

**SUBJECT: WELFARE REFORM, TEST AND TRACE SUPPORT PAYMENTS, DISCRETIONARY HOUSING PAYMENTS – UPDATE**

**DIRECTORATE: CHIEF EXECUTIVE**

**LEAD OFFICER: CLAIRE MOSES, REVENUES AND BENEFITS MANAGER**

## **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 (UC) 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 25 January 2021 with statistics relevant to the period up to 10 December 2020.

- 5,911,783 households receiving UC (this is an increase from 5,688,095 as reported at the last meeting of this Committee)

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

- City of Lincoln – 10,689 (10,354 as at the last report)
- North Kesteven – 6,601 (6,451 as at the last report)

## **5. Advice Referrals to Welfare Reform Support Team**

- 5.1 Referrals come from Councils' service areas, customers and external stakeholders into the Shared Service Welfare Reform Support team (formerly Universal Support Team).
- 5.2 Since 27 January 2020, the Welfare Reform Support team have received 1,003 referrals. The table below shows the first point of contact and where these referrals have been received from: -

Benefits	140
Citizens Advice	32
Customer	181
Customer Services	153
DWP	55
Hospital	12
Housing	286
Housing Solutions (Council)	3
Housing Solutions (Private)	62
Parking	9
Private Landlord	13
Recovery	1
Support Workers	15
Voids	1
Welfare	37
Blanks	3
<b>TOTAL</b>	<b>1,003</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, - which have been reported to this Committee previously.

## **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.

### **7.3 The mandatory scheme:**

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 meets 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.

### **7.4 The discretionary scheme:**

There are three national eligibility criteria which have 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 is 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 decisions.

In total, the team have received 1,431 applications, of which at the time of writing this report, 421 have received a payment. A breakdown of the payments is shown in the table below:

City of Lincoln:

				Paid/ready to pay	
	Received	Pending	Unsuccessful	Total	Value
Mandatory	877 total	33	135	120	£60,000
Discretionary	299 mandatory 578 discretionary	89	332	147	£73,500

North Kesteven:

				Paid/ready to pay	
	Received	Pending	Unsuccessful	Total	Value
Mandatory	554	16	69	70	£35000
Discretionary	166 mandatory 388 discretionary	80	218	84	£42000

7.7 Test and Trace criteria is due to be revised and updated before the extension of the scheme starts on 1 February 2021. At the time of writing this report (28 January 2021), officers have not received notification of any changes. A verbal update will be provided.

## 8. Discretionary Housing Payments

8.1 City of Lincoln's government grant is £250,113 and North Kesteven's 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 an 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 December 2020.

8.4

LA	Total funding = Central Government DHP Grant 2020/21	DHP net spend as at 31 December 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%	£105,690
North Kesteven	£172,612	£65,827	£30,041	£95,868	56%	£61,987

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 teams for external communications via social media.

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

8.6

DHP applications – Year 2020/21	City of Lincoln	North Kesteven
Total number awarded	320 (2019/20 = 413)	228 (2019/20 = 242)
No. awarded for Housing Benefit	188 (2019/20 = 255)	119 (2019/20 = 165)
No. awarded for Universal Credit	142 (2019/20 = 158)	109 (2019/20 = 77)
Average DHP award	£451.32 (2019/20 = £422.42)	£485.20 (2019/20 = £454.86)

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

8.8 Due to Covid, there has been a temporary suspension of evictions and house moves, which has resulted in authorities seeing an underspend in their DHP. Officers are currently undertaking the following actions to address this:

- Reports sent to both Lincoln and North Kesteven Housing Teams which identifies those customers that have a shortfall but no DHP currently in payment;
- Lincoln Housing contacting tenants and support with telephone applications;
- Communications being sent out to advise the public to apply if they meet the criteria;
- Email sent to all large private landlords advising them of budget left and the new quick way to apply;
- Amended DHP guidance on the application process (shortened form created), backdating and amount of award; and
- All staff within Benefits, Customer Services, Welfare Team, Housing Departments and Homeless Departments to proactively promote DHP's.

## 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.

**Key Decision**

No

**Do the Exempt  
Information Categories  
Apply**

No

**Call In and Urgency:** Is  
the decision one to which  
Rule 15 of the Scrutiny  
Procedure Rules apply?

No

**Does the report contain  
Appendices?**

No

**If Yes, how many  
Appendices?**

None

**List of Background  
Papers:**

No

**Lead Officer:**

Claire Moses, Revenues and Benefits Manager,  
Telephone 01522 873764