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# Impact of COVID-19 on local authority funded money and welfare rights advice services





# Introduction

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Scottish local authorities are one of the main funders of money and welfare rights advice services in Scotland investing c£26 million.<sup>1</sup> The social distancing measures required as a result of COVID-19 have had a major impact on the way local authority funded money and welfare rights advice services are provided. To identify in detail what this has meant for both the providers and users of money and welfare rights advice services the Improvement Service's Evaluation and Research teams surveyed all 32 Scottish local authorities. 22 responses were received, and the results are detailed in the following paragraphs.

The responses reflected the wide range of organisations that are supported by local authorities and included: inhouse money and welfare rights advice services; Citizen Advice Bureau; McMillan Benefits and other locally based independent advice agencies.

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1 [https://www.improvementservice.org.uk/\\_data/assets/pdf\\_file/0015/11751/capmrf-annual-report-2018-19-final.pdf](https://www.improvementservice.org.uk/_data/assets/pdf_file/0015/11751/capmrf-annual-report-2018-19-final.pdf)



# Methodology

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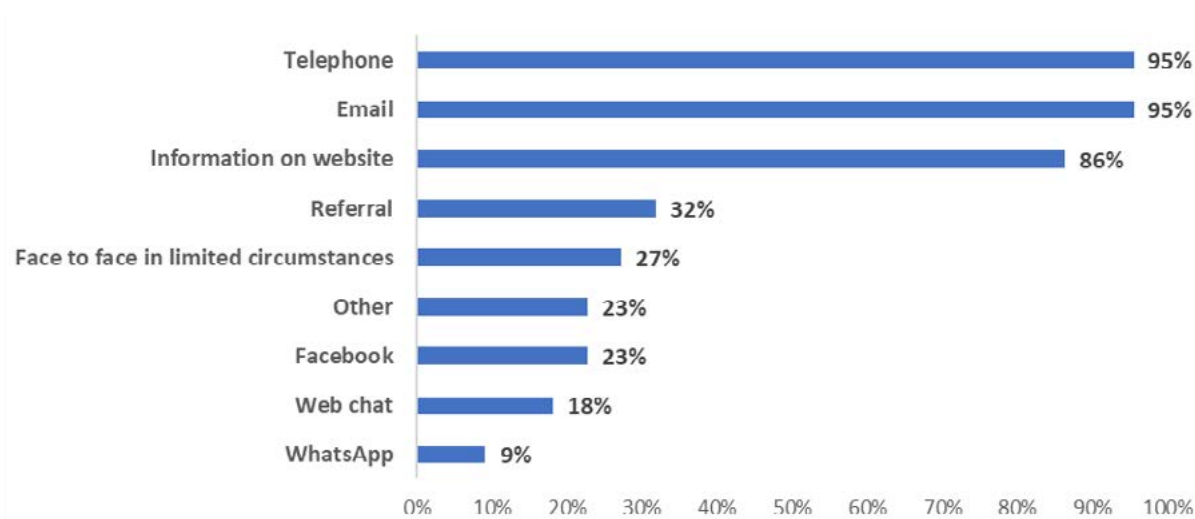
The survey collected responses to a series of questions which considered, inter alia, the changes to the channel through which advice services are being provided as a result of COVID-19 and whether or not these would continue on a long term basis, the types of issues for which advice is currently sought and the demographic characteristics of those individuals seeking advice. The IS also sought to identify if any locally based evidence of increased demand was available and also what future support would be helpful.

Both qualitative and quantitative data was collected, and respondents were offered the opportunity to comment using free text boxes. In relation to the qualitative data, in most areas there was a general consensus amongst the respondents, although there were minor differences that reflected local needs and priorities. This has made it possible to identify and present key findings that are shared, to some extent, by the 68% of Scottish Local Authorities which participated in the study.

# Current channels to access advice

Respondents were asked to identify each of the routes they were offering for individuals to access money and welfare rights advice (hereafter referred to as advice) in response to the restrictions required to respond to the pandemic. All reported that contact by telephone and email were available. Many also indicated that they had updated the information held on their website. In a limited number of cases face to face services were on offer - but only to those who needed it most. Maintaining contact through video communications were also used in a minority of cases. Interestingly, a few local authorities had extended their digital offer to include WhatsApp, Facebook and web chat.

**Fig One: Channels offered to access money and welfare rights advice**



“The majority of initial contacts are now by email as opposed to telephone calls. Previously, we averaged 700 calls v 40 emails a month - now in the same period the ratio is 235 calls v 390 emails.”

”There have been some circumstances, due to either the customer being housebound or in very poor mental health, where it has been necessary to meet face to face. All health and safety precautions and risk assessments have been undertaken.”

“ Our Face to Face service is now being resumed, but only in exceptional circumstances.”

“We have produced an information leaflet for local residents who have been impacted financially by COVID-19. This leaflet is available via a number of local community access points and is being delivered with Foodbank parcels and by volunteers who are supporting more vulnerable residents.”

It was reported that signposting other agencies that could offer assistance or establishing new referral processes had increased. One local authority indicated that locating a member of staff in a different office had helped them to improve the services on offer and to target a vulnerable group.



“Due to social distancing within the offices a member of staff has been working out of one of the other council offices where our substance misuse and criminal justice team are located. This has seen an increase of referrals and been a great support to a very vulnerable client group -they get immediate support when they most need it.”

“Midlothian Council is part of MFIN, Midlothian Financial Inclusion Network and, if more appropriate, cases can be passed to other members of the network. For example, the majority of the housing associations within Midlothian have a welfare rights officer that can support their tenants.”

# Challenges in continuing to provide services

To ensure that people had continued access to local authority funded money and welfare rights advice services it was necessary, very quickly, to establish, or expand existing, methods of digital communication. In the main these were supported by staff working from home. Local authorities were asked to describe the challenges experienced in introducing this new way of working.

## (1) Technology

The starting point was ensuring that staff who were working from home had access to the appropriate technology. For some local authorities this posed few difficulties as staff already had resources, such as laptops, remote access to case management systems etc. which meant they could provide advice from home. In other areas this was more challenging, particularly if staff did not have the resources required to work outside the office environment or, in some cases, the space and privacy at home.



“Demand for our online benefit entitlement calculator increased significantly at the start of lockdown and when the Government schemes were introduced. This tool enabled clients to use a self-serve function and reduced pressure on advice services across our local authority area.”

“The biggest challenge at the outset was getting all of the technology in place for home working in a very short period of time. Prior to Covid-19 the highest proportion of our client contact was face to face. At the start, due to the level of demand for our services, we were prioritising emergency situations. One of the biggest challenges has been in assisting clients with the completion of forms via a telephone appointment rather than face to face.”

“The current state of readiness to adapt to home working was critical- we needed to quickly establish remote access to services.”

“Ensuring all staff members have access to appropriate equipment. Some members of the team are in the same household as other home workers and have limited space/privacy. Others have children and are limited when taking telephone calls. By and large the team has adapted amazingly well and the service was accessible from the start of lockdown.”



“Although we have always provided a welfare rights service over the phone and via email, face to face contact is preferred in some situations, e.g. when assisting with completion of some forms, when more complex and long-term support is needed, etc.”

## (2) Process

The type of case management system that is used was important - particularly in relation to its flexibility and ability to be customised. For example, case management systems that enabled mandates that could be sent for electronic signature made the process of adapting much easier. However, difficulties still arose in relation to getting some creditors to accept that the advisor had the necessary permissions in place to speak on behalf of their client. Some of the procedural changes that were introduced were welcomed and hopes expressed that they could continue.



“We are using technology to get signed mandates from the client through text message and AdvicePro. We also offering customers virtual face to face meetings through Microsoft teams.”

If it was not possible, either through technological difficulties or because of a service user’s circumstances, to get mandates authorised digitally, then they were sent by post to be signed and returned. This approach took longer and there was a risk that some service users might not complete the process.



“Not all clients have access to email or smart phones to be able to send copies of documents.”

“ It was challenging to obtain written authorisation from clients to be able to carry out work on their behalf – mandates are being sent to clients when a member of the team is in the office. However due to the often chaotic nature of some of our clients, these sometimes do not get returned.”

“Initially it was getting signed mandates out to clients via the post to act on their behalf. With the introduction of digital signatures this has really helped - although the client needs a smart phone. Also, when people are needing help with claims this was challenging at first. We now have online benefit forms which we can then type into over the phone, send out and get them to send back with the front page of the form they were sent by DWP.”



“Getting information from clients, for example signed mandates, becomes more complicated when offices are closed. Getting agencies to speak to us when the client is not there to give their consent can be challenging.”

“It can also be difficult to ensure paperwork is signed and returned by clients and although they can sign electronically many of our clients do not have the necessary technology to enable them to do that.”

“Engaging with a new client’s creditors whilst working remotely, has been our biggest challenge. Under normal circumstances the initial contact with a creditor has been using a letter format. Due to the pandemic we changed this to email contact, however creditors rarely include their email address in any correspondence with clients or highlight them on their website.”

### (3) Engagement

It was suggested that working remotely could, in relation to some activities, be more time consuming for advisors.



“We are finding being able to discuss complex debt issues very difficult and the whole process is taking much longer.”

“Support for filling in forms has been extremely labour intensive. These require lengthy phone calls, often more than one, and it is difficult to keep customers focused on what is needed.”

Accessing services digitally could form a barrier to some potential service users, particularly those who were vulnerable or did not possess digital skills. Services stressed that whilst they tried to make access to advice as easy as possible some service users struggled, for example, individuals with literacy difficulties. Whilst face to face contact is unlikely to be offered on the same scale as previously, it is gradually being introduced for vulnerable clients. In addition, the use of communication platforms such as TEAMS and Zoom are being explored to enable a more ‘personal’ service to be offered.





“Majority of the advice is by telephone, where appropriate sending mandates and reply paid envelopes to get physically the paperwork that is needed in order to complete forms. In a small number of cases, doorstep visits are taking place to collect documents from clients.”

“Our Face to Face service is now being resumed, but only in exceptional circumstances.”

“The lack of face to face interviews has proven problematic especially for social security forms.”

“Setting up a safe and secure video conference platform which suits both advisers and client.”

“Prior to outbreak our team undertook home visits, so it has been challenging dealing with some categories of claimants to assist them to complete forms over the telephone. Even getting family members to assist has been challenging at times with the size of the claim forms or the fact they are not online being a major obstacle”

“Although clients have been understanding overall, some have literacy issues and it has been challenging”

“It is difficult trying to provide support over the telephone when completing benefit forms.”

“We have now begun offering tele-conference interviews with clients in limited circumstances.”

## (4) Representation

It was stated that assisting individuals to prepare for appeals and representing them at hearings, either by phone or video conferencing, could be challenging and may not allow vulnerable individuals to be fully supported.



“The phone appeals have not always supported the customer to feel their voice has been heard. It appears that as the tribunal cannot see the customer, there is an over-reliance on just medical evidence.”

“Appeals representation is now via a conference call and it can be difficult to support clients fully during this, although we do appreciate the services the Tribunal Service have put in place.”

# Future arrangements for service delivery

Participants were asked if the changes that had been made to existing service delivery methods would continue when the restrictions required to deal with COVID-19 were eased. Of the 22 responses received all, with one exception, said that they would continue in some shape or form. The responses from the majority of local authorities acknowledged that, whilst increasing the choice of channels available to access advice services may have been hastened by the need for social distancing, improving digital access to advice was an area that was already being developed and expanded. There was a recognition that offering a variety of access routes to advice offered good value for money and enabled the diverse needs of service users to be addressed.



“The use of IT and remote working will continue for some time. “

“Face to face appointments may need to be reduced depending on the advice from the government. We may be able to carry out appointments in our local advice and support hubs when they open.”

“Online, telephone and face to face platforms that we are developing and exploring will/should remain in place.”

“We have always provided advice by various channels. After Covid-19 we will try to encourage clients to make more use of telephone appointments where this is possible”

“It is likely that we will continue using email and other digital forms of communications with clients where this is their preference, including telephone conference interviews where they want to use those services”.

“We feel the lockdown has accelerated the introduction of technology that we were already beginning to integrate into our services”

It was commonly stated that whilst face to face service delivery was necessary for individuals in some circumstances, and should be an option, greater emphasis should be placed on encouraging individuals to use a variety of ways of accessing services.

An alternative to direct face to face contact is the use of virtual meetings. Across all sectors there has been a marked increase in the use of virtual meetings for a wide

range of events from parliamentary committees to GP/Patient consultations.

Even when face to face services can resume, it was suggested that the way they are offered will have to change and drop-in sessions are unlikely to be an option.



“We will offer all customers the choice of face to face, telephone and virtual meetings.”

“It is unlikely that we will be able to provide face to face advice for some time yet. The same channels will be used. However, we hope to be able to use some form of ‘video chat’ . There are restrictions on what platforms we are safely allowed to use, and many clients do not have this facility”.

“Whilst there has been very little face-to-face, we would expect this to increase and will take steps to help this to happen. There will be no drop-in facilities but will be on an appointment based system.”

As well as retaining the use of digital access routes it is likely that in many cases these will continue to be provided by staff working from home. The requirements of social distancing and ensuring that workplaces offer a safe environment means that even when there is a return to office accommodation it is likely to be for groups of staff on a



phased basis.

“We also believe it will be possible for staff to work at home more where they choose to, and when it is compatible with the requirements of the business.”

“Due to social distancing – it is likely that all members of staff will not be able to access the office at the same time. There will still be a large element of home working.”

Several respondents indicated that they were uncertain about what the future might hold in relation to how advice services can be delivered in a safe and accessible way. It was recognised that decisions about future delivery arrangements would be greatly influenced by other factors.



“Difficult to say what will remain. This will have to be reviewed. Our procedures will have to reflect the working arrangements for different agencies and DWP once restrictions are removed. “

“Although we would hope to get some normality back and to resurrect our face to face contact with clients via outreach surgeries, home visits, etc. it is difficult to predict how and when this will happen. For the foreseeable future, we will continue to operate a remote service and would hope to extend our homeworking arrangements into the future. There are certainly many efficiencies to be had in terms of operational costs in the way that we are currently working, but this does need to be balanced in terms of personal contact for both team members and clients. The future operating model will likely be a hybrid of both.”

“Some of the changes may remain in place for some time due to the social distancing rules. Although not confirmed it has been suggested that HM courts and Tribunals will continue to favour telephone hearings. Staff may continue to work part home and part office and much more advice work will continue to be provided remotely via phone calls. It is hoped that changes that DWP have implemented to allow DS1500 to be received electronically from gov.uk email addresses will continue and more benefits claims will be available to be completely and submitted electronically. We will continue to have a physical presence in other service areas of the council to provide immediate advice to those who need it.“

# Changes in the nature of advice sought

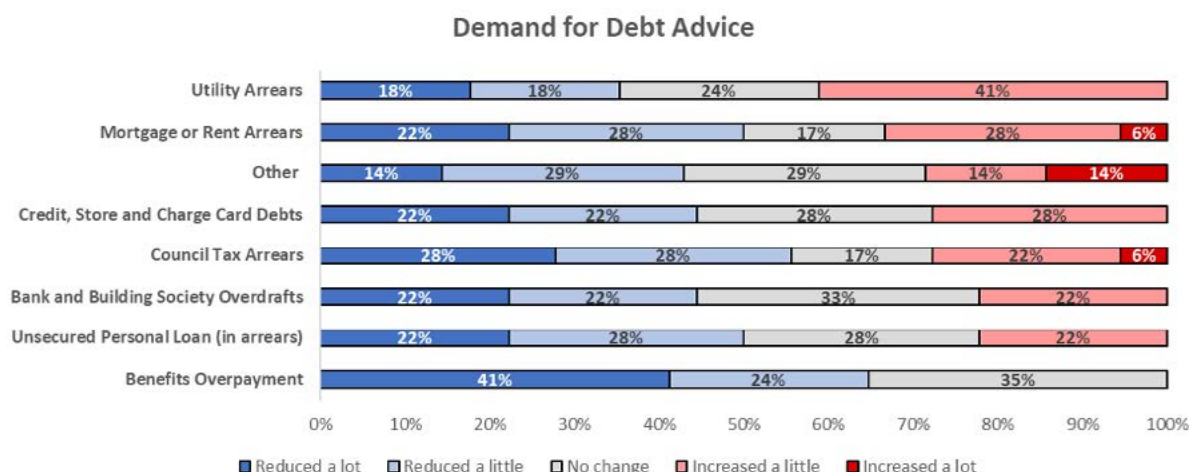
Local authorities were asked to comment on changes they had identified in relation to the area in which advice was sought. They were asked to consider if demand had increased, decreased or stayed the same, and the extent to which any reported change had occurred. The findings in relation to each are considered below.

## (1) Money/Debt Advice

In most cases demand for debt advice has reduced markedly. This is not really surprising given the wider context of payment holidays, the freezing of recovery processes etc and the promotion of these relief mechanisms through public information campaigns. At present help with managing outstanding debt, or temporarily reducing its burden, is available from a range of financial institutions. The reality is that this is only short-term and any monies, which in this period are likely to have increased as a result of additional interest charges, remain due.

Advice on utility arrears and mortgage or rent arrears are the two areas in which the largest proportion of respondents reported an increase in demand for advice. Whereas respondents stated that advice on areas such as benefit overpayments and council tax arrears was in least demand.

Figure Two: Demand for Debt Advice





“We have noticed a decrease in the number of new clients contacting our service specifically for debt advice. However, we are currently progressing our existing clients’ debt cases. We feel that this may be due to the holds that creditors have put on any recovery action and the payments holidays being currently offered to clients. These payment holidays are advertised on TV and radio so many clients are aware of these. A number of our referrals for debt advice are made to us by housing officers – however at the moment they are not carrying out visits to clients and have changed the way they operate. No action is being taken on clients who have rent arrears.”

“Going forward, we expect a significant increase in demand for money advice services in approximately 3 - 4 months due to payment holidays ending.”

“As council tax arrears and housing benefit overpayments have not been pursued during lockdown, the number of people looking for help in this area has decreased slightly. We would expect this to change once these debts are again pursued. People concerned about rent arrears have increased. Often these are people that have been furloughed and are worried about how they will manage to pay their rent and other bills”

“The issue here could be that although the banks and building societies are currently offering payment holidays, as the employment situation in many cases is likely to change there could be significant build-up of clients who will then need assistance. Also, the interest rates are still being applied to the debts and many people may not be aware that their payments will increase.”

“We have seen a significant drop off in demand for debt advice, although we believe this is because debt collection service and sheriff officer service have also had their services disrupted by the crisis. Also, the prevalence of forbearance being shown by creditors in the form of payment breaks has helped. We cannot ignore the significant impact that the UK Government’s Furlough Scheme and Self-employed Support Scheme has had in helping protect people.”

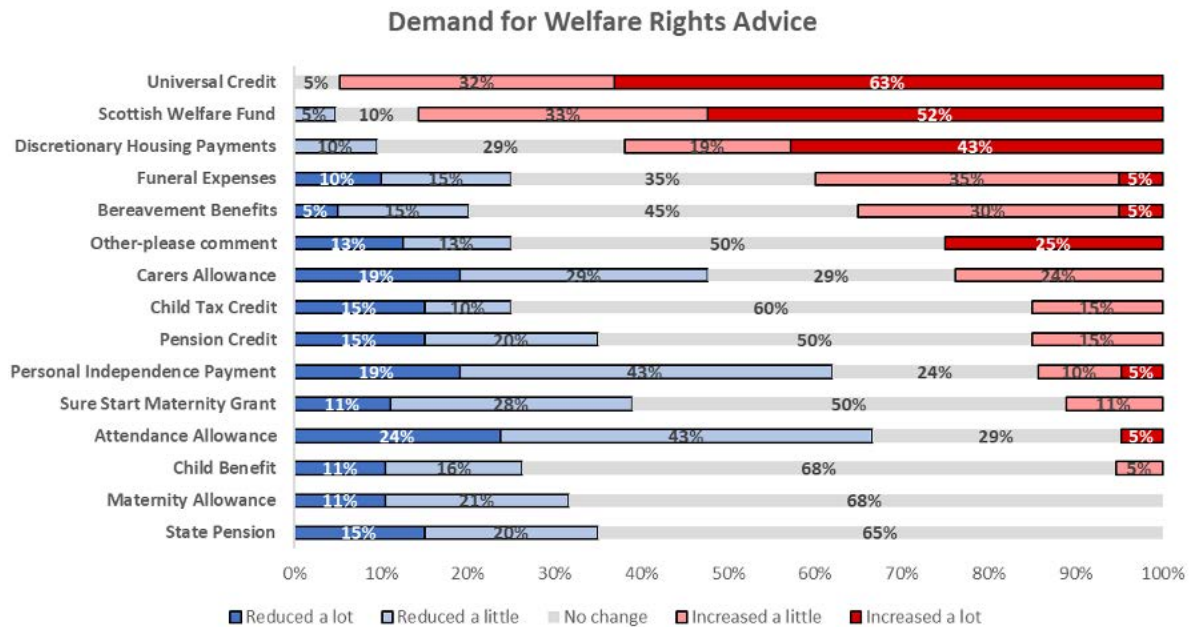
“We anticipate demand for advice will gradually begin to increase over the summer and into the autumn, and significantly increase from August onwards. We believe this demand will continue to rise for 18 months, however, the financial effects of this crisis will be felt far beyond that period and will result in an increased demand for money advice for the next 3-5 years.”

## (2) Welfare Rights Advice

Those benefits for which there was a marked increase in demand were Universal Credit, Discretionary Housing Payments and applications to the Scottish Welfare Fund. There was a reduction in demand for assistance with Personal Independence Payments, Attendance Allowance and Carers Allowance. Requests for advice in relation to other benefits were not significantly different. In some areas there was a slight increase in requests for support with benefits related to bereavement.

The changes again, are reflective of the wider context in which advice services are operating. Individuals who have been furloughed or are self-employed are likely to have experienced an unexpected loss in income and may be unable to meet essential living costs. Research by the Money Advice Service suggests that two in five of the working population have savings of less than £100.<sup>2</sup>

Figure Three: Demand for Welfare Advice



“Changes to the benefits system have greatly impacted on the number of referrals received by the team. i.e. PIP renewals obtaining six monthly award extensions. Our expectations are with this and other benefits, the impact will occur once these awards expire as this will be over and above other renewals that would be due around that time. Also, with individuals, family members etc completing claim forms just now they are not likely to be of the same standard as when assistance is given directly by team members, therefore the number of appeals may increase significantly.”

2 <https://www.moneyadviceservice.org.uk/blog/millions-at-risk-with-savings-of-100-or-less>





“New clients contacting our service in relation to welfare rights has remained stable – many benefits checks are being carried out and we are assisting clients with these applications over the phone or email . For example, chatting through a PIP2 form with a client, instead of writing in the form the adviser is collating this information into an email to be sent to the client to be contained within the form. We have also linked in with the DWP are they are accepting DS1500 Attendance Allowance applications via email.”

“Significant increase in those applying for council tax reduction.”

“Assistance with Claims has reduced by 58%; assistance with mandatory reconsiderations by 27% and assistance with appeals by 78%. We last had a face to face appeal tribunal at the beginning of March. We have our first teleconference appeal today as most people are opting to postpone until a face to face hearing can be arranged. “

“Number of applications to Scottish Welfare fund has increased as people are struggling to afford an increase in electricity costs and are relying on local shops where prices can be more expensive. DHP has also increased again due to people who are struggling to pay their rent now their wages have been reduced or they are now in receipt of Universal Credit. There has also been an increase in people looking to appeal PIP decisions”

“It is difficult to comment on this for the team as they only deal with benefit appeals and not claims. They are noticing a significant impact with GPs unable to provide medical evidence which means they need to contact other health professionals instead - all of this is all taking extra time when there are time limits involved with the appeals.”

“Enquiries related to health benefits have reduced significantly but are now gradually picking up. The DWP have reduced the number of decisions made on PIP for example, so fewer disputes have arisen.“

“Overall numbers are down, but complexity of cases and methods of delivery have led to an increase in work.“

### (3) Other types of advice

Local authorities indicated that there had been a number of requests for advice about the ‘furlough’ and other government schemes. The number of self-employed people seeking support rose markedly and this was likely to include many individuals who had not previously engaged, or had had limited interaction, with advice services.



Many organisations stated that there were increased requests for referrals to food banks or support requested for securing charitable grants. This reflects the position that there was a need for immediate support to be offered to address the hardships experienced by many.

Cautionary notes were expressed by some that the support on offer had on occasions not been properly co-ordinated and may not have reached those most in need.



“The team are part of the COVID19 response and are addressing medication and food needs on a daily basis.”

“Many clients have contacted our service specially asking about new grant schemes that have been released due to Covid-19, we have been able to advise the best we can on the ever changing guidance from the Government.”

“Those who have been furloughed and those who are self-employed have increased”

“Our service has also been involved with the assessment, administration and payment of the Flexible Food Fund, which is part of the funding by Scottish Government to the Local Authority. As part of this service the client must engage with all our teams - Welfare Benefits, Money Advice and Income Maximisation, to ensure they have received a holistic overview of their situation and maximised income whilst considering their outgoings etc. This has increased the workloads significantly for all of these services. “

“The nature of advice currently being provided is very much for the short term and more in relation to general advice, often around benefit entitlement and employment or health. Energy/fuel advice and information around how to access food parcels has been common.”

“Increase in demand for access to benevolent / emergency funds.”

“As we provide a holistic service for clients many of the enquiries have included employment issues as well as benefits and debt. “

“Definite increase in demand for foodbank and self-isolation boxes. New clients asking for support who, due to using local shops as they don't want to go to a supermarket, find it is costing them more money therefore benefits aren't lasting the same amount of time. They are impacted by the poverty premium where small newsagents usually stock branded goods and are less likely to have bulk buy offers. Also, people using more gas and electricity as they are spending more time in their homes.”



“Increase in employed clients calling for assistance/advice on benefits or requiring to speak to a Money Advisor as they are worried as they haven’t missed payments before and now have due to income loss as a result of Covid19.”

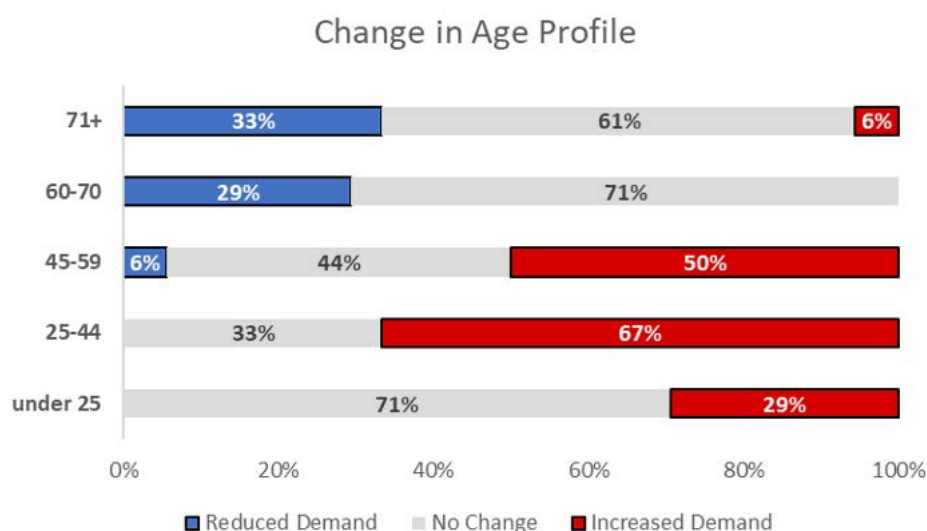
“Community provision of food support has sprung up in many places - often uncoordinated and low key. How councils and other established networks can link with such provision so that those who do have direct contact with these services can be assessed then access appropriate support, is a big challenge.”

# Changes in the demographic composition of service users

There have been minimal changes reported in the sex or ethnicity of individuals seeking money and welfare rights advice.

In relation to age, in general terms, demand for advice from older people has reduced.

**Figure Four: Age Profile**

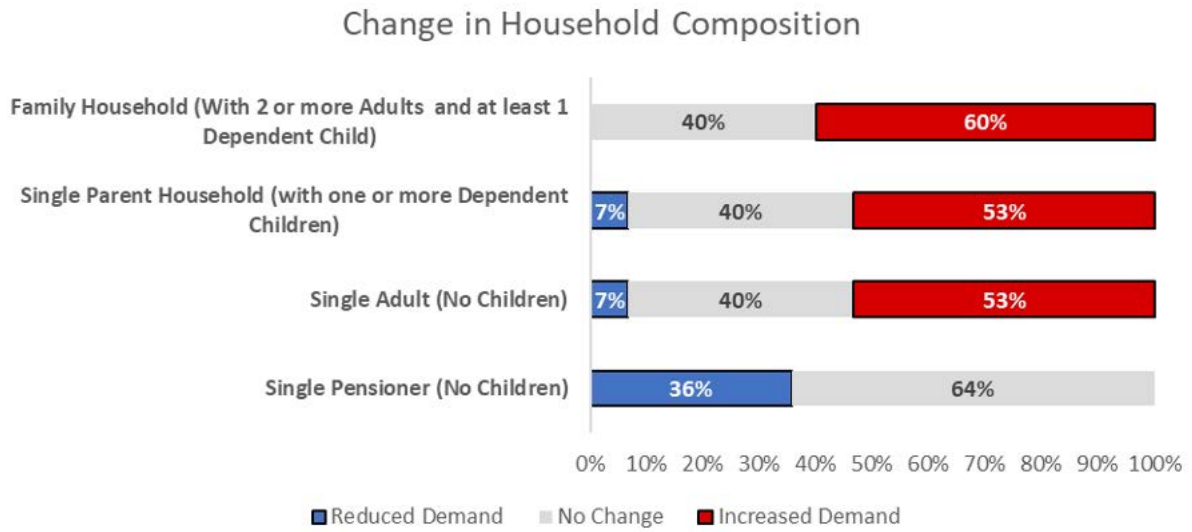


## Household composition

In considering the household composition of those most likely to apply for money and welfare rights advice, again age appears to be the most influential factor. Whether or not a household contained dependent children appears to be of less significance. It is not clear why this is the case. It could be that older people are less likely to use technology and hence, in the current situation with digital access, find it harder to access advice services. Older people as a group traditionally have been underrepresented in their use of advice services.<sup>3</sup> It should be noted that requests for advice from households containing two adults and one or more dependent children have increased by c 60% which may align with the increased demand for advice from individuals in employment described in Table Six.

<sup>3</sup> [https://www.improvementservice.org.uk/\\_data/assets/pdf\\_file/0025/8584/capmf-annual-report-201718.pdf](https://www.improvementservice.org.uk/_data/assets/pdf_file/0025/8584/capmf-annual-report-201718.pdf)

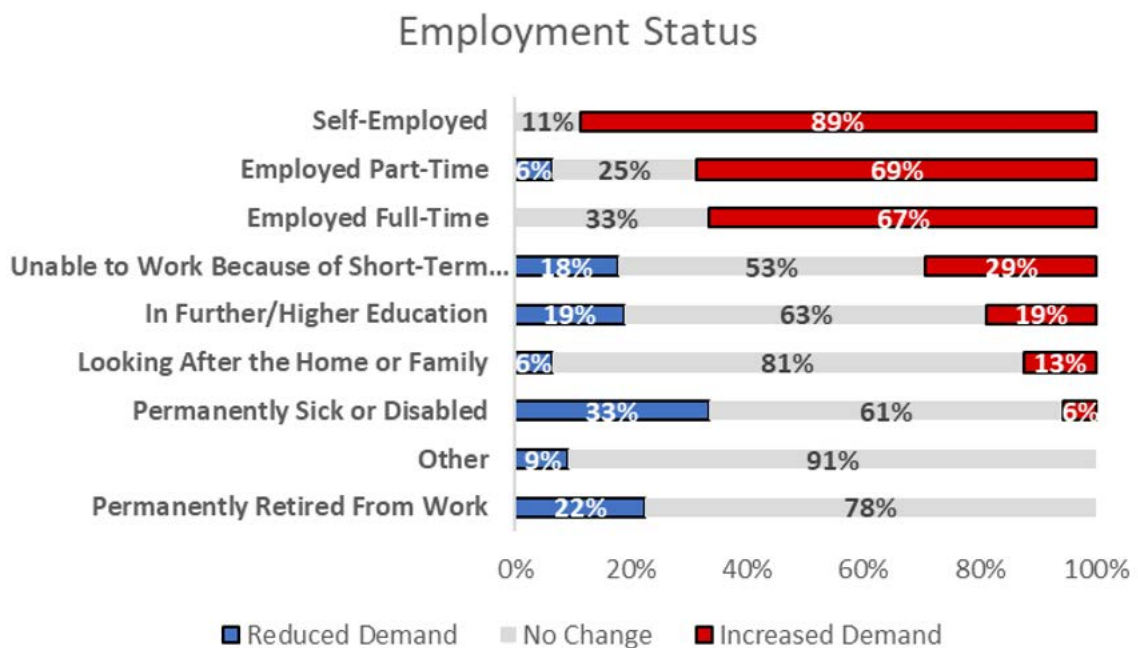
Figure Five: Household Composition



## Employment Status

There was a marked increase in demand from individuals who were in employment particularly if they were self-employed. Given the immediate and unexpected reduction in loss of income for this group, this is not too surprising. However, it should be noted that as the economic impact of COVID-19 increases with potentially higher unemployment<sup>4</sup> and increased reliance on welfare benefits this growth in demand is likely to continue.

Figure Six: Employment Status

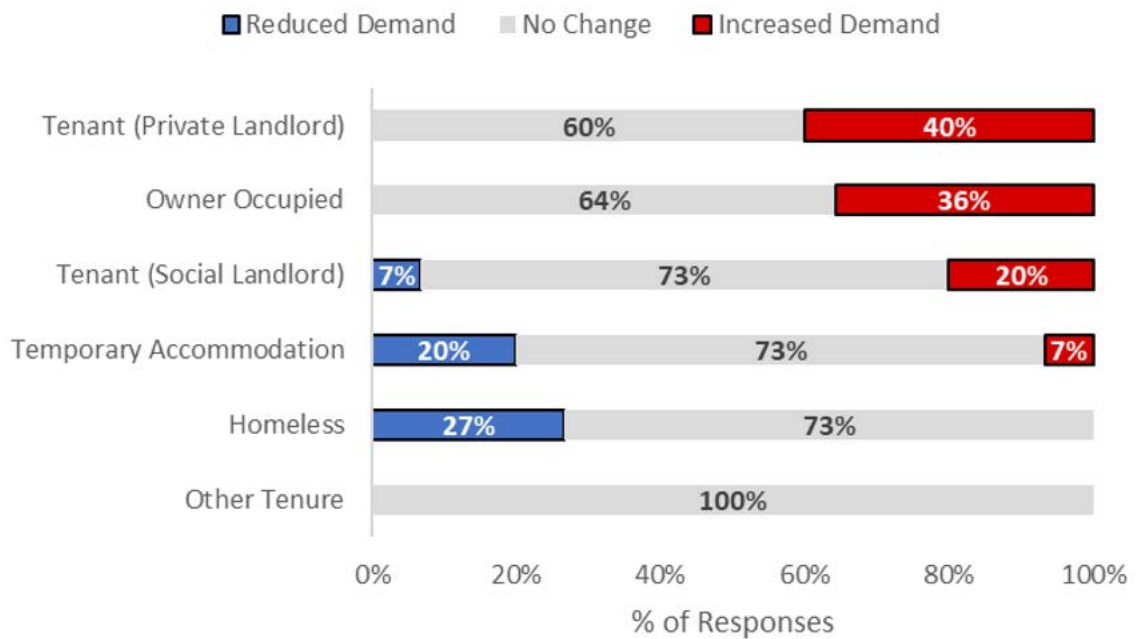


4 <https://fraserofallander.org/covid/latest-data-on-the-scottish-economy-update-14th-august-2020/>

## Accommodation type

In relation to the type of accommodation that individuals seeking advice were occupying, there was a slightly reduced demand from those in temporary accommodation or who were homeless. This is likely to be as a result of the additional support individuals in this group are receiving from the public sector. In contrast, demand from individuals who owned their own properties (with a mortgage) or who lived in a property owned by a private landlord increased.

**Figure Seven: Accommodation Type**



# Partnership working

Local authorities were asked if there was greater collaboration both internally and with other public and third sector organisations. With one exception, all indicated that there was. Several services reported that they had extended the scope of their activities and worked with others to support vulnerable individuals and families. Cross sector partnerships have been created using a variety of methods, including community hubs, rapid response teams etc. The approach adopted was the one best suited to address the local situation, but in all cases the focus has been on identifying needs and working collaboratively to address them.

Given that there was a requirement to address urgent needs and crises, processes and policies were streamlined and speeded up. Changes in practices by statutory bodies, such as the Department for Work and Pensions and the Accountant in Bankruptcy, have ensured that services to individuals can be maintained remotely and have also, in the main, improved relationships between local authorities and such bodies.

Several local authorities have worked collaboratively with others to identify all the community assets that are available, and to use them to support individuals. For example, one local authority and third sector organisation are working together to ensure that individuals can access advice from the local authority advice team using a digital platform which is located in a third sector premises. Support to do this is being offered by third sector staff.

Another local authority, using data collected internally, have attempted to re-engage vulnerable individuals.



“We have enhanced our partnership with CAB to ensure there is continual service provision across the authority.”

“Local charities are involved in setting up local neighbourhood hubs.”

“Falkirk Council continues to work very well with all of its internal and external organisations. The current situation has possibly helped to improve communications both internally and externally with information being shared more quickly than before COVID -19. “

“We are working in partnership with organisations to support individuals and families, undertaking shielding calls and working to support local foodbanks etc.”



“Better relationships have been made with other services within Stirling Council and external services. For example; our service is working well with DWP, they are now accepting applications via email for DS1500 clients.”

“We are also in regular contact with CAB to discuss what difficulties and trends they are seeing and how they have overcome these.”

“Working with colleagues in the benefits team to identify those who may be at high risk and those who have started claims but not completed them...and offering support. We have worked with social policy and housing colleagues to prioritise those most at risk. In addition, we have taken a pro-active approach to consider those who have disengaged with services over the last six months and to speak to them to see if now the right time is to re-engage. “

“Working with partners to consider different approaches i.e. Carers of West Lothian have asked that we host zoom meetings with clients rather than over the phone. They are taking the referrals and will arrange times to suit customer. The anti-poverty service has co-ordinated all responses for those in both the shielding and non-shielding group which are related to financial issues. We have also worked with 26 local food providers to form a West Lothian Food Network and there is now a central food hub from which all community food providers can access additional food surplus. This in turn, has enabled us to build capacity in the offer of food to those who experience food insecurity. Work is underway with Macmillan Cancer Support and the Integrated Joint Board on enabling the ‘Improving the Cancer Journey’ project to be rolled out in West Lothian. This has had to be re-focused as a result of COVID19. “

“The Council in partnership with the NHS and Third sector are working more closely to deliver support services to the shielding residents, and also non shielding but vulnerable residents, not just on benefits and debts but also other support services, e.g. welfare checks, prescription pick-ups, dog walking and mental health/ isolation checks etc.”

“We are working more closely with the DWP & Jobcentre Plus”

“Aberdeen City Council have set up a Crisis Support Team to ensure people are getting essential food via CFINE. We are working closely with the third sector who are supporting our vulnerable customers.”

“We have established a COVID-19 contact hub which involved different departments and agencies coming together to provide services and make sure help and advice were available to people.“



“Since the payment of the Flexible Food Fund our profile has raised significantly within the area and we certainly have had an increase in referrals , for example, from schools.”

“There has been a significant effort made in communicating better, sharing information and working closely in order to support local residents. Given the wide reaching impact across East Lothian, services, communities and volunteers have pulled together to do everything they can to help those affected.”

“Through the Humanitarian Aid Angus Response Team, Internal council services and third sector organisations are undertaking partnership work to support people impacted by Covid-19.”

“The local authority has rapidly changed the way in which services are delivered and have assisted third sector organisations like CARF in their responses to COVID. This has included working with CARF to provide the additional kit required for their advisers”.

“South Ayrshire Council set up a COVID-19 Community Support Team, resourced by a multi-agency council task force to provide support to local people who are shielding or at risk. Support includes, but is not limited to, a dedicated COVID-19 helpline and access to essential food and medication deliveries and digital support. The team also identify other issues and make onward referrals to internal and external support agencies including referrals for money advice/ benefits checks. Working with Community Planning Partners we have also created a central database of 468 Community Planning Partnership (CPP) volunteers. All volunteers are given consistent volunteering training online and are made aware of referral pathways to welfare and debt advice services.”

“Midlothian has always had very good working relationships and partnerships that are all brought together with MFIN (Midlothian financial Inclusion Network). Through this difficult time, we have been working even more closely and collaboratively with our internal colleagues, external bodies such as , Social Security Scotland, and other third party organisations to ensure the residents of Midlothian can get the help and advice they need to get through this crisis.”

“There has been an increase in the number of agencies who are hosting webinars and providing a platform for sharing good practice- and we will be hosting our own next week for all our Financial Inclusion Partners. “



# Vulnerability

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Local authorities were asked to identify individuals that they thought would be particularly vulnerable. Several groups were identified, including both those who traditionally have been identified as fitting into this category and others who were considered to be entering it for the first time.

Potentially vulnerable groups that were suggested included:

- Those in the gig economy with underlying health issues
- People living with disabilities
- People who are small business owners and self-employed people.
- Single parents
- Individuals with poor mental health
- Young people aged 18 to 30.
- Recently unemployed people who had never been unemployed before
- People who needed to shield
- Digitally excluded individuals with addiction, mental health, physical or learning disability etc

Some responses provided a little more detail as to why it was thought individuals in these groups could be considered vulnerable.



“All clients claiming Universal Credit (UC) - a number of people are likely to be released from furlough and be unemployed so will be claiming UC for the first time. Also, many people live rurally in this area and have additional costs for travel, food etc. “

“Single people aged between 20 – 40 often fall through the gaps. They sometimes are on a low income and are only just keeping their heads above water.”

“The same groups who are usually deemed ‘vulnerable’: single parents; those with mental health issues; people with chronic health conditions; those with a learning disability; members of BME communities. Also, people with poor digital skills and/or access to IT are now more at risk.”



“Working families and single parent families who are experiencing redundancy situations and who are likely to have to claim benefit for the first time. Many could be over- committed financially and are likely to struggle to cope with their reduced income. We anticipate families and individuals in this situation may not seek advice until they have exhausted their existing credit limits/sources of cash and depleted any savings they may have had. They may delay seeking advice as are anticipating being able to secure new employment, this delay could potentially reduce the debt options available to them and the ability of our service to make a quick onward referral to our Employability and Skills Team.”

“Individuals with health conditions that are significant enough for them to be advised to shield could qualify or have an entitlement to a disability benefit. This would be the time to target this group. Older people are also less likely to claim benefits such as Pension Credit to which they are entitled, and one of the greatest risks for serious health conditions, including COVID-19 is age.“

Essentially identifying who might be considered vulnerable or to be in priority need is best summed up by one local authority respondent who stated,



“COVID-19 has shown that no-one is immune, whether from the disease itself or the economic fall- out of losing pay and/or a job. We need to ensure there is sufficient supply of debt advice to meet the demand and make it open to everyone that needs it and offer it through various channels.”

# Predictions of future demand

In an attempt to predict future demand for advice services, local authorities were asked if they had any evidence at a local level to support the contention that demand for advice services is likely to increase as a result of the economic consequences of COVID-19.<sup>5</sup>

Much of the evidence provided was anecdotal. However, the following factors are likely to result in a surge in increased demand when debt recovery processes start again:

- Rising unemployment
- Cessation of furlough scheme
- Increased debt levels due to payment breaks

As unemployment levels increase,<sup>6</sup> particularly in key sectors, communities in those local authority areas which employ significant numbers in tourism, hospitality, aviation etc are likely to be particularly adversely affected economically. The Money and Pension Service<sup>7</sup> are exploring ways in which demand for debt advice can be predicted on a UK wide basis. Whilst useful, this will not provide information that can be used to influence decision making at a local authority level. The IS is working in partnership with others to identify, and share, data with a view to predicting potential demand for debt advice on an individual local authority basis. This will be the subject of a separate report in November.



“Once the temporary holds have been lifted, I would expect creditors to begin communications with clients resulting in them contacting advice agencies for assistance. The feeling is that many clients who receive communication will all make contact at once putting a huge strain on advice services.”

“North Lanarkshire’s claimant count rose by 64% between March and April, on par with the Scottish % increase. National media talk about Scotland and the UK’s employment/unemployment rates between Jan-Mar 2020, these figures come from the Labour Force Survey (LFS) which does not provide a local authority breakdown, hence why we rely on the use of the claimant count as a proxy measure for unemployment each month. The LFS and claimant count figures cannot be compared against each other.”

5 <https://fraserofallander.org/scottish-economy/emerging-indicators-of-impacts-of-covid-19-on-the-economy-and-households-in-scotland/>

6 <https://www.bbc.co.uk/news/uk-scotland-52720227>

7 <https://moneyandpensionservice.org.uk/>



“Most enquiries are not in relation to our usual cases re PIPS ,ESA reassessments therefore once DWP recommence these operations coupled with effects of COVID19 on unemployment I anticipate a rise in referrals.”

“The obvious evidence is the increase in the number of people with reduced incomes.”

“Although no direct evidence we know that due to payment holidays and most local authorities, DWP and HMRC not actively pursuing debt people won’t seek advice. When the assistance stops and debt collection resumes then the demand will increase. Lots of people will become unemployed due to COVID-19. According to KPMG- Aberdeen’s economy will be the worst hit economically due to COVID with a reduction of 8.6%.”

“The obvious evidence is the increase in people with reduced incomes through the ending of employment or reduced hours or pay. Edinburgh has a large hospitality industry which is expected to shrink for some time thus causing hardship among many younger people, single parents and EEA nationals in particular. If construction is reactivated soon and expanded, then jobs could be created thus offsetting some impact. There seems to be more speculation than clear evidence at present though.”

“Anecdotal evidence from PACE (Partnership Action for Continuing Employment) given the large aviation, hospitality and tourism industry in South Ayrshire to expect demand on advice services to rise.”

“Not at present but have started to look at statistical data for the same period last year to study variances. Also discussing the potential impact once the furlough scheme finishes and more people may be made redundant. Will be looking at this more closely in the coming weeks and months to ensure we can deal with the potential increased demands.”

“However, when lockdown starts to ease it is anticipated that some businesses will not reopen, and redundancies/unemployment will rise. D&G is particularly dependent on tourism so the longer that the restrictions continue then the harder the area will be hit. In addition to this, when the temporary forbearance measures put in place by creditors come to an end then there will be an increased demand for debt advice.”

“We have not got any supporting local evidence, at present, however, we have been reviewing the nationally available information and using it to inform our recovery strategy. We also believe as Inverclyde will be significantly impacted economically, particularly as it ranks at the top of the Scottish Indices of Multiple Deprivation.”<sup>8</sup>

8 <https://www2.gov.scot/Topics/Statistics/SIMD/>

# Local authority plans for the future

Local authorities are putting in place recovery or resilience plans to prepare for the future and to ensure that services are maintained. There are many examples of the actions being taken across a range of issues on the IS website.<sup>9</sup> In the survey local authorities were asked to indicate what arrangements were being made to sustain future delivery of advice services.

All expressed the view that access to money and welfare advice services was an essential element in both social and economic recovery from COVID-19 and this would require adequate resourcing. Whilst some local authorities were planning to recruit additional staff, others in which service reviews were ongoing, or where resources were not available, stated this was not possible.

Many were focused on ensuring that support mechanisms to facilitate digital access to advice services were in place for both advisors and service users.

A few local authorities stated that the levels of uncertainty surrounding future arrangements made adequate preparation difficult and at this stage no plans had been agreed.



“We have arranged for two temporary posts to be created to cope with demand.”

“Ensuring that our advisers have the right tools to carry out their jobs”.

“As a team, we are trying to develop a more efficient and effective way of working. Working from home has its difficulties, we are trying to overcome these”.

“The council has an anti-poverty strategy and there will be a review to consider whether there needs to be a re-focus as a result of the impact of COVID-19. Currently the anti-poverty service which includes welfare rights advice is due to make savings as part of the council’s overall savings strategy. Bringing together different service areas into the anti-poverty service has helped us to respond to the demands placed upon us, e.g. we have been able to make payments to those eligible for free school meals and paid the school clothing grant for 2020/21 early.

9 <https://www.improvementservice.org.uk/covid-19-support-for-councils/covid-19-good-council-practice>



“Currently developing Recovery Plans for the next 18 to 24 months which will include Welfare Rights and Money Advice Services.”

“Securing and maintaining funding from partners ,remoulding services to take on new digital working.”

“Review services, respond to demand and reset/restart face to face if possible.”

“Budgets have reduced in recent years. It is hoped that this trend will not continue.”

“Plans in place to increase the number of money and welfare rights advice workers. The plan was for these worked to be based in GP surgeries, however, discussions on this are on hold due to COVID 19.”

“Too early to respond to this as we will be waiting for decision by Scottish Government.”

“We have a service review pending which will make our financial inclusion service a permanent feature within the welfare rights team. This will help to bolster the team and provide additional resource to support local residents in future.”

“The Poverty Commission in Edinburgh is now due to report in autumn 2020. It is hoped that there will be specific regard to the need for and shape of advice services in its recommendations. “

“The Service Level Agreement for CARF services will shortly be under review and the local authority will work alongside CARF to ensure that debt and welfare rights advice continues.”

“Increasing service capability levels to mitigate the anticipated increase in demand, whilst continually monitoring and reviewing staffing levels to meet demand.”

“We have identified that we have a lack of capacity to deliver specialised money advice in Inverclyde and have submitted a paper to our Senior Management Team proposing the recruitment of two additional specialist money advisers”

Some local authorities indicated that, as yet, action was not being taken.



“No immediate action being taken but is being discussed.”

“None at present”.

# IS support

Local authorities were asked in the survey to suggest areas in which the IS could offer support. The questions posed, and responses on potential actions, in some cases out with the role and remit of the IS, are summarised in the table below.

As the 'go to' organisation for local government the IS will try to assist directly or suggest other areas of support.

## Figure Eight: IS Support

<p><b>Q: Can you promote the value of the activities provided by local authority services to elected members?</b></p> <p>A: We will produce a briefing paper based on the final report for elected members</p>
<p><b>Q: Can funding be directed to local authorities as they are best placed to know how to meet local needs?</b></p> <p>A: We are currently carrying out a 'test of change' on distributing the devolved debt levy funding to local authorities. Ultimately this is a matter for Scottish Government to determine.</p>
<p><b>Q: Can you create a monthly video conferencing meeting for advisers to discuss current issues etc to help learn and support each other?</b></p> <p>A: If there is demand we can look at facilitating the establishment of khub groups and webinars – as we have already done for other areas.</p>
<p><b>Q : Can you provide relevant reports to Local Authority management?</b></p> <p>A: We already provide local reports for each authority using the data produced for the Common Advice Performance Management Framework.</p>
<p><b>Q: We need more evidence of the likelihood of increased demand for money and welfare rights advice services to make the case for continued investment.</b></p> <p>A: We are reviewing the data we collect and/or can access and working with others to model future demand for money and welfare rights advice at a local authority level.</p>
<p><b>Q: Can you share examples of good practice and helpful resources?</b></p> <p>A: Examples of good practice can be found on the IS website in case study examples, and as a separate report. We will place the report and links to helpful resources on the Evaluation web pages of our website. If there is demand, we can look at setting up a dedicated khub group.</p>
<p><b>Statement: Money and welfare rights advice should be statutory services for councils</b></p> <p>Response: This has been suggested by several people on a number of occasions at Scottish Parliamentary Committees. It is a matter for Scottish Government to determine.</p>



# Key findings and recommendations

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Local authority funded money and welfare advice services have responded quickly and creatively to meeting service user needs. By working collaboratively, they have sought to ensure that a co-ordinated approach **involving all community assets** is taken—targeting resources at those who are most vulnerable.

The nature of individuals seeking to access advice services, and the type of advice sought, have changed markedly as a result of COVID-19. The future remains uncertain, and as a consequence, further changes are almost inevitable.

The ways people access advice services have also altered - although not always as a result of personal choice. Many of the digital routes currently on offer will continue, and indeed be enhanced.

To cope with the predicted increase in demand, being able to access good quality advice services through a range of venues and channels will be critical. However, to ensure that money and welfare rights services are sustained will require an acceptance and understanding that they need to form a key component in measures designed to support economic recovery and reduce poverty

The following recommendations are made:

## **(1) Good practice should be shared and replicated**

Many examples of good practice were shared a sample can found can be found on the IS website in case study examples, and as a separate report.

## **(2) National bodies, and others, should seek to continue effective and efficient processes and appropriate guidance should be issued**

Various procedural and evidential adjustments were made by the Department for Work and Pensions and Accountant in Bankruptcy e.g. accepting electronic submissions etc. which advice services suggest have helped them to improve the way they assist clients. It is intended to identify which would be the most appropriate body to enter discussions about their continuation. Whilst changes to procedure may have occurred as a result of COVID-19, it is likely that other working practices would benefit from review.

## **(3) Partnership working should continue, be strengthened and developed further**

There were many instances of services extending the scope of their activities and working with others to support vulnerable individuals and families. These were

underpinned by cross sector partnerships in different forms - but with a common objective to work collaboratively and to draw on local community assets.

**(4) The contribution money and welfare rights services can make to social and economic recovery should be recognised and supported financially.**

Early access to advice services can reduce poverty, address income inequality and make a significant contribution to national strategies on health<sup>10</sup>, child poverty<sup>11</sup> and fairness.<sup>12</sup> Yet despite robust evidence of the multiple benefits of these services many responses indicated that there was some uncertainty about future investment.

**(5) Whilst taking account of local priorities, funding should be made available to ensure that there is a minimum standard of digital access to money and welfare rights advice across Scotland**

The survey highlighted that digital access to money and welfare rights advice services across the country is variable. Whilst there will always be a need to offer services in a way that best meets identified local priorities it would seem sensible for there to be an agreed minimum national standard which offers equitable access and includes an element of choice.

## More information

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10 <https://www.gov.scot/publications/scotlands-public-health-priorities/pages/1/>

11 <https://www.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22/>

12 <https://www.gov.scot/publications/fairer-scotland-action-plan/pages/7/>

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