

# WIRRAL COUNCIL

## CABINET

29 JUNE 2015

<b>SUBJECT:</b>	<b>LOCAL WELFARE ASSISTANCE SCHEME</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>HEAD OF BUSINESS PROCESSES</b>
<b>RESPONSIBLE PORTFOLIO HOLDER</b>	<b>COUNCILLOR PHIL DAVIES</b>
<b>KEY DECISION?</b>	<b>YES</b>

### 1.0 EXECUTIVE SUMMARY

- 1.1 This report requests Cabinet agree to the future Local Welfare Assistance scheme after consideration of the report of the Local Welfare Assistance Scrutiny Review which is referred to this Cabinet for further consideration.

### 2.0 BACKGROUND AND KEY ISSUES

- 2.1 The Local Welfare Assistance Scheme was up until March 2015 directly funded by central government grant which has now been withdrawn with the recommendation that local authorities should consider funding future schemes from their general fund.

- 2.2 On 10<sup>th</sup> February 2015, Cabinet agreed as part of its budget resolutions that £900,000 would be held in a reserve for this fund following the Government's decision to withdraw direct funding effective from April 1<sup>st</sup> 2015. The following minute was recorded.

*"This fund provides financial assistance to people in dire need. The government transferred responsibility for administering this from DWP to the Council together with a grant of £1.1m. The government announced that this grant was being cut with effect from March 2015. The Council has £600,000 in a reserve for this fund. Cabinet intends to make this available together with the anticipated underspend in 2014/15 of £300,000 to create a fund totalling £900,000 available for 2015/16. This will provide a local scheme to fill the gap left by the government's unwillingness to assist the most vulnerable in our communities. It is proposed that the 2014/15 policy be continued until the end of July 2015. In the interim, Cabinet asks the Scrutiny Review Group which has been set up to look at this fund to meet in order to make recommendations as to how this resource should be allocated."*

The current scheme is in place until 31<sup>st</sup> July 2015 and a Task & Finish Scrutiny Review Panel have reviewed the position and their findings and recommendations are set out in Appendix 1 of this report and includes how the scheme should be taken forward from 1<sup>st</sup> August 2015.

- 2.3. A Task & Finish Review Panel consisting of six Members was established, including Councillors Janette Williams, Tom Anderson, Phil Gilchrist, Paul Doughty, Mathew Patrick and Joe Walsh. At the scoping meeting for the review, it was agreed by the Review Panel that Councillor Janette Williams would be the Chair of the Review Panel.
- 2.4 To avoid an additional Transformation and Resources Policy & Performance Committee meeting being scheduled for the purpose of approving the final report, it was agreed by the Committee to delegate authority to the Review Panel to refer the final agreed report to Cabinet.
- 2.5. An evidence day was conducted on 9<sup>th</sup> April 2015 as the approach to carry out the scrutiny review and the Review Panel met with a range of witnesses, including Council officers and representatives from a number of third sector organisations. Appropriate information was also requested by the Review Panel to help develop the recommendations made in the final report which is referred as agreed directly to Cabinet and is shown at Appendix 1 to this report.
- 2.6. The outcome of the review was that six recommendations were made and are set out below;

**Recommendation 1**

*The Review Panel recommends that Wirral Council continues to administer and maintain the Local Welfare Assistance Scheme with the remaining budget available in line with the officer proposal but with consideration to:*

- i) Reviewing and redefining what items constitute an essential need with a view to excluding them from the scheme or reducing the circumstances in which they are provided;*
- ii) Excluding washing machines as an award provided from the scheme directly, except in exceptional circumstances, and referring these applications to Energy Projects Plus; and*
- iii) Referring applications for white goods which have been assessed as not meeting the Council's criteria and where a potential fuel debt issue has been identified to Energy Projects Plus.*

**Recommendation 2**

*The Emergency Utility Credit which is available to British Gas customers who have fallen into debt and are on prepayment meters should be effectively promoted by the Council. Applicants identified through the Local Welfare Assistance Scheme as being eligible should be signposted to Energy Projects Plus for an assessment and application to be made.*

The evidence day included discussions with Trustees from Wirral Foodbank, a charity providing emergency food for people in crisis. It was proposed that Wirral Council could reduce the maximum number of days' award for essential food from seven to four and refer applicants to Wirral Foodbank for the remaining three days. As the Council would be increasing the number of referrals for essential food, the Review Panel considered that a small donation to Wirral Foodbank could be made from the scheme's budget to help cover its operational expenses.

**Recommendation 3**

*Officers should explore the feasibility of referring successful applications for essential food to Wirral Foodbank, or any identified food bank that can service all of Wirral, with an appropriate donation being made from the remaining budget to help cover some operational costs. The Review Panel suggest that how this is achieved should be determined by officers to ensure that actual benefits can be identified and delivered and to ensure that the Council's Contract Procedure Rules are complied with.*

The Review Panel did not have any significant concerns regarding take up of the scheme but did acknowledge comments made by the Operations Manager for the Citizens Advice Bureau that some of their clients' awareness of the Local Welfare Assistance Scheme was by 'word of mouth'. Additionally, the Review Panel acknowledged comments made that there may be some confusion conveyed by the DWP in relation to the number of awards that can be made from the scheme. As such, the Review Panel recognised that it would now be beneficial to review how the scheme can be effectively publicised from August 1st 2015 should the scheme be extended and amendments made.

**Recommendation 4**

*Publicity and communication plans should be reviewed to ensure there is take up and understanding of the scheme from all those who need it. This should include a broadcast to partner agencies to provide an update on the key aspects of the scheme from 1<sup>st</sup> August 2015.*

If the existing scheme is maintained and is consistent with the office proposal, the Council is faced with the prospect of not having any direct funding for local welfare assistance from 1st April 2017. The Review Panel considered that it would be beneficial to undertake a further Task & Finish Scrutiny Review of the scheme in 2016. This review could consider making recommendations to amend the scheme to enhance the lifetime of the budget, consider potential options to continue the provision of local welfare assistance in the longer-term and identify any additional funding or grants that are accessible.

**Recommendation 5**

*Cabinet is requested to support a further review of the Local Welfare Assistance Scheme as part of the Transformation and Resources Policy & Performance Committee's work programme for the 2016/17 municipal year. The objective of the review would be to identify any strategies for providing local welfare assistance once the budget set aside for local welfare assistance has been depleted.*

The Review Panel considers that funding for local welfare schemes is vital in providing crucial support to communities, specifically to those people who are most vulnerable and are suffering through crisis. The Review Panel is opposed to the Government's decision to withdraw direct funding to provide support for those who need it.

### **Recommendation 6**

*That Cabinet lobbies Central Government against the withdrawal of Local Welfare Assistance Funding from April 2015 and the impact that this has on local communities.*

- 2.7. The revised scheme taking account of these recommendations is shown at Appendix 2 of this report and is recommended to be approved to be the Local Welfare Assistance Scheme for the authority from 1<sup>st</sup> August 2015.
- 2.8. A further report will be submitted later in this financial year to detail how the new scheme is being used and allow Cabinet to decide on whether any further funding is applied to this or when the scheme will end. The current situation is that without any change this scheme will end with the available budget and this will require formal approval of scheme cessation closer to that time if that is the future decision.
- 3.0 **IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**
- 3.1 The authority will continue to engage with partner organisations to provide a scheme that responds to immediate crises and helps address underlying issues identified.
- 4.0 **RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**
- 4.1. **FINANCIAL:** The government transferred responsibility for administering this from DWP to the Council together with a grant of £1.1m. The government announced that this grant was being cut with effect from March 2015. The Council has £600,000 in a reserve for this fund. Cabinet has made this available together with the under spend in 2014/15 of £300,000 to create a fund totalling £900,000 available for 2015/16. In the first two months of 2015/16, 1,237 awards have been made to a value of £65,211. It is expected that the projected underspend of 2014/15 grant at 31<sup>st</sup> July 2015 will be about £300,000, although the precise figure will only be known in late July. It is projected that the full £900,000 will be available for this scheme.
- 4.2. **STAFFING:** To ensure this scheme is properly and fully administered the Benefits service initially had two experienced team leaders manage the scheme, one undertaking reviews under the appeals process, and the other addressing day to day operational arrangements. The Benefits Operational Manager also gave considerable time to ensure the new scheme worked effectively. This has now reduced to one team leader overseeing the process. Supporting this there are two full time assessors undertaking assessment and award functions along with liaising with suppliers, customers and partners. As scheme applications continue to increase this has required additional support which has been by utilising benefit staff. The ongoing resource implications of any ongoing scheme will be kept under review.
- 4.3. There are a number of practical issues for staff to contend with, spending considerable time in contact with many applicants, supporting them through their crises and helping explore alternative options for support. Our one stop shop staff report an increase in customers who are upset, angry or worried

and they face increasing hostility from customers who are struggling to meet escalating financial commitments or who are refused an LWA award. It is anticipated that this trend is likely to continue as staff contend with an increasingly difficult role as the adverse impacts of welfare reform are seen.

4.4. ASSETS & IT : There are none arising out of this report.

## 5.0 LEGAL IMPLICATIONS

5.1 There is no specific duty on local authorities as to how or if they meet this provision as government views authorities need to be able to be flexible to provide this support in a way that is suitable and appropriate to meet the needs of local communities.

## 6.0 EQUALITIES IMPLICATIONS

6.1 A specific Equality Impact Assessment (EIA) was undertaken as part of Wirral's scheme development and design, and is at the following link; <http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/finance>

6.2 A national EIA for Welfare Reform can be assessed at the following link: <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-key-documents/welfare-reform-act-2012/impact-assessments-and-equality/>

## 7.0 CARBON REDUCTION IMPLICATIONS

7.1 There are none arising out of this report.

## 8.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

8.1 There are none arising out of this report.

## 9.0 RECOMMENDATIONS

9.1. That Cabinet is requested to support the contents and recommendations of the Local Welfare Assistance Scheme Task & Finish Scrutiny Review at Appendix1 of this report

9.2. Cabinet approve the policy as outlined in Appendix 2 as the authority's Local Welfare Assistance Scheme for 2015/16 effective from 1<sup>st</sup> August 2015 which has the following amendments over the scheme in place to 31<sup>st</sup> July 2015;

i) Items of essential need will now exclude washing machines as an award provided from the scheme directly, except in exceptional circumstances, and referring these applications to Energy Projects Plus; and

ii) Referring applications for white goods which have been assessed as not meeting the Council's criteria and where a potential fuel debt issue has been identified to Energy Projects Plus

iii) The Emergency Utility Credit which is available to British Gas customers who have fallen into debt and are on prepayment meters should be effectively promoted by the Council. Applicants identified through the Local Welfare Assistance Scheme as being eligible should be signposted to Energy Projects Plus for an assessment and application to be made.

- 9.3. That further consideration is given to amending the scheme by reviewing and redefining other items that currently constitute an essential need with a view to excluding them from the scheme or reducing the circumstances in which they are provided
- 9.4. Officers will explore the feasibility of referring successful applications for essential food to Wirral Foodbank, or any identified food bank that can service all of Wirral, with an appropriate donation being made from the remaining budget to help cover some operational costs. Officers will determine how this is achieved to ensure that actual benefits can be identified and delivered and to ensure that the Council's Contract Procedure Rules are complied with.
- 9.5. Publicity and communication plans will be reviewed to ensure there is take up and understanding of the scheme from all those who need it. This should include a broadcast to partner agencies to provide an update on the key aspects of the scheme from 1<sup>st</sup> August 2015.
- 9.6. Cabinet supports a further review of the Local Welfare Assistance Scheme as part of the Transformation and Resources Policy & Performance Committee's work programme for the 2016/17 municipal year. The objective of the review will be to identify any strategies for providing local welfare assistance once the budget set aside for local welfare assistance has been depleted.
- 9.7. Cabinet agrees to lobby Central Government against the withdrawal of Local Welfare Assistance Funding that occurred from April 2015 and the impact that this has on local communities.

## 10.0 REASONS FOR RECOMMENDATIONS

- 10.1 Members can view and approve the changes to the policy that considers applications for a wide range of support needs and be aware that additional areas can be reviewed.

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- APPENDICES**
1. Local Welfare Assistance Scheme Scrutiny Review Report
  2. Local Welfare Assistance Scheme for 2015/16  
(from 1<sup>st</sup> August 2015)

**REFERENCE MATERIAL:** None

**SUBJECT HISTORY:**

<b>Council Meeting</b>	<b>Date</b>
Council Excellence Overview & Scrutiny (min 36)	14/04/14
Cabinet (min 164)	13/03/14
Cabinet (min 168)	24/01/13
Council Excellence Overview & Scrutiny (min 42)	27/11/12
Cabinet (min 51)	19/07/12
Council Excellence Overview & Scrutiny (min 98)	26/03/12
Council Excellence Overview & Scrutiny (min 138)	17/11/11
Cabinet (min 118)	22/09/11