Grant spend	Unallocated DHP Grant
City of Lincoln	£250,113	£86,823	£37,621	£122,444	49%	£127,669
North Kesteven	£172,612	£65,827	£30,041	£95,868	56%	£79,744

8.6 Current spend is below the expected level at this point in the year. Officers are currently reviewing this and will undertake the following actions: -

- Liaise with Revenues & Benefits, Customer Services and Housing Teams to ensure they are aware for increased take-up
- Liaise with corporate Communication team for external comms via social media.

8.5 The table below breaks down the number of DHP applications received and determined up to 31 October 2020

DHP applications – Year 2020/21	City of Lincoln	North Kesteven
Total number awarded	282 (2019/20 = 345)	199 (2019/20 = 218)
No. awarded for Housing Benefit	169 (2019/20 = 204)	105 (2019/20 = 152)
No. awarded for Universal Credit	113 (2019/20 = 141)	94 (2019/20 = 66)
Average DHP award	£434.20 (2019/20 = £466.08)	£481.75 (2019/20 = £472.91)

8.7 An internal DHP working group continues to review DHP procedures with the aim of ensuring that those most in need of additional help with their housing costs receive appropriate support.

Each year, the DHP guidance is reviewed with recommendations made to Section 151 Officers of both City of Lincoln and North Kesteven for approval. Any changes proposed are with the aim to provide a positive impact in meeting local needs in relation to housing costs

## 9. Strategic Priorities

- 9.1 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** An understanding of Universal Credit and its wider impacts on City of Lincoln residents and arrears levels is important when reducing poverty and driving economic growth across the City. The aim of Universal Credit is to provide a simplified means tested benefits system, with the objective of avoiding the 'poverty trap', where there is a disincentive to work longer hours because of the loss of benefits and higher taxes.
- 9.2 **City of Lincoln: Let's drive economic growth and North Kesteven: Our economy and Our Community:** - A key role in reducing inequality by ensuring residents receive the benefits they are entitled to and providing money / debt advice. There are strategic priorities when engaging with those in receipt of Welfare Benefits, Digital Inclusion, Channel Shift/ Customer Experience, Financial Inclusion and Partnership Working are all key priorities as part of this report.

## 10. Organisational Impacts

- 10.1 **Finance:** There are no direct financial implications arising as a result of this report.
- 10.2 **Legal implications inc Procurement Rules:** There are no direct Legal or Procurement implications arising from this report.

## 11. Risk Implications

- 11.1 The Councils bear the risk of local authority rent arrears which are not fully recovered.

## 12. Recommendation

- 12.1 Joint Committee notes this report – and that an update will be presented at the next meeting of this Committee.

<b>Key Decision</b>	No
<b>Do the Exempt Information Categories Apply</b>	No
<b>Call In and Urgency:</b> Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?	No
<b>Does the report contain Appendices?</b>	Yes

**If Yes, how many  
Appendices?**

Appendix 1: Welfare Support – advice referrals  
Appendix 2: COVID-19 National support

**List of Background  
Papers:**

No

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