

**TRANSFORMATION AND RESOURCES POLICY AND PERFORMANCE
COMMITTEE – 14 APRIL 2014**

36 LOCAL WELFARE ASSISTANCE SCHEME 2014/15 AND FUTURE SUPPORT OPTIONS

The Head of Business Processes presented a report on the Local Welfare Assistance (LWA) Scheme for 2014/15 and future support options. Cabinet had approved the updating of Wirral's local discretionary support scheme "Local Welfare Assistance" introduced in April 2013 on 13 March 2014 (minute 164 refers). Wirral's scheme was approved by Cabinet on 24 January 2013 and a small number of specific scheme amendments for 2014/15 were made.

This specific grant funding was only available for 2014/15 and would not be available thereafter. An authority had no statutory requirement to have a scheme and could locally specify its own scheme. The Committee were asked to consider if they wished to propose options for the future given the short term period now available with this grant.

In response to questions from Members the Head of Business Processes made the following comments:

- It would be a matter for Members what assistance could be offered to try and mitigate for the fact that the scheme would not be available from 2015/16 onwards.
- Any future scheme would have to be funded directly by the authority, other systems of support could be made such as working with foodbanks and local credit unions.
- More staff had been taken on to help with the administering of the scheme, with an administrative grant of £230,000 but this would disappear from 2015/16.
- The authority would have to decide in the 2015/16 year how much, if any they should set aside out of the general grant settlement to continue funding the scheme. The Local Government Association had been pressing the DWP to maintain in some form this extra resource for authorities.
- It was possible to apply for more than one award, such as furniture and white goods, the majority of applications were for food and utilities, but claimants were only allowed one from each element within a two year period.
- With regard to loan sharks, this was more of a long term issue, whereas LWA was only a one off payment. Applications could be made online but applicants did have to appear in person to receive a payment. Immediate advice could be given in respect of loan sharks and more detailed advice was available from other agencies, such as the CAB.
- With the grant funding of £1,345,925 per annum for the years 2013/14 and 2014/15 there would be a probable spend of approximately £800,000 in 2014/15. The surplus balance could be put in for future years, if the authority decided to do so.
- Family composition was taken into account when deciding upon whether awards were made or not.
- Weekly payments were currently averaging £24,000 a week as at February, 2014 having risen from £4,500 in April, 2013 when the scheme was introduced.

- He gave details of the support available for one stop shop staff who were dealing face to face with customers experiencing financial hardship or who had been refused an LWA award.
- The average payment made was approximately £60 excluding payments for 'white goods' but he would circulate these figures, payments made for 'white goods' and the average payment.
- He would also supply the figure for appeals and those which had been successful.
- The card system which was used for payments was explained and those which had been used incorrectly could be blocked.
- The DWP hardship payments scheme was also explained to applicants for LWA but it was up to the individuals whether they applied or not.

The Head of Business Processes further stated that he would be happy to respond to any specific questions from Members, whether immediately after the meeting or by email.

A Member suggested that with £561,913 having been spent by the end of February, 2014 there would be £2.1m left which should be enough to have a scheme in place beyond 2014/15 for the 2015/16 year.

On a motion by the Chair, seconded by Councillor Williamson, with two additional recommendations by Councillor Johnston, seconded by Councillors Mountney and Gilchrist, it was –

Resolved –

- (1) That this Committee sets up a Task and Finish Group to examine future options for the Local Welfare Assistance Scheme as a potential piece of work in the new municipal year recognising that the timing of this is critical.**
- (2) That this Committee recommends to Cabinet the establishment of a reserve to include the unspent grant funding so the Authority could review spending on welfare assistance and that it would be disheartened to see this unspent funding subsumed into general reserves rather than go towards extending the lifetime of the LWA scheme.**
- (3) That the Chief Executive be asked to write to the appropriate Government Minister and request that the Government rethink its position on this grant funding for 2015/16 and beyond.**