

## **WELFARE REFORM COMMITTEE**

### **THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND**

#### **WRITTEN SUBMISSION FROM EDINBURGH CITY COUNCIL**

COSLA have provided evidence from a total Scotland local authority perspective. Edinburgh would support the key messages for the future of Welfare Reform under the devolved powers from Westminster. These are:

- Decision Making as close to communities as possible
- Integration rather than centralisation
- Synergy with existing services
- Focus on improving outcomes
- Accountable, personalised services
- Simplified customer gateway and journey.

Edinburgh would hope to influence the future direction of the new powers as well as supporting the delivery of devolved and any new benefits which could emerge in the future. As one of the early adopters of Universal Credit, there has been a demonstration of collaborative working with other agencies to ensure that citizens are truly supported in the transition brought about by various welfare reforms. This experience can be called upon and support delivery of services at a local level.

Whilst there remains interdependence on other aspects of the UK Social Security systems, there needs to be a regard to the fiscal framework under the new powers and what can reasonably be delivered under this. With this in mind, it is important to look at the synergies of the existing services delivered by local authorities and integrate devolved activities into these, rather than create additional bureaucracy and introduce further contact points for citizens.

#### **Universal Credit (housing element and administrative arrangements) and Discretionary Housing Payments**

The claimant commitment undertaken by claimants of UC requires to be built around individual customers' abilities and needs as far as is practicable. It is widely accepted that this means tailoring payment arrangements to individual circumstances.

Some citizens are experiencing difficulty in their ability to manage the transition from employment to jobseeking, particularly with the introduction of the 7 day waiting period for new claims and the default to monthly payments rent payments.

A more integrated system including employability services, should be able to provide the support required by the vast majority of claimants. Improved collaborative working between Job Centres and local authority employability schemes will be critical to delivery of holistic support for citizens.

## **Issues affecting Social Housing**

The change from housing benefit to housing cost element being applied for as part of Universal Credit (UC) has been implemented in Edinburgh for a specific group of claimants since 9 March 2015. It is still early days and operational processes and joint working arrangements are still being embedded however, the change relating to the way assistance with rent is provided is resource intensive for landlords in seeking to collect rent (and assisting tenants) and also in applying for Alternative Payment Arrangements (APA) within the criteria that apply. The APA arrangements, as they operate in the pilot, are difficult to manage for landlords and tenants with a lack of clarity on the amount of housing element being received by claimants and the potential ongoing changes to the housing element received as part of UC award, making it very difficult for tenants to budget from their UC payment and meet their rent payment obligations.

Edinburgh registered social landlord, Dunedin Canmore, were involved in the DWP's Direct Payment Demonstration Project. This project tested direct payment to tenants rather than the traditional method of payment directly to rent accounts. As a result of the learning from this project, Dunedin Canmore changed its rent collection structures with a focus on early intervention and tenant responsibility.

## **Private Rented Sector**

Whilst citizens in private rented sector properties are used to receiving monthly Housing Benefit payments directly and being responsible to landlords for paying rent, the introduction of the 7 day waiting period could cause hardship given higher than average rents in Edinburgh.

Additionally, new rules being introduced in Autumn 2016 may well increase the number of citizens affected by the benefits cap. This may have a considerable impact on DHP demand, given the level of rents in this sector in Edinburgh.

However the initial default position – as at present – in the PRS should continue to be direct payment to the tenant. This provides tenants in this sector to maintain financial control (after having received appropriate advice) in cases where the landlord is in breach of the 'Repairing Standard'.

## **Personal Independence Payments, Disability Living Allowance, Attendance Allowance and Carer's Allowance**

Edinburgh's advice services support the concept that carers, people with disabilities and those with chronic health conditions should be combined with wider social care and health activities to provide an integrated system of support. Reducing the multiple assessments and detached procedures would go some way toward more efficient and effective provision. Bringing benefits affecting these groups closer to health and social care services that have a more comprehensive understanding of customers' needs would be a positive move. This could bring additional emphasis on the detail of measuring the impact of health conditions on a person's ability to lead as normal a life as possible, for example, how the ability to mobilise is assessed.

However, consideration would need to be given to the cost of this integration, and critically, to the best use of professional skills. Edinburgh is moving away from health and social care professionals being involved in client financial assessment, given the administrative nature of this role which can impact on these teams professional resources. However, bringing these into one organisation would provide efficiencies and give a more considered approach to citizens needs.

The transition of DLA claimants to PIP is likely to be largely complete by the time these powers are transferred to Scotland. There is a possibility that a number of those currently in receipt of Low Level Care Component of DLA would fail to meet the new eligibility criteria for PIP. The devolved budget for this will reflect that, so any mitigation on those affected (£21.80 per week) would have to be met from Scottish Government resources, which would be challenging.

### **The Regulated Social Fund, new benefits, tops ups and delivery of benefits overall**

There is scope to combine benefits to provide an integrated range of payment outcomes for claimants that are tailored to individual need. For example, the level of Cold Weather payment that makes a significant difference to a household's budget will vary and scope for individually tailored payments as for example, assessed through the Scottish Welfare Fund, could be considered if the listed benefits are combined. Local authorities are best equipped to deliver these types of services as they have the structures in place and systems which can be developed to support the delivery of similar types of benefits. All of this can improve outcomes for individuals by single financial assessments and income maximisation, as well as protect the public purse from inappropriate claims given the data that will be built up on individual financial circumstances.

It should be emphasised that the ability to create any new benefit will fundamentally depend on the affordability and prioritisation of such a move. It is also worth noting that the more streamlined the range of benefits on offer, the more efficient and effective the budgets can be made to be in making a difference to citizens with less application and assessment processes.

In summary, Edinburgh would value the opportunity to support the Scottish Government in creating a framework for the future delivery of new powers and test the delivery of these at a local level.

Sheila Haig  
Welfare Reform Manager  
City of Edinburgh Council