

Support for low income households

Purpose of Report

For information.

Is this report confidential? No

Summary

To update Board members on progress against agreed priorities for the LGA's work on the role of councils in supporting people with the rising cost of living; promoting financial inclusion and resilience, and the design and delivery of the welfare system.

LGA Plan Theme: Stronger local economies, thriving local democracy

Recommendation

That the Board notes the progress and raises and queries or concerns about the LGA's work programme and / or the current pressures facing councils and communities

Contact details

Contact officer: Rose Doran

Position: Senior Adviser

Phone no: 0207 6643073

Email: rose.doran@local.gov.uk

Support for low-income households

1. The LGA has now commissioned Trueman Change to work with us to deliver the pilot **Debt Maturity Framework for local government**. They have put together a strong team, which includes people with extensive experience in both local and national government, and in the debt management sector. They will work with the LGA, councils, government and stakeholders to develop a tool that covers all the key aspects of councils' approach to debt recovery, including how the sector supports vulnerable debtors, and enables councils to more easily access advice on key practical considerations including IT commissioning, advice referrals and working with other creditors.
2. Colleagues in the LGA's Policy team and the LGA's Productivity team have been working closely with councils and the Department for Work and Pensions to resolve concerns related to the **Memorandum of Understanding for DWP data-sharing**. In response to a letter from the LGA the DWP clarified its communications and put back the deadline for councils to respond.
3. They have made it much clearer that councils do NOT need to be compliant with the MoU at this stage, and the proposal is for DWP to work with the sector over a period of time to ensure data is being used safely and effectively. The ultimate aspiration remains for councils to make better and wider use of DWP data e.g. for identifying and supporting financially vulnerable residents
4. Following a meeting between the local government associations and DWP on 28th June, the department have agreed to work closely with the LGA, councils and the other associations on the many aspects of this work that remain of key concern: these include (but are not limited to): integration of the DWP's approach with the wider DLUHC-led approach to the Cyber Assessment Framework; the role of the IT suppliers – and associated costs – in supporting compliance, and the need for greater clarity about councils' long-term role in the welfare system to facilitate investment decisions.
5. A full paper will be brought to the Board if required as these discussions develop.
6. The Department for Work and Pensions has begun to scope out its approach to moving HB-only cases on to Universal Credit and is identifying some councils that they will work with to pilot their approach. Mari Roberts-Wood, Chief Executive of Reigate and Banstead Council, represents the sector at the UC Programme Board, supported by Rose Doran from the LGA. Mari and Rose will continue to engage with DWP and councils, and will flag any concerns as those pilot sites are identified.
7. The next meeting of the LGA's cost of living member advisory group will take place on 27th July and will be chaired by Cllr David Leaf.

Implications for Wales

8. The LGA has engaged directly with colleagues in WLGA and COSLA in the discussions about the MoU, and we have aligned our lobbying positions where possible and appropriate.

Financial Implications

9. All work will be delivered within agreed and existing budgets.

Equalities implications

10. Increasing numbers of councils are voluntarily adopting the socioeconomic duty. Many councils are also addressing cost of living concerns and financial inclusion as part of wider strategies to reduce inequalities.
11. The impact of councils' approach to debt management on disadvantaged households, and those with other (intersectional) protected characteristics is a key component of the Debt Maturity Framework.
12. The households that will move on to Universal Credit as part of 'Move to UC' are, by definition, some of our most vulnerable residents who may, for example have long-term health conditions. How DWP and councils collaborate effectively to support these households is central to this work.