

1. Do you agree with the 6 design principles for the replacement service?

Yes.

2. Are there any areas that you think we should include in the design principles or any areas that you do not think should be included?

Advice NI believes that the right to independent review by an independent external review body is a fundamental design principle which should be included. The lack of such a principle is puzzling given that such an approach is proposed for the Discretionary Support service (see Paragraph 3.15 'Review of decisions').

On reading the document, Advice NI believes that thought should be given to establishing a key principle in terms of 'comments / complaints'. Very different to the process of review, we believe this is very important because it is very clear that the scheme is "discretionary" with several very subjective conditions including ability to repay and whether the application is treated as a grant or a loan. Undoubtedly staff will face a challenge in administering the scheme and we believe that mechanisms must be in place to allow 'real time' opportunities for learning from client feedback. In terms of learning and evaluating the new service properly, claimants must be encouraged to provide their comments in relation to the service they received, which will hopefully contribute to the development of a better service in the future.

3. Bearing in mind that our intention to test providing goods directly to customers, for example white goods and furniture, is to ensure that we get the maximum benefit from the available funding and that our customers' needs are met, do you agree with this proposal?

Advice NI would advocate a cautious approach be taken with regard to direct provision of goods and furniture. Firstly the quality of the goods and furniture should not become victim of financial expediency. Whilst we recognise the benefits in terms of bulk buying and achieving savings in terms of discounted prices; care should be taken to ensure that goods and furniture are of satisfactory quality and last for a reasonable period of time so as to avoid problems arising in terms of dealing with issues such as faults arising after a short period of time.

Secondly the implementation of the direct provision of goods and furniture policy should seek to minimise any potential stigma that may be attached to availing of this support, for example lessons could be learned from how

other types of similar support (including passporting) are handled (for example Free School Meals and health & social care equipment).

Thirdly Advice NI would seek an assurance that the approach does not extend beyond the provision of goods and furniture.

- **We intend to test providing goods (e.g washing machines or furniture) for a short period in a small number of offices. Please give us your ideas on how we should do this (For example, direct supply of goods, vouchers, charged cards for retail outlets).**

Advice NI agrees that different methodologies for implementing this approach should be tested to ensure that delivery methods minimise stigma and put the client experience at the centre. We would recommend that client feedback be sought in order to monitor and evaluate the relative merits of the various approaches taken.

5. Do you agree that the maximum debt that a customer can have under the new Discretionary Support provision will be £1,000?

Advice NI is concerned that 21% of current Social Fund customers will be deprived from accessing support under this proposal. Advice NI believes more information is required in relation to:

- Breakdown of the numbers of people falling into each £100 category above the £1,000 threshold;
- A profile of these people;

It is clear that these 21% may in fact be in a very vulnerable position and we would be concerned that depriving them of help may not be the best way to support them.

6. If not, please give us your views about what the maximum debt level should be under the new provision?

Advice NI would advocate the following approach: people in the £1,000 to £1,500 category could avail of a specialist Discretionary Support application service which would look at each case on an individual basis to ensure that a balanced approach is taken between limiting the individual's debt levels and helping people who find themselves in urgent financial need.

Potentially advice and support could become a mandatory requirement for people seeking assistance within the £1,000 to £1,500 category.

7. Do you agree that Social Fund debt (and other debt under Universal Credit when introduced) that customers may already have should be taken into account in deciding to make a loan award under the new provision?

We disagree with this being a sole distinguishing factor, we propose the above approach be taken as a means of having a 'safety mechanism' to support people who find themselves in urgent financial need.

8. Please let us know your views about use of the National Minimum Wage as an income threshold which will ensure that the Discretionary Support is open to those on low-incomes.

We would like to see information in respect of how this approach would impact on current claimants. For example what type of client would be able to apply for help under the current 'qualifying benefit' approach; who would find themselves excluded from help under the new Discretionary Support scheme.

9. Are there any types of income that you think should not be taken into account when deciding income level? For example, a benefit or earnings from other people living in the household.

Advice NI would make the case that:

- (1) Child Tax Credit be excluded so that families with children are not disproportionately affected relative to households without children;
- (2) Disability additions be excluded so that claimants with disabilities are not disproportionately affected relative to claimants without a disability;
- (3) Support for Mortgage Interest additions be excluded so that claimants availing of mortgage help are not disproportionately affected relative to claimants who are renting their property;

10. Please give us your views about the proposed benefits which will be disregarded when assessing income?

Advice NI believes that the NMW threshold is a blunt tool, which may create unintended consequences in terms of operating a scheme which is meant to

support people in exceptional, extreme or crisis situations.

11. Do you feel that the proposals above for the review of applications are appropriate?

Advice NI welcomes the proposal to have an independent external review body.

12. Please let us know if you have any suggestions or concerns relating to the review process.

Advice NI believes that the competing issues of timeliness vs quality will play a key role in terms of the review process. Given that claimants making applications will be in urgent need, it will be very important that any review process is timely. We would recommend that targets in terms of clearance times are set for Stage 1 and the independent review stage.

13. Do you agree that applicants to discretionary support should be offered assistance in the form of a benefit entitlement review and/or specialist advice from another government body, voluntary or community organisation?

Advice NI made the following comments in our consultation response last year:

“The DSD consultation document suggests (and Advice NI agrees) that advice services have a key role to play in terms of providing information & advice and helping people maximise entitlements & improve their financial capability. Furthermore advice services might even have a role in terms of verification / validation, with a view to streamlining the process and maximising access to the discretionary support. However given the pressures already facing advice services as highlighted above, Advice NI believes that consideration should be given to tailoring (and resourcing) dedicated advice provision towards clients who seek help from any Discretionary Support Scheme and are then referred on for advice and assistance. This would be consistent for example with the approach taken to meeting PfG Benefit Uptake commitments where specific resources are made available to conduct specific uptake activity.”

14. Please give us any further comments you have about this proposal.

Please see above.

15. Do you agree that our funding should be restricted for residents of Northern Ireland?

Advice NI believes that more information is required in relation to this aspect of the consultation document, in particular who will be likely to be denied help who otherwise would be entitled to help under the current Social Fund scheme.

16. What are your thoughts on the proposal to deliver services:

a) face to face?

b) by telephone?

c) by post?

Advice NI is satisfied that delivery channels appear to be mirroring current provision.

17. Do you agree with the eligibility criteria and conditions for loan applications to the new service?

Advice NI believes that the ability to show ability to repay may well be counter-productive. In our view the majority of claimants will be in receipt of means tested benefit (or the equivalent Universal Credit amount). The same amounts of benefit are payable for claimants in similar circumstances (for example single claimants over 25 all receive £71.70), if SSA are going to start making detailed assessments in terms of ability to repay then it is going to be very difficult to apply this consistently for all claimants across NI.

18. Are there any additional criteria or conditions we should include or any part that you do not think should be part of the service?

Advice NI would caution against developing and applying additional, broad, sweeping conditions that may very well serve to restrict and prevent help for the very people that need it most.

19. Do you agree with the eligibility criteria and conditions for grant applications to the new service?

Advice NI would reiterate the comments made above, and again would caution against developing and applying additional, broad, sweeping conditions that may very well serve to restrict and prevent help for the very people that need it most.

20. Are there any additional criteria or conditions we should include or any part that you do not think should be part of the service?

In terms of linking claimants with advice and information services (particularly in terms of benefit maximisation and money / debt advice) Advice NI believes that more thought could be given to integrating this support within the Discretionary Support scheme. Please see comments above (Q 13).

21. Do you agree with the approach to evaluating the new discretionary support service?

Advice NI believes that by building in a 'comments / complaints' process at the outset this will facilitate the evaluation process. Very different to the process of review, Advice NI believes that thought should be given to establishing a principle of dealing with complaints in a timely and fair fashion. We believe this is

very important because it is very clear that the scheme is “discretionary” with several very subjective conditions including ability to repay and whether the application is treated as a grant or a loan. In terms of learning and evaluating the new service properly, claimants must be encouraged to provide their comments in relation to the service they received, which will hopefully contribute to the development of a better service in the future.

Whilst the measures identified are relevant, they appear to lack a focus on gathering the customer experience.

22. Please let us know if there are other aspects you think could be evaluated.

Please see above.