

THE HIGHLAND COUNCIL

Resources Committee 18th February 2009

Agenda Item	
Report No	

Additional investment for money advice and welfare rights services.

Report by the Chief Executive

Summary

The Council's Programme has a commitment to increase the support for money advice and welfare rights services in the Highlands by providing additional funding of £100,000. This report outlines current provision of advice services and sets out proposals to increase the level of provision across the Highland area. The proposals contained in the report have been developed with the involvement of the independent advice sector, officers from the Chief Executive's, Finance and Housing Services and is aligned with actions in the Recession Action Plan.

1. Background

- 1.1 The Council's Programme states that "We will commit a further £100,000 to promote benefit uptake across the Highlands from 2009-10." The Corporate Plan and Single Outcome Agreement expand on this commitment and include targets to reduce financial hardship within the Highland population.
- 1.2 The last six months have seen a significant change in the economic climate across the UK. As outlined in the paper presented to Council in December 2008 on the [Economic Downturn](#), the UK economy has slowed and this is impacting upon many areas of day to day life. The report to Council included a Recession Action Plan, which recognises the importance of the provision of advice and information services at this current time. Three specific actions in the plan are noted below. An up-date is provided with two of the actions and proposals for the third are provided.

2. Progressing welfare rights and money advice actions in the Recession Action Plan

- 2.1.1 The plan included an action to distribute information to the public on how to access advice from the public sector (Government, Council and community planning partners) and the third sector including independent advice agencies. This was to identify the contacts for: debt and money advice; benefit entitlement; energy efficiency measures; employment rights; business advice; housing advice; consumer advice; emotional support.
- 2.1.2 At a national level a campaign has been introduced to raise awareness of the National Debt Line. Action within the Highlands includes the distribution of relevant contact information through:
 - the Council Performance Supplement which was circulated to the public with local newspapers in December 2008;
 - a bookmark containing the same information is currently with the printers. This will be distributed through all Council libraries;
 - the production of a 32-page booklet –the Essential Guide to Benefits and Money Advice which is available in Service Points and is on the Council's website;

- greater prominence to Money and Benefit Advice displayed on the website, providing handy numbers and essential information on benefits and money advice;
- three news releases to highlight the work of the Council in promoting money and benefit advice;
- an intensive campaign prior to Christmas on Moray Firth Radio over two weeks highlighting money and benefit advice and;
- extending this campaign for two weeks in January in the Cuillin FM (Portree), Two Lochs Radio (Gairloch) and Nevis Radio (Fort William).

2.1.3 In addition Job Centre Plus contacted the Council in January 2009 to discuss holding employment and benefit advice surgeries in Service Points. This is under discussion.

2.2 The plan included an action for the income-maximisation team to continue to promote benefits and also access social tariffs from energy providers. This is on-going.

2.3 The Council's approach to the current economic downturn focuses on support to businesses and to individuals. With unemployment and repossessions rising and the level of debt increasing, advice service support for individuals is likely to become more significant in the coming months. Consequently the plan includes not only the additional funding of £100,000 for welfare rights, money advice and benefit entitlement from April 2009 but also that this expenditure is brought forward prior to April 2009 with a £35,000 increase in the 2008/09 budget. This new funding is in addition to the £100,000 additional investment made for 2008-9. Proposals for the additional investment from January 2009 are outlined in this report. They include sustainable proposals for the supporting the service commissioned by the Council from the third sector (the CAB network and independent providers) as well as the Council's in-house money advice team in the Finance Service.

3. Demand for welfare rights and money advice services

3.1 Contact with people seeking welfare rights and money advice in Highland shows that not only is this service in demand but that levels of unclaimed benefits are significant and that levels of personal debt are high. In 2007-8 over 37,000 separate contacts were made with the independent providers for welfare and general advice and the service provided resulted in financial gain to customers of over £4m. In 2007-8 levels of debt presented by 1070 money advice customers amounted to £14.5m; yet half of these had annual incomes of less than £10k per annum. Consequently, in 2008-9 the Council increased its funding for these services by £100,000 which enabled more customer contact time. New Service Delivery Contracts were agreed with advice providers in the third sector with targets to increase the number of customers reached and to increase the financial benefit to them.

3.2 Data for April to December 2008 shows that:

- For general and welfare advice, there were 30,161 contacts with independent providers. This compares with 27,922 for the same period in 2007; an 8% increase. However the third quarter figures from October to December are lower in 2008 than in 2007 (8878 compared to 9499).
- For money advice, 551 customers contacted advice agencies and 285 contacted the Council's in-house team (836 contacts in total). This compares to 516 and 248 respectively (764 in total) in the same period in 2007. This is a 9.5% increase. Quarter 3 figures, from October to December in both years are similar.

3.3 The increase in customers contacting advice providers could be due to either the increased capacity for services to assist more people, with the additional Council investment in 2008-9, or because of an increase in demand, or a combination of both. Contact with services will continue to be monitored quarterly.

4. Current services and resources

4.1 In April 2008 the Resources Committee approved the apportionment of the additional £100,000 for 2008-9. This resulted in the following investment:

- £1,013,769 for the third sector (local contracts and pan-Highland provision through Citizens Advice Scotland, CAS);
- £55,170 new resource for the in-house team for staffing bringing the total in-house team budget to £300,193.

4.2 This total funding of £1,313,962 provides the following services in 2008-9:

4.2.1 Third sector provision – local offices

Service Delivery Contracts are in place with 9 advice agencies – 7 are Citizens Advice Bureaux (CABx) and 2 are in the process of becoming CABx. They offer services at agreed opening times, provide outreach services and undertake home visits where appropriate. Provision time is extended outwith office hours into Tuesday evenings and Saturday mornings through a telephone service operated by Inverness CAB which provides pan Highland coverage. The additional £100,000 in 2008-9 enabled: 67 hours extra of money advice per week; 98 hours extra of welfare rights per week; 50 hours extra of general advice per week. The additional investment was provided with a target to increase the number of customers reached with money advice and welfare rights by 5% over 3 years and to increase the financial benefit to customers from the advice provided by 5% over 3 years. These targets are likely to be exceeded in year 1.

4.2.2 Third sector provision – pan-Highland

Citizens Advice Scotland (CAS) supports the CAB offices in the region through the provision of national expert advice and training for Bureaux, IT support and ensuring advice is provided to national standards through quality assurance audits. Two pan-Highland posts, one to provide support for front line welfare rights staff and one Volunteer Recruitment and Development Officer post, are both based within CAS to the benefit of all bureaux in Highland.

4.2.3 Highland Council in-house team

The in-house team provides specialist welfare rights and money advice services through a small Money Advice Team (6.5 FTE), a small Customer Income Maximisation Team (2.5 FTE) and an Advice and Information Officer (1 FTE) all based in Finance. The team has been built from combining the staff previously managed in TEC Services and the Finance Service. Recent difficulties in recruiting to vacant posts have now been resolved. They provide services during Council opening hours at various locations in the region, undertake home visits and support training with the third sector providers.

5. Proposals for the allocation of a further £100,000

5.1 The report presented to Resources Committee in April 2008 highlighted a number of gaps in service provision which existed after the additional funding in 2008-9 was allocated. These have been noted in the Council's Recession Action Plan. The gaps are:

- the need for pan Highland specialist housing advice;

- the need for pan Highland specialist employment advice;
- an additional two volunteer recruitment and development workers;
- the need to pick up funding for a short term p/t Welfare Rights Administration post funded by Help the Aged in Wick CAB;
- volunteer recruitment and development workers in Lochaber and Badenoch, Strathspey and Inverness, although it was proposed that equitable pan Highland development of this function was more appropriate; and
- an additional Council Income Maximisation Officer to increase pan-Highland coverage.

5.2 In addition to those areas highlighted above it is important to note that although the additional allocations brought the agencies up to a basic level of core funding, all advised at that time that they would welcome additional staffing particularly in relation to Welfare Rights and Money Advice. When re-visited at this current time and within the current economic climate, the priority for the majority of advice sector is increased customer contact hours for money advice and welfare rights.

5.3 Having reviewed the requests for funding and the statistical evidence of demand by area, the proposals for the allocation of additional funding are outlined below:

5.3.1 In-House Services:

- Introduce a full time Income Maximisation officer (based in Dingwall to complement the existing Money Advice Post, covering the West and East coast).
- Introduce two part-time Money Advice Officer posts (one based in Lochaber augmenting the existing Money Advice service in operation there and one based on the east coast where there is currently a service gap).
- Introduce a full-time clerical post to assist the Income Maximisation team. This post would assist arranging training, auditing and general clerical duties to allow the officer posts more customer contact time.
- Joint training budget for the Finance Service Advice team. This will enable the Advice and Information Officer to roll out training across Council services and the third sector. The current climate means that key service personnel, for example home carers, housing officers, social care workers, all require a level of advice knowledge in order to assist clients who may be in financial difficulties. Focus for this training programme is 2009-10 but a small ongoing training programme beyond this period will be met from existing resources.
- Whilst housing advice was identified as a gap, Advice Agencies and Council staff can access adequate second tier support through the Scottish Housing Advice Service (SHAS). Joint training between Council and Advice Service staff will be delivered over the next year as the most appropriate way forward and is to be progressed through a transfer of resources from the Chief Executive's service to the Finance Service Training budget for one year.

5.3.2 Third Sector:

- Increase Money Advice hours by 25.5 hours per week (17.5hrs in Inverness CAB and 8 hrs in Nairn).
- Increase Welfare Rights hours by 17.5 hours per week (Ross and Cromarty).
- Increase Session Supervisor hours by 9hrs per week (Nairn).
- Increase Administrative and Clerical time by 20 hours per week (Caithness 16 hours and Skye 4 hours) to allow the officer posts more customer contact time;
- Introduce a temporary (1year) full-time Employment Adviser to be based in CAS.

This will provide support and capacity building to both the independent sector and Council teams during this current economic climate.

5.3.3 Ideally a further two volunteer recruitment and development workers to cover the Highland area would build capacity in the sector further, especially on providing advice on in work benefits and tax credits. Also it would provide opportunities for volunteers to access training and in some cases improve employment prospects. Other sources of funding will be explored for this activity.

5.4 An outline of the costings for the above proposals can be found below:

5.4.1 Proposed additional in-house Investment:

Detail - Commencing with immediate effect	Cost (£)
Training budget (sourced from current under spend in the Chief Executive's Service 2008-9)	20,000
Detail Commencing from April 09*	
Income Maximisation Officer 35hrs (Dingwall base covering West & East)	21,799 est.
Money Advice Officer 35hrs (Lochaber and East Coast)	24,184 est.
Clerical Assistant 35hrs (pan Highland)	20,378 est.
Total from April 2009	66,361

* the costs associated with the new posts will be confirmed when they are evaluated according to the Council's new scheme.

5.4.2 Proposed additional Third Sector Investment:

Detail - Commencing with immediate effect	Cost (£)
Employment Adviser CAS 35hrs (pan Highland support to both sectors and sourced from current under spend in the Chief Executive's Service 2008-9)	27,281
Detail Commencing from April 09	
Money Advice 25.5hrs (Inverness and Nairn)	16,000
Welfare Rights 17.5 hrs (Ross and Cromarty)	10,806
Session Supervisor Nairn 9hrs	5,564
Administrative and Clerical time 20 hours per week (Caithness and Skye)	10,278
Total third sector from April 2009	42,648

5.4.3 Proposals Summary

In-house team allocation 2008-9	£20,000
Advice sector allocation 2008-9	£27,281
Total 2008-9 investment (from underspend)	£47,281
In-house team allocation 2009-10	£66,361 est.
Advice sector allocation 2009-10	£42,648
Total 2009-10 investment	£109,009*
Total 2008-9 plus 2009-10	£156,290

* £9,009 can be funded from unallocated resources in the advice budget for 2009-10

6. Monitoring and Review

6.1 The additional provision for the Third sector can be built into Service Delivery Contracts as an annual enhancement. Contracts are reviewed annually to ensure the services achieve best value and that Council resources are deployed appropriately. Service

performance is monitored quarterly with advice agencies.

7. Resource Implications

7.1 This report describes how the Council's commitment to an additional £100,000 for 2009-10 can be apportioned and targeted to meet the need for welfare rights and money advice services. In addition it shows how the new investment can be brought forward prior to April 2009 by using under spend to the value of £47,281. Further work will be done to explore the options for funding further volunteer development.

8. Recommendations

8.1 Members are asked to:

- 1) Note the changing context for welfare rights and money advice services, with increased take-up of services noted in 2008 compared to 2007 and that this area of service is part of the Council's Recession Action Plan.
- 2) Consider and agree that:
 - £66,361 is apportioned to increase capacity in the Council's in-house team from 2009-10 onwards (with the gradings to be confirmed as part of the job evaluation process and that recruitment proceeds and is reported retrospectively in the staffing report in April 2008).
 - £42,648 is apportioned to increase contact time in the third sector providers described in paragraph 5.3.2 from 2009-10 onwards and included in Service Delivery Contracts.
 - Additional funding of £47,281 is made available in 2008-9 to provide training and an employment advisor post in the third sector, sourced from under spend in the Chief Executive's Service.

Signature:

Designation: Chief Executive

Date: 3.2.09

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