



**LOCAL WELFARE ASSISTANCE SCHEME
SCRUTINY REVIEW**

A report produced by
**THE TRANSFORMATION AND RESOURCES
POLICY & PERFORMANCE COMMITTEE**

*June 2015
FINAL REPORT*

WIRRAL COUNCIL
LOCAL WELFARE ASSISTANCE SCHEME
SCRUTINY REVIEW
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1. INTRODUCTION

As part of the Transformation and Resources Policy & Performance Committee's work programme, Members agreed to undertake a Task & Finish Scrutiny Review of the Council's Local Welfare Assistance Scheme following news that there would be no further funding from central government from 1st April 2015. As the Local Welfare Assistance Scheme provides awards to people who are in severe need, this contributes to meeting the corporate priority of protecting the vulnerable in Wirral.

On 10th February 2015, Cabinet agreed as part of its budget resolutions that £900,000 would be held in a reserve to determine how this should be allocated after the current scheme expires at the end of July 2015. A scoping meeting for the review was convened on 25th February with an evidence day held on 9th April to inform recommendations to Cabinet.

An Executive Summary of the findings follows, together with the recommendations arising from this Review. The Report then sets out the background to the original brief, as well as the methodology adopted for gathering the evidence. This is followed by the main body of the Report which details the key findings and recommendations of the Task & Finish Panel Members.

2. EXECUTIVE SUMMARY AND RECOMMENDATIONS

Local authorities no longer receive direct central government funding for local welfare assistance, effective from 1st April 2015. In February 2015, Cabinet agreed that the £600K underspend from 2013/14 and the anticipated £300K underspend from 2014/15 would be held in a reserve for this Task and Finish Review Panel to make recommendations on how the resource should be allocated for 2015/16.

This review is a good example of pre-decision scrutiny which was undertaken through an evidence day. The Review Panel not only engaged with relevant Council officers but with representatives from WIRED, Energy Projects Plus, Citizens Advice Bureau and Wirral Foodbank to help inform the recommendations made in this report. The Review Panel took the opportunity to learn how Wirral Council administered the scheme, including the determination and provision of awards made, and analysed a number of information sources presented during the evidence day.

As Members considered all the evidence and findings, it became evident that the most appropriate option would be for Wirral Council to continue to administer the scheme. The Review Panel was complimentary of how Wirral Council has been delivering the scheme since 2013, and in particular, the thoroughness of the application assessment process with access to Benefit and Council Tax records which only the Council has access to. It was generally felt that if the scheme was to be made more stringent, the Council would be best placed to administer it and to ensure that there was no significant service disruption to the scheme, impacting the immediate provision of awards to people who are in crisis.

A proposal by officers to continue to administer the scheme - potentially up to April 2017 - was endorsed by the Review Panel. This proposal allows food and fuel, considered as the priority areas, to be provided for whilst decreasing what is spent on white goods. The British Gas Energy Trust has funding for people in crisis and access to this fund is through Energy Projects Plus as an organisation who delivers the Trust's scheme. The Trust can help clear fuel debts as well as provide financial assistance for white goods. To reduce the Council's expenditure on white goods, it was proposed that referrals for washing machines could be made to Energy Projects Plus to access funding from the British Gas Energy Trust. The rationale for this is that awards for washing machines account for the biggest expenditure in terms of item and overall cost.

The Review Panel was also keen to refer applicants who have been identified as having a fuel debt along with any other application for white goods that did not meet the Council's Local Welfare Assistance Scheme criteria. Additionally, the Review Panel learned that emergency utility credit awards are also available to British Gas customers. Referrals are made by Energy Projects Plus and other organisations to customers of British Gas who have a financial crisis and specific health needs.

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 1st 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.

3. MEMBERS OF THE TASK & FINISH GROUP

Councillor Janette Williamson (Chair)



CHAIR'S PERSONAL STATEMENT

I would like to thank the members of the Review Panel who participated in this Task and Finish Scrutiny Review. I felt this was a really important piece of work to undertake, especially as the funding for the Local Welfare Assistance Scheme has now ceased. I feel that the Review Panel has identified a number of ways of maximizing what funding is left in order to help as many vulnerable residents as possible.

I would like to thank the representatives from Citizens Advice Bureau, Wirral Foodbank, WIRED and Energy Projects Plus for their attendance and expert knowledge. I would also like to thank Council officers involved in the Scrutiny Review including Malcolm Flanagan, Head of Business Processes, Trish Hughes, Operational Manager and Wendy Neil, Team Leader, for all their hard work in making this an informative and valuable piece of scrutiny work.

Other Panel Members were:

Councillor Tom Anderson



Councillor Phil Gilchrist



Councillor Matthew Patrick



Councillor Paul Doughty



Councillor Joe Walsh



4. BACKGROUND AND ORIGINAL BRIEF

The Local Welfare Assistance Scheme has been in place for two years since 1st April 2013 following the abolition of the Social Fund. The Department for Work and Pensions had previous responsibility for administering the Social Fund. From April 2013, the discretionary Crisis Loans for Living Expenses and Community Care Grant elements of the Social Fund administered by the Department for Work and Pensions were abolished. All local authorities were subsequently given funding to develop and administer their own schemes for Local Welfare Assistance.

Direct funding has now been withdrawn by central government effective from 1st April 2015 with the recommendation that local authorities should consider funding schemes from their general fund. Additionally, the government has informed Wirral Council that its indicative sum for the provision of local welfare support expenditure is £1.1M.

On 10th February 2015, Cabinet agreed as part of its budget resolutions that £900,000 would be held in a reserve.

“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 Scope Document for the Scrutiny Review is attached as **Appendix 1** to this Report.

5. METHODOLOGY FOR THE REVIEW

An evidence day was conducted on 9th April 2015 as the approach to carry out the scrutiny review and a number of methods were used to gather evidence. This included a question and answers session with key officers from the Council, including the Head of Business Processes, The Housing Benefit Operational Manager and the Processing Group Team Leader. The emphasis was on understanding the context of the Local Welfare Assistance Scheme and to discuss potential options on how the £900k fund could be used to deliver local welfare assistance from August 1st 2015 when the current scheme expires.

To facilitate this, a number of information sources were provided to the Review Panel which included a breakdown of applications to the scheme, a breakdown of awards made against specific categories, details of award expenditure and the costs to administer the scheme.

A number of representatives from key third sector organisations were also invited to the session to help inform the Review Panel to make recommendations moving forward. These organisations work directly with people who are vulnerable or suffer through crisis and were considered by the Review Panel to be able to contribute to this review.

These organisations were:

- Citizens Advice Bureau (Operation's Manager)
- WIRED (Executive Officer)
- Energy Projects Plus (Chief Executive)
- Wirral Foodbank (Project Manager and Trustee)

6. FINDINGS AND RECOMMENDATIONS

6.1 Scheme Overview

Wirral Council's Local Welfare Assistance Scheme was introduced in April 2013 and its aim is to provide emergency support to people in short term need resulting from an emergency or a crisis. It also supports people to become established or remain in the community after leaving care.

The Department for Work and Pensions (DWP) made available a grant of £1,345,925 per annum for both 2013/14 and 2014/15. This is significantly less than the previous DWP full year expenditure against Crisis Loans and Community Care Grants.

The Local Welfare Assistance Scheme Policy, revised and approved by Cabinet for 2014/15, stipulates all the criteria to be met in order to be eligible to access the scheme.

The criteria are:

- Aged 16 or over
- Be a Wirral resident or, in the case of those who are homeless or leaving an institutional establishment, have established links with Wirral.
- Support is required to address essential needs of the individual and/or their dependents
- It is demonstrated that there are no other resources or other ways of meeting this need which are considered reasonable.

The table below gives a summary of applications made for 2013/14 and 2014/15

	2013/14	2014/15
Total Applications made*	8222	8349
Successful Awards	8345	12718
Unsuccessful Awards	3328	23267

**Each application can contain several different types of claim*

Access to the scheme increased in year 2 (2014/15) as more people became aware of it compared to year 1 (2013/14) in which there was an approximate underspend of 40% of the budget. Officers believe that if the scheme was to continue, it is projected that access to the scheme would increase further if the scheme provides the same level and range of support.

6.2 Scheme Administration

Application and Assessment

The scheme is administered by the Housing Benefits Team and all applications are completed online through Wirral's website. Most One Stop Shops provide self-access kiosks for anyone without computer or internet access and some assistance can be provided by front-line staff to complete the application correctly.

The Review Panel was informed that applications are normally dealt with on the day they are received and prioritised by a team leader before being assessed by a team of 6-7 assessment officers. These assessment officers also process housing benefit and council tax support applications.

Generally, awards are made for essential food, fuel payments where applicants have a pre-paid utility meter, clothing, furniture, white goods and some household items such as bedding. There are different levels of access to the scheme and each applicant is assessed against the criteria, with household composition and income being considered holistically (e.g. checking why benefit payments have not been made). Verification of all details supplied within the applications is made using Housing Benefit / Council Tax records, DWP records and through speaking with the applicant if necessary before making a final assessment. As the team deal with Housing Benefit and Council Tax, they would also have access to all other benefits that could be claimed by the applicant to maximise benefits, such as free school meals and Council Tax benefits. This was welcomed by the Review Panel for the thoroughness taken through the assessment process.

As part of the scrutiny review, Members requested a breakdown of awards given against assistance type for the 2014/15 financial year. These are detailed below.

Assistance type	Awards	% of total awards	Total sum
Clothing/Bedding	990	7.8%	£48,748.47
Expenses	10	0.1%	£359.20
Food	2723	21.4%	£131,144.46
Furniture	2259	17.8%	£193,003.88
Other Assistance	67	0.5%	£1,486.58
Utilities	3599	28.3%	£59,173.97
White Goods	3070	24.1%	£427,074.38
Grand Total	12718		£860,990.94

The analysis shows that nearly 50% of all awards are for assistance with food and utilities but this makes up only 22% of the total expenditure. Officers stated that food and fuel are considered the priority areas to ensure those who do not have the financial means do not needlessly go without and these applications are prioritised ahead of other requests. This view was shared by the Review Panel which considered that these should remain as the key priority areas moving forward with any proposals.

The Review Panel learned that for both essential food and fuel awards, the maximum award provided is for up to seven days. Essential food awards are made with a range of £6 per day for a single person to £17 per day for a family with three or more children. Fuel payments are based on a rate of £5 per day but these are to be subject to a fresh review by officers who will look at all national organisations that monitor fuel costs to determine the rates. In relation to white goods, officers explained that single people will generally only get microwaves and not cookers because they are considered more transient and families will normally receive a cooker to ensure that children can be provided for. Additionally, washing machines are also not provided to single people unless there were mobility issues identified in using a laundrette.

The breakdown of awards made in 2014/15 against white goods is provided below.

Item	Awards made	Total value	Average cost per item
Washing machines	656	£146,125.06	£222
Fridge Freezers	947	£128,489.47	£135
Cookers	570	£114,714.08	£201

Members noted that washing machines are the highest item of expenditure out of white goods provided and this also constitutes the highest cost per item.

Officers stated that awards would not be simply awarded for general wear and tear. The team receive many applications with no underlying crisis being stated or items that are not essential and these are refused. However, Council officers have now built up considerable experience in determining the appropriateness of making awarding against the stated needs.

In respect of applications made for food awards, referrals to food banks would be made if an applicant doesn't meet the Council's criteria or has had a maximum amount of award. These referrals are dealt with at One Stop Shops who issue the appropriate vouchers for food items to be provided.

The Review Panel raised an issue regarding the administrative resource dealing with serial applicants making repeated false or unsubstantiated applications. However, Members agreed with the approach taken by officers that the Council shouldn't stop these applications coming in, but to use the knowledge and experience gained to determine if there is a crisis or an essential need that should be assessed against.

Although the policy states that only one claim can be made in a two year period, it is understood that some flexibility has been applied operationally as the policy was written without an understanding of what the demand would be and the impact of welfare reform changes since April 2013.

Provision of awards / items

Wirral Council uses two contracted suppliers who provide, deliver and install items at low cost. Awards for household white goods, such as refrigerators are procured through Furniture Resource Centre and they normally deliver within seven days. David Philips Furniture is used for all other furniture items such as beds and mattresses. Members learned that the Council has been able to develop strong relationships with the contractors and this has allowed any discrepancies or issues to be resolved promptly. However, if there is an intention for the Council to continue to deliver the scheme, it is understood that new tenders will have to be issued for 1st August 2015.

The Council works with a payment service company to allow awards for food, fuel and small household goods to be made on pre-loaded cards with a PIN to make payments. Text messages are sent to successful applicants to say they are successful and to pick up their card from a specific One Stop Shop at a certain time. The Review Panel had concerns that these cards could be used inappropriately, such as in gambling premises or Off Licenses. However, it was explained by officers that these cards can only be used at pre-approved merchants and at PayPoints for utilities.

It was explained that opportunities for cards to be used on inappropriate items are identified on an ongoing basis, including through meetings with the card provider. The team is able to review card redemption records through the merchant codes provided by the card provider. Applicants are required to sign a document to declare that the award is only to be used for what was claimed for and that non-compliance may affect future awards. Members were positive about these processes but acknowledged that in some establishments where you can buy food, you can also buy alcohol so there is a limit on policing. Members also welcomed the approach to not limit access to certain supermarkets, which some other local authorities have implemented, as this limits the availability of local options.

The Review Panel clarified that the team does signpost people to the Department for Work and Pensions Budgeting Loans as a potential avenue for financial support if they meet the necessary criteria. These interest free loans have to be paid back but can help people to buy

furniture or household equipment, pay for travel costs or even to pay for items to look for or start work.

The Review Panel was interested in how successful the scheme was in helping people in the longer term with a concern that they are simply back in crisis a month later. The Review Panel heard that there are difficulties with this as there is no additional monitoring within available resources. It was explained that many people will always be subject to DWP sanctions due to behaviour and will always return to the scheme. However, Members were pleased to hear from officers that the scheme has had a positive impact on the lives of young people who have been or are homeless and are trying to get started again. Positive feedback has also been received from some people who were in desperate need and couldn't have managed without the scheme. Officers also stated that the scheme has been critical for vulnerable people who move in and out of hostels due to family conditions.

Appeals against refused applications

Claimants can appeal against an unsuccessful application and these are looked at by the Team Leader. These include appeals against a refusal to give an award due to an award already being made in the same two year period. Since April 2013, 2508 appeals have been made and the success rate is 45%. If applicants are unsuccessful, the Council will signpost these to other third sector organisations such as charities or those that provide specialist support.

Scheme administration costs

The costs to administer the scheme for 2014/15 were made available to the Review Panel and are shown below:

Total award expenditure	£862,857
Text local	£1,715
Allpay admin (card transactions)	£5,308
Staffing costs	£125,387
Total	£995,267

The staffing costs amounting to £125,387 have been apportioned to the costs of the salaries of the six assessment officers, one administration officer, a senior clerk, a Team Leader and elements of the Operations Manager and the Head of Business Processes. However, it was acknowledged by the Review Panel that these costs do not include the recharge for the time spent at One Stop Shops to provide payment cards, explain elements of the award and to ascertain what further welfare advice can be given. Officers stated that this is reducing as we move towards a more appointments based system.

Communication of the scheme

The Review Panel was informed that the Local Welfare Assistance Scheme was low key during year one but relevant partner organisations were notified of the scheme in order to signpost applicants in the right direction. As well as being advertised on the Council's website, the scheme was promoted on Housing Benefit notification letters and through Discretionary Housing Payments applications. These have ceased from April 1st 2015 until a decision is made on the scheme's future.

The table below details the percentage of applications for awards across age bands ranging from 16 to over 65 for 2014/15.

Age Band	16-25	26-35	36-50	51-65	65+
% of Applicants	27%	31%	29%	12%	1%

The analysis shows that fewer applications are

made from older people (51-65 and 65+). Older people may be unaware of the scheme but could be struggling financially and could be entitled to a grant through the scheme. However, the Review Panel was informed that that the age demographic figures for Wirral mirror closely those figures for the DWP when it administered the previous scheme.

6.3 Third Sector Organisations

As part of the scrutiny review, representatives from a number of third sector organisations were invited to attend the evidence day to further understand the needs in the community, the potential to signpost or refer applicants to other schemes / grants and to also identify the potential for alternate delivery models moving forward.

Citizens Advice Bureau (CAB)

The Citizens Advice Bureau provides free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It also receives many applications for clients to get assistance for items such as white goods or for advice around debt. The key observations from the Operations Manager for CAB are detailed below.

- The number of people coming to the Citizens Advice Bureau in relation to the Local Welfare Assistance Scheme has decreased as the perception from clients is that there isn't any help. Some clients are being informed by the DWP that if they have had already received one award they are then not entitled to another. Clients are also being told that they can't claim if they have received DWP sanctions. Officers did clarify that in both cases this may be due to other local authorities adopting these policies and the DWP not differentiating between them.
- Clients who come in relation to the Local Welfare Assistance Scheme state they are only aware of its existence through word of mouth as it's not very well advertised. Clients are unsure when is the right time to make an application with the belief that only one award would be given regardless of reasons for any future claims.
- Wirral's scheme would not always be the first point of contact for referrals so Wirral Council may only be dealing with a small proportion of people who are in need. The Citizens Advice Bureau sources other available avenues such as grants for energy payments for those that use British Gas as part of their scheme. These grants have not been well publicised, even with British Gas.
- The Citizens Advice Bureau is very responsive to the fact that there is some funding still available to carry on due to the clear demand in the community and that there will likely be an increase in essential need with more DWP sanctions being applied and changes in welfare reforms. The Operations Manager stated it is imperative that essential support is provided only to those who really need it and that essential items should be limited to food, heating and lighting. The Citizens Advice Bureau believes the DWP sanctions to be unfair which is affecting more and more clients who consequently have nowhere else to turn.
- As the Citizens Advice Bureau is impartial and independent it would not be appropriate for them, and other similar advisory organisations, to administer Local Welfare Assistance and make decisions on awards. However, it was put to the Review Panel that the Council may wish to consider allocating some funding moving forward to any organisation that

could provide preventative advice to help clients in the future and reduce the numbers accessing the scheme.

Wirral Foodbank

Wirral Foodbank was established in November 2011 and is part of The Trussell Trust, a Christian charity that provides “emergency food for local people in crisis” as well as debt, benefit and employment advice. The key observations from discussion with the Trustees are detailed below.

- There are fourteen food bank distribution centres across Wirral with over two hundred volunteers who give time regularly and many more who volunteer at one-off events. Food is generally donated by local people churches, schools, supermarket collection days and local businesses across Wirral. There are also collection boxes in Tesco, Asda, Coop and Sainsbury’s. Tesco also makes a monetary donation of up to 30% of the value of the food collections.
- Wirral Foodbank does not make any assessment to determine who is in need of food as these are carried out by one of the eighty four voucher-holding agencies such as the Citizens Advice Bureau and Ones Stop Shops.
- A voucher is exchanged for three days’ supply of food at one of the fourteen distribution centres across Wirral. Due to food hygiene regulations, only non-perishable food items such as tinned products, rice and fruit juices are given. The amount of food allocated is dependent on whether the client is single or is supporting a family and guidance to referring agencies is that a maximum of three vouchers should be issued but this can be flexible subject to the agreement of the Foodbank.
- In 2014, 12,503 people received emergency food, of which 4498 were children. Low income, benefit delays and benefit changes were the main reason why people were referred to food banks during that year.
- Wirral Foodbank’s biggest expense is the operation of their two vans and the associated insurance and fuel costs to ensure food can be delivered to one of the fourteen distribution centres and collected from the various supermarket locations across Wirral. One of these vans is leased from the Council and the other is rented.
- If Wirral Council was to increase the number of referrals to Wirral Foodbank as part of any future strategy for delivering the Local Welfare Assistance Scheme, there should not be any significant issues in sourcing additional food items to meet this demand. This would be subject to review based on the number of actual referrals received.

WIRED

WIRED is a registered local charity that works within the voluntary and community sector in Wirral providing information, advice and support. Historically, WIRED has provided a lot of advocacy work but now a key objective is to support carers through the provision of carers’ support services. WIRED has extensive experience of administering grants, including carers’ grants. WIRED delivers the Carers’ Grant Service and this is jointly commissioned by the CCG and Wirral’s Department of Adult Social Services. The key observations from the Executive Officer for WIRED are detailed below.

- If anyone came to WIRED for essential items (eg. Food, fuel or household items), they would go to grant-making trusts that can provide people with emergency support to look at the best way forward for them. It is not always about the provision of cash as a solution to meeting a need.
- There may be other national schemes that the Council may not be aware of that people could access. However, the issue could be that the individual may not have

the capacity to apply for them themselves and organisations don't have the resources to deal with individual applications.

- Wirral Council could try to reduce the number of applications coming in and signpost to other schemes or funding elsewhere to try and enhance the lifetime of the budget. However, the Council should still ensure that the scheme is adequately promoted to ensure that anyone who is eligible can access it.
- To further enhance the lifetime of the LWAS, a proportion of the budget could be retained and used to enable awards to continue to be made beyond the lifetime of the available budget. This would require a lot more exploration outside of this Scrutiny Review to identify investment opportunities and is an exercise that third sector organisations could be involved in.

Energy Projects Plus

Energy Projects Plus is an independent charity and social enterprise which aims to reduce fuel poverty and carbon emissions across Merseyside and Cheshire. The key observations from discussion with the Chief Executive of Energy Projects Plus are detailed below.

- Energy Projects Plus provides a number of services including 'Save Energy Advice Line' which is a free and impartial service to provide energy efficiency advice to clients.
- Energy Projects Plus is one of a number of organisations that delivers the British Gas Energy Trust Fuel Debt Advice Service through the provision of a grant. Free and impartial money and debt prevention advice is provided through the service, emphasising on the relief and prevention of fuel poverty.
- The Fuel Debt Advice Service can help clients access funding from the Trust to clear fuel debts as well as 'Further Assistance Payments' for white goods, boiler repairs and replacement or funeral arrears. To be eligible, applicants must be in need, hardship or other distress. Referrals are normally received from third party organisations or from the Save Energy Advice Line.
- Clients that apply for awards are subject to an income/expenditure analysis before the applications are sent online to the Energy Trust and it can be 8-12 weeks before the financial assistance is received. Cases are prioritised but needs cannot be met where there is an emergency but attempts to expedite the process are made.
- Energy Projects Plus received 111 applications in the first three financial quarters of 2014/15 but received 101 in the last financial quarter so there has been a spike in demand. Approximately 60-70% of all applications are made for white goods.
- Wirral Council has started to make some referrals to Energy Projects Plus for white goods and there is capacity for Wirral Council to make more referrals moving forward. However, it is not clear how much funding has been made available for organisations to access from the Trust to deliver the scheme and how long this will last.
- Emergency utility credit awards are available to British Gas customers referred by Energy Projects Plus and other organisations to customers of British Gas who have a financial crisis and specific health needs. The awards available are dependent on the availability of funds from the British Gas Energy Trust and could be withdrawn at any time. The awards available are:
 - £28 for an individual; and
 - £45 for a family (two or more people living within the property)

6.4 Summary of Conclusions and Recommendations

The Review Panel considered a number of potential options for providing local welfare assistance from 1st August 2015 based on information presented during the evidence session. These included extending the existing scheme with consideration to enhancing the lifetime of the available funding, whether loans could be provided instead of or in addition to grants and considering the role of the voluntary sector for either signposting or administering the scheme.

The clear outcome from the evidence session was the strong rationale for the Council to continue to administer and extend the existing scheme that is in place and signpost to other organisations where necessary. This rationale included:

- The importance of retaining the existing knowledge base and experience of staff who understand welfare benefit and the effects of welfare reform;
- The importance of having access to both Council records and DWP data through data share arrangements which may not be available to third party providers to check the financial legitimacy of applications or to identify fraud;
- Control to review and amend the scheme and make it more stringent if required to further enhance or maintain the lifetime of the available budget;
- Existing partnership arrangements with Energy Projects Plus which can now be expanded in line with BGET funding made available to them;
- Existing partnership working with other third parties, such as Tenancy Support Officers, other advocacy services and local hostel managers;
- The likelihood of identifying a third sector organisation who could administer the scheme effectively without infringing their remit of providing impartial advocacy;
- The significant time and resource that could be required to determine if third party administration would actually be viable and cost effective for the finite money available;
- The risk of service destabilisation during any transfer of administrative control to a third party, impacting the ability to deal with applications effectively and efficiently; and
- The requirement for robust monitoring procedures to be developed for third party organisations which may negate any savings on administrative costs.

In addition to the above, the Review Panel welcomed a proposal by officers which would potentially allow the scheme to be extended from August 2015 to the end of March 2017 with the available £900k budget. Members also learned from the evidence session that this was also consistent with all other Merseyside local authorities who have also extended their scheme for 2015 onwards. However, it is not known whether these schemes are funded through unspent balances or from allocated budgets.

It was explained that this proposal ensures would require slight amendments to the criteria for awards to accommodate for an expected increase in demand for direct assistance with food and fuel.

However, this would see amounts allocated for white goods and other essential awards decrease through more stringent assessment of applications and amendments to the criteria of awards. The indicative figures below show the full allocation of the anticipated budget of £900k.

August 2015 - March 2016 (8 months)

Assistance Type		% Change to 2014/15 scheme
Food and fuel	£97,500	35 % increase
White goods and furniture	£240,000	8.5 % decrease
Other essential awards	£22,500	10 % decrease
Total	£360,000	

2016/17

Assistance Type	
Food and fuel	£146,250
White goods and furniture	£360,000
Other essential awards	£33,750
Total	£540,000

These figures will also include the expected costs for running the scheme, such as elements of salary costs and provision of payment cards. The Review Panel acknowledged that as the demand for the scheme is only estimated, the scheme could end earlier than March 2017 or even extend further.

The Review Panel agreed that to reduce spending on white goods, furniture and other essential items, there would be a need to clearly redefine what is classed as an essential need. Members considered that there could be potential to exclude awards being provided for floorings and furniture (such as wardrobes and chest of drawers) but agreed with officers that some exceptions should be made for those who are most vulnerable, such as people leaving care.

The Review Panel identified the opportunity for the Council to utilise the British Gas Energy Trust funding available to Energy Projects Plus to help with fuel debts or to provide white goods. To reduce expenditure on white goods, it was considered that any application for a washing machine could be referred to Energy Projects Plus to provide from funding available to them. The rationale for this is that it the biggest expenditure in terms of cost and is not considered as essential as cookers or fridge freezers. Additionally, Energy Projects Plus has the same eligibility criteria as Wirral. However, there was an acknowledgement that some funding should remain to allow the Council to provide washing machines in exceptional circumstances. It was also suggested that any applications for white goods that do not meet Wirral's criteria could also be referred to Energy Projects Plus to access funding from the British Gas Energy Trust.

The Review Panel did not consider that providing loans instead of / inclusive of grants would be appropriate to increase available funds for 2015 and onwards. It was the opinion that awards made reflect the vulnerability of applicants so any repayment of the loan would be difficult as their income would have been assessed as already being at a low level. Additionally, officers and Members of the Review Panel acknowledged that it would not be cost effective to administer the loans considering the relatively small value. The DWP was able to recover payments from ongoing entitlement to benefits but this is not possible for local authorities and would result in an invoice having to be raised on each occasion with little prospect of recovery.

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.

A key outcome from the evidence session was the potential for the Council to work with Wirral Foodbank in providing essential food items to applicants. As Wirral Foodbank confirmed it would be possible to source additional food items if required, the Review Panel considered the viability of making a small donation to the charity from the budget for operational expenses, such as a one year lease on a van. In return, it was suggested that Wirral Council could reduce its maximum award from seven days to four days. Wirral Foodbank would then provide the remaining three days where an applicant has been assessed as requiring the full seven days of essential food. In all cases, an applicant would still receive up to one week of essential food items.

The Review Panel considered that this could create the opportunity to extend the lifetime of the fund as well as providing a benefit to Wirral Foodbank to enhance its operations in Wirral. Although Wirral Foodbank was invited to attend the evidence session as a result of covering the whole of Wirral, the Review Panel is mindful of the Council's Contract Procedure Rules should any donation be made.

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 1st August 2015.

The Review Panel acknowledge that the remaining £900k funding made available to provide local welfare assistance is finite and that there is no certainty that the removal of government funding for local welfare schemes from 1st April 2015 would be reversed in the future. It was agreed that it would be critical to identify any opportunities to continue the provision of local welfare assistance nearer to April 2017 when it is anticipated that the budget will have been depleted. This would provide an opportunity to further amend the scheme's policy in light of what budget remains as well as identifying the availability of any central or local government grants, identifying other schemes which could provide a source of funding or retaining some funding to help build the capacity of the voluntary sector to operate schemes directly.

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.

This Report was produced by the Transformation and Resources Task & Finish Panel

Appendix 1 Scope Document

Review Title: Local Welfare Assistance Scheme

Date: 9th April 2015

1. Contact Information:	
Scrutiny Panel Chair: Cllr. J. Williamson	Panel Members: Cllrs Tom Anderson, Phil Gilchrist, Paul Doughty, Matthew Patrick, Joe Walsh
Scrutiny Officer(s): Michael Lester, 691 8628 michaellester@wirral.gov.uk	Departmental Link Officers: Malcolm Flanagan, Head of Business Processes 666 3260 malcolmflanagan@wirral.gov.uk
Other Key Contacts: Trish Hughes, Operational Manager 666 3222 triciahughes@wirral.gov.uk	
2. Review Aims:	
What are the main issues? The Government has announced that local welfare funding for schemes effective from April 2015 is to be withdrawn. The Council has a budget totalling £900k which is a result from a shortfall in spend from 2013/14 and the likely underspend from 2014/15. This is to be made available in 2015/16 to provide a local scheme. It is not anticipated that any other direct funding will be made available. Members were interested in: <ul style="list-style-type: none">• Understanding how effective the Council has been in administering the scheme to ensure that awards are made to those who are eligible.• The potential to work with third sector organisations to help administer a local scheme.• Identifying opportunities to signpost people to other schemes / funding.• Considering any strategies for delivering a local scheme once the £900K budget has been depleted. As the Local Welfare Assistance Scheme provides awards to people who are in severe need, this contributes to meeting the corporate priority of protecting the vulnerable in Wirral.	
The Panel's objectives in doing this work: To determine how the ring-fenced funding of £900k agreed by Cabinet in February 2015 could be allocated after the discontinuation of the 2014/15 policy at the end of July 2015.	
The desired outputs/outcomes: That the budget is maximised to meet the immediate needs of vulnerable people in the community.	

3. Review Approach

How will the Panel engage with the Executive?

The final report will be presented to Cabinet to consider the recommendations made.

Who will the Panel be trying to influence as part of its work?

Cabinet Members
Third sector organisations

Duration of review?

The review is to be conducted through an evidence day with a final report presented directly to Cabinet in June 2015.

What category does the review fall into?

Policy Development

Extra resources needed? Would the investigation benefit from the co-operation of an expert witness?

Not applicable

4. Sources of Evidence:

Secondary information (background information, existing reports, legislation, central government documents, etc).

- Wirral's Local Welfare Assistance Scheme Policy
- Relevant media release articles

Primary/new evidence/information

- Reflect on the views of officers on suggested options
- Costs of administering the scheme
- Number of applicants who have applied across the two years
- Anecdotal breakdown of the income of applicants
- Anecdotal breakdown of applicants average age across the scheme
- Breakdown of awards made against specific categories (i.e. against food, fuel, furniture etc) and the average award made against each category
- Breakdown of awards against electoral wards
- Statistics on claimants who received awards on multiple occasions
- Statistics of applicants who have had benefit sanctions or were waiting for a DWP payment
- A summary of the potential options for how the scheme could be delivered after July 2015 with details of benefits / implications
- What other Local Authorities implemented/decide

Who can provide us with further relevant evidence? (Cabinet portfolio holder, officer, service user, general public, expert witness, etc).

1) Representatives from:

- Citizen's Advice Bureau
- WIRED
- Wirral Foodbank
- Energy Projects Plus

2) Council officers, including:

- Head of Business Processes
- Operational Manager, Revenues, Benefits & Customer Services, Housing Benefit
- Team Leader, Revenues, Benefits & Customer Services.

What specific areas do we want them to cover when they give evidence?

Officers:

- Background information on local welfare funding
- How the scheme is administered including information on applications and awards.
- Officer advice on any feasible suggestions for allocating the ring-fenced funding

Third sector representatives:

- Respective organisation overview
- Information/data on who uses their service, including numbers, trends etc.
- Advice on other schemes or grants that may be accessible to applicants

What processes can we use to feed into the review? (site visits/observations, face-to-face questioning, telephone survey, written questionnaire, etc).

Face-to-face questioning

Desk top analysis/research

In what ways can we involve the public and at what stages? (consider whole range of consultative mechanisms, local committees and local ward mechanisms).

Not applicable