

Written evidence submitted by Conwy County Borough Council (BSW0004)

This response is a collaborative document, collating the views of Conwy County Borough Council's Revenues & Benefits, Social Care and Education Departments in addition to feedback from our Welfare Reform Group's local Landlord representative.

1 What are the key challenges for the benefits system in Wales and how do they differ from other nations and regions?

• Temporary Benefit Changes/Uplifts

- Furlough. The implications of the end of the furlough scheme, which has helped provide a steady income for many, will not be known for a few months, and could be significant.
- Universal Credit. A key challenge will be when the additional £20.00 payment for Universal Credit claimants ceases. This uplift has made a real, noticeable difference to low income households. We recognise that this challenge is experienced across England and Wales and a recent [Joseph Rowntree Foundation report](#) has estimated that removing the uplift would result in millions of people's income falling well below what they need.

• Rurality

- Delivery methods for rural areas with limited public transport is a challenge in Wales. A claimant in an inner city area of the UK, might be able to walk to the benefits office without the stress of having to find a bus fare.
- The geography of Conwy County can be a problem. The rurality of some of the areas can make it difficult for claimants to attend face to face appointments at Job Centres. For example in Conwy County the only Job Centres available for interviews are at Colwyn Bay and Llandudno. This could mean for a benefit claimant a journey of 15 miles by public transport from a rural area. The claimant may not have any money to travel.
- More online benefit appointments, including use of virtual meeting tools such as Zoom and Teams are a step in the right direction, but are limited in Wales due to Digital Access and connectivity issues.

• Digital Infrastructure, Access and Connectivity

- The system appears to actively build in digital exclusion for some claimants – if you aren't easily able to access community computers or undertake search or application at local DWP sites then access can be particularly difficult.
- Not all areas have strong broadband/mobile signal.
- Not all (potential) customers of the DWP have smart phones. Universal Credit relies heavily on digital methods of contact.
- Not all families have the finance to pay for Internet/Wi-Fi services or a smart phone or laptop.
- Many libraries, which are sometimes the only place that offers free Wi-Fi and computer use, are closing down due to funding pressures, or operating on very limited opening hours.

• Population changes

- The under 25s Disability Services has noted an increase in families moving to North Wales in response to the pandemic. There *may* therefore be an increase in benefit claims in Wales due to the need to access benefit claims for children with disabilities. Welsh Government will need to be aware of this and prepare their budgets accordingly. [As well as to note that other services are likely to be impacted].
 - The Welsh coastal regions are often popular with retirees. Having an older population can add significant pressures to local authorities for a variety of reason, such as benefit provision, residential and domiciliary care and housing.
- **Language**
 - The Department for Work and Pensions need to address providing a fully bi-lingual service in Wales. The DWP literature is not always easily available in Welsh – information on the government website can be hard to navigate as all Welsh language information appears bunched together. If telephoning the DWP client’s report waiting to receive a call back from a Welsh speaker.
- **Housing**
 - Housing Benefit/Universal Credit Housing Costs is insufficient to meet the costs of local housing, especially in popular tourist areas and areas of high Second Home ownership, where empty properties are not entering the private rented market because they are being used as holiday or short term lets.
 - This general shortage of available properties creates a supply crisis, which ultimately increases rental costs far above Local Housing Allowance rates.

2 Pre pandemic how effectively did the UK benefits system tackle poverty and socio-economic inequalities in Wales as compared to England and Wales?

- **Food poverty**
 - The increased use of foodbanks across the UK suggests that these issues were not well addressed.
 - There has been a clear increase in the number of food banks in Conwy and the number of uses, with many families becoming regular users.
 - The introduction of Universal Credit and delays in payments have contributed to this increased demand.
- **Generational Inequity**
 - The current benefit system in Wales and England favours benefit claimants over pension age. A couples allowance on Universal Credit is £149.14 a week and a couple on Pension Credit receive £270.30 a week. This can cause working age families to fall into debt more easily.
 - The introduction of the Mixed Age Couple regulations also added to this inequality.
 - The UK benefits system does little to tackle poverty in Wales. There is no additional amount for claimants in Wales who might face long term unemployment because of disability or lack of employment opportunities and it might be useful if there were.
- **Rurality**

- People in rural areas on low incomes often have no choice of where to shop, which leads them to relying on the more expensive, local convenience stores.
- People on low income in Wales would benefit from a free bus pass. This might provide some equity and reduce socio-economic inequality.

- **Additional pressures for families**

- Families are still living in poverty. Many working families are barely managing due to low income jobs or low/zero hour contracts.
- The waiting time for the first payment of Universal Credit of 5 weeks, can force people into a debt situation and reliance on foodbanks. The Advance system is not fit for purpose as it has to be paid back and causes more hardship for people. This is a problem in England as well as the regulations are set by the DWP.
- Living costs are rising far quicker than benefit rates. Forecasted inflation for this year further adds to these pressures.
- The economy in Wales is service led, with leisure and hospitality being prominent sectors. These jobs tend to be low pay and seasonal.
- A lack of secure, long term employment contributes significantly to poverty.

3 How has the Covid 19 pandemic changed the type and amount of support needed by the people in Wales?

- **Provision of Free School Meals**

- Free school meals being offered to the children of people on Furlough has widened access to the scheme and has helped with family budgets.
- The giving of money for school meals direct into a bank account helped to reduce the number of food parcels being requested by families and enabled families to provide food for more meals within the family home.
- The furlough scheme has been extremely effective in Wales and has benefited the people of Wales.
- Our Education Department report that the Universal Credit roll out is causing disruption to the Free School Meal benefit. This is mainly due to parents, some possibly accessing assistance for the first time, assuming that there is no need, (or being unaware of the need) to claim FSM separately when in receipt of UC, despite our best efforts. There is also the 5 week wait for the award.
- The main noteworthy aspect of the Free School Meal benefit is that the child receives the benefit of a nutritious meal whilst at school.
- During the Covid-19 pandemic when learners have been unable to attend school the benefit has been provided to the parents/carers of the learners as a direct payment. This has been a great benefit to parents/carers but has placed greater administrative pressures on Benefit and Education teams.

- **Debt avoidance and debt management**

- Covid 19 has meant many families in Wales have had their income reduced due to furlough or unemployment. There is the need to provide people with information on the prevention of getting into debt and budgeting as well as debt management.

- **Loneliness and Isolation**

- Older people in Wales who went to day centres for support and socialising now need more support from Social Care to prevent loneliness, isolation and problems with mental health. To access appropriate resources will require access to affordable transport.
- **Mental health**
 - Mental health teams in Conwy are expecting an influx of clients with mental health problems caused by the pandemic. For example low grade depression and anxiety. These cases will need support and counselling services.
- **Style of support provided**
 - Social work teams provide a blended approach to support. More telephone support to clients rather than the traditional face to face support. Clients can make contact when required and do not need an office appointment.
 - People are expecting information and support available to them online and expect support staff to have varied knowledge of many different electronic devices, software systems and technical queries.
 - People are accessing social media and helplines for debt and other problems.
 - Quick, short term support has been key, especially with the Self Isolation Payments, which have been a great help to claimants, but have also added to the workload of local authority benefit administration teams.

4 How effectively has the benefits system responded to the needs and what else should the UK government do to deliver the right support in Wales?

- The furlough scheme was effective in Wales and beneficial to the people of Wales.
- The support for the self-employed was very rigid and people in new businesses missed out on grants and payment. The grant was not delivered until June 2020 and maybe could have been delivered earlier to assist the day to day living of the self-employed in Wales. Social care were aware of many food parcels needing to be issued to support families and individuals during this difficult period.
- The Department for Work and Pensions (DWP) adapted to the needs of the people in the pandemic by offering an increased telephone service for those wishing to claim Universal Credit. A lot of staff from the local offices in Llandudno and Colwyn Bay were deployed onto the phone lines to help at the time. The DWP also amended the rules on identification appointments at the office for UC so that more people could claim.
- The £20.00 uplift on Universal Credit was good for people; it should be continued
- In Wales the DWP ensured that there was not an interruption in assessing the claims for Personal Independence Payment (PIP) and Disability Living Allowance. Telephone assessment were done rather than face to face appointments for medical assessments. The time for the awards to be assessed could be improved. It is taking 16-20 weeks for a claim to be assessed and awarded. The DWP should give consideration to making longer awards for PIP, so that people are not having to make repeated applications.
- The DWP extended the time of the awards by 8 months for those on PIP, so there was not an urgent need to return forms for assessment.
- Universal Credit operated a Trust and Protect scheme, and DWP allowed for a relaxation in the evidence gathering requirements for other benefit claims, which was a help from an administrative perspective and for the customer. The long term effects of this are not known, as DWP/UC have not reviewed these cases yet. If the customer does not provide the information, and overpayment will be raised, further adding to debt issues.

- The Discretionary Assistance Fund in Wales (DAF) extended the number of awards a client could have from 3 in a year to 5, again, very helpful for those eligible.
- Our private landlord representative reports that the benefits system has worked very well during the pandemic with both housing benefit and UC. Tenants on benefits have continued to pay the rent due. Those that work part time have struggled a little more due to continual changes in their pay/benefits, but overall arrears are similar to before the pandemic.
- Those on furlough may certainly have struggled to pay the rent where this was above Local Housing Allowance.
- The loan scheme offered by the Welsh Government has not been a success, possibly because people just don't want to be taking out another loan.

5 What reforms are needed to the benefits system and should there be further devolution of powers?

Administration

- Reduce administration burden. Universal Credit increases CTR administration costs due to more frequent reassessments of awards caused by the monthly reassessments of Universal Credit. Households can receive up to 12 revised council tax bills every year.
- Consistency across all Local Authorities and clear guidance from Welsh Government would be helpful. The CTR Scheme in Wales has not been changed to accommodate a UC application as a CTR claim (where appropriate) but nevertheless WG say verbally Authorities are able to do it – so not everyone is doing the same. This causes confusion and delays for claimants in some counties and adds to staff pressures.
- Greater flexibility in the current Council Tax Reduction Scheme to respond to sudden changes (like Covid) and changes to linked benefits introduced at Central Government level.
- CTR Scheme changes need to be more fluid. We often find that Central Government changes in legislation are not even considered in the Welsh CTR Scheme until up to a year later, which can create complex differences for those claiming Housing Benefit and Council Tax Reduction. This is especially relevant for Pensioners and can sometimes lead to people just not claiming what they are entitled to.
- Also if LA's do use the UC claim as CTR claim then a need to send out further claim for Education Benefits is required for information which was previously gathered on the CTR Form. Allowing one claim and instance of gathering evidence to be used for linked benefits would increase take-up, maximise income for claimants and reduce administration demands.

Free School Meals

- The Free School Meal benefit must be retained and efforts should be made to make Free School Meals universal to provide all children with the same nutrition whilst at school for them to maximise their intellectual and physical development.

Funding

- Welsh Government have provided additional funds to Local Authorities for Council Tax Reduction (CTR) during Covid. Prior to the pandemic the funding model for CTR was not sustainable. Local Authorities were facing ever increasing pressures to meet the funding shortfall between the grant provided for CTR and the actual cost of the scheme to LA's. With increasing numbers claiming benefits, this gap is only going to get bigger if/when these additional funds are removed.

- Figures provided by Policy in Practice as part of their [Report](#) show that council tax liability increased by an average of 5.6% across Wales, where at the same time, the value of working-age CTRS awards increased 11%.

Vision for devolved powers

- Benefits should not just be seen as money that gets paid out. They have far reaching consequences for the people of Wales. A properly funded benefit system for Wales can be a platform for transforming the lives of everyone in the country, far beyond putting a roof over someone's head, and food on their table.
- Education is key. Any changes to the benefit system needs to be transparently communicated with residents to ensure a clear understanding.

6 How effectively do the UK and Welsh government work together in the delivery of benefits in Wales?

- We are unclear whether this is the case – there are certainly different approaches taken, such as the Free School Meal provision throughout holidays which was recognised by Welsh Government but not UK Government.
- Lack of understanding about the interconnectedness of certain benefits appears to cause issues as well – see concerns from colleagues in education regarding the roll out of Universal Credit and the impact on Free School Meals (Section 3).
- More devolution would be seen as a positive step if done correctly.
- From a benefit perspective, we have a good relationship with Welsh Government and WLGA, and have clear lines of communication. This is something that must continue and be expanded on.

7 What are the implications for the UBI in Wales

- Introducing UBI in Wales would involve a massive programme of communication and education as well as a large pot of Government money. It is hard to comment on such an open statement without being given even some basic ideas of what types of UBI schemes would be under consideration.
- There are a lot of individuals that are disabled on Universal Credit. Disabled people need to be consulted and involved in the debate. Disabled people have been disproportionately hit by austerity measures, and, as mentioned in the Policy in Practice Report, Universal Credit, therefore it is important that there is consultation with local and national groups.
- With an unconditional scheme, for a minority of people if the award is set too high then it may act as a disincentive to actively engage in society and employment. However for many it would provide the security that they could afford their regular outgoings and the confidence to access additional education or services.
- We would do well to understand how Kenya, Alaska and Iran's UBI are implemented, and to learn from other non-universal basic income approaches. It is unclear if a UBI would be conditional or unconditional, or even actually universal – all factors which would likely influence the impact it might have.

Relevant Reports:

[JRF Poverty in Wales 2020](#)

[Wales faces a rising tide of poverty after coronavirus](#)

[A minimum income standard for the United Kingdom in 2021](#)

[Council Tax Reduction Scheme and COVID-19 in Wales: interim findings](#)