

**WELFARE REFORM COMMITTEE
THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND
WRITTEN SUBMISSION FROM ANGUS COUNCIL**

Call for Evidence

Noted below is the response from Angus Council to the Committee's invites to submit written evidence on the Smith Agreement and how the proposed devolved powers to could be better used to deliver benefits in Scotland.

The response has been collated from a number of services with an interest in the delivery of devolved benefits by:

How should the new welfare powers proposed by the Smith Agreement be used to improve or change:

a.) Personal Independence Payments, Disability Living Allowance Attendance Allowance and Carer's Allowance

Current welfare reforms have had an adverse impact on many claimants ranging from financial difficulties to additional stress and anxiety over the uncertainty of their on-going benefits. Any further changes should be carried out with the minimal disruption to claimants.

There is potential to amend the current assessment process of PIP/DLA/AA claimants. The current process of assessing the majority of claimants at a consultation centre is costly and can delay processing times. Angus Council's welfare rights service assist claimants with appealing adverse decisions and claimants are often critical of the quality of the assessment report. The content of these reports can be at odds with other evidence obtained from professionals involved in a persons care.

More consideration should be given to the value of this process with a view to obtaining medical related evidence from a claimants GP, Consultant, Social Worker or Care Manager. If decision making was carried out by, for instance, an integrated Health & Social Care department then such evidence could be readily available, resulting in good quality decision making, which in turn would have a positive impact on the health of a claimant and mean less stress for their carers. This could also help reduce the risk of financial difficulties which in turn could mean less debt issues, fewer crisis grant & foodbank applications. There would also be further opportunities to ensure that those who are making disability related claims are signposted or referred onto local services for appropriate help and support.

The current Carers Allowance earning limit is £110 per week and carers must provide at least 35 hour of care each week. This should be reviewed with consideration to increasing the earnings threshold increasing the amount of payment and reducing the 35 hour rule. Carers do play an important role in society and granting more generous allowances could save integrated Health & Social Care departments money in the longer term by way of less expensive care packages.

Adequate IT systems should be developed to ensure that claimants DLA/AA/PIP awards are communicated to other non-devolved government departments to ensure awards of Pension Credit or Universal Credit carry the appropriate disability premiums or elements. This would ensure that claimants have their income maximised from the earliest opportunity, it would also help avoid overpayments.

b.) Universal Credit (housing element and administrative arrangements arrangements) and Discretionary Housing Payments

The current Universal Credit award letter clearly details in Section 1 the elements which apply to the claimant eg standard allowance, housing element, child element etc, and a total for these elements.

Section 2 details income, savings etc and the total taken for these.

Section 3 details take home pay and the total taken off for this.

Section 4 details loans, advances, sanctions and the total taken off for these.

Sections 2, 3, and 4 are then totalled to arrive at the Total Adjustment which is then taken from the total at Section 1 to arrive at "Your Universal Credit monthly payment for this period."

Only where the Universal Credit monthly payment equals the Section 1 total of all the elements this allows the housing cost element to be taken and used in the calculation of entitlement to DHP and Council Tax Reduction. Where however the Universal Credit monthly payment does not equal the Section 1 total of all the elements it is not possible to determine the amount of housing element paid which is required to calculate entitlement to DHP and CTR. This is a fundamental flaw and leaves the administrators of DHP and CTR unable to accurately assess entitlement.

To resolve this problem the calculation of the Housing Cost element would have to be detailed and shown separately which would allow the amount of housing cost element paid to be included in the calculation of entitlement to DHP and CTR.

The current Universal Credit entitlement letter makes it difficult to demonstrate the principles of support, equality and common sense when considering how DHP and CTR entitlement is going to be assessed.

It is difficult at this time to comment too specifically on the general administrative arrangements for Universal Credit as the pilot sites appear to be operating manual systems to communicate with the DWP. It is however fair to say that it is difficult to envisage how a manual system currently catering for less than 100,000 Universal Credit claimants can possibly cope with the need to eventually sustain 7 million claimants. Complicated automated data sharing files are exchanged currently between LA's and the DWP to allow efficient administration of Housing Benefit and should Universal Credit systems not be as sophisticated then this will be a backward step. In the interests of intergovernmental working in relation to benefit delivery the DWP

- need to ensure that the mass migration of HB claimants to Universal Credit is not carried out manually,
- LA's continue to have access to a Universal Credit system similar to CIS for administering DHP's & CTR,
- any necessary data exchanges are similar to ATLAS.

c.) the Work Programme and Work Choice

Although the Work Programme was promoted as being delivered locally, with poor performers potentially losing contracts, in reality it was a national programme where in some areas, such as Dundee and Angus, very poor performance was allowed to continue on. In fairness to the Contractors, the Work Programme was designed to reflect a very different economy to the one in which it was ultimately delivered. Levels of referrals, particularly those who had a sickness or disability, were never realised in the numbers promised, leaving Contractors to prioritise those closest to the labour market, while others were 'parked.'

Any new programme offers the chance to be a truly local design initiative. Local authorities through the employability pipeline approach have extensive experience of delivering such programmes. We work with our partners in SDS to deliver on the Modern Apprenticeship, Employability Fund, Certificate of Work Readiness and Employer Recruitment incentives. We also work with third sector organisations as well as delivering (and funding) our own innovative employability programmes. It is important that third sector involvement is done at a local level, rather than national organisations which can as an unintended consequence, knock out well delivered local provision. This knowledge of local labour demands and availability is essential to address the needs of the local, while contributing to the national economy.

A positive of the Work Programme was the payment by results model, particularly around sustainability. This could be maintained, with payments at agreed milestones with any surplus reinvested in the local area. Only a local government funded model could achieve this.

The Work Programme was also designed to have a 'black box' approach to allow flexibility to design individual solutions but given the problems outlined above, this didn't really happen and a flow of job ready (and affordable) clients were fast tracked through. Employability pipelines already offer individualised solutions and a recognition that those with multiple barriers will take longer to progress.

As we already do with partners, we can have a national performance framework, national IT reporting and payment system, and a national approach to auditing. Most employability teams already have their own MIS which could be utilised and adapted to suit any national model.

Work Choice is less well known and used as a distinct programme. It would seem that this would be an ideal opportunity to integrate the two programmes. This would also sit better with the ethos of Universal Credit, and remove any stigma for those with additional barriers. The initial assessment of need is what is key, rather than set periods of unemployment or particular benefits in payment. Ideally, more co-location work should be encouraged and there are good examples of this, where a hub, with workers from a range of services sits alongside or within a medical practice. This encourages true partnership working and taking a holistic approach to client needs.

d.) the Regulated Social Fund, new benefits, top-ups and delivery of benefits overall.

The Scottish Welfare Fund has successfully demonstrated LA's ability to administer devolved benefits which were previously the remit of the DWP. Systems, procedures and management are now well developed, established and primed to further deliver additional devolved welfare benefits. There is an obvious attraction of LA's administering all devolved benefits in that a claimant can be assessed at one point of contact for all the benefits they are entitled to instead of being passed from one organisation to another, this is an opportunity to demonstrate joined up government which will only be to the benefit to the most vulnerable in our communities who should be at the front of our thinking.

Another feature of the SWF is its abilities to identify local needs and provide linkage to other local services such as foodbanks, re-cycled furniture suppliers and credit unions etc. These support systems are now in place and would also be appropriate for linkage to other devolved benefits thus providing claimants with further support mechanisms.

Local delivery of benefits particularly when it comes to discretionary decision making is important as reasons for demand vary across the country and LA's have proven their ability to manage benefits. One lesson however that should be learned from the development of SWF is that any IT systems should be procured nationally at the onset to provide obvious cost savings, improve development opportunities and to allow data sharing. When considering the IT requirements of any future systems providing the ability to apply online at the onset must be a feature as well as the ability to automate the processing of any data collected and accepting telephone claims. These three features are recent but now well embedded in the administration of HB and CTR with resources reduced accordingly, it would not be efficient to introduce new systems which revert to being paper based. To further enhance the administrative efficiency consideration should also be given to ensuring where appropriate that a policy similar to the DWP's risk based verification is incorporated.

The national procurement contracts for the supply of goods have also ensured that value for money is achieved and has resulted in more budget being available to help more people, such contracts should also be a feature of any further devolved benefits.