

Report of Assistant Chief Executive (Citizens and Communities)

Report to Executive Board

Date: 5th March 2014

Subject: Further review of the Local Welfare Support Scheme

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. In April 2013 the national scheme of Community Care Grants and Crisis Loans for Living Expenses was abolished. Responsibility was transferred from the DWP to Local Authorities. A funding settlement was allocated to each authority based on the previous year's awards for Community Care Grants and Crisis Loans for Living Expenses and this resulted in scheme funding of £2.85m for Leeds. The settlement, although not ring fenced, was intended to support and develop local welfare support schemes.
2. Executive Board approved the local welfare support scheme policy in March 2013 and a further report to Executive Board in October 2013 saw amendments to the scheme.
3. The scheme is on track to spend the full £2.85m funding in 13/14. Funding for 14/15 of £2.85m has been confirmed by the Government. However, following the Chancellor's Autumn Statement in December 2013, there is no funding for schemes from 15/16 onwards.
4. It is intended to continue the current scheme into 14/15. This would take advantage of an established delivery model and build on the growing familiarity with the scheme. It would also continue to provide funding to support initiatives aimed at reducing demand on the council scheme, supporting the high costs lenders campaign and providing more targeted advice to help citizens experiencing hardship.

5. In light of the Government's decision to remove scheme funding from 2015/16, further work will be carried out during 2014/15 to look at the whether the council is able to provide a local welfare support scheme from April 2015 and, if so, what the scheme should look like

Recommendations

- 1 That the current scheme continues for 2014/15
- 2 That scheme funding is allocated as set out in paragraph 3.3.
- 3 That options are developed for emergency support schemes for 2015/16 in light of the Government decision to discontinue direct scheme funding.

1 Purpose of this report

- 1.1 The report provides updated details about the Local Welfare Support Scheme and sets out how the scheme can continue to support the Citizens@Leeds approach to tackling poverty and deprivation.

2 Background information

- 2.1 In April 2013 the national scheme of Community Care Grants and Crisis Loans for Living Expenses was abolished. Responsibility was transferred from the DWP to Local Authorities. A funding settlement was allocated to each authority based on the previous year's awards for Community Care Grants and Crisis Loans for Living Expenses and Leeds received £2.8m in scheme funding and an additional £650k in administration funding.

- 2.2 The current Local Welfare Support Scheme was approved by Executive Board in March 2013 and reviewed in October 2013. The scheme provides:

- emergency support with issues like food, fuel and help with child-related items as part of the Council's s17 responsibilities;
- assistance with basic household goods to support vulnerable people to move into independent living or to assist them to remain independently in the community and helps with homelessness issues;
- support for initiatives aimed at reducing future demand, tackling high costs lenders and developing community resilience..

- 2.3 The scheme has evolved over the year and now includes:

- Help with removal costs for victims of domestic violence as well as people needing help to downsize because of the under-occupancy Housing Benefit changes.
- Customers are no longer limited to one emergency award and emergency awards can now be made to people who have been sanctioned provided they have re-engaged with Jobcentre Plus;
- Families who have children in receipt of Free School Meals in term time can access the scheme for emergency provision during the school holidays;
- Funding for emergency credit top ups for pre-payment meters through Leeds City Credit Union;
- Funding was used to create an exceptional hardship fund for Council Tax and additional funding for Discretionary Housing Payments.

- 2.4 The tables below give information on the allocation of funding to date by category (table 1) and also on the number of direct awards of emergency support and household goods to citizens since the scheme started (table 2).

Table 1: allocation of funding (as at 31st Jan 2014)

Initiative	Committed
High cost lending campaign	£52,650
Targeted advice initiatives	£155,247
Advice Leeds Network telephone initiative	£95,568
Leeds City Credit Union initiatives	£125,000
Food banks	£25,000
Pilot initiative with Jobcentre Plus	£10,000
Initiatives sub-total	£463,465
Other initiatives (Exec Board – Oct 13)	
Council Tax Hardship Fund	£250,000
Additional DHP	£250,000
Initiatives sub-total	£500,000
Direct spend with citizens	£1,087,431
- Allocated for s17 awards	£500,000
Total spend/committed (as at 31st Jan 2014)	£2,550,896

Table 2: applications for help (as ay 31st Jan 2014)

Value of awards		
Store cards	£41,793.42	1114
ASDA food baskets	£120,849.46	2017
Fuel (cash)	£39,787.15	2002
White/brown goods	£663,874.39	2028
Flooring	£210,901.07	584
Travel	£297.5	5
Removal costs	£9,518.29	39
Other	£410.00	17
Totals	£1,087,431.87	7,806

- 2.5 Following observations made by Executive Board in October 2013, changes were made to the telephone-based application process and in particular to the pre-recorded message customers received when they rang the service. The changes were made in order to encourage more customers to stay on line and talk to a Customer Services Officer. Between April 2013 and October 2013, only 62% of callers remained online to make an application for help. Although the pre-recorded message still makes it clear that the scheme is not a cash-based scheme, the number of callers staying online to talk to a Customer Services Officer has increased to 80% for the months of November, December and January 2014.

3 Main issues

3.1 The scheme funding for 14/15 has been confirmed at £2.85m again although administration funding has been reduced from £608k to £558k. However, in the Chancellor's Autumn Statement in December 2013, the funding for local welfare schemes has been removed from 15/16. Given that the cost of any future scheme will now fall entirely on the council, the prospect of a local welfare support scheme from 2015/16 onwards is dependent on identifying future funding options. It is likely, therefore, that if there is a scheme at all in 2015/16, it will need to change significantly.

3.2 The intention therefore is to continue the current scheme into 14/15 rather than consider any major changes now and then further changes when the funding is withdrawn in 2015/16. This means continuing to provide a mix of direct support to citizens in need as well as support for initiatives that will help reduce future demand. This approach builds on an established delivery model and eligibility criteria that were developed in conjunction with the Advice Sector and key support services such as Adults Social Care's Mental Health Team and the Housing Options service.

3.3 Continuing the current scheme into 14/15 would mean that around £2m of the scheme funding would be allocated to meeting direct need through emergency support and s17 payments made under the Children's Act. The other aspects of the proposed scheme are:

- As in 2013/14 an amount would be set aside to support initiatives aimed at continuing to provide targeted support and advice, developing community resilience options (e.g. furniture re-use options, foodbanks) and promoting the development and reach of the Credit Union and supporting the high cost lending campaign. It is proposed that £400k is set aside for this purpose;
- £325k to be used to support the delivery of the Citizens@Leeds initiative around tackling poverty; and
- £150k to be used to support the Discretionary Housing Payment scheme in recognition of the current demand for Discretionary Housing Payments in 13/14 – which has seen spend exceed the Government contribution - and the impact this is likely to have on demand levels in 14/15.

3.4 Further work will be carried out during 2014/15 to look at the whether the council is able to provide a local welfare support scheme from April 2015 and, if so, what the scheme should look like. Consideration will be given to the scope and capacity of the Social Inclusion Fund to support future provision.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 The initial scheme was developed in consultation with frontline services and advice agencies and has been revised in response to feedback from service users

and elected members. The proposed scheme for 14/15 is substantially unchanged from the 13/14 scheme and no further consultations required.

4.2 Equality and Diversity / Cohesion and Integration

4.2.1 An Equality and Diversity Impact Assessment has already been carried out for the scheme. This was published in March 2013.

4.3 Council policies and City Priorities

4.3.1 The Local Support Scheme contributes towards the delivery of Council policies within the following city priority plans:

- Children & Young Peoples Plan
- Health & Wellbeing Plan
- Safer & Stronger Communities

4.4 Resources and value for money

4.4.1 The scheme costs have been contained within the settlement provided by the DWP for 2013/14 and it is intended to keep scheme costs to the level of funding provided by DWP for 2014/15. Administrative costs are considerably lower than that provided for by DWP and these administrative efficiencies have contributed to the Council's budget proposals. It is not expected that there will be any administration costs contribution from DWP after 2014/15 and this will need to be taken into account when proposals are developed for how emergency need is dealt with from 2015/16 onwards

4.5 Legal Implications, Access to Information and Call In

4.5.1 The DWP funding is not ring-fenced and the Council is under no legal obligation to provide a scheme of local welfare assistance. The proposals recognise that, following the abolition of the Social Fund and based on demand on the local welfare support scheme, there is a need to provide a support scheme to help meet emergency situations.

4.6 Risk Management

4.6.1 As the proposed scheme is already established and operates well, the main risk relates to demand against the scheme. If demand increases there is the option to review the scheme in order to keep scheme spend within the funding provided by DWP..

5 Conclusions

5.1 The Local Welfare Support Scheme has been successful in responding to the immediate need for household goods and emergency provision following on from the abolition of Community Care Grants and Crisis Loans for Living Expenses and in supporting more targeted advice and initiatives aimed at tackling high cost lenders and promoting Leeds City Credit Union.

- 5.2 As further funding is only forthcoming for one more year, this will mean that a major overhaul of the scheme will be required in 15/16, including the possibility that there may be no scheme run by the Council in 15/16. On this basis, continuing the scheme in its current format, with an element focused on supporting initiatives that help create or increase resilience, is the more appropriate approach and builds on an established delivery model.

6 Recommendations

- 6.1 That the current scheme continues for 2014/15
- 6.2 That scheme funding is allocated as set out in paragraph 3.3.
- 6.3 That options are developed for emergency support schemes for 2015/16 in light of the Government decision to discontinue direct scheme funding.

7 Background documents¹

- 7.1 None.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.