ABSTRACT
This report provides members with an update on progress in implementing the recommendations of Report 391/13 and some related issues on the Council’s response to welfare reform. The report also seeks agreement to continue funding for an Angus Digital Skills Academy and to delegate authority for operation of the Council’s Welfare Reform Fund.

1. RECOMMENDATION(S)

1.1 It is recommended that the Council:

(i) Note the contents of this report for its interest;

(ii) Agree to the continuation of the Angus Digital Skills Academy until June 2015 as outlined in the report, noting the strong correlation to our Angus Digital Strategy; and

(iii) Delegate to the Head of Corporate Improvement & Finance (in liaison with the Angus Welfare Reform Group) authority to operate the Council’s Welfare Reform Fund in accordance with Section 5 of this report which will include delegated use of this fund being reported no less than annually to elected members.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

2.1 This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Angus is a good place to live in, work in and visit;
- Adults maximise their potential through learning opportunities;
- Individuals are involved in their communities;
- Our communities are safe, secure and vibrant;
- We have improved the health and wellbeing of our people and inequalities are reduced;
- Individuals are supported in their own communities with good quality services.

3. BACKGROUND

3.1 Report No 391/13 “Transforming Angus – Shaping Services to Meet the Welfare Reform Challenge” was considered by members at the June 2013 meeting of Angus Council and a number of recommendations were made at that time aimed at mitigating the effects of Welfare Reform and providing better more efficient services to customers. This report provides an update on progress with delivering those recommendations as well as other issues connected with Welfare Reform and asks members to approve delegation arrangements for use of the Council’s Welfare Reform Fund.

4. CURRENT POSITION

Implementation of Report 391/13 Recommendations

4.1 Report 391/13 had 10 recommendations and a brief update on each (including any funding issues) is given below.
4.2 a) Transfer of the administration of Educational Maintenance Allowances (EMAs) from the People Directorate to the Revenues & Benefits Service.
This recommendation has been implemented in full and budgets adjusted accordingly. Schools continue to lead on the academic aspects of EMAs.

4.3 b) Responsibility for the financial assessment of non residential charging financial assessments to be revisited during 2014/15 taking into account revised COSLA guidance.
This work has yet to be commenced but will be considered by the Angus Welfare Reform Group over the course of 2014/15.

4.4 c) A new visiting officer role is created to deliver a more comprehensive service to tenants and other service users relating to financial matters.
Significant work has been undertaken on this including identification of staff numbers and their deployment, preparing a new job specification and assessing the grading issues arising but the work has been put on hold pending the outcome of a service review of the Welfare Rights Service and how any future visiting officer role could best support financial inclusion activity in the context of future welfare rights provision.

It was considered prudent to pause the visiting officer work so that these proposals can be considered alongside the future shape of welfare rights services in Angus and the related delivery of financial inclusion support by the Council and the third sector. In the meantime visiting officer services continue to be provided under current arrangements. This pause in activity should be short term as the Welfare Rights Service review is due to be completed over the summer.

4.5 d) Collection of rent to be transferred from Housing to Revenues and Benefits to be integrated with Council Tax and Housing Benefits administration.
This is closely aligned with recommendation c) above and although a lot of the groundwork has been done this work has also been paused pending the conclusion of the Welfare Rights Service review and what this might mean for financial inclusion services.

4.6 e) CLD and libraries staff design and jointly deliver an IT skills training programme branded as the Angus Digital Skills Academy.
A pilot project funded by DWP (JobCentrePlus - JCP) for an Angus Digital Skills Academy (ADSA) ran successfully from October 2013 to April 2014 and has been extended to June 2014 on the basis of the funding available. The pilot project saw over 140 referrals from JCP go through the programme.

The ADSA programmes ran in Arbroath Library, the Montrose Road Centre in Forfar, the Damacre Centre in Brechin and more recently in Montrose Library. Each programme offers learners 24 hours of learning delivered in 2 x 3 hours sessions per week for 4 weeks. The programme operates on a ‘roll on – roll off’ basis to reflect that some learners progress more quickly, to minimise waiting times for learners and help ensure that all places are full all of the time.

Two national qualifications are available for learners to achieve; the British Computer Society’s On-line Basics and the Scottish Qualifications Authority’s Information and Communication Technology units at Levels 2 or 3. At the end of March 2014;

- 71 learners have achieved BCS On Line Basics
- 37 learners have achieved SQA ICT level 2
- 36 learners have achieved SQA ICT at level 3

The learners who accessed the ADSA programme during the pilot period were claiming Jobseekers Allowance or Employment and Support Allowance so does not include those on the Work Programme or claiming other benefits. There is therefore significant further unmet need in this area.

The Project Team evaluation of the pilot is that it was a success and that continuation of ADSA would benefit many more Angus residents enabling them to not only fulfil the needs and demands of the ‘digital by default agenda’ but also to contribute more broadly to a society which is increasingly moving towards digital access/provision of services. Continuation of the ADSA programme would compliment other support provision provided by the third sector in
Angus some of which is about providing basic IT skills as well as other support with managing benefit claims/finding work. The ADSA programme team continue to work closely with VAA to ensure resources are deployed effectively.

Officers submitted a bid to the Big Lottery Support & Connect Fund to support ongoing delivery of the Digital Skills Academy but this was unsuccessful due to Angus being successful with a bid to the same fund earlier in 2013 and only 1 bid per Council being supported.

A further bid to the Scottish Government Welfare Reform Resilience Fund (WRRF) (see para 4.15 below) was made which would have helped support some of the ADSA work but this Fund was significantly oversubscribed and the bid was not successful.

DWP (JCP) are not in a position to fund the Academy on an ongoing basis and no other external funding sources are available to support full continuation of the Academy beyond the pilot period. This is disappointing but there is an opportunity to make the Academy available to a wider group of Angus citizens (i.e. not just those engaging with JCP) who need to acquire the digital skills necessary in modern society and in particular to be able to maintain claims under Universal Credit which will use a digital by default approach.

Given the success of the pilot and the benefit to Angus citizens (and Angus Council as it moves towards more digital provision of services) from investing in digital skills locally it is recommended that the Angus Digital Skills Academy be continued for a further year using funds available from the Council’s Welfare Reform Fund.

To continue the Academy for a further year, with a target of up to 330 participants from across Angus, from July 2014 to 30 June 2015 would cost approximately £44,000 in tutor and accreditation costs. Some in-kind support in terms of accommodation, key workers and administration support would also be required but that can be managed within existing budgets.

If members were minded to support an extension of the ADSA programme for a further year this would be on the basis of:-

- development of a more overt volunteering strand that will extend capacity and enable more people to engage in digital learning. Early thinking around this agenda is identifying links to the wider Digital Angus agenda and recognising that there is a pool of expertise in communities that can be released to support digital literacies development in a number of new and innovative ways
- extending the referral network to include a wider group of people affected by welfare reform and digital demands
- finding workable strategies for delivering in rural communities where the broadband infrastructure is poor. There is significant potential to utilise the schools IT infrastructure if appropriate security management solutions can be delivered.
- adding additional and more tailored support for potential learners that experience disabilities. LEAD Scotland has been identified as a key partner in moving this agenda forward. LEAD are in discussion with two potential funding bodies
- improving management of the transition at the end of the ADSA programme in a way which differentiates between learners and their continuing support needs. Local DWP officers are preparing a funding bid to support this aspect of the work

The ADSA programme would also work alongside the Angus Digital Strategy and provide a source of support (alongside third sector provision) for citizens who may find it more difficult to do business with the Council through digital means.

If members are not minded to support further funding for the Academy some work could still be done but this would be very small scale and only able to be provided as resources / other staffing commitments allow.
4.7 **f) Libraries and CLD PCs to be upgraded so that they are fit for purpose for public internet access and IT skills training delivery.**

This recommendation has been implemented in full with new equipment made available throughout the Angus library network and in CLD facilities in Autumn 2013.

4.8 **g) Welfare Rights is renamed the financial inclusion team /service and leads the Council’s financial inclusion approach to Welfare Reform and beyond.**

The work in this area (and recommendations h, i and j below) got off to a slow start because of the impact of staff changes and gaps in the senior management structure in the initial period but a project team (including representation from the third sector and a number of other stakeholders) has now been working on this for a number of months with the main priority being the development of a financial inclusion strategy for Angus. The conclusion of this Strategy work and the Welfare Rights Service review will set the direction for future service provision which puts financial inclusion at the centre of all relevant services.

Officers did submit a bid to the Big Lottery Support & Connect Fund to support the proposed financial inclusion work but this was unsuccessful.

4.9 **h) A financial inclusion strategy is developed in partnership with the third sector and the CPP**

See update at g) above – this work is well advanced and is looking at provision of financial inclusion type services across Angus by all relevant partners.

4.10 **i) A financial inclusion network is established with representation from all key internal and external partners to ensure a robust and holistic response can be made to the challenges arising from welfare reform.**

See update at g) above.

4.11 **j) A tool kit of resources is developed to assist all front facing staff to increase their ownership and resolution of service users’ issues at an early stage.**

See update at g) above – this will follow on from finalisation of the financial inclusion strategy.

**Development of the Local Support Services Framework (LSSF)**

4.12 In recognition that the implementation of Universal Credit and its associated digital by default approach will require significant support locally which DWP will not be able to provide the DWP have been developing a Local Support Services Framework to establish what levels of support may be required and who could provide them. Local Government are expected to have a key role in this regard. Implementation of LSSF is however still some way off.

4.13 Discussions between COSLA and DWP have continued around the DWP trialling programme. DWP are now hosting a series of webinars which are designed to provide updates on the approach DWP will take to testing local support services later this year and further develop partnerships in preparation for scheduled national roll-out in 2016. Some feedback on how viable these timelines are should be available soon but at the moment the current timelines of national rollout in 2016/17 remain in place.

4.14 In light of this timescale it is intended that the local response in Angus to Welfare Reform be taken forward as outlined in this report but with an eye to the LSSF developments.

**Other Funding Bids**

4.15 The Council submitted a bid to the Scottish Government’s Welfare Reform Resilience Fund as an opportunity for Local Authorities to react to current aspects of welfare reform or prepare for the future. A bid of £58,000 was made against a national sum available of only £600,000 for 2014/15. The bid was aimed at:

- Enhancing the facilities within identified learning suites within the four key localities of Angus to provide an innovative network for training and learning
- Employing a training and learning co-ordinator to develop a matrix of activities to improving resilience through various medium including health improvement, digital inclusion, and employability
- Offering 2 Modern Apprenticeships to young people who will support the programme whilst gaining experience and accreditation to improve their own employability
- Recruiting volunteer mentors to support the programme and the individuals involved

4.16 Unfortunately the bid was not successful.
5. **PROPOSALS**

**Leadership of Response to Welfare Reform**

5.1 Although in Council service provision terms its main effects are in Housing, Social Care and Revenues & Benefits services members will appreciate that Welfare Reform touches many aspects of the Council’s services to citizens and covers a wide range of benefits including disability benefits where the financial losses to the Angus area will be significant. In response to this it has been decided to merge the Project Board set up to oversee implementation of the recommendations in Report 391/13 and a separate Welfare Reform Group which has been in operation for the last couple of years.

5.2 The new merged group (the Angus Welfare Reform Group - AWRG) will have representation from all key stakeholders including the Council, DWP and the Third Sector and will be chaired by the Head of Corporate Improvement & Finance. The AWRG’s main remit will be to ensure that the Council and other service providers are aware of and are responding to the challenges of Welfare Reform and related work to alleviate poverty and disadvantage in Angus communities. The AWRG will also oversee completion of the recommendations in Report 391/13.

5.3 In light of the above the Head of Corporate Improvement & Finance will also be the nominated lead senior officer for Welfare Reform on behalf of the Council.

**Use of the Council’s Welfare Reform Fund**

5.4 Report 272/14 “Discretionary Housing Payments” also on the agenda for this meeting of the Council advises members of unspent resources from funds allocated from the Scottish Government in financial year 2013/14 of £521,493. Report 654/13 agreed that any unspent monies for DHPs be earmarked within the Council’s General Fund balance for use as a “Welfare Reform Fund” so this Fund currently stands at £521,493.

5.5 Based on current projections for DHP funding and spending in 2014/15 it is likely that the Welfare Reform Fund would be topped up by a further £275,000 at the end of the current financial year. Thereafter the expectation is that the Council would receive no more in Scottish Government funding than it requires to alleviate the spare room subsidy/“bedroom tax” so it is unlikely that the Welfare Reform Fund would receive further contributions from this source beyond 2014/15. This being the case the Fund would need to be used carefully so as to potentially last a number of years.

5.6 Although the only immediate proposed call on the Fund is the extension of the Angus Digital Skills Academy there are a number of potential further investments which could be made which would fit with the Council’s response to Welfare Reform including enhancing on line provision and provision of mobile technology for visiting staff as well as wider financial inclusion and financial skills work with third sector organisations and schools. The new Angus Welfare Reform Group will be best placed to identify problems and solutions and if necessary the Welfare Reform Fund can be used as source of funding if no other options are available.

5.7 Delegated authority is sought for the Head of Corporate Improvement & Finance (in liaison with the Angus Welfare Reform Group) to operate the Welfare Reform Fund on the following basis:-

- Projects or initiatives with a total cost over their lifetime exceeding £100,000 would require prior approval by the Policy & Resources Committee
- Projects or initiatives will only be supported if they will reduce or eliminate the impact of Welfare Reform or otherwise alleviate poverty in disadvantaged Angus communities
- Projects or initiatives will be developed to be complimentary to the emerging DWP Local Support Services Framework (LSSF) expected to roll out nationally in 2016
- Expenditure will be limited to that of a one-off or time limited nature – any proposals which would add to the Council’s cost base on an ongoing basis would require prior approval by the Policy & Resources Committee
- Expenditure agreed under delegated powers will be reported at least annually to elected members (this would probably be via budget monitoring or Annual Accounts reports)
6. **FINANCIAL IMPLICATIONS**

6.1 There are no additional financial implications for the Council arising from this report. The proposed continuation of the Angus Digital Skills Academy until June 2015 would cost an estimated £44,000 but this can be met in full from the sums set aside in the Welfare Reform Fund. Other commitments against the Welfare Reform Fund would operate in accordance with the terms of the delegated authority outlined in Section 5 above.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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