

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services
Date:	21 October 2015
Title:	Local Welfare Assistance
Reference:	6960
Report From:	Director of Children's Services

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1. Executive Summary

- 1.1. Local Welfare Assistance (LWA) continues to be developed in line with the recommendations accepted at the Executive Member for Adult Social Care and Public Health decision day on the 30th of July 2014.
- 1.2. This paper seeks to provide clarity relating to work undertaken to date and the background of LWA provision given responsibility for the LWA programme now falls within Children Services CMT.
- 1.3. The paper seeks approval of the recommendations in section 6 which identify potential future developments for LWA.
- 1.4. This paper seeks approval to spend £200,000 over 2 years, to grant fund the development of a model of FareShare (*Appendix C*) through third sector partners which will be self-sustainable by year 3 of the programme and will provide invaluable access to food, fuel and furniture for vulnerable people in crisis.

2. Contextual information

- 2.1. Part of the Governments Welfare reforms in April 2013 saw the abolition of two aspects of the Social Fund (Community Care Grants and Crisis Loans). These had previously been administered by the Department for Work and Pensions and constituted a cash based loans and awards process.
- 2.2. The system was abolished due to the inefficiency of the discretionary process and the misuse of a remotely processed application for support. Demand had outstripped resources, mainly due to repeat applications and the 'sticking plaster' approach to resolving crisis that created a dependency on cash outcomes and didn't address the reasons for people's crisis.

- 2.3. A reduced proportion of the money that had been used to deliver these functions was transferred to Local Authorities as of April 2013 to provide LWA under local discretion and determination. The money was not ring fenced, came with no statutory duty and there was no expectation from Ministers that Local Authorities would be expected to replicate or replace the previous systems of support.
- 2.4. There were many risks associated with the development of LWA for Local Authorities, not least the timescales required to implement a new system to support vulnerable residents in crisis but also that money had only been identified for two years (2013-14 and 2014-15).
- 2.5. Hampshire County Council used these two years of delivery to develop a system of support based upon the approach detailed below. This approach was developed to help build the resilience of residents when facing critical need and potential hardship and to ensure money was used to target identified needs and not create it's own need or demand;
- Provision of better **information and advice** to allow for self-crisis management and informed decision making
 - Ensuring effective guidance, signposting and support was available to access **existing services and provision** available to address both the crisis and the circumstances that preceded the crisis
 - Using finances available to **provide critical support** where issues could not be resolved for residents and use this information to develop the local 'offer'
- 2.6. In January 2014 it was announced that new LWA funding would not be forthcoming and Local Authorities would need to make their own provisions to maintain this support. Many Local Authorities have subsequently taken the decision to abolish their arrangements or continue to deliver existing arrangements until funding runs out.
- 2.7. Through the Executive Member for Adult Social Care and Public Health decision day in July 2014 it was agreed that underspent funds for LWA in Hampshire would be available to spend on projects over the next 3-5 years that would look at sustainable support in critical areas of need for residents.
- 2.8. It was also agreed that the governance for this work would be aligned with that of the Supporting Troubled Families Programme and that the future distribution of resources for delivering LWA would be determined by the Executive Member for Policy and Resources and Leader of the Council.
- 2.9. Following the decision in July 2015 to move the corporate lead for the Supporting Troubled Families Programme to Children's Services the governance and decision making process for LWA now sits within the portfolio of the Executive Lead Member for Children and Families.

3. Finance

- 3.1. In December 2014, following a national consultation relating to public concern over the abolition of LWA finance from Central Government, it was

announced that money would be identified within Local Authorities Revenue Support Grant (RSG) to maintain LWA. No new money however has been provided for LWA given that this is not a statutory function and that there was no additional resource added to the totality of the RSG provided to Local Authorities.

- 3.2. The LWA budget currently stands at circa £1.3 million and the challenge remains to invest this money in sustainable provision that helps address the root cause of crises for residents and also enables them to overcome specific instances of hardship that could drive them towards often statutory services and higher cost solutions.

4. Other Key Issues

- 4.1. There is still a public perception that responsibility for crisis support sits with Local Authorities. This is particularly challenging given that the majority of crisis seen within two years of delivering LWA has been as a result of issues with the benefits system.
- 4.2. There is still an expectation from ministers that funding available will continue to be used to support those in genuine need and that Local Authorities have a 'moral' imperative to continue with this provision as a core activity without a ring-fenced budget or a statutory duty to do so.
- 4.3. The future for LWA has taken into consideration findings and data generated through delivering a programme of activity with local partners and through the management of associated contracts and grant funded activity over a period of 2 years.
- 4.4. The difficulty however remains that there was a deliberately slow start to developing LWA and then a significant period of 'decommissioning' that still means there is no clearly defined level of activity or need by which future services can be commissioned or grant funded with total assurance.
- 4.5. Equally there are growing pressures for this type of support, welfare reform continues with increasing numbers of benefit sanctions and a move towards Universal Credit which will potentially drive demand for critical support. Jobs and cost of living for many households remain volatile and many families are moving in and out of poverty or risk of eviction as examples.
- 4.6. There are three identified main areas of crisis that require significant investment and would seem to be best supported through the remit for LWA. These are food poverty, fuel poverty and furniture (including white goods). These are the main factors for overcoming, or preventing, hardship and crisis but equally prove the biggest risk to a finite pot of funding.
- 4.7. Hampshire's approach to delivering LWA will continue with a strong focus on residents being enabled to take responsibility for their own crisis avoidance and resolution. There will be a role to coordinate existing support, link in and align this work with existing work streams and identify gaps in provision that can be met through using LWA finances.

- 4.8. In summary, there is strong evidence that need and demand is growing for crisis resolution and support and therefore money will run out if LWA is delivered on a model based solely upon asset or cash outcomes.

5. Risk Analysis

- 5.1. The obvious risk, which was the premise of the decision taken by ministers to place this responsibility onto Local Authorities at this time, is that people will be increasingly likely to face periods of financial hardship and critical need for the foreseeable future.
- 5.2. Any decision taken to totally remove LWA activity could be seen as the Local Authority failing to provide vital support to those most in need at arguably one of the most difficult economic periods for decades. It is likely that the Government's welfare reforms (including the 'roll out' of Universal Credit) will increase demand for crisis [LWA] schemes and support.
- 5.3. With specific reference to the proposed model for FareShare; the nationally recognised model for food waste redistribution and associated local partners identified to deliver this work give confidence that the outcomes for this grant are achievable. The main distributor for food is the only recognised FareShare provider in the South East. The Furniture Reuse Network, (which they are already a member of), was originally commissioned to deliver elements of LWA in Year 1 & 2 and has a proven track record of delivering LWA outcomes in partnership with Hampshire County Council.

6. Future direction

- 6.1. Following the decision from Government to announce the findings of the national consultation and the proposed financial commitment to LWA, a grant funded pilot has been launched to maintain the provision of publicly available phone based information, advice and guidance for people in crisis. This is being delivered by the CAB in Basingstoke and is due for review prior to establishing arrangements for April 2016-17. The current grant provided has been £55,000 for a year, April 2015 – March 2016.
- 6.2. Through maintaining strong links with local partners an opportunity to develop a FareShare model across Hampshire (*Appendix C*) has been identified. By utilising £200,000 of the LWA budget as a grant over two years LWA could develop a self-sustaining model (through income generation) of support from third sector partners to address the impacts of food poverty, the need for furniture and white goods and fuel poverty.
- 6.3. SCRATCH, Southampton City and Region action to combat hardship, are the only current providers of the FareShare scheme within the South East region. Therefore they have the facilities, expertise, commercial contacts and volunteers to ensure that the central distribution is cost effective and efficient from the beginning. *It is estimated that to obtain and fit out a central facility for distribution of food waste on this scale would in itself cost circa £100-150,000.*

- 6.4. SCRATCH also form part of the existing Hampshire Furniture Reuse Network under LWA and have strong links with the partners identified to ensure fast, safe, equitable and fair County wide distribution of support.
- 6.5. The FareShare model for Hampshire will go beyond the provision of food as per the national scheme and will link local organisations and charities with free and affordable furniture and white goods and will enable LWA to deliver fuel poverty solutions in conjunction with Hampshire's 'Hitting the Cold Spots' initiative.
- 6.6. This approach to providing support for residents in all three main areas of identified hardship requires these specific partners to engage with the project. However, this model would not exclude other Community Food Partners becoming part of the scheme at a later date.
- 6.7. Additional funding spent to date has been used for recruitment of a lead for Vulnerable Families and Local Welfare (£40,000) and one off grant funding to pilot a local Faith Based Organisation supporting Vulnerable families in Eastleigh and the surrounding areas (£15,000).
- 6.8. It is proposed within the recommendations that the next steps for LWA are to continue this work over the next 2-4 years by continuing to identify opportunities to utilise this funding to address critical needs for Hampshire residents through, where possible, sustainable projects and programmes of activity.
- 6.9. Particular areas of focus, subject to available resources and funding, include, but will not be limited to;
 - 6.10.1 The provision of furniture and white goods for low income families and those vulnerable groups entering into 'resettlement' arrangements in particular
 - 6.10.2 The provision of fuel poverty payments to align with support from existing projects and programmes of activity such as Hitting the Cold Spots
 - 6.10.3 The provision of better information and advice to support residents to avoid high risk coping strategies such as pay day loans
 - 6.10.4 The facilitation of networking for local services and support providers – working with District and Borough departments and local charities and voluntary sector providers
 - 6.10.5 The development of provision such as financial advice (budgeting and debt management) and affordable banking

7. Financial Implications

- 7.1. The Local Welfare Assistance budget consists of a one-off balance of £1.302m as at 1 April 2015. Commitments against this balance are £341,000 over the next two years, leaving an uncommitted balance of £961,000. The proposed grant to SCRATCH of £200,000 (£100,000 in both 2015/16 and 2016/17) will reduce this uncommitted balance to £761,000 at March 2017.

8. Recommendations

That the Executive Lead Member for Children's Services;

8.1 Notes the contents of this report which provides an overview of the development of LWA for Hampshire and the associated risks and issues.

8.2 Approve £200,000 as a grant to support the FareShare model detailed in Appendix C of this report. To be paid to SCRATCH as the provider coordinating the FareShare service.

8.3 Approve the following as key objectives for LWA subject to available resources and funding;

- a) The provision of furniture and white goods for low income families and those vulnerable groups entering into 'resettlement' arrangements in particular.
- b) The provision of fuel poverty payments to align with support from existing projects and programmes of activity such as 'Hitting the Cold Spots'.
- c) The provision of better information and advice to support residents to avoid high risk coping strategies such as pay day loans.
- d) The facilitation of networking for local services and support providers, working with District and Borough departments and local charities and voluntary sector providers.
- e) The development of provision such as financial advice (budgeting and debt management) and affordable banking.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Maximising well-being:	yes
Enhancing our quality of place:	yes
OR	
This proposal does not link to the Corporate Strategy but, nevertheless, requires a decision because:	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Local Welfare Provision	4657	22.02.14
Local Welfare Assistance	5986	30.07.14
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

- a) It is clear that LWA impacts a wide cross-section of society and communities. It is likely that many individuals will face times of crisis and some will be more at risk than others, in particular those living in rural areas and areas of deprivation. In terms of specific groups, the elderly, disabled, low income families and anyone out of work or claiming benefits will be impacted by changes relating to LWA.
- b) It is the intention of Hampshire's model to mitigate against the specific risks to health and wellbeing within these groups as far as possible but not to discriminate against any resident perceived to be in hardship or crisis.
- c) With funding withdrawn from 2015-16 and understanding that this is not a statutory provision, steps are being taken to utilise this funding to get best value. The work proposed focuses on sustainability and longer term investment that is better aligned to existing services and support to try and ensure more people receive support for their crisis or circumstances before these become too critical and disabling.
- d) The already established strong links with Information and advice organisations and specific statutory and non-statutory services, who are not discriminatory in the practices, should enable LWA to reach vulnerable groups and communities.

- e) LWA is delivered in such a way as to address crisis proportionally in relation to individuals and families specific circumstances and not simply to target resources to particular groups. Therefore it is the crisis that needs defining not the users of LWA.
- f) A full equalities impact assessment can be found by following this link:

<http://www3.hants.gov.uk/as-equality-ia-archive.htm>

2. Impact on Crime and Disorder:

- a) Instances of crime and disorder could be reduced through the targeted use of LWA. Strengthening the offer of support and opportunities available to vulnerable individuals and households facing periods of crisis and financial hardship may reduce instances of criminal activity that some may resort to find resolutions to their circumstances.
- b) Through the use of the HFRN and some discretionary payments there may be the opportunity to reduce the activity of loan sharks and instances of stolen goods and property being used to resolve crisis
- c) CAB staff, supporting the delivery of the phone line, are trained in fraud and benefits services and instances of misuse and abuse of services and funds has been challenged and reduced as a result of this expertise.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

As part for LWA the HFRN ensures that where possible re-using an item of furniture saves the energy associated with manufacturing a new one, which has a positive impact on reducing CO2 emissions. This is the LWA default setting for the provision of white goods and furniture.

The FareShare model will see a reduction in the associated environmental impacts of food waste being destroyed.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As stated above, every possible intervention and support process relating to goods and services under LWA is sought in the first instance to utilise existing resources, local support and existing items. This has a significant impact on the climate not only through manufacturing and reuse but the travel required by individuals and professionals to access support and provide services.

Where an individuals and / or family presents with issues relating to fuel poverty, any award or support will be in conjunction with advice and actions relating to warmer homes and better, more sustainable and affordable. Tips for staying warm and safe.