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Minute of Community Overview and Scrutiny Panel, 18 September 2014

25. LOCAL WELFARE ASSISTANCE FUND – REPORT OF TASK AND FINISH GROUP – COUNCILLORS STOLLARD, OAKLEY AND WEINHONIG

The Panel considered a report which set out the findings of the task and finish group which had been established by the Panel to look at the impact of the Local Welfare Assistance Fund and make recommendations on the fund arrangements for the period covered by the Medium Term Financial Plan, 2015/16 – 2017/18. The report was presented by the joint lead members, Councillor Rae Stollard and Councillor Pat Oakley.

Introduction of the Fund

Councillor Stollard explained that the Council had set up the Local Welfare Assistance Fund in January 2013 following central government's decision to abolish the Crisis Loans and Community Care Grants administered by the Department of Work and Pensions - DWP, as part of the Welfare Reform Act 2012. The Government had provided the Council with a grant of £495,000 for the 2013/14 financial year to use at its discretion to provide for those in need of emergency hardship support. The Council had supplemented this with £250,000 of its own resources. The same level of funding was applied for the current year, but the Government grant ceased as of 2015/16.

Councillor Stollard talked in more detail about how the scheme was administered through the Council's Customer Contact Centre. She explained how the eligibility criteria had been developed in line with the Council's Housing Allocation Policy to require someone to have a local connection, be on a low income and in need of emergency support. The type of support provided had been refined since the scheme had started and now included fresh food ordered online and delivered direct, and clothing vouchers, in addition to a range of household goods and other items supplied by Dorset Reclaim and the Family Fund. In her presentation Councillor Stollard also gave a breakdown of the range of people in the community who had benefitted from the scheme.

Use of the Fund in 2013/14 and rent in advance

Councillor Oakley provided details of how the fund had been used in 2013/14. The largest expenditure had been for rent in advance at 37%, followed by food at 29% and white goods at 13%. Councillor Oakley explained that the task and finish group had been interested in finding out more about the rent in advance scheme. The group felt it was important to fully understand the implications for the Council if it was discontinued.

The provision of rent in advance enabled people to access rented accommodation where they would otherwise be homeless and reliant on the Council to fund bed and breakfast / temporary accommodation. The Council allocated £12,000 per month to rent in advance. If the Council had provided B&B accommodation instead of rent in advance to all those who applied in 2013/14 the cost would have been £906,528. A

total of 228 households benefitted from rent in advance last year, with 50% recovered by the Council at a later date. The task and finish group agreed that the rent in advance scheme saved the Council a significant amount of money and provided a better, longer term solution for people in emergency situations.

Findings of the task and finish group

Councillor Oakley summarised the key findings as follows –

- The Task and Finish Group challenged the number of repeat applications, currently up to four within 12 months, and has asked officers to reduce this to two awards. This will spread a potentially reduced fund further in 2015-16.

- In circumstances where claims are made because of a review of benefits by the DWP where the benefits are stopped, the Council should challenge DWP for a reimbursement of the claim. This challenge will be progressed by officers.

- The Task and Finish Group has not identified gaps in the provision, but does recommend early intervention from debt management advisors. With any claim, but in particular second claims, accepting further support should be mandatory before being eligible for a second or subsequent award.

- The Task and Finish Group recommends ongoing tracking of the scheme to monitor spend, provision and benefits for both customers and the Council. A six monthly report should be presented to Community Overview & Scrutiny Panel.

Options for future funding

In considering the future funding arrangements the Task and Finish Group looked at three options -

Option 1 **Withdraw all funding for the Local Welfare Assistance Fund for 2015-16**

Impact - This would result in significant pressure on other Council budgets, particularly the Housing budget if the rent in advance scheme is withdrawn, and other budgets such Adults and Children.

Option 2 **Carry forward existing Council funding of £250k only**

Impact – This would mean a reduction in the budget available for rent in advance, which would have an impact on other services as with option 1. Funds would only be available to 10% of applicants compared to 2013-14.

Option 3 **Refine policy and provide Council funding of £450k**

Impact – The rent in advance scheme could continue at its current level and help alleviate the homeless budget. There may be a reduced number of awards but the Council could still be able to support significant applicants within the community. Debt management advice and other early intervention measures may result in a gradual reduction in budget.

The preferred option of the task and finish group was option 3 and this formed the basis of its subsequent recommendations to the Panel.
Councillor Oakley on behalf of the task and finish group thanked Liz Wilkinson, Maria O'Reilly and Lisa Ypes for the support they had given to the group.

Questions for the Task and Finish Group

The task and finish group members and the project lead officer provided additional information in response to questions from members:

- The introduction of the fresh food option provided increased variety and nutritional value, in line with the health and well being agenda, and the order/delivery system removed any stigma in applying.
- The use of the term 'award' was probably due to the software used to process applications - this could be raised with the team to see if it could be changed.
- Applications for assistance were checked as much as practicable, using the eligibility criteria, data sharing, etc. The task and finish group acknowledged that there was a need to process applications quickly to help people in crisis situations. With finite resources available a balance had to be struck.
- The fund was intended to be a 'last resort' providing short term assistance while signposting people to other organisations and forms of support, to encourage them to take ownership of their longer term situation.
- Requests for clothing were thoroughly checked as part of the application process. Clothes were often required by people to attend job interviews. Although sourcing clothes from charitable organisations had been one option considered, the award was provided in the form of a Primark voucher.
- Further analysis of applicants and data sharing within the Council and community organisations may increase opportunities for more targeted, early intervention.

Councillor Crawford asked the Panel to consider whether the funding might be maximised, for example as part of a charitable arm or community partnership. This would increase the ability to apply for funding locally and nationally. The Panel agreed to add a recommendation to the task and finish group's report in general terms to ask officers to look into opportunities to multiply funds.

DECISION MADE –

Recommend to Cabinet

a. That the Local Welfare Assistance Fund continues to be administered through the Council's Contact Centre and resources of £450k are prioritised within the budget setting process for 2015/16, a further £250k is allocated for 2016/17 and an allocation for subsequent years is kept under review.

b. That the Rent in Advance contribution from the Fund be continued as this reduces the cost of those requiring bed and breakfast accommodation and enables effective management of the Council's statutory homelessness duties. Funds to be allocated from within the £450k proposed and to remain at their current level for 2015/16 of £150k which will be reviewed for 2016/17 and beyond.

c That the number of awards be reduced to spread the reduction in funds, to support as many local residents as possible, and introduce a compulsory attendance at debt management sessions for second award applicants, the costs of which will be allocated from within the £450k proposed fund.

d. That officers be asked to investigate a broad range of options to 'multiply' the proposed fund.