
**Executive Member for Finance & Performance
Decision Session**

12th July 2021

Report of the Director of Customer & Communities

**Annual Report on Financial Inclusion and Welfare Benefits Activities
2020/21**

Summary

1. This report provides portfolio Executive Members with the Financial/Welfare Benefits 2020/21 outturn report including:
 - the ongoing impact of Coronavirus as well recent welfare benefits changes in York, including Universal Credit (UC), and importantly the support available for residents in dealing with these challenges;
 - an update on benefits statistics and performance as administered by the council including the York Financial Assistance Scheme (YFAS);
 - other financial inclusion (FI) activity during 2020/21 including delivery of FI grant schemes.

Recommendation

2. The Executive Members are asked to note the report and the progress made in supporting residents who are financially vulnerable.

Reason: to ensure councillors, residents and stakeholder groups are aware of the ongoing financial inclusion activity across the city and use of associated funding including covid-19 support, and to be updated on welfare benefits changes and their impacts.

Welfare Benefits Update

3. The council provides a broad range of welfare support to residents through the York Financial Assistance Scheme, Council Tax Support (CTS) and Discretionary Housing Payments (DHP). The breadth of this support was increased across 2020 to help residents during the Covid-19 pandemic and the additional schemes are picked up in the following paragraphs.

York Financial Assistance Scheme (YFAS)

4. The YFAS scheme was established in April 2013, following the transfer of responsibility (and initially funding) from central government. The former national scheme, delivered by the Department for Work and Pensions (DWP), was part of the Social Fund. YFAS is now fully funded and locally administered by the council and can assist residents to stay or move into the community or with emergencies.
5. In 2020/21, 1,707 YFAS applications were received. Full details of the spend and the trend in YFAS claims are set out in Annex C.
6. To assist with the financial impact on York residents arising from the Covid-19 pandemic in April 2020 emergency decisions were taken to allocate an additional £1m of support which is administered and managed through the YFAS scheme, within which the criteria was widened to include all residents finding themselves in financial hardship during the pandemic. Examples of spend against the fund for 2020/21 are shown in the Table 1 below including £75k allocated to support the work of the Community Hubs. The fund has also been used as follows:
 - to pay for the Free School Meals (FSM) vouchers of £15 per child during the October 2020 half term holiday at a cost of £50.5k. The subsequent holiday costs through to the May 21 half term have been met from the Government's Winter Support Grant (WSG) funding.
 - £78.8k has been used to supplement the £957k Council Tax Support (CTS) hardship grant funded by the government as outlined in paragraph 16 and in the table below.

Table 1 Hardship fund spending 2020/21

OVERALL SPEND - YFAS Covid-19 Emergency Fund

Area	Actual spend
Community hubs - pre pay cards	£ 10,255
Hub Support	£ 75,000
Community food parcels	£ 63,111
Mobile phones & internet	£ 11,000
Discretionary free school meals - Pupils confirmed	£ 50,505
Covid-19 Hardship Grant for CTS - Council Funding	£ 78,844
Winter Support Grant Charged to YFAS	£ 235,620
YFAS scheme	£ 304,526
Total	£ 828,861

7. As part of YFAS Community awards for items such as white goods, furniture and carpets are currently provided through a contract with the York Community Furniture Store. A tender process was undertaken in February 2020 to comply with both transparency and competition rules for provision of the service. The new contract commenced on 1 May 2020.

Winter Support Grant (WSG)

8. On 8 November 2020, the Government announced a package of extra targeted financial support for those in need over the winter period. The Covid Winter Support Grant (WSG) scheme saw new funding issued to councils to support those most in need across England with the cost of food, energy and water bills and other associated costs.
9. The DWP provided funding to the council to administer the scheme and provide direct assistance to vulnerable households and families with children particularly affected by the pandemic. This included some families who normally have access to FSM during term time. The initial funding allocation for York was £416,729. Criteria for the use of the funding meant 80% had to be spent on food and utilities and 80% on families with children.

10. In York approximately 50% of the WSG funding was used to fund FSM during Christmas, February and Easter holidays. The remaining funding was used for the WSG which went live from 7th December 2020 until 31st March 2021 initially.
11. The application process was made easy to access and use for those who are in financial difficulty. It was open to all York residents who require urgent financial assistance as a result of the pandemic and have savings of less than £2,000.
12. As well as supporting residents with food and utilities, support was also targeted to help with essential digital connections. The scheme has been publicised widely throughout the council, external networks and social media. Over 2,600 applications have been received the details are set out at Table 2 and 3 below:

Table 2

Total Spend	£ 546,876
Budget	£ 311,604
% spent	176%

Amount Charged to YFAS	£ 235,271
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No of applications received	2,636
No of refused applications	398
No of awarded applications	2,091

Table 3 - Type of awards made

Household	Food	Utilities	Other - Mobile phones/internet	Total	Total
Families	1,665	1,486	476	3,627	£ 488,549.49
Other	331	249	69	649	£ 58,327.03
Total	1,996	1,735	545	4,276	£ 546,876.52
Split**	98.5%		1.5%		

* split of household must be at least 80% in favour of Families

**split of expenditure must be at least 80% in favour of food and utilities

13. The Government provided further WSG funding for the period 31st March to 16th April 2021. They then introduced a Local Covid Support Grant (LCSG) through to 20th June 2021. The council received £98k of funding for this scheme £50k was top sliced for free school meal vouchers during the May half term 2021. A further £100k of Public Health funding was used to augment the Government's LCSG providing a total budget of £148K through to June 2021.

Isolation Grants

14. The Government have provided funding (£500 per claimant) across the pandemic to support those on low income who would lose pay through self-isolating. The most recent position of the grants is set out in the table below:

Table 4 – Isolation Grants

ISOLATION PAYMENTS -Summary Totals 02/07/2021

Scheme	Budget	Spend	% spent	No of payments left
Standard Scheme	£ 229,500	£ 189,500	83%	80
Discretionary	£ 173,500	£ 150,500	87%	46
	£ 403,000	£ 340,000	84%	126

Council Tax

15. Covid has had a significant impact on Council Tax Support (CTS) claims and on collection and recovery.
16. CTS awards amongst working age residents increased by 949 from March to September 2020, though has reduced by 119 from September 2020 to March 2021 as shown in the table below.

Table 5 – CTS Caseload

Council Tax Support caseload	Working age	Pensioners
March 2020	4,682	4,034
September 2020	5,535	3,997
March 2021	5,512	3,887

17. The Government provided a Hardship Fund as part of its Covid support to provide existing and new claimants of CTS with up to £150 towards their bill during 2020/21. This Government funding of £957k was exhausted at the end of October 2020 and the council agreed to fund the scheme for the rest of the financial year to 31st March 2021. This has cost £78,844. Overall support has assisted over 13,078 residents with their council tax during 2020/21.
18. All council tax recovery action ceased in April 2020 and was not resumed until 14th October 2020 when 8,000 Council Tax reminders were posted; these included an insert signposting people to check if they are entitled to any benefits and letting people know where to go for advice and support if they were having difficulty paying. In addition residents were advised they could spread any arrears across their remaining monthly payments.
19. In November 2020 3,000 summons were issued for court in December and following the court hearing 2,241 liability orders have been issued.
20. Around 500 further reminders were issued in February 2021. The council is continuing to review work across customer services, revenues and benefits teams to ensure best practice around CTS and Council Tax recovery; and working with networks within the council and external advice providers to explore how we can best identify and support people who can't pay.
21. In addition tools and training have been provided to Customer Service staff to improve signposting to Council Tax discounts, Council Tax Support and to other support services for those who are in financial difficulties.

Discretionary Housing Payments (DHP)

22. The council received £298k in Government funding for DHPs for 2020/21 in order to help with housing costs and has additional CYC budget of £27k in reserve. Some 436 DHP's were awarded, totalling £298,252. All the government allocation was spent plus an additional amount of CYC funding. Total funding and expenditure and funding is shown in the table below.

Table 6 - Discretionary Housing Payment

	2019/20		2020/21	
Total DHP Fund available	£237,097	100%	£324,923	100%
Amount spent	£211,835	89%	£298,252	92%
Amount remaining	£25,262	11%	£26,671	8%

Universal Credit (UC)

23. The impact of the pandemic on jobs and those in work but on Universal Credit is clear as shown in the table below. With the numbers increasing by 57% from March to April 2020 and numbers almost doubling by the end of September 2020. Further details are available at Annex A.

Table 7 Number of claimants York Jobcentre Plus area

	2019	2020	2021
March	1,699	13,987	13,187
Difference		12,288	-800

(This information is collated from the DWP official published data at <https://stat-xplore.dwp.gov.uk>.)

24. The Citizens Advice 'Help to Claim' service supports clients through the early stages of a UC claim, checking eligibility, offering assistance, completing the application, and support with that application through to the first correct full payment. This is a free, independent, confidential and impartial service provided by trained advisers from Citizens Advice. Clients can access the service through face to face appointments, a national Freephone helpline, or webchat through the Citizens Advice website – see below.

Table 8 Citizens Advice York - Help to Claim Statistical Information

2020 - 2021		Total	Telephone	Web Chat	Email
Q1	April	42	31	11	0
	May	50	46	4	0
	June	58	57	0	1
Q2	July	42	40	2	0
	Aug	39	34	3	2
	Sept	49	46	3	0
Q3	Oct	29	8	0	37
	Nov	47	3	1	51
	Dec	29	1	0	30
Q4	Jan	52	0	2	54
	Feb	39	2	3	44
	Mar	37	3	3	43
Total		487	40	12	539

Work of Welfare Benefits Officers

25. The Income Services Team through its Benefits and Contributions Advisers officers have supported 1,560 residents providing advice and support which has generated welfare benefit gains £3,145,553 in 2020/21.

Digital Inclusion

26. The pandemic has continued to highlight the importance of digital inclusion and the inequalities face by those without digital access. For those residents without IT equipment and/or internet access the following is now more difficult:
- making new or managing benefits claims for vital support
 - accessing online discounts for essential household costs, fuel, insurance, phones, for example
 - shopping online to avoid contact and adhere to social distancing
 - connecting with family and friends
 - accessing education, training and employment
 - accessing other help and support from organisations who have moved services online

- children are unable to do undertake school work and other learning.

27. Working with the Digital City team in ICT the council agreed a package of support for mobile phones and personal Wi-Fi hotspots with 3 months call/data, through an existing relationship with a local provider. This was funded through the YFAS hardship fund as shown in table 1, paragraph 6 above. This support is available to those who:

- do not have a landline or mobile phone or access to the internet in their home
- have health conditions or other additional factors which mean they are unable to access the support they need at this time without access to the internet.

28. This scheme has provided 55 mobile phone with 3 months inclusive data and 25 wi-fi hot spots with 3 months unlimited data.

29. During evaluation of the scheme people receiving assistance with a smartphone/dongle have told us:

“The phone has improved my life and made me a lot happier. Without it I would have been miserable and not able to contact anyone. It has also enabled me to bid for new property on Home choice.”

“I have been able to shop online, as well as contacting friends daily.”

“It was extremely helpful for me to not be isolated both family who also had to shield and my support network on social media. Thank you.”

“The smartphone offers me a lot more independence now. The search for possible places for a voluntary or courses offered by York Learning is now possible without having to ask the keyworkers to log me in at one of the pcs in the hostel with the contract's included 5 GB. Most helpful are the free phone calls and SMS within the UK included in the contract as well. As it has all the important features of a smartphone I can also write my CV to prepare me to seek for a job. Also processes that require a mobile number like signing up for a bank account or the Universal Credit are now possible. I appreciate very much having received it and I'm using it a lot, thank you very much!”

30. The recently launched York IT Reuse Scheme was developed as a result of the joint work of organisations and services in the city working across a wide spectrum of areas, all identifying a lack of digital access as a barrier to people with complex needs during the pandemic. The scheme has provided 54 reused computer devices to residents to get them online.
31. The scheme is funded by the Multiple Complex Needs network's Build Back Better Fund (BBBF) run by the Two Ridings Community Foundation. The scheme is operated through the York Community Furniture Store (CFS) which will use funding of £29k for a part time development and coordinator post for 12 months.
32. To further help deliver the scheme CFS have recruited a team of volunteers to:
 - i. *Collect and receive:* Develop facilities and a campaign to collect IT equipment, particularly laptops and tablets donated by local people and through partnerships with businesses, schools, universities and other organisations.
 - ii. *Refurbishment:* Inspect and classify all donations before preparing them for reuse. All data will be eradicated before operating systems and core apps are reinstalled. Devices will be setup to meet the needs of particular user groups. This process will provide volunteering opportunities for people to learn new skills.
 - iii. *Reuse:* Refurbished devices distributed to deliver social benefit. Partners in the scheme will work collaboratively to identify those who would most benefit from the scheme.
33. In addition work has been undertaken with Changing Lives to develop their successful bid to BBBF to provide an additional digital inclusion worker who will work with advice and support agencies across York to develop and manage an application process along with CFS for the scheme. In addition it will link to support and training to use the equipment.
34. Digital accessibility to services, support and supplies has become a critical aspect of financial inclusion work during the pandemic and will heavily feature in Financial Inclusion strategy work going forward. Annex

B sets out in detail the support provided.

35. The work of Explore York (library and archives service) in leading Digital Inclusion (DI) in partnership with the council, following a previous Executive decision to fund a workshop led by Citizens Online, will be key in taking this work forward. The initial outputs from that work includes developing the network of key partners and supporting Digital Champions that are already operating in communities and organisations across the city. A joint action plan will be developed to help identify and tackle areas of digital and social exclusion.

Housing Update

36. In April 2020 arrears were £975,943. From the start of the pandemic April to September 2020 council tenant rent arrears increased by 36.63%. Currently rent arrears stand at £1,188,356 at the end of May 2021. Housing Services currently have 2174 people in receipt of UC. The balance of the debts at the commencement of their UC claim is £447274.58 and is currently now £580147.19. Therefore average arrears is £266.86 as opposed to £205.74 when they made their initial claims.
37. Housing officers have supported tenants and their families/communities through some very difficult times in the past year and are helping tenants to claim Discretionary Housing Payments, YFAS payments for white goods/food and food bank assistance, whilst trying to find alternative accommodation to help with their financial distress and encouraging payment by Direct Debit. During the pandemic the council established an £80k Financial Hardship Fund for council housing tenants. The hardship fund has supported a small number of tenants, is still available for applications and the scheme is continuously promoted with tenants and through partners.
38. In terms of enforcement activity low level, light touch letters have been used over the pandemic period and now the restrictions on enforcement of arrears have been lifted the enforcement approach will only be used in appropriate cases where all advice, support and payment arrangements have been tried and failed and where there are no exceptional circumstances. In accordance with new Breathing Space regulations (see paragraph 51-55 below) the council have received 4

applications with rent arrears and these are dealt with accordingly with suspension of any action on those arrears.

39. The complete range of financial support and help available to all residents including private tenants has been made available to private landlords and is published on the council's website. Those landlords in contact with the council were written to during the initial lockdown with useful information to help them support their tenants to maintain tenancies through rent payment help and mortgage holidays. A reminder about the support available to Landlords and Tenants was given to the York Residential Landlord Association on the 12th January 2021 and more recently a letter has been circulated to landlords asking them not to insist that tenants move in or out of homes where they have covid related issues including the need to self isolate. There has been no evident increase in people being made homeless in the private rented sector as yet but this is being monitored.

Other activities funded by Financial Inclusion budgets.

40. This section of the report covers other activities funded by the council that have supported financial inclusion during 2020/21 as well as activity in place for the current year.
41. The Financial Inclusion Steering Group (FISG) is responsible for overseeing the delivery of financial inclusion work and also has strategic oversight of the council's DHP, YFAS and CTS schemes. Membership continues to expand and now includes the York Food Justice Alliance joining the Welfare Benefits Unit, Joseph Rowntree Foundation, York CVS, Explore York, Citizens Advice York, Community First Credit Union and a number of CYC directorate representatives. There is a standing invitation to a representative of the Parish Councils. The Executive Members for Housing & Safer Neighbourhoods, for Finance & Performance and for Adult Social Care & Health are members of the group.
42. The group's purpose is:
- 'To ensure that local people have the knowledge of and access to appropriate services, allowing them to make more informed choices to achieve and maintain financial stability'.*

43. The group regularly monitors grants awarded to local organisations to deliver projects that meet the group’s objectives. It has an agreed base budget of £100k per financial year for approved grant schemes.

Outcomes of projects funded in 2020/21

44. Six projects were funded for 2020/21. Despite the challenges and constraints of Covid all providers were able to continue to deliver high levels of support to residents by developing alternative methods of working. All partners responded swiftly and positively to the challenges of Covid-19 working collaboratively and innovatively to continue to support vulnerable residents in the city. The table below is a high level summary of what the projects hoped to achieve along with some of the key outcomes.

Table 9: Outcomes for projects funded for 2020/21

Organisation / Project Title/Funding amnt	Aim/Key Outcomes to 31/3/21
<p><i>Older Citizens Advocacy York (OCA Y)</i></p> <p><i>‘Benefits advocacy’</i></p> <p>£5,500</p>	<p>Aim - Deliver comprehensive advocacy (emotional/ practical) support to residents aged 50+ to ensure they receive proper entitlement to benefits and prevent falling into poverty. Help to manage the difficulties experienced by making claims, which can aggravate existing health difficulties e.g. assist with form filling and supporting at appointments.</p> <p>Covid response - provided a telephone service and found innovative ways of completing paper-based forms with client. Used socially distanced ‘garden’ visits and worked over the phone with the ‘sample’ PIP form and then transferring information to the actual form.</p> <p>Outcomes:</p> <ul style="list-style-type: none"> ○ Provided support to 71 residents across a range of benefit issues with a high level of resident satisfaction.
<p><i>Changing Lives</i></p> <p><i>‘Financial Inclusion and pre-employment worker’</i></p> <p>£15,150</p>	<p>Aim: Continue/enhance financial inclusion offer, supporting more vulnerable/ ‘hard to reach’ residents to achieve and maintain financial independence. Deliver a mix of 1-2-1 brief interventions, longer term support to enable access to financial products and services and increase understanding of the benefits system, and group work to facilitate increased social inclusion. Continue to engage with those experiencing at risk of homelessness accessing Changing Lives’ and ‘Community Links’ services.</p> <p>Covid response -lockdown significantly limited project activity, severely limited education, employment & training opportunities as well as restricting direct contact with clients.</p>

	<p>Outcomes:</p> <ul style="list-style-type: none"> ○ 39 new referrals, current caseload 14 ○ Support issues dominated by Covid 19/maintaining health & well-being during lockdown ○ 10 new bank accounts opened, 8 ID established ○ 11 referrals onto employment training, 17 advised on impact on benefits from p/t employment / maximising benefit ○ 2 CVs done, 3 found employment ○ 18 started education course (17 at Askham Bryan) ○ 26 clients supported accessing personal and social activities to reduce social isolation and facilitate relationship development with project staff, in particular through the 'Bike Project'.
<p><i>Peasholme Charity</i> '<i>My Money, My Life</i>' £23,426</p>	<p>Aim: Support the continued delivery of its financial capability pathway service offering a range of activities aiming to support individuals from a point of crisis through to a long-term change process to a place of financial stability. The charity defines 'crisis' as lacking security, shelter or the ability to sustain oneself.</p> <p>Covid response - continued to provide support activities for those already engaged with the service working flexibly to meet the challenges. Community based drop-in activities were cancelled (venues closed); the Financial Capability Coach (FCC) remained in contact with providers offering phone meetings and online sessions where technology allowed.</p> <p>Outcomes: Supported 226 people – with 81 from the last financial year – including referral from the Food Bank.</p> <p>Supported 44 people/families to manage the financial impact of the pandemic. Many others reported an increase in stress and anxiety, and a decrease in their mental health resulting from the lockdown.</p>
<p><i>Citizens Advice York</i> '<i>GP Surgeries Advice Service</i>' £12,221</p>	<p>Aim: The project delivers advice to clients and continues to develop co-ordinated advice services delivered within GP surgeries in York. Clients will be referred by GPs in the practises or via the CVS-run 'Ways to Wellbeing' project.</p> <p>Covid response - All face-to-face services have switched to a remote / telephone advice format. New processes were put in place by both CAY and the GP surgeries allowing clients to access the service remotely (mostly via telephone).</p> <p>Outcomes:</p> <ul style="list-style-type: none"> ▪ 87 clients saw income gains of £206,943 ▪ 162 people received advice

<p><i>Citizens Advice York</i></p> <p><i>'Advice, Information & Budgeting in community settings'</i></p> <p>£28,360</p>	<p>Aim: Continue with existing five community settings to provide AIB to residents, building on the existing well-received project. Enhance resident's financial capability through support with IT, signposting, finding useful information etc.</p> <p>Covid response - adapted ways of working, pooled some resources of wider outreach team using technology to make accessing advice as quick, efficient and convenient for the client as possible.</p> <p>Outcomes:</p> <ul style="list-style-type: none"> ○ 375 clients given advice (detailed advice given to 147 clients (others signposted) ○ 409 email/telephone enquiries ○ 1,131 issues dealt with ○ £370k income gains for 157 residents
<p><i>Welfare Benefits Unit</i></p> <p><i>'Universal Credit Focus'</i></p> <p>£12,898</p>	<p>Aim: continue to deliver enhanced outcomes for York residents, building on existing successful project and developed in response to adviser need and the shifting UC picture. By offering pro-active follow-up, in-depth support and targeted training the project will provide support to advisers and other workers at a time of high complexity and change in the benefits system.</p> <p>Covid response - adapted to remote working and different service delivery model. Remote training delivered. Good case studies supplied. Positive feedback.</p> <p>Outcomes:</p> <ul style="list-style-type: none"> ○ 118 UC queries handled ○ 4 briefing sessions for advisers delivered ○ Regular email briefings ○ 19 instances of detailed case support provided

45. Around 960 residents were directly supported by these projects. Specific outcomes include 244 residents who saw £577k increased income (annualised) gain. Over 2,600 unique benefit issues were handled with a noticeable increase from those who found themselves reliant on welfare benefits as a result of the economic impacts of Covid-19 particularly those having to claim UC for the first time. In addition, as a direct result of some of the project interventions 3 people found employment and 29 took up training or employment opportunities. The nature and focus of involvement with individual residents varies from project to project (some require high intensity prolonged one to one support) and is reflected in

the outcomes noted. Straight comparisons between them therefore is not appropriate.

Funding of projects for 2021/22

46. The bidding round for funding projects during 2021/22 (completed in March 2021) saw nine bids from eight organisations for grants totalling £144,270, exceeding the £120,360 available. Four of the bids sought to build on projects already funded in 2020/21. Grants totalling £113,276 to fund seven projects for 2021/22 were approved as shown below. All projects will last for twelve months.

Table 10 - Financial Inclusion projects funded for 2021/22

Organisation	Project title	Brief Summary	Grant Amount
Older Citizens Advocacy York (OCAAY)	Benefits Advocacy	To provide advocacy support to help with applications, assessments and appeals	£5,818
Citizens' Advice York	Financial Inclusion at GP surgeries	Continue to develop co-ordinated advice work located in GP practices.	£13,229
Citizens' Advice York	Financial Inclusion in the Traveller Community	Working with the Travellers Trust to deliver and co-ordinate advice services to the Gypsy & Traveller community.	£5,385
Peasholme Charity	My Money, My Life	Continue delivery if its financial capability pathway service	£25,057
Welfare Benefits Unit	Advice Extra	Extend reach of services to underpin first tier advisors in responding to more complex cases.	£13,900
Experience Counts	50+ Project	Deliver four employment related programmes to residents aged 50+	£19,262
Changing Lives	Financial & Social Inclusion Worker	Support vulnerable and hard to reach residents to gain financial independence.	£30,625

Community Hubs

47. In October 2020 a report entitled *Community Hubs – Post Covid Recovery* was considered by the Executive Member for Culture, Leisure and Communities to assess how CYC could best support York's recovery from the impact of the pandemic. A key strand of this focused on signposting a clear transition from an emergency response to a longer term community approach. Whilst residents who have Covid-19 or are self-isolating will still need emergency support, the council wanted to highlight to residents that they were looking at longer term solutions - both for those directly affected by the virus and for those affected by the longer term impacts individually and within the community.
48. This model emphasises a person centred approach and supports applicants through crisis and helps build resilience to prevent future crises. The aspiration of this approach is to stop the cycle of crisis and response.
49. The approach and its ambitions dovetail into work currently taking place in Adult and Children's Social Care and Housing, as well as the voluntary sector, which seeks to emphasise preventative, asset based approaches to alleviate crises and reduce demand on high cost services. This alternative support model will achieve this through working more flexibly to support individuals and communities. This will mean less emphasis on the approach which looks to stabilise crisis, moving the focus to supporting applicants to identify ways to prevent crisis re-occurring and build resilient support networks.

Resident Experience

50. The council is looking to use contact by residents for support arising from Covid-19, arrears of council tax and rent as trigger points for an initial indication of longer term challenges and intervention. The council is looking to use an integrated assessment allowing applicants to tell their story once and then be considered for support e.g. to pay rent, Council Tax or receive support to meet other needs. Using this approach should provide a much improved resident journey from first point of contact, improving the relationship between the Council and communities.

Those whose crisis requires immediate attention would potentially be provided with emergency support from YFAS, Community Hubs or other crisis services.

Breathing Space

51. The Debt Respite Scheme, or Breathing Space aims to help relieve some of the pressure of dealing with creditors, so people can focus on getting debt advice and setting up their debt solution without worrying about being chased for payment or incurring extra charges. It's a free scheme, launched by the Government on 4 May 2021.
52. If people pass the eligibility checks, their creditors won't be able to add interest or fees to their debts, or take enforcement action, for 60 days. They will still need to keep making their regular payments if they can afford to.
53. Breathing Space is not a payment holiday, so they'll have to continue paying their debts during this time, but it does prevent action from being taken against them if they're unable to pay.
54. To apply for Breathing Space people need to get advice from a registered debt adviser. who will guide them through the eligibility checks. If they're eligible for Breathing Space, the adviser will submit the application on their behalf. This should give them time to get debt advice and set up a solution to deal with their debts. Local debt advice providers are
 - Citizens Advice York
 - CAP (Christians Against Poverty)
 - Step Change
55. Policies and processes have been agreed across the council to action Breathing Space notifications from the Insolvency Service and the Corporate Debt Policy has been updated.

Council Plan

56. The outcomes in this report contribute to the key Council Plan priority focussed on delivering 'Well-paid jobs and inclusive economy' and the related focus on financial inclusion. The associated Financial Inclusion Policy review will be progressed in 2021 as current activity continues to be prioritised around the impacts of the Covid-19 crisis in terms of meeting immediate needs and planning for recovery impacts.

Implications

57.

(a) **Financial** – The direct financial implications relate to the funding of both FISG bids and the YFAS scheme which are funded within approved budget allocations/reserves.

(b) **Human Resources (HR)** - There are no implications

(c) **Equalities** – There are no direct implications

(d) **Legal** – There are no implications

(e) **Crime and Disorder** - There are no implications

(f) **Information Technology (IT)** - There are no implications

(g) **Property** - There are no implications

Risk Management

58. The key risks are in relation to YFAS, DHP, and other available hardship funds and include:

- The covid-19 pandemic is still ongoing and which there is still available government and council funded support for residents, forward planning of ongoing support through future budget processes will be key as the expected impacts will exist into the long term.
- Managing the budget to ensure that customers get the same service and support irrespective of when they apply in the financial year.
- The pandemic has impacted on the funding of the council and of our partners in the voluntary and charity sector, so service resilience across all partners needs to be a key consideration for decision makers in the short and medium term to secure ongoing service delivery.
- Any failure to provide an appropriate service will have a negative impact on the wellbeing of vulnerable people.
- There remains anecdotal evidence from third sector organisations and the growing HRA debt that indicates there could be a growing challenge around managing the impacts of UC.

59. These risks are managed through constant monitoring and review. The actual figures for UC, YFAS, DHP and rent arrears are reported to each FISG meeting to allow early intervention.

Contact Details

Chief Officer Responsible for the report:

Author:

David Walker
Head of Customer &
Exchequer Services
Tel: 01904 552261

Pauline Stuchfield Director of Customer &
Communities
Tel No.01904 551706

John Madden
Strategic Manager
Corporate Strategy &
City Partnerships
Tel No.01904 551132

Susan Wood
Welfare Benefits &
Strategic Partnership
Manager
Tel No.01904 553564

Report Approved

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Specialist Implications Officer(s) *None*

Wards Affected: *List wards or tick box to indicate all*

✓ All

Annexes:

Annex A	Universal Credit Statistics York 2020/21
Annex B	IT Support Scheme Report – March 2021
Annex C	Discretionary Financial Support Summary Report April 2021

Background Papers:

Approval of 2020/21 FISG Grant Awards:

[Agenda for Decision Session - Executive Member for Finance and Performance on Monday, 16 March 2020, 2.00 pm \(york.gov.uk\)](#)

Approval of 2020/21 FISG Grant Awards:

<http://modgov.york.gov.uk/documents/s148011/Financial%20Inclusion%20Grant%20Scheme%20Awards%20Report.pdf>

List of Abbreviations

ADS	Assisted Digital Support
AY	Advice York
BBBF	Build Back Better Fund
CAY	York Citizen's Advice York
CFS	Community Furniture Store
CMT	Council Management Team
CTS	Council Tax Support
CVS	Council for Voluntary Services
CYC	City of York Council
DD	Direct Debits
DI	Digital Inclusion
DHP	Discretionary Housing Payment
DWP	Department for Work and Pensions
FI	Financial Inclusion
FISG	Financial Inclusion Steering Group
FSM	Free School Meals
HB	Housing Benefit
IT	Information Technology
k	Thousand
LCSG	Local Covid Support Grant
LHA	Local Housing Allowance

MH	Mental Health
PBS	Personal Budgeting Advices
UC	Universal Credit
WGS	Winter Grant Scheme
YFAS	York Financial Assistance Scheme