

**Extract from the draft minutes of the Policy Panel meeting of 24 November 2021**

**33. Mitigations Council can make regarding loss of Universal Credit uplift, and financial inequalities**

A Panel member had received a statement on this item from Citizens' Advice Colchester [CAC]. CAC had operated in Colchester since 1939 and listed the pressures affecting local residents this Winter. The most widespread issues bringing people to contact CAC were debt, Universal Credit [UC] and benefits/taxation difficulties. Council Tax arrears alone had led to 798 queries being submitted to CAC. The loss of the UC uplift had disproportionately affected the young, those with disabilities and those dealing with mental health issues. CAC detailed the work they carried out to support those in need, and the intention to seek to place advisors at sites used by the Foodbank and at the C360 centre in the Town Centre. It was stressed that many of the most in need had no access to internet, and that phone and face-to-face contact options were vital.

The report was presented by Leonie Rathbone, Assistant Director – Customer, and Jason Granger, Group Manager – Customer. The officers highlighted the key points as to how the Council could and did help those in need, including those who had been in receipt of the uplift in UC. Of UC recipients, some were working on low income, some were out of work and some were unable to work. The last Budget announced an increase in work allowances by £500pa for certain recipients who were in paid employment and a reduction in the taper rate. Appendix A to the report showed what assistance the Council could and did supply.

The Council had an existing financial support team working to help those in hardship. The team had used some of their capacity specifically to assist those affected by the loss of the UC uplift. Members of the team were working on-site with partners to provide support and advice directly. The pandemic was still affecting people and services. The financial support team had distributed £1.57m in test and trace support payments and continued to make support funds available.

There had been significant changes in the labour market and people were entering and experiencing the welfare and benefits system, many for the first time in their lives. The team could advise and support those using the system and assist in challenging decisions which were felt to be unfair. Officers could offer advice to maximise income and help individuals make the most of employment opportunities, with two employment support officer positions being funded by the Department for Work and Pensions. This allowed the team to take a longer-term approach to helping people gain training and employment. Fuel poverty was also being addressed by officers, with a range of mitigations available.

The Digital Access Support Team's work was outlined, to reduce digital exclusion within the Borough.

Regarding housing, the Group Manager gave assurance that, for the Council and Colchester Borough Homes [CBH], eviction of tenants remained an option of last resort, with CBH's Financial Inclusion Team working with residents to identify solutions to financial problems. A Panel member asked what happened regarding tenants subject to CCJs and who were unable to pay rent, and what happened to arrears and evictees in the case of eviction. The Assistant Director (Customer) explained that these questions would need to be raised with CBH, as they managed matters relating to evictions. The priority remained to build sustainable tenancies. Discretionary housing payments continued to be made to residents struggling to cover rent payments and £415k of grant funding had been obtained to help maintain tenancies. The Panel noted that this was a smaller sum than was provided in the previous year, and that inflationary factors were increasing upon households.

CBH have restructured to expand the team working to help rough sleepers, where many cases of rough sleeping revolved around mental health conditions which required action to address. Elsewhere, the Healthy Homes Team worked to ensure improvements in living conditions and grants and loans were still being processed to allow disability adaptations to be installed. Expanding upon this, the Assistant Director (Customer) informed the Panel that an extra fund was expected soon to be available to help vulnerable renters on low incomes. Work as to how funds would be made available was in its early stages.

Addressing concerns about accessibility of services and advice, the Assistant Director (Customer) informed the Panel that officers were to join the C360 one-stop-shop in Colchester Town Centre [Long Wyre Street] so as to be able to conduct face-to-face work with residents at that location. This was in addition to other face-to-face options and contact avenues online and via telephone. The Council's target was to answer all telephone calls within 60 seconds; all staff working via 'phone were trained to ensure that residents received the correct support.

The officers were asked, in relation to the 14,801 UC claimants in the Borough, how many residents in total were dependent on UC payments, including dependents of claimants. A Panel member noted if the total was just twice the number of UC claimants, then around one in ten residents of the Borough relied upon UC payments being made. Officers explained that data to answer this question was not readily available, but that it would be fair to make assumptions of the type made [as noted above].

The Panel discussed the impact on the local economy of 14,801 claimants on low incomes in the local area. The difficulties and perceived stigma attached to claiming UC were raised, especially with additional hardships such as rising energy prices. Praise was given to work done with local food banks, with advice provided and 'business cards' with signposting information included within food bank packages. It was queried whether the available funding would be sufficient, and whether the County Council could lobby central government for additional funds. The Panel were told that local levels of need remained unknown at this point, but information could be reported back as the situation became clearer over time.

The Assistant Director (Customer) answered questions about digital exclusion, explaining that some without online access gained help from friends and family, that support was available from the Council's Digital Access Team and from Council advisers at various locations, including at GP surgeries. 'Phone contact remained a popular option and home visits could be arranged with the Digital Access Team to assist those who had difficulty in accessing online contact options. There remained a good range of non-digital contact options. A Panel member queried whether there was potential for the Council to be able to issue reconditioned devices to those without hardware capable of connecting to the internet.

The Panel discussed the likelihood that the coming Winter would be hard for many, and details were requested as to liaising with Citizens' Advice Colchester to ensure that vulnerable people didn't fall through the system and miss out on potential help and advice. It was also queried whether any funding gained to support residents through the Pandemic were still available and could be used to meet emergency needs of residents during the Winter. The Group Manager gave assurance that the Council had a long relationship working with Citizens' Advice which was most effective when the organisations worked together from the C360 Hub in Colchester. This helped the organisations collaborate in assisting residents.

Essex County Council funding had been sourced for a Welfare Benefits Adviser role, to help support and advise residents in hardship during the coming Winter.

The Panel discussed the ending of the £20 uplift to UC, with different members stressing that, whilst this was a national issue, the Panel's duty, and the report's purpose, was to look at the local situation and examine what the Council could do to address hardship experienced by residents. The report and work of officers were praised, and a Panel member argued that, as funding was limited, this emphasised the need for partnership working with others, so as to maximise what could be done to help residents, and what additional funding pots could be applied for. In response to being asked if the Council could provide more funding to Citizens' Advice, the Group Manager outlined the general levels of funding, support and advice that the Council provided and agreed to find out the details as to current funding provided and to circulate this to the Panel.

A Panel member raised concern regarding UC recipients who were already in low-paid employment, or unable to work, and the pressures on UC recipients from inflationary pressures such as rising fuel costs. The officers were asked how individuals might apply to receive a share of the support fund which had been mentioned as now being available. The Assistant Director (Customer) explained that officers were working with the County Council to get details as to how Household Support Fund payments could be disbursed to those who needed them. ECC had given assurances that these could be disbursed via the Essential Living Fund. The Council would promote the details of this and advice potential claimants, working with C360 and Citizens' Advice to advise residents on how to apply. The Group Manager agreed to provide details of the Household Support Scheme to members of the Panel.

Addressing the claiming of UC by those unable to work, the Group Manager explained that Personal Independence Payments [PIP] and attendance allowances were underclaimed. The Council was working to identify those who qualified and advise on how to claim.

The Panel requested more information on the outputs and impacts of the Council's work and mitigatory actions and asked what was done to analyse the effectiveness of measures used, and levels of uptake. It was suggested by one member that there was a case for increasing the flow of information and data to Cabinet members. The Assistant Director (Customer) explained that all data relating to outcomes from Financial Support Team interventions were available. The Council also had access to data from the Essential Living Fund, via ECC, and used this to find ways to increase uptake of support. The Council focused on evaluating data and outcomes to ensure maximum effectiveness.

It was noted by the Panel that the report did not mention the possibility of changing the taper on Council Tax rates as a potential mitigation and it was asked whether the Policy Panel could explore that option. The Group Manager confirmed that there had been discussion of the taper rate. Officers had discussed options relating to how claims for Local Council Tax Support were tapered, according to claimant earnings. Details were given of the 'disregard rate' and clarification given that 20p in each £1 was deducted from payments to claimants who exceeded the earnings threshold. The details of the Local Council Tax Support Scheme started to be set out in June each year, and the Panel were advised that June was therefore the best time for recommendations to be made relating to the Scheme for the following financial year .

The Panel discussed increasing fuel costs and asked if there would be any extra support for those with disabilities and/or those who were out of work. The officers confirmed that addressing fuel costs/poverty was a central part of their work. Winter Fuel Grants were underclaimed and the Council was increasing its advertising of these.

A Panel member requested that the Council's website continue to advertise advice and support options and keep a banner on its homepages to provide a link to advice and help. It was asked if the Council would continue to operate its pop-up shop presence and continue face-to-face access to services and support, rolling this out across the Borough. The Assistant Director (Customer) gave assurance that the website would be updated, and support links maintained. Information on winter support would be updated as and when developments occurred. It was planned for all elected members to be emailed with details as to where information can be found on the website, so this could be circulated to residents by their councillors. The pop-up shop would continue alongside work to create more digital access for Council services. Officer placements in community centres/facilities and GP surgeries were described. Elected members were encouraged to work with parish councils to find service access points in communities.

A Panel member remarked that information on the Warm Home Discount Scheme shown on the Council's website was impenetrable and needed to be simplified. The Assistant Director (Customer) explained that all areas of the website were being revamped and information on the Warm Home Discount Scheme would soon be

simplified and improved, with reductions in technical jargon and simplified information on the application process. This would be completed by January 2022.

The Panel expressed a wish for future updates on the matters within this item and report, especially given the number of current unknowns. Whilst the Council had limits to what it could do, the Panel emphasised that the Council could act as a facilitator, guide and coordinator. The Panel thanked the officers attending, and their teams, for all the work that they had carried out, and for the information provided.

*RECOMMENDED* to CABINET that: -

- (a) The report and appendix be circulated to all elected members of the Council;
- (b) An all-member briefing be held in February or March 2022 to provide further information on Council mitigations and outcome data;
- (c) Cabinet considers this report and the comments and deliberations of the Policy Panel.