

REPORT TO:	Health & Wellbeing Board 10 April 2019
SUBJECT:	Croydon's support for residents on Universal Credit
BOARD SPONSOR:	<i>Rachel Flowers, Director of Public Health</i>
BOARD PRIORITY/POLICY CONTEXT:	
This report will assist the following work stream:	
<ul style="list-style-type: none"> the joint health and wellbeing strategy – see www.croydonobservatory.org/strategies-for-health-and-social-care/ 	
FINANCIAL IMPACT:	
There are financial impact in terms of demands around Discretionary Housing Payments (DHP) from Department from Work and Pensions (DWP), but no financial impact in terms of this board or request for internal funding. External lobbying to DWP will be undertaken around the DHP funding issue.	

1. RECOMMENDATIONS

(This report is for information only)

This report recommends that the Health & Wellbeing Board:

- 1.1 Note the approach of Gateway in tackling not only Universal Credit issues but all welfare reform challenges.
- 1.2 Note the take up campaigns Gateway are supporting across Resources, Public Health and Energy Officer.
- 1.3 Note the joint working between Gateway and Public Health around food poverty action group and healthy start.

2. EXECUTIVE SUMMARY

- 2.1 Croydon was one of the original pilot sites for Universal Credit (UC) roll out and have played a vital role in UC improvements during the 'test and learn' phase and many of the developments made to UC; has been driven by Croydon and our colleagues in other LAs lobbying and working closely with DWP. Universal Credit is administered by DWP and is the merging of six legacy benefits - UC Housing Costs has taken over from Housing Benefit to pay peoples rent, UC living costs replaces Income Support, Job Seekers allowance, Employment Support Allowance, Working and Child Tax Credit.
- 2.2 UC takes on average six weeks to put into payment, Housing Costs and Living Costs are paid in one payment by UC, so vulnerable residents can struggle to budget and ensure their rent and other bills are paid. UC is paid in arrears and by default is paid direct to the resident.

- 2.3 There are some functions of UC that makes it difficult for Croydon's most vulnerable residents to claim and maintain their UC claim. UC has to be made online, some vulnerable residents do not have email addresses, online access or digital skills, and so intense support is needed to help some to claim and maintain their claim. UC takes on average six weeks to put into payment, Housing Costs and Living Costs are paid in one payment by UC, so vulnerable residents can struggle to budget and ensure their rent and other bills are paid. UC is paid in arrears and by default is paid direct to the resident, this again can cause issues around vulnerable residents getting large sums of money.
- 2.4 Support by Job Centres and by Gateway is needed with most vulnerable residents, but support can only be provided once we are aware of these cases, and since UC is administered by DWP and no sharing agreement in place; we often only get contacted once they are in risk or crisis. UC is hard to get backdated and will only go back one month, so we are often left to deal with rent arrears and debt issues to tackle and assist through discretionary funding pots.
- 2.5 DWP's current figures highlight that Croydon has approximately 27,000 residents on Universal Credit in Croydon, spread across three Job Centres – Purley, Thornton Heath and Croydon Job Centre.
- 2.6 To tackle Universal Credit (and all welfare reforms) and homelessness, Croydon created a Gateway division to offer a single point of contact for prevention and early intervention work. Gateway ensures residents are given a personalised action plan to address debts, budgeting, benefit maximisation, employment and address any housing issues they may have. Our focus supports UC principles, public health and health and well-being.
- 2.7 It is not reflective of the true circumstances for our residents to simply consider UC in isolation, without considering the other reforms that impact on thousands of our residents – Local Housing Allowance freeze, benefit cap, social rent restrictions, Council Tax Benefit to Council Tax Support, two child rule with regards to Child Benefit and Child Tax Credit and EA Nationals changes (not able to claim for first 3 months and retain working status).
- 2.8 **Lessons learned from Croydon about UC:**
- UC journey is much smoother if you get the support right from day one
 - UC still has too many pitfalls for really vulnerable residents
 - Emergency Accommodation does not work under Universal Credit
 - Universal Support is vital to the roll out of UC
- 2.9 **Lobbying and changes we have welcomed from UC:**
- Policy decisions: to remove 7 day waiting period, Emergency Accommodation back to Housing Benefit (HB) control, increase in work allowances, and increase of deductions period to 6 to 12 months. Croydon were at the forefront of lobbying for these changes, along with our colleagues in Southwark.

- Universal Support offering: although disappointed at the plan to move over to CAB from April 2019 and the circa 60% reduction in funding being provided to Citizen Advice Bureau (CAB) from DWP, compared to what London Borough of Croydon got in 2018/19. Due to this, Gateway will continue to offer Universal Support in partnership with CAB.
- Landlord portal: this allows Councils direct access to UC in regards to their tenants, which ensure the verification of rents and payments process is quicker and better controls in place. Croydon again were at the forefront of this landlord portal idea.
- Childcare costs: this was a major barrier to work, as most childcare providers want to be paid up front and UC paid a month in arrears, which meant many wanting to get into work were unable to as couldn't afford to. A recent change to UC, now means you can now apply for a grant to pay your first month childcare costs.
- In Croydon, we have been piloting a local UC Housing post, where we can contact this DWP Officer direct to sort out complex housing decisions, where we believe the assessment is fundamentally wrong. Since January 2018, this role has saved 190 tenancies; without this role, this could have led to up to £1.3m extra costs to Croydon with these households presenting as homeless. This role is being piloted elsewhere in the Country now, following our successful trail; we see this role as a huge breakthrough in saving tenancies. This role has managed to back date UC claims in excess of £250k.

2.10 **Areas Croydon continue to seek improvements of Universal Credit and upcoming issues:**

- Implicit consent: need longer timeframes in place, not just payment periods. Implicit consent allows 3rd party access to talk about UC claims with DWP. Currently this only stays in place for one month, but is needed longer for real vulnerable residents.
- Sanctions around vulnerable residents: Although locally in Croydon sanctions are the last option to take, there are still real concerns in UC around the whole sanction activity by UC and impacts this has on vulnerable residents.
- Data sharing with LA's: There is no mechanisms in place for sharing UC data with Local Authorities, which would allow us to work pro-actively with residents, before they hit crisis. We are lobbying around this in partnership with Policy in Practice.
- Migration from legacy benefits to UC: within the next two years, all the rest of our working age caseloads that are currently on Housing Benefits, will move in bulk onto UC. The first Local Authority to go through managed migration has been named (Harrogate), we will ensure we contact them to learn from their experiences.
- An upcoming issue we are faced with, is the £118k reduction in funding from DWP of our Discretionary Housing Payment (DHP) budget in 2019/20 to £1,740,407. The table below highlights this is already a

strained budget, where we have topped up through HRA payments, but have also had to use reserves or other funding streams to maximise support and avoid households becoming homeless and impacting on our statutory services. Croydon will lobby DWP around the allocation of these funds with an aim of increasing Croydon's funding.

	DHP from DWP	HRA top up	Money from reserves/ funding	Combined budget	Money spent on residents
YTD 2018/19	£1,858,451	£500,000	£200,000 (predicted)	£2,558,451	£2,500,000 (predicted)
YTD 2017/18	£1,760,650	£500,000	£486,051	£2,746,701	£2,746,701
YTD 2016/17	£1,465,383	£500,000	£0	£1,965,383	£1,959,874
YTD 2015/16	£1,201,438	£500,000	£96,525	£1,797,963	£1,797,963

3. DETAIL

Gateway's approach to tackling UC and wider welfare reform issues.

3.1 To highlight numbers we helped since April 2018: Our Gateway approach has already helped 1,092 families avoid homelessness through support with household budgeting, benefits advice and employability and has achieved some great outcomes and cost avoidance is estimated in excess of £7.3m. There are also:

- **13,889** residents who have received **budgeting advice**
- **3,176** residents on Universal Credit, who we have supported with **personal budgeting and/or digital skills** allowing them to access services online
- **1,002** residents who have attended **budgeting, employment, debt and housing workshops**
- **208** residents we have **supported into employment**
- **238** we have **supported into work placements and work experience**
- **39** residents have also been **helped to retain their employment.**

3.2 We have also assisted with maximising residents' income to the value of **£9,781,611** increasing their independence and financial resilience.

3.3 Gateway have also supported **4,890 residents with blue badges**, freedom passes and/or taxi cards, to assist vulnerable residents with travelling.

3.4 Financial Assessments Team have assisted **9,862 households with a financial assessment** to see if we can assist them with costs towards their care packages. 471 residents have been supported as either a deputyship or

appointeeship, which is assisting really vulnerable residents with their finances, as they do not have the mental capacity to do themselves.

Welfare Reform Programme Board

- 3.5 Croydon established a Welfare Reform Programme Board in 2013, to focus on welfare reform and there has been a heavy focus on Universal Credit since roll out in our Borough. We focus on trends, changes, concerns, issues around Welfare Reforms and action plans are discussed and working groups set up where needed for intensive pieces of work. It has been at this Board where actions have been made to tackle UC policy decisions such as lobbying to get Emergency Accommodation back under HB control. Ideas to create a landlord portal for UC was discussed at this Board and the idea passed to DWP. We look at all aspects of where UC could affect residents, such as comparing Council Tax collection of residents on UC and those that are not. Many LAs have noticed a dip in Council Tax Support (CTS) claims, but the work delivered through Gateway and colleagues in Resources, have ensured we haven't seen that trend here in Croydon; again this was discussed and addressed at this Board.
- 3.6 Croydon also supplied information to the National Audit Office, during their review of Universal Credit; our Director also attended and gave evidence at the Select Committee. Through this Board, we also created an issues and resolution log for continuous improvement and learning. We also decided to undertake joint research with Southwark around UC, this has been invaluable in provided feedback, suggestions and service improvements to UC.

Universal Support

- 3.7 Gateway fully backed the offer of Universal Support and have supported the following numbers of residents over the past 23 months who have moved onto UC: 3,592 in terms of 1:1 personal budgeting support and 4,314 in assisted digital (supporting them get online and/or maintain their UC journal).
- 3.8 Croydon saw the value and really backed this offer, so much so that we recruited 3 full time permanent Officers to offer Universal Support. We are disappointed with the decision to move Universal Support to the CAB; our approach in Croydon is working, residents are getting vital support they need on the day they request it and we are able to offer our full wrap around Gateway support of budgeting, debt advice, employment support and benefit maximisation with each resident we support. We co-locate in Job Centre's throughout the week to ensure this support is reactive and do not lose the momentum of residents of taken that big step forward acknowledging that they need help. CAB have the contract from April 2019, but have received approximately 60% less funding to deliver, so Gateway will continue to offer universal support, in partnership with CAB.

Discretionary Support for UC residents

- 3.9 Croydon have maximised discretionary funds to support residents. Each year Croydon use £500k Housing Revenue Account funding to top up our DHP fund to support Council tenants in rent arrears. Croydon have also committed £455k each year to continue the Croydon Discretionary Scheme, after Central Government removed the funding. In the last 23 months, £1.9m has been spent of DHP money for residents on Universal Credit and this amount equates to helping 1,253 residents during this time on UC and in arrears and or are looking to move to affordable accommodation. In the last 23 months, the Discretionary Team have supported 5,467 residents in total, this ranges to helping with arrears, moving, food, utility payments and white goods.

Being proactive and not just reactive to residents' needs

- 3.10 Gateway have been working with Policy in Practice and using their business analytics tool to highlight residents affected by welfare reforms and/or in debt. This tool categorises cases into coping, struggling, at risk and in crisis; which means we can use resources the tackle the households most in need first. It also allows us to sort into properties with children and/or disabilities, which again means we can tackle these families first. This approach is reducing homelessness and ensuring children are not put at risk, which could increase workload and finances of our colleagues in Social Services. We have also used this tool around providing local events and targeting that specific local needs.
- 3.11 Again, we would support lobbying DWP to provide Policy in Practice our residents' data, so that we can continue to maximise the support for all our residents.

Gateway in the Community

- 3.12 Our Gateway approach in the community is to focus on prevention and early intervention, provide a holistic response to whole family needs looking beyond the presenting issue, prevent households from experiencing crisis and helping shape a positive future for Croydon residents. Main principles are:
- An innovative way of working across the Council, with our partners and our residents in order to prevent residents from experiencing crisis and homelessness
 - First Response Gateway Community Hub model run by the community for the community delivering services that are responsive to the specific needs of residents
 - Ensuring residents are financially stable, able to better manage their money and maximise their income through personal budgeting support, debt management, landlord liaison and by gaining employment
 - Community Connect support includes: benefits advice, personal budgeting support, housing options advice, income maximisation and

employability support (e.g. job club, training and volunteering opportunities)

- Working as an Alliance (36 partners) of organisations with shared objectives
- Was piloted in our two most deprived wards – Fieldway and New Addington

3.13 60% of residents seen at the hub are on Universal Credit. To date the hub in Fieldway and New Addington have achieved the following:

- Preventing homelessness by sustaining 51 tenancies
- Helping residents into work/training - 28 long-term unemployed residents into work and 22 into education/training
- Addressing poverty – the Food Stop reached its target number of members (100) within just weeks of its launch (160 members currently)
- 5.27 tonnes of surplus food provided, helping families save a combined £37,042.50 on their food shopping bills
- We’ve been closely tracking progress of the first 100 residents signed up to Food Stop when it launched and who are receiving support via Community Connect. We’ve seen some fantastic results:

	September 2017	January 2019
In work	14%	36%
In Financial risk	45%	13%
In poverty	45%	24%
With rent arrears	22%	0%

A second hub is due to open at the Parchmore Centre in Thornton Heath in April 2019, to build open the already established local support in place.

Take up campaigns

3.14 Using the Policy in Practice business analytics tool, Gateway are supporting the following take up campaigns:

- Working with the Energy Team to target 969 households where someone is over 70 years old in the household, in terms of healthy homes take up to assist with energy efficiency around their home. Take up campaign to take place in April 2019.
- Working with Public Health to target 3,166 households in terms of healthy start voucher take up. In these households there is a total of 7,201 children. Take up campaign to take place in April/May 2019.
- Working with Revenues and Benefits to target 1,023 households that may be entitled to Council Tax support but are currently not claiming. Take up campaign to take place in April/May 2019.

- Working with Welfare Rights and Housing to target 3,579 Council tenants who may be entitled to cheaper water bills through the Watersure discount. In these households there is a total of 2,886 children.

Gateway working with Public Health on Food Poverty Action Group and healthy start

3.15 A Food Poverty Action plan was created in 2017 and the main actions which relate to the impact of UC are:

- Increasing the uptake of Healthy Start which Gateway we will start in April by using the policy and practice tool as mentioned above. The other part of this is around increasing retailers to accept Healthy Start vouchers.
- Holiday hunger work stream – last year we engaged the voluntary and community groups in the mayor’s fund for London kitchen social programme which targets children who may be at risk of holiday hunger to attend youth scheme over the summer which also provides hot meals. This year, Family Action the national charity have submitted a bid to DFE to deliver a holiday meal programme in Croydon, the feedback nationally is there is a huge need for this provision over the summer but no ongoing statutory funding for any service to deliver this provision. If Family Action are successful we will then aim to engage all community groups delivering youth activities over the summer into programme. Also Legacy Youth, the new youth zone have also offered registered community youth groups use of their building this summer for a holiday hunger venue so we are in talks with them to how this could work currently.
- Mapping Community food provision – this is mentioned in the plan and to be able to put this online would be useful so residents who need information on affordable and healthy food options within their community can access this information.

3.16 In terms of healthy start, the priorities for 2019 include:

- Understanding why uptake rates remain static, despite the considerable effort to raise awareness and put better systems in place.
- Engaging with more residents
- Understand how people are using their healthy start vouchers
- Explore bringing in the Alexandra Rose vouchers to compliment the healthy start scheme
- Liaise with more foodbanks, early year’s providers and set up the community food banks as retailers.

4. CONSULTATION

4.1 Not applicable to this report.

5. SERVICE INTEGRATION

5.1 Not applicable to this report

6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

6.1 There are financial implication from this report. As highlighted in section 2.10.5 Discretionary Housing Payments (DHP) from Department of Work and Pensions (DWP) in 2019/20 has been reduced by £118k to £1,740,407. External lobbying to DWP will be undertaken around the DHP funding issue.

Approved by: Flora Osiyemi, Head of Finance - Place, Finance Investment and Risk

7. LEGAL CONSIDERATIONS

7.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are no direct legal implications arising from the recommendations within this report, however some of the proposals highlighted will need to ensure compliance with legislative provisions, including in relation to compliance with the Data Protection Act 2018 and the General Data Protection Regulation.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

8. EQUALITIES IMPACT

8.1 Not applicable to this report as just an information only report

CONTACT OFFICER: Julia Pitt, Director of Gateway Services

BACKGROUND DOCUMENTS:

None