

Welfare Strategic Delivery Group

25.03.19

Pobl Group, Newport

Welcome and Introductions

Steve Evans, CCHA (Chair) and Julie Little, Pobl (Vice-Chair)

- SDG Review
- Focus of the Group
- Future meeting dates
 - 22nd May (Conwy or Wrexham)
 - 11th September (Swansea)
 - 4th December (Cardiff or Newport)

Updates (SRS Landlord Forum)

- Next meeting: 13th June
- DWP requesting suggestions for improvements to the Landlord Portal
- DWP believe that the situation with untidy tenancies is improving, is this the case?

Updates (53 Week Rent year)

- Meetings held with Director General of UC and DWP officials.
- A solution has been proposed to amend the UC regulations to reflect that there are more than 52 weeks in a year.
- Unfortunately, this solution requires ~£50m in additional funding. DWP have taken the decision to seek this funding in the Autumn Budget.
- Therefore it is unlikely that a solution will be in place until April 2020.

Updates (53 Week Rent year)

Housing association asks tenants for extra rent to avoid Universal Credit issue

NEWS 13/03/19 3:15 PM BY NATHANIEL BARKER

A housing association in the North West has asked its tenants to pay extra rent, to avoid slipping into arrears next year because of a Universal Credit technicality.

Updates (53 Week Rent year)

- Landlords and/or claimants must declare their actual number of rent free weeks. Unfortunately, this retains the week deficit. E.g:
- 3 rent free weeks for all tenants. Rent = £100
- $((52-3) \times 100) / 12 = £408.33$
- Monthly payment required to cover 50 payments= £416.67

2019 Rent Increase Process (UC)

- Guidance has been circulated on the April rent increase process for UC tenants. Also included in the UC Landlord Guide
- Dual route process
 - Self reporting: “higher” tolerance than 2018
 - Bulk upload through Landlord Portal in “mid-April”
- As previously, claimants cannot report change until it has occurred
- Self-reporting claimants will not break system

UC Managed Migration

- DWP to start pilot of the Managed Migration process in July 2019, in Harrogate.
- Up to 10,000 legacy benefit claimants will be asked to migrate.
- “Who knows me” approach. Key to securing data sharing throughout Managed Migration.

We worked with you

Service Design Workshops

We discussed

Barriers experienced by people who are "Hard to Reach".

The needs of vulnerable people and those with complex circumstances.

The risks of people not receiving information or understanding what is asked of them/choosing to ignore.

Issues around the ability to act on behalf of claimants.

Issues claimants have getting access to the correct/appropriate channels.

3rd parties have knowledge of the needs of people they are supporting.

Risks of termination of benefits, debts and arrears experienced by claimants.

Critical evidence and easements from legacy benefits that may be lost.

Landlord time and resources spent supporting UC claimants and their claims.

'Who knows me?' approach

We will explore

How to avoid them being left behind, or being hidden from support from UCFS and third parties, so at risk of not migrating.

Additional needs that put them at risk during migration, and may affect establishing correct entitlements and easements from the start of their UC claim.

How people are communicated with, with what information, and who communicates.

How consent to act can be made easier while preserving security and privacy for claimants, and what additional information can be provided to support that.

How to ensure claimants get access to the channel of the service that meets their needs and are made aware of their options and rights to alternative channels.

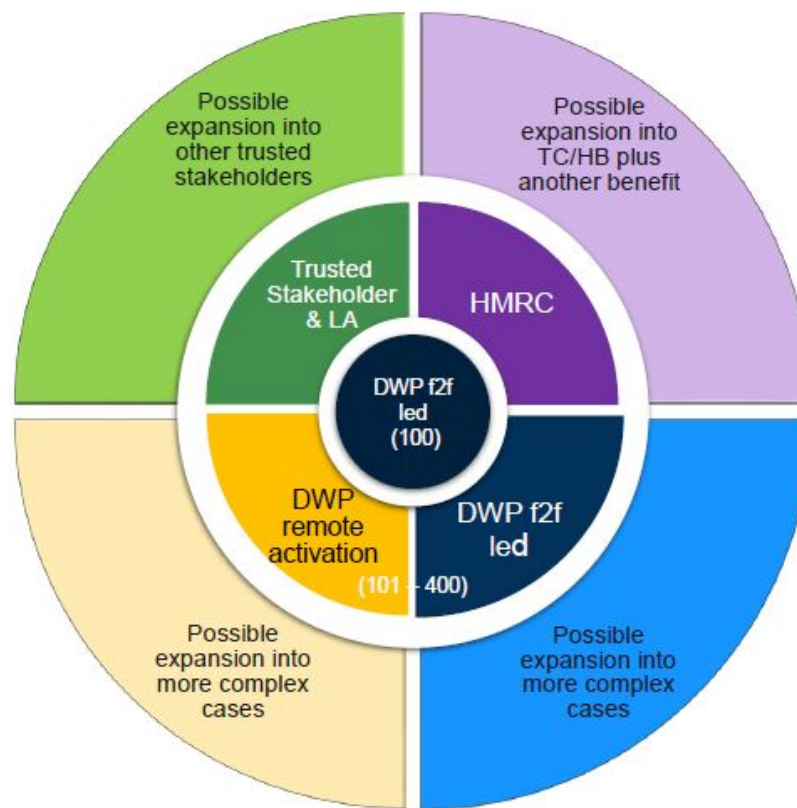
How DWP can work with 3rd parties to support claimants using that information.

Potential for gaps that migrating claimants experience so that we can understand and minimise them.

How we will avoid losing those, even briefly, and what support is required to get them applied to their claim.

How to improve processes such as APAs, rent verifications, and the opportunities landlords have to deliver support for migration directly to their tenants.

Who knows me



All numbers illustrative and to be continuously reviewed during pilot

Hypothesis that if an organisation *knows the claimant*, they are best placed to assess their readiness to move and to help them through the move

**knows the claimant* defined as having had recent contact through f2f and/or telephony channels and an organisational/financial interest in supporting claimants through migration

We estimate at least 50% of claimants have this type of relationship with Jobcentres, HMRC, their LA or SRS landlord .

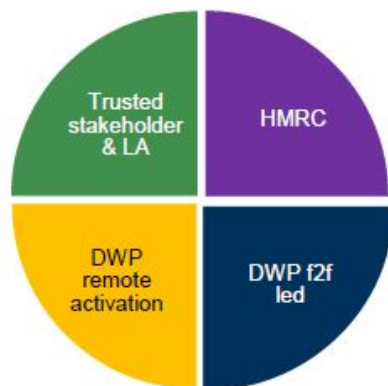


Early stages of the pilot

DWP f2f
led
(100)

We will start by using the existing relationships in the jobcentre to ensure the core elements are tested:

- calculate, explain, pay and erode TP
- engagement and effective mobilisation to successfully claim UC at right time
- support mechanisms – particularly identifying and supporting complex and vulnerable claimants through their journey



But would like to work with partners as soon as we have sufficient confidence in these elements to test 'who knows me' beyond DWP



UC Managed Migration

- Further engagement with DWP in the run up to the start of pilot, and throughout pilot.
 - June workshop
 - SRS Landlord Meeting
 - Additional workshops.
- Post-pilot, further regulations must be passed by Parliament to allow roll out of Managed Migration. Not expected before Summer 2020.



Help to claim

Help to claim

Background:

On 1 October 2018 the Secretary of State for Work and Pensions announced that the Department for Work and Pensions (DWP) will fund Citizens Advice, including Citizens Advice Scotland, to provide a new Help to Claim service from 1 April 2019.

This announcement means that we are creating a brand-new partnership between DWP and Citizen's Advice to deliver the new service, providing the best possible support for the most vulnerable customers to claim Universal Credit.

Help to claim

Key messages:

- New service – *not Universal Support repackaged*
- Led by Citizens Advice/Citizens Advice Scotland, supported by DWP
- A national, consistent service will be delivered
- A test and learn approach is being adopted throughout
- Partnership working across communities is still key



Help to claim

Help to Claim Service

Help to claim

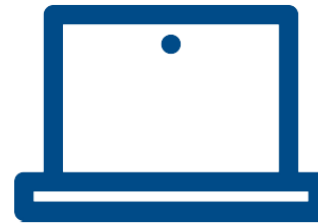
Accessing the service

- Jobcentres →
- Local Authorities →
- Self-referral →
- Support agencies →



Help to claim

Step 1: Multi-channel access





Help to claim

Step 2: Individual needs assessment



Help to claim

Step 3: Support to start a claim



Check
entitlement



Set up email
or accounts



Work through
to-dos



Access phone
or home visit
support

Help to claim

Step 4: Completing a claim

Depending on their level of need this might include help to:



Verify their
identity



Provide
additional
evidence



Understand
monthly
payments



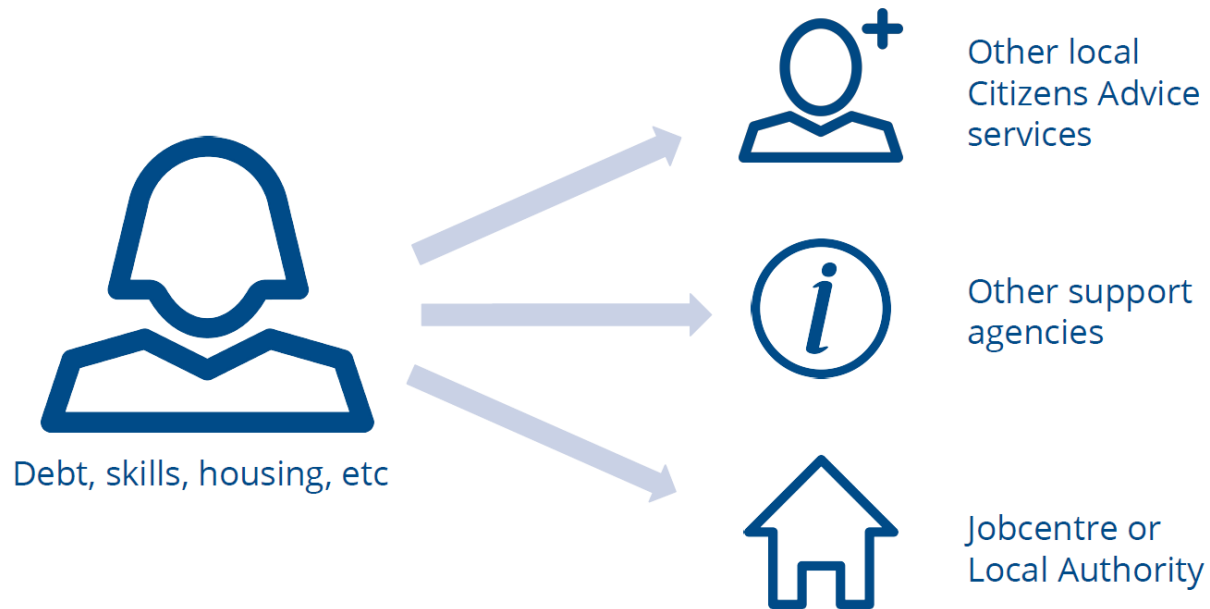
Access
adaptations
and easements



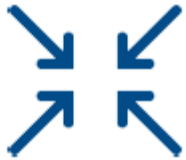
Apply for
additional
financial
support

Help to claim

Step 5: Access to longer term support



Help to claim



No wrong door



Ensuring a smooth client journey



Sharing best practice and insight

Housing Related Support Funding

- Supporting People has been replaced by the Housing Support Grant.
- Existing guidance/frameworks/paperwork remains this year.
- Welsh Government devising new framework and guidance for April 2020. CHC sits on the engagement steering group.

Reviewing the Welfare SDG

- Ratifying our Terms of Reference.
- Setting our priorities for 2019/20.

Covering Operational Issues

- DWP/CHC roundtable: review

Helping social housing tenants find alternatives to high-cost credit

Community Housing Cymru
Welfare Strategic Delivery Group

Alison Wade, 25 March 2019

What is the FCA and what does it do?

The Financial Conduct Authority

What we do

We are an **independent public body** funded entirely by the firms we regulate by charging them fees

Our **work and purpose** is defined by the Financial Services and Markets Act 2000

Our strategic objective is to **ensure that the relevant markets function well** for individuals, for large and small businesses, and for the economy as a whole

Our operational objectives are to:

- secure an appropriate degree of **protection for consumers**
- protect and enhance the **integrity of the UK financial system**
- promote **effective competition** in the interests of consumers

How we do it

We **regulate the conduct** of more than 58,000 businesses.
We are also the **prudential regulator** for more than 18,000 of these

We make **rules**, give **guidance**, **supervise** the firms and markets we are responsible for, and **enforce** the rules (where necessary)

We use a **proportionate approach** to regulation, prioritising the areas and firms that pose a higher risk to our objectives

We are **accountable** to HM Treasury and to Parliament

Context of the guidance

- **High-cost Credit Review** is a key FCA priority.
- We have examined how the **largest high-cost credit markets** are working for consumers.
- An important part of our work is **promoting alternatives to high-cost credit**.
- In May 2018, we consulted on **draft guidance** for social landlords.
- In December 2018, we summarised the feedback received and **published the finalised guidance (FG18/6)**.

Alternatives to high-cost credit: our approach

What are the issues we want to address?



Consumers who can't access mainstream credit are using expensive high-cost credit products

Our interventions may reduce the availability of high-cost credit for some consumers

Why are consumers not using lower cost alternatives to high-cost credit?



There is limited availability of alternatives



Consumers have limited awareness of alternatives

So we are aiming to increase availability and awareness of:



Lower cost credit



Alternatives to credit that meet consumers' needs

How are we doing this?

1

By taking action on issues we are best placed to address, eg

- providing guidance to social housing landlords to help them understand regulation on credit broking
- reducing FCA fees for community finance organisations and credit unions



2

By working closely with Government, the private sector and the not-for-profit sector to deliver change by

- providing expertise
- supporting initiatives to promote alternatives, eg Government's work towards a no-interest loans scheme, the Financial Inclusion Policy Forum

3

By bringing organisations together to develop effective approaches, including

- working with firms on new business models and products
- holding a forum for housing associations and providers of household goods to see how they can work together to improve consumers' access to goods

Rationale and aims of the guidance

We found that social housing providers:

- **play an important role** in helping their tenants access essential household goods and lower cost credit
- can be deterred from doing so by **uncertainty** over what sorts of activities are credit broking
- often do not know **what FCA authorisation entails** or what to expect

The guidance has three main aims:

1.

to **clarify the current law on credit broking**, including the types of activities likely and not likely to be credit broking

2.

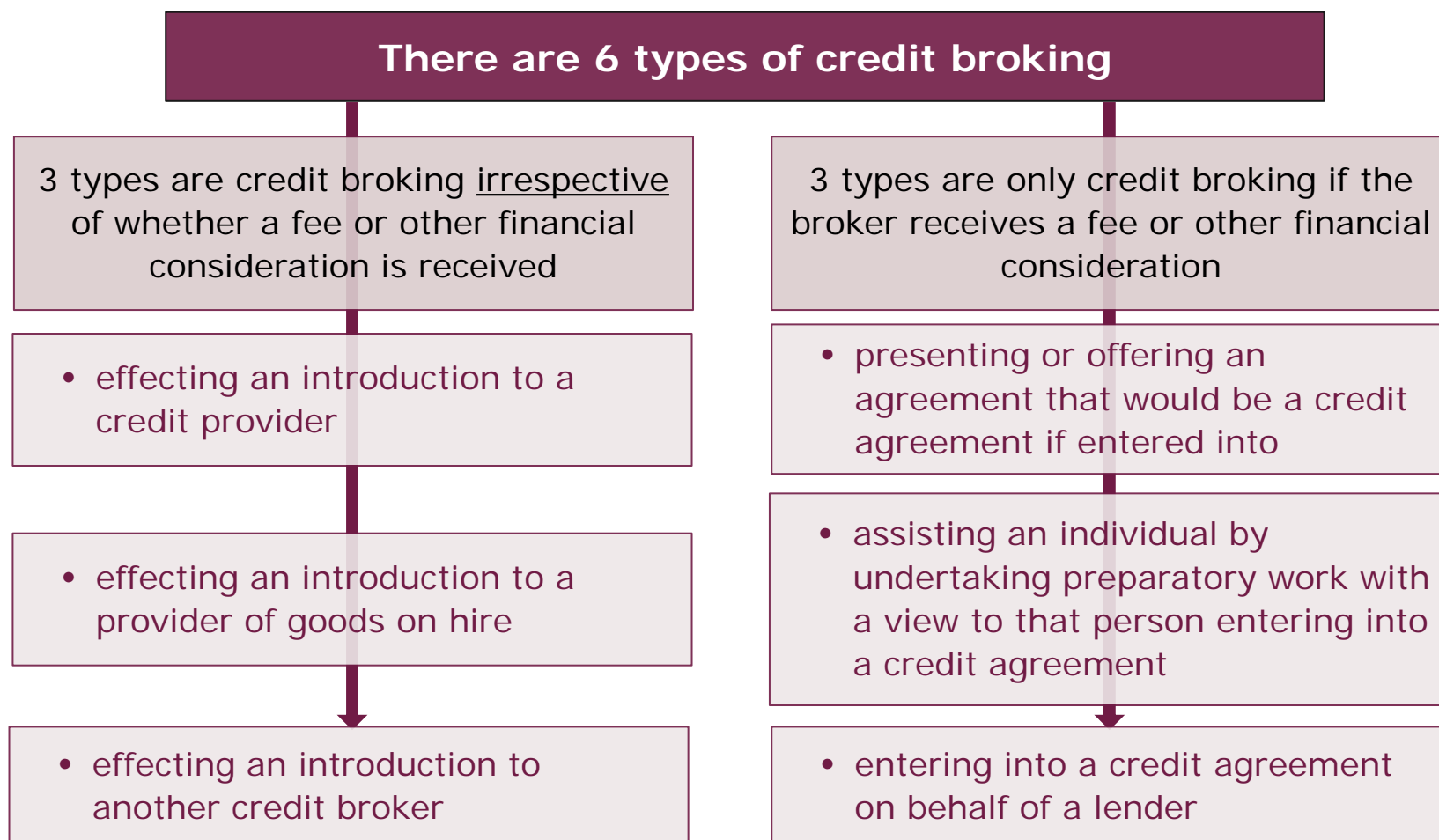
to **set out the options available** to social landlords, and where to find further information

3.

to **explain how the FCA can help** and support social landlords with getting authorised for credit broking

What is credit broking?

- The Regulated Activities Order 2001 defines the **types of financial activities requiring FCA authorisation**. These include credit broking.
- Legislation would be needed to change the Order. Our guidance cannot change it.

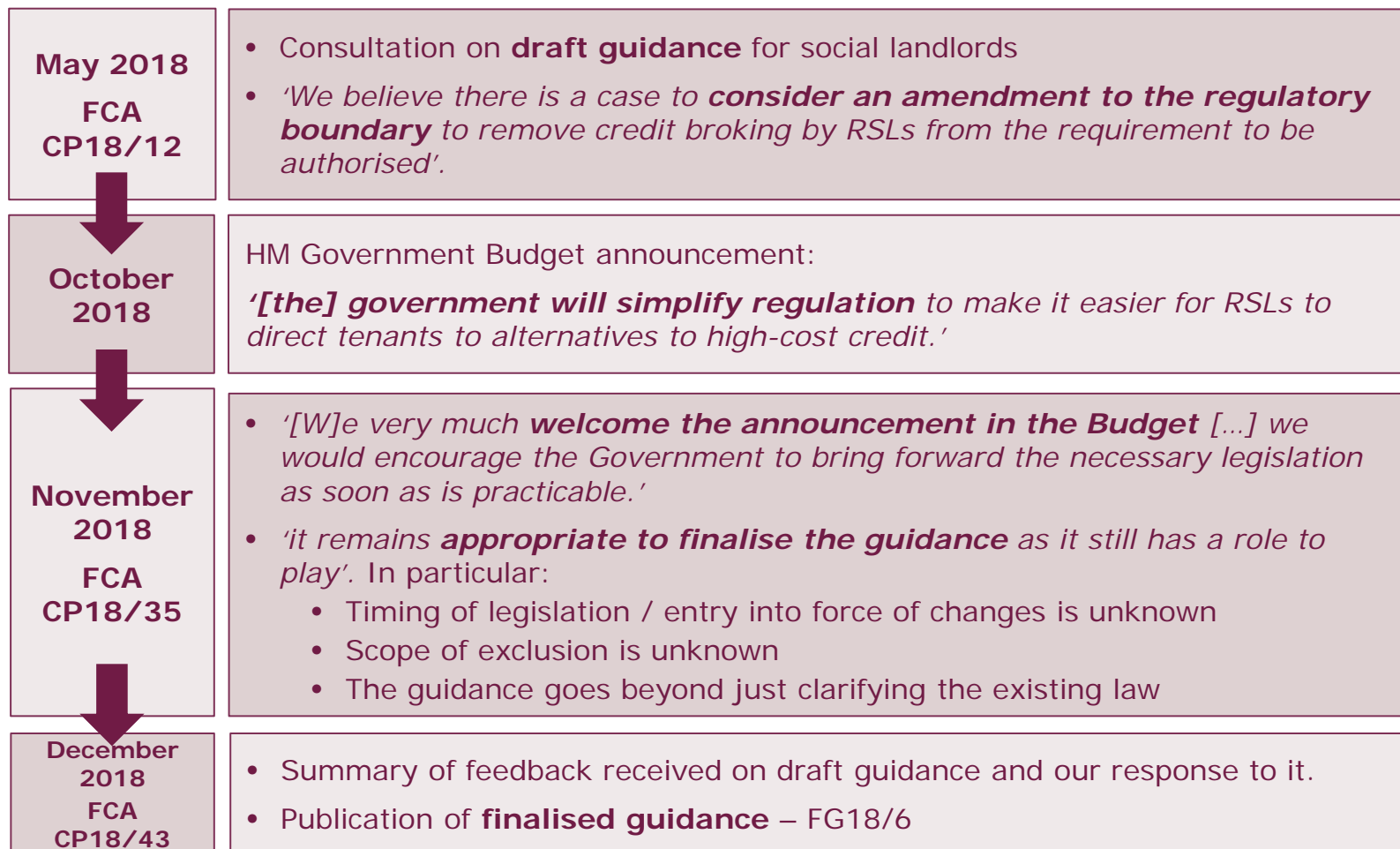


Where is the boundary?

- Whether an activity is credit broking **depends on all the facts and circumstances of the case.**
- **No definitive black and white list** can be created.
- But as a **general indication:**

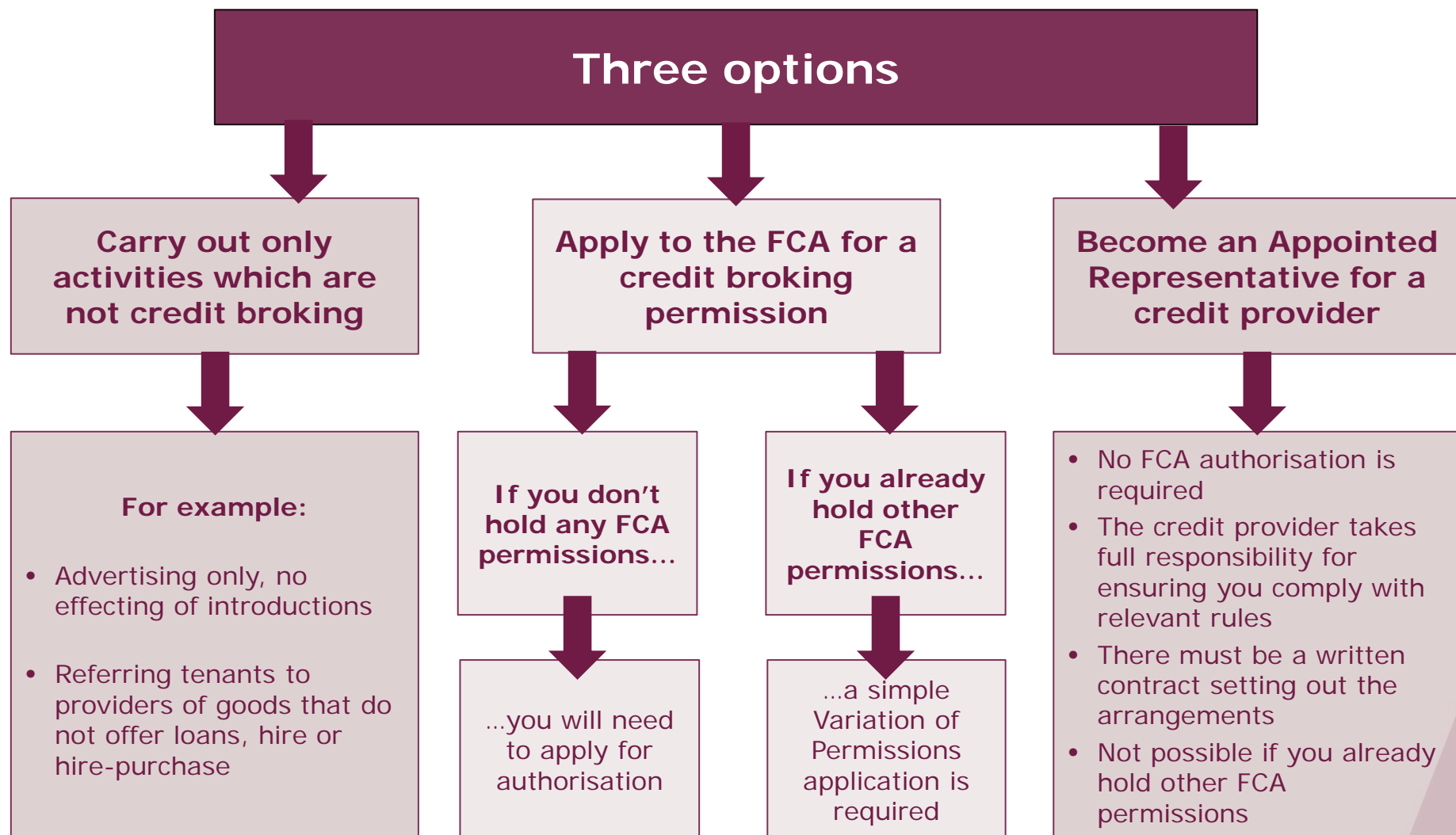
Not likely to be credit broking (no authorisation needed)	Likely to be credit broking (authorisation needed)
Providing general information to a tenant about services available from credit unions and CDFIs (no specific provider named)	Referring a tenant to or recommending a specific credit provider , e.g. a particular credit union
Referring a tenant to a local charity or community organisation that gives household goods to people free of charge	Referring a tenant to or recommending a specific provider of goods on hire
Referring a tenant to a seller of goods , e.g. second-hand furniture shop, local recycling scheme	Referring a tenant to or recommending a specific credit broker (including credit broking websites)
Referring a tenant to a website or other source of information which is not credit broking	Giving a tenant contact details for a specific credit provider, provider of goods on hire, or credit broker
	Calling a credit provider etc. or setting up a meeting on the tenant's behalf

How is this affected by the proposed legislative change?



The law remains as described in the guidance
We will review it after legislative changes are in place

What options are available?



How can the FCA help?

- **Specialist team to help housing associations**
- **Dedicated mailbox** for your enquiries: RSL@fca.org.uk
- **Examples of queries** you could direct to the team:
 - Are our activities credit broking?
 - Do we already hold any FCA permissions? Which ones?
 - How does the application process work?
 - How much information do we need to provide to answer question X of the application?
 - Can someone review our documentation before we submit our application?
- If you send your application reference number to the mailbox, **we will expedite the processing of your application.**

Q & A

Contacts

Alison Wade

Policy Lead on Alternatives to High-cost Credit

alison.wade@fca.org.uk

020 7066 0246

For queries about the guidance for social landlords, whether your activities might be credit broking, authorisation processes, etc. you can also write to:

RSL@fca.org.uk

Break



StepChange Debt Charity Introduction

Dave Orbinson

Senior Relationship Manager

25th March 2019

StepChange Debt Charity

The UK's **leading debt charity**; we help over half a million people overcome their debt problems each year.

We provide UK wide coverage with centres in Wales, England and Scotland

We offer **independent, impartial** and **confidential** advice to people in problem debt.

Our service is **free** to clients; we receive funding from various sources, including **donations** from the financial services industry.

We work with over **900** partner organisations and deal with both secured and unsecured debt.

In total we're managing over **£4.5 billion** worth of debt for our clients.

StepChange Debt Charity - Telephone and online



Telephone

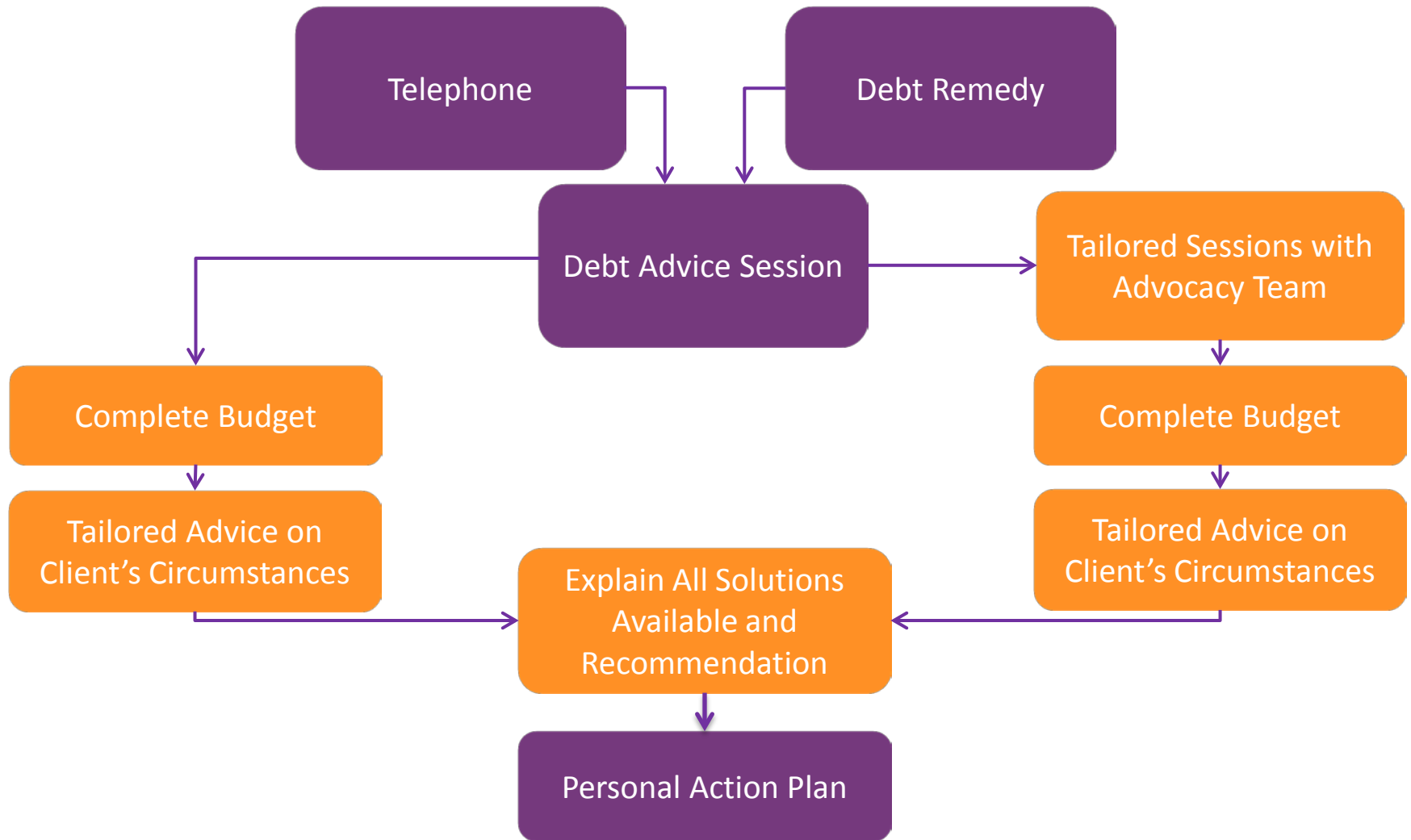
0800 138 1111
or
Warm Transfer



Online

Debt Remedy
Information and advice

Our process



Advocacy Team (Cardiff)

We provide specialist support to our vulnerable clients throughout their journey with StepChange



Some of our training;

- ✓ Macmillan Cancer Support
- ✓ Samaritans
- ✓ Mental Health Foundation

Some of our partners;

- ✓ Barclays
- ✓ Shelter
- ✓ HSBC

We sensitively explore clients' needs through the conversations our advisors have

Debt Solutions



Debt solutions available in Wales

Debt solutions not available in Wales

Aftercare

After receiving debt advice the client will have ongoing support from us regarding any queries, concerns or changes to circumstances they may have.



For our clients;

- ✓ Advice Plus team
- ✓ Client support team

For our creditor & partners;

- ✓ Customer Service team
- ✓ Access to our portal

We complete annual budget reviews with clients and re-advise where suitable

Service Demand – New Clients

Last year, over 657,000 people came to us for help with their debt problems.

In 2018 we delivered full debt advice to over 304,000 clients through telephone and online channels.

More and more of our new clients are seeking first time advice online (61% compared to 39% by phone)

In Wales we delivered full telephone debt advice to over 6,500 clients (Debt Remedy clients are more challenging to report accurately due to anonymity of process.)

We estimate that approximately 2.4% of all clients supported across the UK are Welsh. The Welsh population accounts for 5% of the UK population.

Clients in Wales

Wales Client Profile

Age Band: 78% of Welsh clients are in the 25-59 age bracket

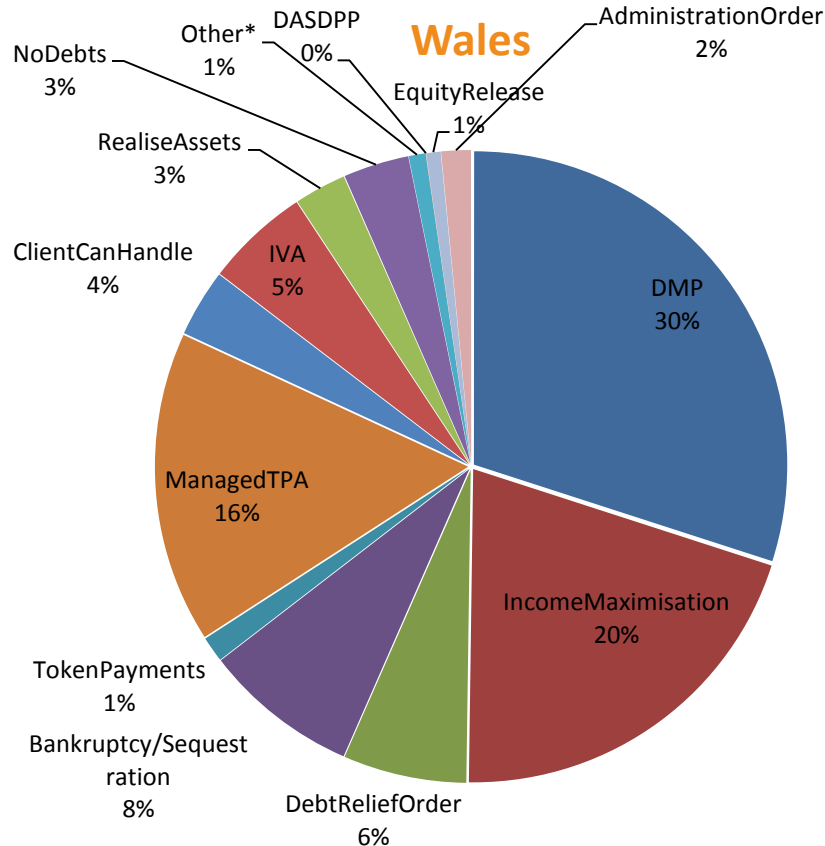
Marital Status: A similar proportion of our Welsh clients are married (22%) compared to all charity clients (23%)

Housing Status: A higher proportion of our Welsh clients (26%) are homeowners compared to all charity clients (20%)

Household Composition: 62% of our Welsh clients are single and 33% of our single Welsh clients have children

Average Debt Value: Welsh clients owe slightly less than our clients from the rest of the UK at £11,487 (compared to £11,566)

Debt Advice Recommendations



30% of Welsh clients are suitable for a **debt management plan** which is higher than the rest of UK clients (26%)

Similar numbers of Welsh clients and clients from the rest of the UK are recommended a **token payment plan** (16%)

A slightly lower number of **Welsh clients** have a **deficit budget** (20%) compared to the rest of the UK (22%)

Recommendations across **other solutions** are **broadly comparable**

Debt Management Clients

	Wales	UK total
New DMPs Activated in 2018	2,222	38,626
Average DMP Surplus in 2018	£173	£178
Active DMP Clients in 2018	11,291	190,479
% Active DMP Clients from Wales	5.9%	

Those **Welsh clients** setting up a DMP have a **lower surplus** than all those from the rest of the UK

Our intention is to **support more clients** in Wales

What Next?

WoW Transformation – Our vision

Our **transformation** of processes and infrastructure will allow us to move to an 'omni' **channel model**. Clients will be able to **switch seamlessly** between telephone and online advice services, for example, telephony crisis support delivery, then online support for account management.

Key benefits



Improve client journeys



Reduce the **cost** of telephone debt advice



Help us to continue to respond to **further advances** in technology and changes in client behaviour



Empower the client, allowing much more self-service where they are able to do so

Stepping Forward – Our 4 Year Strategy



Summary

Problem debt continues to be an issue in Wales

The free sector has a significant and increasing role to play in supporting people experiencing problem debt

More flexible and impactful solutions are required to help provide increasingly cost effective services

- StepChange aspires to support higher volumes of Welsh residents experiencing problem debt

Any Questions?



Llywodraeth Cymru
Welsh Government

www.llyw.cymru
www.gov.wales

Developing Advice Networks in Wales

JJ Costello

Content

- ☐ Introduction
- ☐ Background
- ☐ Information & Advice Action Plan
- ☐ Advice Networks
- ☐ Questions

Introduction

- ❑ Welsh Government committed to promoting sustainable improvements to the health & well-being of all the people of Wales;
- ❑ Recognises social welfare law information & advice has an important role in:
 - helping people make informed decisions & enforcing their rights to Civil Justice;
 - ensuring everyone in Wales has a fair & equal chance in life.

Advice Sector - Background

❑ Welsh Government's ***Advice Services Review*** in 2013 made a number of recommendations to develop advice service provision throughout Wales, including:

- 1) **New Funding Approaches** - additional funding was needed and funding ought to be longer term and outcome-focused.
- 2) **Promoting Advice Networks** - advice stakeholders should be linked & should develop links to PSB's to ensure the planning of advice services is integrated with other services;
- 3) **Quality Assured Services** - greater consistency was required across the sector to enable more partnership working, based on increased trust amongst providers;
- 4) **Understanding Demand** - a detailed study of the demand for social welfare advice across Wales was required;



New Funding Approaches

- ❑ In 2014, Welsh Government established a new Frontline Advice grant programme to complement existing BABLs, Community Focussed & Homelessness Prevention grants;
- ❑ Work is now progressing to merge WG's three of these grant funding streams into a single fund;
- ❑ From January 2020, the new Single Advice Fund aims to;
 - promote more focus on preventative services - 'resolution & resilience' approach;
 - better joined –up & collaborative working to ensure all resources within a locality are utilised as effectively as possible;
- ❑ Exploring how to develop outcomes that capture the full value for individuals gained from successful advice interventions.

National Advice Network

- ❑ National Advice Network (NAN) established by the Welsh Government in 2015 to provides expert guidance to a strategic approach to the provision of advice services in Wales;
- ❑ NAN is an expert Advisory Group:
 - publically appointed Chair:
 - members include: funders, advice providers, & national organisations;

Quality Assured Services

- ❑ Welsh Government produced the [Information & Advice Quality Framework](#) for Wales;
- ❑ IAQF developed to provide a consistent approach to the provision of quality information & advice;
 - IAQF builds on existing quality standards – not reinvented the wheel.

Information & Advice Action Plan

- ❑ [Information & Advice Action Plan for Wales](#) (IAAP) - published in Dec 2016;
- ❑ Five year plan to ensure there is a sustainable provision of advice services throughout Wales (carries forward the recommendations of the advice services review);
- ❑ IAAP champions the prevention approach;
 - promoting public legal education;
 - target early interventions;
 - building the capability & resilience of people.
- ❑ IAAP requires the Welsh Government, Advice Sector & other stakeholders to work together.



Understanding Demand

- ❑ [Modelling the Need for Social Welfare Advice](#) - published by the Welsh Government in July 2017;
- ❑ Provide estimates of the need for advice on six social welfare topics for each of the 22 LA's, includes the need for:
 - Preventative Advice – we know early intervention works better by preventing problems.
 - Specialist Advice Services – many people need specialist advice to solve crisis problems;

Advice Networks

- ❑ Welsh Government is currently working on the establishment of local/regional networks.
- ❑ Has considered lessons learned from CLSPs and Big Lottery funded networks initiatives in England.
- ❑ WG lead but needs to be sector owned, co-produced and co-managed.
- ❑ Welsh Government recognises dedicated support resources are needed to develop & sustain networks.
- ❑ Currently in discussion with number of stakeholders.
- ❑ Proposals to be agreed and wider engagement events in summer, with aim of inaugural meeting in autumn.

Advice Networks

The value of networks includes:

- Increased awareness of advice and related provision
- More joined-up advice services
- Simplified referral in and out
- Understanding need
- Understanding what matters to people seeking advice
- Understanding the impact of advice
- Sharing best practice
- Increased access to training
- Supporting providers to meet the Quality Framework

Advice Networks

- Developing collaborative responses to unmet need
- Giving and receiving feedback on public service delivery
- Recognising the benefits of advice in statutory plans
- Awareness of other funding and more co-ordinated funding

Advice Networks

- Initial proposals focus on;
- Six regional advice networks (based on Local Health Board areas but with Powys and West Wales combined), led by a steering group, bringing key stakeholders together quarterly to develop and progress an action plan, with annual wider engagement events.
- A website offering;
 - the opportunity to provide and share advice news, promote training and job opportunities
 - an easy to navigate advice provider directory
 - the means to make electronic client referrals to a chosen provider
 - guidance resources to support and share the work of the regional networks.

Further Information

❑ For further information - please contact

JJ Costello - Welsh Government - Advice Services Manager

[Email: JJ.Costello001@gov.wales](mailto:JJ.Costello001@gov.wales)



Lunch

The Future of Welfare in Wales: Assembly Inquiry

**Naomi Stocks, Clerk to the
Inquiry**

Inquiry

Examples of Welfare benefits currently administered by Welsh Government or Welsh Local Authorities:

- Discretionary Assistance Fund (DAF)
- Discretionary Housing Payments (DHP)
- Free School Meals
- Council Tax Reduction (CTR)
- Pupil Development Grant (PDG)

Examples of Welfare benefits currently administered by UK Government:

- Universal Credit
- Housing Benefit (through Local Authorities)
- Job Seeker's Allowance (JSA)
- Child Tax Credit (CTC)
- Working Tax Credit (WTC)

Inquiry

- arguments for and against the devolution of welfare benefits (10 min)
- options for different forms of devolution (i.e. Universal Credit flexibilities, the devolution of specific benefits, the ability to create new benefits etc.) (10 min)
- practical considerations of devolution (i.e. the financial implications, integration of devolved and non-devolved systems, delivery infrastructure etc.) (10min)
- the principles that could underpin the delivery of benefits in Wales. (10min)

Next Meeting

22nd May – North Wales

Diolch. Thanks.

Will Atkinson

Policy Manager, Community Housing Cymru
chcymru.org.uk

Twitter: [@chcymru](https://twitter.com/chcymru) | [@Willa_CHC](https://twitter.com/Willa_CHC)