

REPORT TO: East Lothian Council

MEETING DATE: 17 December 2013

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Universal Credit and Entitlement Criteria for Services and Concessions

1 PURPOSE

- 1.1 To recommend to Council amendments to the entitlement criteria for services and concessions to take account of the phased introduction of Universal Credit.

2 RECOMMENDATIONS

- 2.1 It is recommended that Council approves the revisions to eligibility criteria for services and concessions as detailed in paragraph 3.10 and in Appendix 1.
- 2.2 Further, that the Chief Executive be given delegated powers to make any further adjustments to any entitlement criteria not dealt with in this report that may be required to take account of Universal Credit or Personal Independence Allowance.

3 BACKGROUND

- 3.1 As has been reported to Council on several occasions over the last 18 months the UK Government has embarked on a root and branch reform of the welfare benefits system. A key part of the reform is the introduction of Universal Credit as a single benefit payment that will replace the six main means tested benefits: income-based Jobseeker's Allowance, income-related Employment and Support Allowance, Income Support, Child Tax Credits, Working Tax Credits and Housing Benefit.
- 3.2 Another key change is the replacement of Disability Living Allowance by Personal Independence Payment from 8 April 2013 for people aged 16 to 64.

- 3.3 The introduction of Universal Credit is being piloted in the Greater Manchester area and then phased in across the UK. Whilst there has been some delay in the roll out of Universal Credit the Government has begun introducing it in a managed way, progressively rolling it out nationally from October 2013. The Inverness area is part of the first phase of the roll out. The transition from the current system of benefits and tax credits to Universal Credit will be gradual and it is expected to be completed by the end of 2017.
- 3.4 The Council's Welfare Reform Task Group has been meeting regularly to review the impact of the welfare reforms including the introduction of Universal Credit. Whilst Universal Credit is not scheduled to be introduced in East Lothian until sometime in 2015 or 2016 the Council needs to ensure that its policies and procedures take account of the new benefit. Someone who moves to East Lothian from an area in which Universal Credit has been introduced may already be in receipt of Universal Credit and will continue to receive the new benefit.
- 3.5 A sub-group of the Task Group has considered the impact of the replacement of means tested benefits by Universal Credit on the various benefits and concessions provided by the Council (passporting benefits).
- 3.6 Many of the entitlement criteria for services or concessions provided by the Council use means tested benefits to 'passport' recipients into entitlement. That is, rather than carry out a new means test to judge whether someone's income is below the threshold to receive a service, or concession the Council uses receipt of national means tested benefits to 'passport' recipients into their entitlement. For example, entitlement to a Clothing Grant is determined by whether the family is in receipt of Income Support, Income Based Job Seeker's Allowance or Employment Support Allowance.
- 3.7 Once Universal Credit is fully introduced across the whole of the UK the means tested benefits it replaces will no longer exist. At that stage it will be necessary to carry out a full review of all entitlement criteria for services and concessions. During the transition period whilst Universal Credit is being phased in it will be necessary to run systems that take account of both existing means tested benefits and Universal Credit.
- 3.8 The Scottish Government has carried out a review of passported benefits operated at the Scottish level including free school meals and Education Maintenance Allowance. It has passed several Statutory Instruments to make allowance for the introduction of Universal Credit and Personal Independence Payments; essentially, adding Universal Credit or where relevant the Personal Independence Payment to the list of passporting benefits.
- 3.9 The Welfare Reform Task Group sub-group on passporting benefits has carried out a review of all Council services and concessions which include means tested benefits in their entitlement criteria. The results of this review are shown in Appendix 1.

- 3.10 For those services and concessions that use any of the means tested benefits that are being replaced by Universal Credit (see para 3.1) as a 'passport' for entitlement it will be necessary to add Universal Credit to the entitlement criteria. Similarly Personal Independence payment will need to be added to entitlement criteria based on the Disability Living Allowance.
- 3.11 The various entitlement criteria detailed in Appendix 1 have been approved by different means – Council report, Cabinet report or delegated powers. Rather than go through these various approval routes for each service or concession it is recommended that Council gives a single approval for amending relevant entitlement criteria as recommended in 3.10 above and in Appendix 1. Further, the Chief Executive should be given delegated powers to make any further adjustments to any entitlement criteria not dealt with in this report that may be required to take account of Universal Credit.
- 3.12 Council should note that officers will continue to monitor the introduction of Universal Credit and will report back in due course with a further report and recommendations to take account of the full introduction of Universal Credit.

4 POLICY IMPLICATIONS

- 4.1 The report takes account of the implications of the introduction of Universal Credit on the use of means tested benefits as a 'passport' into entitlement for a service or concession.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 This report is applicable to the well being of equalities groups. However, an Equalities Impact Assessment has not been carried out since the recommendation in this report will protect the position of vulnerable people, including equalities groups who receive services or concessions based on means tested benefits or the Disability Allowance.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – none.
- 6.2 Personnel – none.
- 6.3 Other – none.

7 BACKGROUND PAPERS

7.1 Appendix 1: Passporting Benefits Mapping Exercise

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DATE	5 th December 2013

Appendix 1: Passporting Benefits Mapping Exercise

Service: Education

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Free School meals	Statutory; criteria set by Scottish Government using means tested benefits	Entitlement criteria have been amended by Scottish Government
Clothing Grants	Discretionary; based on means tested benefits	Add Universal Credit to the entitlement criteria
Education Maintenance Allowance	Statutory; criteria set by Scottish Government using means tested benefits	Entitlement criteria have been amended by Scottish Government

Service: Healthy Living

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Leisure Pass Plus Scheme which will become Access to Leisure from 1 st Oct 2013. A concessionary scheme that provides significantly reduced rates to East Lothian Sports Centres	Discretionary; East Lothian Council approved scheme facilitated by enjoyleisure partners – various criteria apply including means tested benefits	Add Universal Credit to the entitlement criteria

Service: Community Learning and Development

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Adult learning advertised classes	Discretionary; based on means tested benefits	Add Universal Credit to the entitlement criteria

Service: Arts and Cultural Services

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Concessions for performance and activities	Discretionary; based on means tested benefits and the enjoyleisure pass criteria	Add Universal Credit to the entitlement criteria

Service: Transportation

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
National Concessionary Card	Statutory; criteria set by Scottish Government using means tested benefits	Entitlement criteria have been amended by Scottish Government
Taxi Card	Discretionary; based on age or medical criteria	No action required
Blue Badge	Statutory; criteria set by Scottish Government using means tested benefits	Entitlement criteria have been amended by Scottish Government

Service: Housing

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Charge to homelessness clients in Bed and Breakfast accommodation	Discretionary; based on means tested benefits	Add Universal Credit to the entitlement criteria
A reduced charge to homelessness clients for furniture storage	Discretionary; based on means tested benefits	Add Universal Credit to the entitlement criteria
Grant contribution to provision of additional living space to meet the	Discretionary; based on means tested benefits	Add Universal Credit and Personal Independence Payment to the

need of a disable person		entitlement criteria
Grant contribution to provision of disabled adaptations in private sector (excluding extension to living space)	Statutory element (80% of cost) is universal. Discretionary top up between 80% - 100% based on means tested benefits	Add Universal Credit and Personal Independence Payment to the entitlement criteria

Service: Children's Wellbeing

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Basic Living Allowance – benefit equivalent for young people aged 16-18 who have been looked after away from home prior to their 16 th birthday	Statutory – Young person requires to have been looked after away from home for over 13 weeks since the age of 14 and ceased to be looked after over school age	No action required
Accommodation costs for young people	As above	No action required
Leaving Care Grant – to help a previously looked after away from home young person set up in their own accommodation	As above	No action required
Previously looked after young person moving on to full time further education	As above	No action required
Help towards costs in first year in own accommodation to previously looked after away from home	Discretionary - Young person requires to have been looked after away from home for over 13 weeks since the age of 14 and ceased to be looked after over school	No action required

young person	age	
Kincare allowance – financial help to those who look after the child of another member of their extended family in their own home	Discretionary; Scottish Government guidance with Council criteria. Need to be looking after the child of another member of their extended family within your own home. Existing income is taken into account when being assessed	No action required
Foster Carers who receive Income Support	Statutory; criteria set by UK Government using means tested benefits	No action required

Service: Revenues and Benefits

Benefit / Concession	Discretionary/ Statutory – Entitlement Criteria	Proposal
Housing Benefits and Council Tax Reduction	Statutory scheme administered by the Council on behalf of the DWP	No action required – criteria set by UK Government
Scottish Welfare Fund = Crisis Grants and Community Care Grants	Statutory scheme administered by the Council on behalf of the Scottish Government	No action required – criteria set by Scottish Government
Adult Wellbeing (Community Care) Financial Assessment; financial assistance for those in residential care or receiving care at home	Statutory scheme administered by the Council on behalf of the Scottish Government	No action required – criteria set by Scottish Government