

FALKIRK COUNCIL

Subject: IMPLEMENTING ‘TOWARDS A FAIRER FALKIRK’ – UPDATE REPORT
Meeting: FALKIRK COUNCIL
Date: 23 January 2012
Author: DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

1. INTRODUCTION

- 1.1 Members will be aware that the Council approved the Poverty Strategy ‘Towards a Fairer Falkirk’ in March 2011. This report sets out some of the key strands of work that are being taken forward as part of that strategy. In particular it focuses on the partnership network that has been established to take forward financial inclusion and wellbeing and the implementation of the single concessions framework. Other key areas of the strategy e.g. welfare reform, employability etc, have been reported to Members through Scrutiny Committees or have been subject of particular meetings and information sessions.

2. BACKGROUND

- 2.1 The Strategy noted that we see being fair as meaning that:

- Some services will be targeted to ensure that the most disadvantaged in our communities have the same opportunity to reach their full potential;
- Our employees understand the barriers that poverty imposes on individuals and on communities and will work to identify and reduce discrimination and disadvantage;
- We understand the impact of our decisions on budgets, policies, and activities to improve the lives of our most vulnerable and specifically those in poverty; and
- Communities and individuals are enabled to participate as equals in society.

- 2.2 To achieve this, we will tackle the root causes of poverty by aiming to:

- Maximise the number of people in better paid, secure employment;
- Reduce levels of debt across the population and maximise the income of households who rely on benefits; and
- Increase the financial choices available to our population and increase people’s understanding of the consequences of financial choices.

- 2.3 We will also aim to mitigate the impacts of poverty in a number of key areas:

- Impacts in relation to housing;
- Impacts in relation to health and wellbeing;
- Impacts on children; and

- Impacts on communities and participation.
- 2.4 Members will be aware of the information sessions that have been run recently to update them on the work being taken forward in pursuance of the Poverty strategy and also with regard to welfare reform. These information sessions will continue to ensure all Members are made aware of the changes proposed for the welfare benefits system.

3. FINANCIAL INCLUSION AND WELLBEING

- 3.1 The Financial Security and Wellbeing Partnership has been established as one of the key groups that will identify the activities and actions needed to implement the Poverty Strategy. This partnership group is in the early stages of its development. The partnership is led by the Council and the initial tasks of the group are to develop a framework that will ensure we:

- Maximise resources for individuals without causing hardship;
- Take steps to ensure that people have access to information which is appropriately targeted and helps them to make informed decisions;
- Take steps to ensure that vulnerable clients are identified early and appropriate support mechanisms put in place to enable access to available services; and
- Develop an approach to ensure that people know where to seek advice.

- 3.2 A core group has been formed to take this work forward. At present, the group is comprised of representatives from the CABx, Corporate and Neighbourhood Services, Social Work Services and Education.

- 3.3 The group has established the remit and governance arrangements for the partnership and has begun the process of identifying potential members of the partnership itself and its supporting working groups. Working groups are being be formed to consider :

- Welfare Reform: Benefits and Employability;
- Financial Inclusion and Capability;
- Service Development;
- Practitioners Forum; and
- Information and Communication.

- 3.4 The purpose of the working groups is to identify the action necessary to take the Financial Security and Well-being Partnership forward. It is intended that the membership and leadership of each group will evolve to reflect the work that needs to be taken forward. The first working group, Welfare Reform, Benefits and Employability, will report to both the Employability Partnership and the Financial Security and Well-being Partnership, as the reform of the welfare benefits system for working age people is an area of work that will impact on the work of both groups.

Financial Inclusion and Capability

- 3.5 The Financial Inclusion and Capability sub-group will look at the steps the Council and its partners can take to improve and increase access to financial products and services. This includes those products currently available like credit union membership and the Council tenant's home contents insurance scheme. This sub-group will also work with our

services and partners to ensure that the community has the information it needs to make confident and appropriate financial decisions and choices.

- 3.6 However, we also recognise that in addition to supporting credit unions, we must also support other financial inclusion and education activities. There are a number of areas of work that will be undertaken to increase membership of credit union and uptake of the Council's home contents insurance scheme for tenants and looking at ways we can work with existing services to promote the financial products we currently offer. Work will also be undertaken to look at ways we can encourage and support our citizens in making good financial decisions in schools, in community settings and in workplaces. We are currently looking at how this support can be provided.

Service Development Group

- 3.7 The Service Development Group is looking at how advice services can be delivered in the future, to take account of the impact of welfare reform and the anticipated increased demand for advice services. We need to identify gaps in service delivery, improve universal services and identify where services should be targeted and how vulnerable individuals are supported. We also need to plan for future provision and ensure that the services we have are fit for purpose. Work has been taking place to map out all current service delivery and this will be used to take forward the next stage of service planning.
- 3.8 Where there are gaps in provision, the group will identify the steps necessary to meet these needs. The resources have been identified within existing service provision to take this work forward.

Practitioners Forum

- 3.9 The Practitioners Forum is led by the CABx. This group is key to the success of the whole Financial Security and Well-being Partnership. The Practitioners Forum will be open to anyone providing advice and information in the Falkirk Council area. Meetings will look at particular issues. It is hoped that practitioners will provide information on issues as they emerge in the area. Additionally, it is hoped by increasing opportunities for networking, that practitioners can increase their knowledge and that working relationships can be established and improved. This will hopefully work towards clients having an improved service. These meetings will also be used to allow practitioners to share information on best practice. Already this group have identified the need to share statistics and to collect the same information to allow comparisons. Two sessions have been held with over 20 practitioners attending on each occasion.

Information and Communication

- 3.10 Each of the groups above will require support to communicate the activity they are involved in to the community, to each other, and to other organisations and services. It is important that a measured approach is taken to avoid duplication and confusion. The final sub-group will co-ordinate the approach to providing information and communication so that we can be sure that accurate information and messages are given.

4. THE FALKIRK EMPLOYABILITY ACTION PLAN

- 4.1 The Falkirk Employability Partnership, led by Falkirk Council, has agreed a revised Employability Action Plan for 2011 – 2013 to deliver the priorities and outcomes within the Community Planning Partnership's Workforce Plus and More Choices, More Chances

Strategies. The Action Plan should facilitate a more collaborative approach to tackling skills and unemployment in the Falkirk Council area by linking national and local priorities to deliver a more coherent approach to employment and training. The key stakeholders within the Employability Partnership are:

- Falkirk Council;
- Skills Development Scotland;
- Jobcentre Plus;
- Forth Valley College;
- NHS Forth Valley; and
- Falkirk and District CVS.

- 4.2 The Partnership has a strong sense of the need to prioritise resources as a result of the downturn in the economy and the changes in the employment policy landscape, notably the introduction of the Work Programme. These factors have influenced the content and focus of the action plan for 2011/13. The Partnership is also strongly committed to an outcome based approach to service delivery within the framework of the Strategic Skills Pipeline and agreed that the overarching shared Employability Outcome is to, *“Maximise the proportion of working age residents attaining and sustaining better paid, secure employment.”*
- 4.3 In order to maximise the proportion of working age residents attaining and sustaining better paid, secure employment, it has been agreed that Employability Partnership will contribute to the following outcomes:-
- Increase the number of young people participating in post 16 learning;
 - Increase the proportion of school leavers entering a positive sustained destination on leaving school;
 - Increase the number of young people attaining literacy and numeracy to SCQF level 4 and above;
 - Increase skills and qualifications of the workforce within the Falkirk Council area;
 - Reduce the proportion of working-age residents in receipt of employment related benefits; and
 - Examine how to improve the conditions of service for our workforce, including the provision of training and the introduction and promotion of the living wage.
- 4.4 The Falkirk Employability Action Plan was agreed by the Economic Strategy and Development Committee and provides a strategic framework for delivery of services along a Strategic Skills Pipeline to assist people into employment. This will enable a collaborative approach to tackling skills and unemployment, linking national and local priorities to deliver a more coherent approach to employment and training.
- 4.5 In establishing priorities for the deployment of resources, there is a recognition that some individuals can be excluded if they do not have the opportunity to engage in employment. Young people are particularly vulnerable if they do not participate in training or employment, following compulsory schooling. There is also a concern over access to “universal” entitlements in the form of mainstream services and efforts will be targeted at the groups and areas most at risk of entering or remaining in poverty through improved, enhanced and accelerated support.
- 4.6 To contribute to the achievement of the strategic outcomes, the impacts, activities and outputs will be monitored, with the end result of the service provision for the key target

groups being better paid, secure employment. The key performance indicators to be used will include:-

- % of working age benefit claimants (age and stage);
- Proportion of School Leavers in a positive and sustained destination;
- No of 18 – 24 yr olds claiming JSA;
- % of 16 – 19 yr olds Not in Education Employment and Training;
- % of working age population attaining SCQF level 4 in Literacy and Numeracy;
- % of Population with SVQ Level 2 or above;
- % of workforce undertaking training; and
- No of young people engaged in the Modern Apprenticeship programme.

4.7 Given the commitment to the shared outcome and the high degree of uncertainty as to how the employment support measures within the welfare reforms will operate, the partnership has determined that locally controlled partner resources should be used to support clients before they become eligible for the mandatory work programme and that resources will be prioritised as follows:

- 80% for Young People (16-24); and
- 20% for Adults (25+).

4.8 The Partnership will wait until the Work Programme has bedded down and then identify if there are any emerging gaps in service provision. It is recognised that within this approach, individual partners sitting inside a Scottish or UK organisational framework have to pursue their own organisational priorities. In order to achieve the overall Employability Outcome, partners have agreed specific high level performance targets. These are summarised as:

- Reduce % of young people (16-24s) on Job Seekers Allowance (Includes improving School Leaver destinations);
- Maximise % of working age residents attaining and securing better paid, secure employment;
- Reduce % of adult (25+) working age residents on DWP Workless Benefits; and
- Reduce % of children in households with no/low Earners.

4.9 In order to achieve our ambitions to provide suitable and sustainable employment for young people, the Council has made a commitment to continue to create opportunities for modern apprenticeships across all services. In 2011, over 213 opportunities have been created covering areas from ICT, plumbing, horticulture and engineering. A number of opportunities have also been created in social care, education and early year's provision. 80% of those engaged directly with Council Services secured continuous employment with the Council, thus demonstrating the value of the contribution that young people make to the services the Council provides.

4.10 All Services of the Council will continue to look to create appropriate opportunities. The Chief Executive has also written to all Community Planning Partners and the local Business Community to ask them what support they might be able to provide in generating training or employment opportunities for young people.

- 4.11 In addition, we are specifically looking at what additional provision we can make for more vulnerable groups of young people, such as those leaving care, and develop capacity and joint working arrangements with the third sector to help deliver on this key area.
- 4.12 As we reach the end of the first year of implementation, some notable progress has been made on some of our high level outcomes. Positive school leaving destinations have improved by 3.8% with Fairer Falkirk Funding support, the highest level of engagement of school leavers in training in Scotland. Training is up 3.3% and the highest in Scotland at 13.1%, 7.5% above the Scottish Average. There has also been a net reduction in the number of young people in receipt of Job Seekers Allowance, with the greatest reduction in the 16 – 19 year olds.

5. CHARGING AND CONCESSIONS

- 5.1 Since Falkirk Council approved the Poverty Strategy, a project plan has been developed to guide the key aspects of our Charging and Concessions Policy. This includes:
- The validation of the content and scope of the scheme. Initial meetings have taken place with each of the Services involved in the scheme. Orientation visits and supporting work is being progressed to help prepare each Service for implementation. Specific preparatory work is being organised with Education Services in recognition of their existing 'Cashless Catering' arrangements;
 - Developing card hosting options capable of accommodating the entitlement passport. This includes reviewing all the supporting information and systems, ensuring their integration so that information can be shared between services both efficiently and accurately; and
 - Collating a more detailed profile of the likely number of citizens who will qualify for entry and who will use the scheme. This will include a more detailed assessment of any cost implications.
- 5.2 In addition to this, fact finding visits were arranged to Aberdeen City Council and Dumfries and Galloway Council to see their existing schemes in operation and learn from these experiences. The information gathered from this has helped to inform our approach for the full implementation of new arrangements from 1 April 2012 and the need for a pilot scheme to inform full implementation. The Dumfries and Galloway visit has been particularly helpful in progressing our pilot exercise with the Falkirk Community Trust, as both operate the same management information system. These visits have also helped to identify the National Entitlement Card as the best hosting option in terms of both value for money and in optimising the potential scope and benefit from our scheme. Development of the full scheme is currently being finalised together with a full and detailed implementation plan. Full deployment of the scheme will be preceded by a pilot exercise.
- 5.3 As of 1 April 2012, a qualifying applicant will be able to submit one simple application, including a photograph, for the following entitlements:
- Discounted access to off-peak leisure and sport activities;
 - Two free pest control visits per annum;
 - One additional free special uplift per annum, in addition to the existing 2 free uplifts; and

- Free access to defined library services, including internet access, music and video hire.
- 5.4 In the original proposal presented to Members in March 2011, it was suggested that we might seek to offer discounted access to home contents insurance for Council tenants experiencing poverty. Unfortunately this cannot be considered as part of this offering as our contract with Aviva, who provide this service, cannot accommodate such a provision. This may be something which can be looked at again when the contract is due for renewal.
- 5.5 Entry to entitlement will entail proving receipt of a qualifying benefit. At the start of the next academic year it is proposed that the policy will be further rolled out to include free school meals and school clothing grants. This will be subject to more detailed work with Education Services. Qualifying benefits are:
- Income Support: aged 16 – 65 (4,670 claimants);
 - Pension Credit: guaranteed credit (2,240 recipients);
 - Employment & Support Allowance: income based (610 claimants);
 - Incapacity benefit (6,770 claimants);
 - Job Seekers Allowance (4,170 claimants);
 - Working Tax Credit – working less than 30 hours (1,400 claimants); and
 - Child Tax Credit: more than family element (6,600 claimants).
- 5.6 Upon submitting an application confirming one of the qualifying benefits, an applicant will receive a National Entitlement Card (NEC) which will incorporate local entitlement and branding. The NEC is the preferred option at this stage as it can be provided at no cost to the recipient. The entitlement card approach provides the best option for ‘passporting’ people into services; without this card it would be prohibitively expensive in administrative terms to offer a range of benefits from one application. The card will contain a unique identification reference number which will prove entitlement to the above concessions and will link into individual systems at this stage.
- 5.7 Implementation of the full scheme will be preceded by testing and piloting work, primarily with the Falkirk Community Trust. This test will focus on the use of the card using existing entitlements to Trust Services. The Trust Board will then decide if they are going to expand their scheme to cover all eligible groups as noted in para 5.5. Testing work, in advance of full implementation on 1 April 2012, will commence no later than 13 February 2012, and will comprise:
- A full service based test of technology, management and transaction systems and service interfaces, with the Falkirk Community Trust. This will be preceded by training for Trust staff;
 - The implementation and issue of entitlement cards and card readers for the Trust ahead of 1 April 2012;
 - Preparatory work with Corporate and Neighbourhood Services for the inclusion of special uplifts, pest control and garden aid. This and preceding work will roll forward until full implementation on 1 April 2012; and
 - Preparatory work with Education Services to prepare for their participation in the scheme at the start of the next school year.

- 5.8 All of the advance piloting and testing work will ensure that the new single application process, supporting management systems, new technology, and the accompanying discounted access to off-peak sport and leisure activities, as well as all of the other related charges and concession will be ready for implementation by 1 April 2012. This will include the development of the new application form and development of the Trust's Management Information System. This will allow local learning and experience to be applied to full implementation. This will also provide local information on estimated uptake and cost implications. Initial tests using the NEC interfacing with the Trust's Management Information System have proved successful. An equity passporting system is also being developed which will carry details of qualifying participant's entitlement to charges and concessions. This will be a corporate system capable of supporting the scheme across the Council.
- 5.9 The supply arrangements for NECs incorporating our local branding and appropriate card readers, have been confirmed with colleagues in Dundee City Council who provide the national management and co-ordination function for the NEC.
- 5.10 The Community Trust is taking this forward to test the process and procedures as:
- It has experience of offering reductions in charges and concessions;
 - There is added value for the Trust through earlier access to learning, through participating in this work;
 - Learning and experience gained can be applied to other service areas and will aid the implementation of the full policy; and
 - We can collate additional data and information which will allow us to better assess the likely number of beneficiaries, scheme users, costs and service implications.
- 5.11 In order to take the scheme forward there are other issues where further work is currently underway. These include:
- Agreeing the administration arrangements for the application and card issuing process. Discussion will take place with appropriate Services to identify and agree a suitable host for the administration arrangements in support of the Charges and Concessions scheme; and
 - In adopting a single concessions card, a decision on the branding for the local face of the new card is required. Based on the single card concept, local branding is being developed using 'The One Card' or 'The Bairn's One Card' as the card's proposed local title. This will give the new card a strong local identity to support local entitlement and help to encourage uptake by those who are eligible.
- 5.12 Although NECs are free, new card readers will need to be purchased and deployed. These cost approximately £60 per unit. The total cost will depend on how many units need to be deployed across the Council. There will be potential development costs to Service Management Information Systems which will host entitlement information and require new management reports to be developed. These costs will have to be borne by each Service. Specific preparatory work needs to be undertaken to take account of the Cashless Catering approach already offered by Education.
- 5.13 The new arrangements being implemented as of 1 April 2012, will assure that we meet the agreed principles set out in our Charges and Concessions Policy agreed by Council as part of our Poverty Strategy. Members will be updated on the progress of this work as it proceeds. The agreed principles include the following:

- Fairness – charges, concessions and supporting arrangements must be set on a fair and equitable basis and not provide an unnecessary barrier for any citizen accessing services;
- Transparency – we must be able to provide a clear rationale as to how charges and concessions have been determined;
- Simplicity – we must ensure that any new arrangements in support of this work are not costly, burdensome or bureaucratic to administer; and
- Targeting – entitlement will be targeted on those in most need.

Optimising Council Administered Trusts

- 5.14 Members will recall that in the Poverty Strategy, it was suggested that we look to support children and young people to participate in school activities and extra curriculum activities. To support this, it was suggested that we establish a fund that could be used to support children take part in activities run by schools, where money was a barrier to participation. To achieve this we were looking at ways to establish such a fund and were looking at funds the Council currently administers such as trusts etc.
- 5.15 The Council administers a number of trusts for the benefit of the public, or a section of the public. The trusts have total funds to the value of approximately £370,000, which generate annual income of approximately £5,700. At present, the income from these trusts is not being used to its full potential due to the restrictive and outdated purposes of many of the trusts. Consequently, consideration is being given to the possible reorganisation of the trusts so that their benefit can be fully realised. The legislative and court options available to achieve this are limited because the founding documentation is no longer available for almost all of the trusts. It is hoped to avoid any option involving court action because of the expense this would incur, but instead to utilise section 10 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, which would require approval of the reorganisation by the Lord Advocate, following approval by Council and advertisement in the local press. This route is currently being investigated and in the first instance proposals will be sent to the Scottish Government's Legal Directorate (which represents the Lord Advocate) for their comments. The situation will be updated once these are received.

6. POVERTY IMPACT ASSESSMENT

- 6.1 The Poverty Impact Assessment process is an internal checking system to monitor the impact of decisions on our vulnerable communities to ensure that the impact on the community has been understood and considered prior to taking a decision to change a service. Poverty Impact assessments are one way of demonstrating that the impact of decisions on Falkirk's most vulnerable and disadvantaged groups has been integral to the decision making process. They will also be used to monitor the changes made over time to our services and to fully understand the cumulative impact of those changes on the people and communities to whom we provide services.
- 6.2 The successful introduction of an internal checking system requires the co-operation and involvement of Services. Corporate and Neighbourhood Services have developed a presentation to raise awareness of the poverty strategy and the poverty impact assessment process. This presentation includes worked examples of the PIA.

- 6.3 The presentation has been delivered to Service management teams to raise awareness of the poverty strategy and the PIA process and to discuss any areas of concern that officers and services might have.
- 6.4 Detailed guidance notes have been produced for Services which includes a number of worked examples. A series of fact sheets about poverty in the Falkirk Council area will be developed to support officers who have to carry out a poverty impact assessment. The successful introduction of the Poverty Impact Assessment process will require an element of organisational change that requires services having an understanding of how poverty can impact on the lives of those living in our communities. The presentations to Council officers will continue to raise awareness of the barriers that living in poverty can raise.
- 6.5 Already the Poverty Impact Assessment process is having some success, for example the recent decision to increase taxi fares highlighted that increasing the flag fall rate has a disproportionate impact on those who are more likely to have shorter journeys, i.e. older people, those affected by disability, people on low incomes. Alternatives were considered, however, because the taxi tariff in Falkirk is one of the lowest in Scotland, it was felt the proposal was fair. This example, although not leading to a particular change in the overall decision, shows that the Council is considering the impact of its decisions on our vulnerable communities.

7. SUPPORTING THE STRATEGY

- 7.1 As indicated in the Poverty Strategy, this dual focus on employment and financial security is particularly important in the current economic climate. We know that the impacts of the recession and other external factors have increased vulnerability to poverty and that the projections are for both unemployment and poverty levels to continue to rise in the short to medium term. In particular, we are aware that:
- Falkirk's recent good progress in reducing youth unemployment to around the national average has been undone by the economic downturn and that youth unemployment has also risen sharply across the UK;
 - The current and forthcoming changes to benefits are likely to increase the need for advice in this area, at the same time as the number of people claiming benefits is rising; and
 - The recession has already increased levels of unmanageable debt for some segments of society.
- 7.3 In addition to rising debt and unemployment, a key focus over the coming year will be on the impact of welfare reform on citizens and also child poverty. We will also consolidate the underpinning structures required to take forward our aspirations to address the impact of poverty and ensure our efforts are focused on making a difference to our communities.

8. CONCLUSION

- 8.1 Since the poverty strategy was approved in February 2011, most of the work completed has been in relation to establishing the processes and structures and detailed action plans necessary to take work forward. The next stage in implementation should involve taking forward some of the activities that will make a real difference to people living and working in the Falkirk Council area.

9. RECOMMENDATIONS

- 9.1 It is recommended that Members
- 9.2 Note the progress made to date with Towards a Fairer Falkirk;
- 9.3 Note the series of seminars being developed for Members as part of the Poverty Strategy which focus on the changes to benefits under the Welfare Reform Act;
- 9.4 Note the work being undertaken on the implementation of the charging and concessions strategy; and
- 9.5 Agree further reports are presented on the implementation of the Council's Poverty Strategy, including an update on the use of the Fairer Falkirk Fund.

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DIRECTOR OF CORPORATE & NEIGHBOURHOOD SERVICES

Date: 22 December 2011

Ref: ABK0112FC

Contact Name: Fiona Campbell Ext: 6004

LIST OF BACKGROUND PAPERS

- 1. Report to Falkirk Council, March 2011, Towards a Fairer Falkirk, Poverty Strategy
- 2. Report to Economic Strategy and Development Committee, April 2011 Towards A Fairer Falkirk: Funding Employability Outcomes
- 3. Report to Economic Strategy and Development Committee, June 2011, Falkirk Employability Action Plan/Welfare Reform
- 4. Report to Economic Strategy and Development Committee, June 2011, Employment & Training: National Training Programme Contracts
- 5. COSLA: Welfare Reform Delivery, CW&S Executive Group November 2011

Any person wishing to inspect the background papers listed above should telephone Falkirk 01324 506004 and ask for Fiona Campbell.