

## WELFARE REFORM COMMITTEE

### THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND

#### WRITTEN SUBMISSION FROM DUNDEE CITY COUNCIL

The Inquiry is looking for views on how the proposed devolved powers might be used to better deliver benefits in Scotland. Under the four workstreams below, the Committee would particularly welcome:

- Practical suggestions to ensure that the principles of dignity, respect, support, equality and common sense are embedded in the new system.
- Views on the integration of Scottish devolved benefits with existing devolved powers and any unintended consequences of changes.
- Systems of intergovernmental working in relation to benefit delivery

#### Workstreams

##### **A) How should the new welfare powers proposed by the Smith Agreement be used to improve or change Personal Independence Payments, Disability Living Allowance Attendance Allowance and Carer's Allowance**

In relation to new welfare powers affecting disability benefits Scotland must pursue a direction that continues to support those with disabilities and long term conditions to remain active and included within their communities whilst simultaneously managing the expectations of those currently receiving disability benefits such as DLA, PIP and Carers Allowance in terms of any variation of these benefits that are subsequently implemented.

In terms of future risk the expectation that the move to Personal Independence Payment will be largely complete by the time the transfer of responsibility occurs needs to be closely monitored so that, if this is not the case, there are no inequities of treatment of current recipients, depending on whether DLA or PIP is in payment at the point of transfer.

However the transfer does certainly provide a huge opportunity to link into the integrated provision of Health and Social Care services and firmly embed client financial inclusion alongside health and social care client outcomes. An embedded connection that takes cognisance of individuals' financial needs alongside their care needs will help to significantly improve clients' National Health and Wellbeing outcomes. The integration of health, social and financial needs also minimise the potential impact of social and economic exclusion on a disabled person and their household. Self directed support has already been designed in such an outcome focused way that enables the individual and there is no reason that financial support linked to disability benefit entitlement cannot be dovetailed with the self directed support model. Certainly the emphasis on person centred needs is more outcome focused and less of a blunt instrument than the current system of transactional benefit payments. It also appears that the needs of carers could be addressed better using such an integrated approach and provide opportunities for higher numbers of carer's assessments to be undertaken than is currently the case.

However developing a single personalised gateway to support needs time and care taken in its design and implementation as well as a significant training investment. There needs to be a clear commitment to focusing on client outcomes over processes and training targeted at assessment staff that aims to provide a high degree of consistency in the approach taken when assessing client need. Previous research into the effectiveness of large single gateways such as single shared assessment should be fully considered since this suggests that the evidence in terms of whether they meet the needs of individuals has been patchy.<sup>1</sup> Any move in this direction needs to be properly resourced and will need to be considered in the context of the Scottish Government's wider budgetary decisions.

Consistency of approach has also been a difficulty in the current system due to the highly complex nature of regulations, caselaw and amendments. Simplification where possible needs to be strived for, given that many current recipients of disability benefits are some of society's most vulnerable citizens and often are subjected to arbitrary decision making that has long existed within the current system of assessment and entitlement. Understandable decisions for applicants should be a key aspiration, although in practice this may be difficult to deliver.

Integration of Health and Social care may provide a potential solution. One area of assessment that was massively simplified was the introduction of the special rules for those with a terminal illness. Such an approach leads to a less stressful, less time intensive and more cost effective assessment process but relies on a consultant or GP completed form (DS1500). Integration of health and social care may provide pathways for claimant assessments similar to the DS1500 approach that ensure critically ill patients or those with the most serious long term conditions or mental health problems can be expertly and properly assessed for entitlement and preventing unnecessary reassessments.

Lastly significant challenges will arise in terms of managing the expectations of current DLA, PIP and AA recipients who are used to and rely on the weekly amounts of benefit they receive at present. Disability Living Allowance in particular has, since its inception, played a key role in reducing levels of poverty among people with disabilities and long term health needs<sup>2</sup>. Reform needs to ensure that there is a safeguard against the unintended consequence of a rise in poverty amongst disabled groups. Without reassurance and suitable protections for existing recipients disability groups will heavily resist any untested change to the current system. Engagement with individuals receiving disability benefits, support groups and disability groups will be key to designing an integrated outcome focused approach.

**B) How should the new welfare powers proposed by the Smith Agreement be used to improve or change Universal Credit (housing element and administrative arrangements arrangements) and Discretionary Housing Payments**

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<sup>1</sup> McIntyre and Stewart, IRIS (2010).

<sup>2</sup> Bateman, Practising Welfare Rights (2006)

In relation to new welfare powers affecting Universal Credit and Discretionary Housing Payments it needs to be recognised that pilots showed that payments of the housing element direct to clients not only significantly increased levels of arrears, it also led to high levels of face to face contact, guidance, support and 3<sup>rd</sup> party resources being required to support tenants struggling to cope with money management and rent payments. Underpayment and non payment of rent increased and in some cases up to 25% of clients needed to be switched back after reaching 8 week levels of rent arrears within a short period<sup>3</sup>. Given Scotland's high proportion of social housing, and the benefits it brings in terms of affordability and stability to vulnerable clients and low income families, as a matter of course housing element payments should be paid direct to social landlords with tenants being able to opt out of this if they wish.

In terms of payment frequency, multiple options should be available to claimants depending on their household budget practices, thus catering to personal need and practice as opposed to system need.

Discretionary Housing Payments is a flexible scheme that aims to support shortfalls in housing costs. However authorities have historically varied in their willingness to award them<sup>4</sup> leading to geographical variations in a client's chances of receiving them. There may be scope to link DHP provision to the Scottish Welfare Fund provision with a focus on integrating and rationalising the various sources of help available locally. Both schemes fit reasonably neatly with the Scottish Government's devolved responsibilities for tackling homelessness. Simplification and rationalisation of funding access routes would help signpost clients better to DHP provision. Geographic consistency would improve if the scheme linked into and capitalised on the improvements that SWF teams have made to decision making since taking over the discretionary social fund responsibility in 2013.

However DHP funding unconnected with the bedroom tax is currently underfunded given the impacts of welfare reform and the DWP's reductions in funding ( based on authorities' previous years' spend) made several years ago. Clear outcomes for applicants similar to the approach taken with the Scottish Welfare Fund criteria needs to be considered and funded accordingly based on locally assessed need.

### **C) How should the new welfare powers proposed by the Smith Agreement be used to improve or change the Work Programme and Work Choice**

In relation to new welfare powers affecting The Work Programme and Work Choice it is clear that national work programmes have not always met the local needs of jobseekers nor been linked in an integrated way to local employability pipelines from which they stand completely apart. Payments have been based overwhelmingly on job results and ambitious performance targets with the result that the Work Programme has largely concentrated on

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<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/228925/direct-payment-demo-figures-may-2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/228925/direct-payment-demo-figures-may-2013.pdf)

<sup>4</sup> Lister and Ward, Guide to Housing Benefit 2014-17 (2014)

those nearest to the job market whilst those furthest from the job market are essentially deprioritised by providers.<sup>5</sup>

Local programmes have to be designed along outcome lines that recognise the individual's status and readiness for not only employability but also training and education. Outcomes should also be designed to take into account any useful engagement for those furthest from the job market. Health and social care services and the third sector have a huge part to play, particularly in terms of condition management and occupation therapy services and trying to encourage and engage with those clients who are hardest to reach or need significant input from services. A dedicated programme of services for those receiving sickness related benefits under Universal Credit needs to be created that fully meets the needs of this client group who have been poorly accommodated within the Work Programme to date, particularly those with mental health problems. Advice provision should be linked to employability pipelines as a protection against clients who are inadvertently classified wrongly in terms of their work capability.

Devolution of these powers offers a massive opportunity to engage with all types of clients and as such all sectors able to support citizens to meet these outcomes need to be brought into available services. Generally there needs to be a shift from a commissioning approach towards a partnership approach for future employability services. Alongside this, employer engagement is critical as well as service user involvement that gives all types of client a voice in service design and improvement. A community based approach with dedicated outreach services is also a key aspiration of any newly designed partnership approach in order to maximise engagement across local areas. Where possible the approach should understand and learn from local employability pipelines and upscale examples of good practice across the country where appropriate.

A national framework with a focus on local delivery is essential, taking into account the different labour markets and landscapes that exist in each local authority area. Alongside this there needs to be a common monitoring system to measure effectiveness that can clearly show where activity is making a difference to people's working lives.

#### **D) How should the new welfare powers proposed by the Smith Agreement be used to improve or change the Regulated Social Fund, new benefits, top-ups and delivery of benefits overall**

In relation to new welfare powers affecting the Regulated Social Fund, again, similar to Discretionary Housing Payments, there are efficiencies and benefits in rationalising funding access routes for claimants. However the funding available in terms of the payments made under these programmes is in many cases significantly inadequate to meet the client's needs. Funeral payments are a case in point with payments routinely failing to provide sufficient resources for claimants on qualifying benefits. Shortfalls in payments can be met by the Scottish Welfare Fund already therefore consolidation of these two programmes

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<sup>5</sup> Third Sector Research Centre, Support for all in the UK Work Programme? (2013)

certainly fits. However inadequate will mean that prioritisation needs to take place depending on what outcomes wished to be received overall from devolution of these schemes. For example Sure Start maternity grants obviously have a place in safeguarding and promoting the welfare of children and influencing key development outcomes in the first 1000 days of a child's life and devolution of that particular scheme again provides an opportunity to develop a systematic approach to entitlement that links into Health and Social Care partnerships as well as Scottish Welfare Fund provision. In the sure start maternity grant for example there may be scope to open up provision alongside health visitor or community midwife assessments in order to reduce financial exclusion for prospective parents. However it could be argued that any provision needs enhanced however it is delivered, which again will need to be considered in the context of the Scottish Government's wider budgetary decisions.