

Welfare Benefits Unit

Charity number 1164225

Annual Report and Financial Statements for the year ended 31 March 2019



West Yorkshire Community Accounting Service

Welfare Benefits Unit

Annual Report and Financial Statements for the year ended 31 March 2019

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Prepared by West Yorkshire Community Accounting Service

Welfare Benefits Unit

Trustees' report for the year ended 31 March 2019

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Mr Paul Murphy	Chair	
Mr Richard Bridge	Treasurer	
Mr Robert Flint Jenkinson		Resigned November 2018
Prof. Charlotte O'Brien		
Ms Nicola Welch		
Prof. Peter Ball		
Prof. Christine Skinner		
Mrs Helen Edwards		

Charity number 1164225 Registered in England and Wales

Principal address

Welfare Benefits Unit
17 Priory Street
York
YO1 6ET

Bankers

Cooperative Bank plc
PO Box 250, Delf House
Southway
Skelmersdale WN8 6WT

Independent Examiner

Simon Bostrom FCIE

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is Charitable Incorporated Organisation (CIO) - Foundation registered 2 November 2015 and governed by a constitution.

Method of recruitment and appointment of trustees

Trustees are recruited by invitation and application. Our Trustees come from a wide range of backgrounds including academia, the Civil Service, law, local government and the advice sector. Trustees' induction includes attendance at provisional meetings and relevant information about the service and Trustee responsibilities.

Objectives and activities

The charity's objects

For the public benefit, the prevention or relief of poverty and financial hardship, the advancement of education and the protection of health in particular, but not limited to, the people of York and north Yorkshire.

These purposes will be advanced in particular but not exclusively by:

The provision of advice and assistance on welfare benefits, and other social welfare matters.

The provision of training, meetings, lectures and events in particular but not exclusively for persons working or engaged in the provision of social welfare.

Raising public awareness of welfare benefits and social welfare provision.

Providing written information, in print, online or otherwise.

Promoting, contributing to or undertaking organised research and experimental work, and disseminating the results thereof.

Providing consultancy for persons interested in welfare benefit provision, and related matters.

Welfare Benefits Unit

Trustees' report (continued) for the year ended 31 March 2019

The charity's main activities

The Welfare Benefits Unit (WBU) offers specialist welfare benefits advice to those who work with members of the public. Our experienced team of advisers provides independent support through our advice line, publications, training, consultancy and project work.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the prevention or relief of poverty and the advancement of education.

Achievements and performance

It has been another year of challenges in the benefits system, and claimants across the country are facing uncertainty, shifting boundaries and widespread misadministration. The services that the WBU offer are vital in ensuring that advisers across North Yorkshire and York can access expert support and provide accurate and confident advice to their clients.

By offering a specialist welfare benefits service to anyone working with claimants in North Yorkshire and York the WBU ensures that residents can access detailed advice from whomever they receive support. The WBU advises a wide range of organisations, some who have little involvement with benefit issues and others in which advice provision is central. Knowledge gained from the WBU, through our advice line, publications and training, is cascaded through the work of these agencies. With national appeal successes continuing to run at approximately 70% it is clear that advice on challenging DWP decisions remains essential, as well as support maximising the likelihood of a successful initial decision.

We deliver our service to a wide range of organisations including statutory services, such as social services' benefits and care charges assessors, family support workers, housing advisers, youth workers, employment advisers, student welfare teams and hospital social workers. We are also accessed by a wide range of voluntary organisations including Age UK, Citizens Advice, disability and carer organisations, advocacy support, grant-making charities, housing support, family mediation and agencies for specific groups (such as travellers, young people).

Advice Line

The advice line is available to anyone working with a claimant in North Yorkshire and York. This effective service is available by phone and email during office hours, Monday to Friday.

"Quick and accurate responses. Incredibly helpful."

"A fantastic service to professionals working with people in the community."

In 2018/19 the advice line received 1542 contacts generating 2374 queries. Over two-thirds of the contacts involve complex queries requiring advanced reference material or extended responses.

Queries received cover the whole benefit system, the main focusing on Universal Credit, Employment and Support Allowance, Personal Independence Payment and Carer's Allowance. The complexity of queries has increased as the interaction of Universal Credit and legacy benefits requires more detailed consideration and discussion.

Continuation funding received through the Improving Finance, Improving Lives (City of York Financial Inclusion Steering Group) for the Universal Credit Focus project allows us to extend the support we provide in complex cases regarding Universal Credit, offering follow up and help with challenging decisions, as well as providing information briefings. This funding allows us to build on our core services and provide a broader range of support to York advisers and other agencies.

Welfare Benefits Unit

Trustees' report (continued) for the year ended 31 March 2019

Training

The Welfare Benefit Unit's training is provided contractually to City of York Council (CYC) and North Yorkshire County Council (NYCC) staff, as well as to North Yorkshire Citizens Advice staff and volunteers. The most popular being 'Introduction to Universal Credit' and the 3-day 'Introduction to Benefits'. All our trainers are qualified to NCFE Level 3 in Education and Training.

"Excellent course with superb resources."

"Very knowledgeable trainers who were very personable and professional."

A total of 25 courses were provided, both contracted and bespoke, to 450 delegates.

The WBU delivered training from our annual training programme to 290 delegates from North Yorkshire and York and 33 from outside North Yorkshire.

Bespoke training provides an important revenue stream whilst offering quality provision; supporting those in the statutory, voluntary and housing sectors to work effectively with residents. This year we provided training to 127 trainees at North Yorkshire County Council, Carer's Resource, Avalon Group, and Craven and Harrogate Citizens Advice.

Joseph Rowntree Foundation's Community Grant provided funding for free training sessions to 85 representatives from 18 community organisations in York, increasing access to specialist knowledge and encouraging use of the WBU advice service. The Universal Credit Focus project also provides briefings to York organisations.

Publications

Our concise Advisers Guide continues to be very well received. Provision is free, under our contracts, to City of York and North Yorkshire County Council staff, and Citizens Advice in North Yorkshire; approximately 1000 were distributed. National sales of the Advisers Guide supports the work of the WBU and approximately 2000 copies were sold, alongside rates cards and wallcharts.

"... it is an excellent book."

Our quarterly Benefits e-Bulletin provides up to date information offering details of changes to legislation, guidance and case law; available without charge to all who join our mailing list. Resources, including our detailed factsheets, are available on our website with regular 'News in Brief' emailings providing prompt, succinct updates.

"We were looking at your website (really impressed) ..."

The WBU also produce leaflets for members of the public (Benefits for people aged 65+ and Benefits if you are disabled); nearly 4000 copies were distributed regionally, on request. This resource provides clear information and supports advisers in their work.

Forum meetings and collaborative working

Our Forum meetings provide an opportunity to attend an updating session and share information. In May 2018, Charlotte O'Brien and Alice Welsh, University of York, presented on EU worker status. In November 2018, Jenny Shaw and Dave Waller, Department for Work and Pensions' (DWP) Partnership Managers, provided an overview of DWP escalation routes and the work coach role.

WBU liaises with the DWP, attending the Customer Representative Meetings and feeding back on issues; information is disseminated through our mailing list. The Chief Executive attends the North Yorkshire and York Benefits Managers Group which provides an opportunity for closer working and a representation of claimant and advice agency experience. The WBU are involved in local advice meetings, such as Advice York, and attend regional meetings, such as the Armed Forces Covenant meeting. The Chief Executive also attended a CYC Scrutiny Committee for Financial Inclusion, providing additional information following the meeting.

Concerns about the impact of UC on disabled students was highlighted to MPs in York and North Yorkshire. We also referred into Child Poverty Action Group's Early Warning System which led to the claimant in question becoming involved in a significant judicial review decision.

Welfare Benefits Unit

Trustees' report (continued) for the year ended 31 March 2019

Financial review

The net expenditure for the year was £7,693, including net expenditure of £11,563 on unrestricted funds and net income of £3,870 on restricted funds.

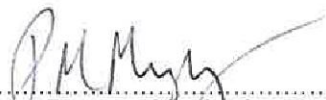
The WBU worked to an agreed deficit budget in 2018/19, taking into account demand on the service and continued costs relating to updating internal procedures and systems and service development.

Reserves policy

The Trustees maintain the charity's reserves at a level which is at least equivalent to six months' operational expenditure and not exceeding twelve months' expenditure. This level of reserves would allow the opportunity to explore other areas of income generation whilst maintaining service provision if funding was not renewed, in particular taking into account the need to meet differing contractual provision.

The charity's free reserves, excluding fixed assets, at the year end were £150,518. This represents approximately 8.5 months of budgeted annual expenditure for 2019/20 (£214,892).

Signed on behalf of the board of trustees:

Signed.....  (Trustee)

Name..... PAUL MURPHY (CHAIR)

Date..... 21 OCT 2019

Welfare Benefits Unit

Independent examiner's report to the trustees of Welfare Benefits Unit Charitable Incorporated Organisation ('the CIO')

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2019, which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



Name: Simon Bostrom

Relevant professional qualification or body: FCIE

Date:

24/10/19

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Welfare Benefits Unit
Statement of Financial Activities
for the year ended 31 March 2019

	Notes	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £	2018 Total funds £
Income from:					
Grants and contract income	(2)	101,999	38,338	140,337	143,555
Sales and fees		31,552		31,552	33,957
Donations		3	-	3	391
Other income		3		3	55
Total income		133,557	38,338	171,895	177,958
Expenditure on:					
Salaries and NIC and pensions	(3)	92,525	28,880	121,405	118,456
Freelance workers		5,196	-	5,196	7,670
Payroll charges		1,080	-	1,080	1,176
Staff travel and subsistence		655	-	655	986
Volunteer expenses		7	-	7	56
Training and conferences		976	-	976	1,083
Printing and reproduction		9,269	100	9,369	8,250
Training delivery costs		6,042	1,005	7,047	6,620
Materials and resources		1,390	-	1,390	2,496
Rent and service charges		13,013	2,241	15,254	15,027
Office and administration		867	212	1,079	1,364
IT maintenance		2,226	753	2,979	2,121
Telephone and internet		1,529	329	1,858	1,854
Postage		1,495	322	1,817	1,813
Advertising and publicity		1,486	319	1,805	805
Bank charges		105	-	105	73
Insurance		1,426	307	1,733	2,637
Independent examination		900	-	900	900
Legal and professional		825	-	825	330
Consultancy		1,620	-	1,620	1,259
Recruitment		817	-	817	345
Bad debts		-	-	-	78
Depreciation		1,671	-	1,671	1,416
Total expenditure		145,120	34,468	179,588	176,815
Net income / (expenditure)		(11,563)	3,870	(7,693)	1,143
Fund balances brought forward		167,351	-	167,351	166,208
Fund balances carried forward	(4)	155,788	3,870	159,658	167,351

All incoming resources and resources expended derive from continuing activities.

Welfare Benefits Unit

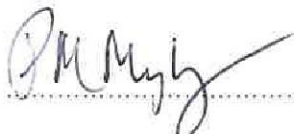
Balance sheet

as at 31 March 2019

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Total £
Fixed assets				
Tangible assets	(5) 5,270	-	5,270	5,664
Total fixed assets	<u>5,270</u>	<u>-</u>	<u>5,270</u>	<u>5,664</u>
Current assets				
Debtors and prepayments	(6) 6,681	-	6,681	10,458
Cash at bank and in hand	(7) 257,860	3,870	261,730	264,462
Total current assets	<u>264,541</u>	<u>3,870</u>	<u>268,411</u>	<u>274,920</u>
Current liabilities: amounts falling due within one year				
Creditors and accruals	(8) 114,023	-	114,023	113,233
Total current liabilities	<u>114,023</u>	<u>-</u>	<u>114,023</u>	<u>113,233</u>
Net current assets / (liabilities)	<u>150,518</u>	<u>3,870</u>	<u>154,388</u>	<u>161,687</u>
Net assets	<u>155,788</u>	<u>3,870</u>	<u>159,658</u>	<u>167,351</u>
Funds				
Unrestricted funds	155,788	-	155,788	167,351
Restricted funds	-	3,870	3,870	-
Total funds	<u>155,788</u>	<u>3,870</u>	<u>159,658</u>	<u>167,351</u>

The financial statements were approved by the board of trustees on

Date: 21 OCT 2019

Signed:  (Trustee)

Name PAUL MURPHY (CHAIR)

Welfare Benefits Unit

Notes to the accounts

for the year ended 31 March 2019

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice:

Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Tangible fixed assets

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Gifted assets are shown at the value to the charity on receipt.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Office equipment: over 5 years

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

Welfare Benefits Unit
Notes to the accounts continued
for the year ended 31 March 2019

2 Grants and donations	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £	2018 Total funds £
Contract income				
North Yorkshire County Council	101,999	-	101,999	101,998
Grant income				
City of York Council (CYC)	-	22,700	22,700	22,700
Joseph Rowntree Foundation (JRF)	-	3,870	3,870	5,465
CYC Financial Inclusion Steering Group	-	11,768	11,768	13,392
	<u>101,999</u>	<u>38,338</u>	<u>140,337</u>	<u>143,555</u>

3 Staff costs and numbers	2019 £	2018 £
Gross salaries	110,822	108,196
Social security costs	4,750	5,140
Pensions	5,833	5,120
	<u>121,405</u>	<u>118,456</u>

The average number employees during the year was 6.3, being an average of 4.1 full time equivalent (2018: 6.1, 4 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme	2019 £	2018 £
Costs of the scheme to the charity for the year	5,833	5,120
Amount of any contributions outstanding at the year end	-	-

4 Restricted funds	Balance b/f £	Incoming £	Outgoing £	Transfers £	Balance c/f £
CYC	-	22,700	22,700	-	-
JRF	-	3,870	-	-	3,870
Universal Credit Focus	-	11,768	11,768	-	-
	<u>-</u>	<u>38,338</u>	<u>34,468</u>	<u>-</u>	<u>3,870</u>

Fund name	Purpose of restriction
CYC	City of York Council (Communities and Equalities) – funding to provide our core service: advice line, training, and publications.
JRF	Funding to be able to offer subsidised training places to York organisations and talks for their service users.
Universal Credit Focus	Funding from CYC (Financial Inclusion Steering Group) towards the Universal Credit Focus project.

Welfare Benefits Unit

Notes to the accounts continued for the year ended 31 March 2019

5 Tangible assets

	Office equipment	Total
<u>Cost</u>	£	£
At 1 April 2018	7,080	7,080
Additions	1,277	1,277
At 31 March 2019	8,357	8,357
<u>Depreciation</u>		
At 1 April 2018	1,416	1,416
Charge for year	1,671	1,671
At 31 March 2019	3,087	3,087
<u>Net book value</u>		
At 31 March 2019	5,270	5,270
At 31 March 2018	5,664	5,664

6 Debtors and prepayments

	2019	2018
	£	£
Debtors	6,049	9,414
Prepayments	632	1,044
	6,681	10,458

7 Cash at bank and in hand

	2019	2018
	£	£
Co-op Bank	251,494	254,133
Undeposited funds	226	316
Funds held at payroll company	10,000	10,000
Cash in hand	10	13
	261,730	264,462

8 Creditors and accruals

	2019	2018
	£	£
Creditors	1,271	737
Accruals	2,229	1,852
Fees paid in advance	8,524	8,645
Deferred income	101,999	101,999
	114,023	113,233

The deferred income relates to the North Yorkshire County Council contract relating to work to be carried out in the April 2019 to March 2020 period.

Welfare Benefits Unit

Notes to the accounts continued for the year ended 31 March 2019

9 Trustee expenses

During the year 1 trustee was paid a total of £7 in respect of travel (previous year: 1 trustee and £25).

10 Trustee remuneration

During this year or the previous year no trustee received any remuneration.

11 Related party transactions

Key management personnel

Transactions involving the key management personnel of the charity related to the Chief Executive only.

The total employee benefits of the key management personnel of the charity were £24,313 (2018: £26,877).

There were no related party transactions during this year or the previous year.

12 Contingent liabilities - Defined benefit pension scheme

The charity is a member of a multi-employer defined benefit pension scheme. No new members can be enrolled into this scheme.

The scheme is accounted for as a defined contribution plan because sufficient information is not available to use defined benefit accounting.

Where an agreed deficit funding arrangement is in place a liability for this obligation will be recorded in the accounts. This would be the net present value of the deficit contributions payable.

For the current scheme a revised recovery plan took effect in April 2016.

Annual deficit contributions under this plan for the charity from April 2019 are nil.

The estimated cost of withdrawal (i.e. the contingent liability) has been calculated to be £15,185.

Welfare Benefits Unit

Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 March 2019

	2019 Unrestricted funds £	2018 Unrestricted funds £	2019 Restricted funds £	2018 Restricted funds £	2019 Total funds £	2018 Total funds £
Income						
Grants and contract income	101,999	101,998	38,338	41,557	140,337	143,555
Sales and fees	31,552	33,957	-	-	31,552	33,957
Donations	3	391	-	-	3	391
Other income	3	55	-	-	3	55
Total income	133,557	136,401	38,338	41,557	171,895	177,958
Expenditure						
Salaries and NIC and pensions	92,525	69,544	28,880	48,912	121,405	118,456
Freelance workers	5,196	5,560	-	2,110	5,196	7,670
Payroll charges	1,080	1,176	-	-	1,080	1,176
Staff travel and subsistence	655	986	-	-	655	986
Volunteer expenses	7	56	-	-	7	56
Training and conferences	976	1,083	-	-	976	1,083
Printing and reproduction	9,269	5,825	100	2,425	9,369	8,250
Training delivery costs	6,042	4,565	1,005	2,055	7,047	6,620
Materials and resources	1,390	2,496	-	-	1,390	2,496
Rent and service charges	13,013	9,853	2,241	5,174	15,254	15,027
Office and administration	867	645	212	719	1,079	1,364
IT maintenance	2,226	1,003	753	1,118	2,979	2,121
Telephone and internet	1,529	876	329	978	1,858	1,854
Postage	1,495	819	322	994	1,817	1,813
Advertising and publicity	1,486	500	319	305	1,805	805
Bank charges	105	73	-	-	105	73
Insurance	1,426	1,343	307	1,294	1,733	2,637
Independent examination	900	900	-	-	900	900
Legal and professional	825	330	-	-	825	330
Consultancy	1,620	996	-	263	1,620	1,259
Recruitment	817	345	-	-	817	345
Bad debts	-	78	-	-	-	78
Depreciation	1,671	1,416	-	-	1,671	1,416
Total expenditure	145,120	110,468	34,468	66,347	179,588	176,815
Net income / (expenditure)	(11,563)	25,933	3,870	(24,790)	(7,693)	1,143
Transfers between funds	-	(24,790)	-	24,790	-	-
Net movement in funds	(11,563)	1,143	3,870	-	(7,693)	1,143
Fund balances brought forward	167,351	166,208	-	-	167,351	166,208
Fund balances carried forward	155,788	167,351	3,870	-	159,658	167,351