

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Cabinet **DATE:** 14<sup>th</sup> September 2015

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**WARD(S):** All

**PORTFOLIO:** Councillor Anderson; Commissioner for Finance & Strategy

### **PART I** **KEY DECISION**

#### **LOCAL WELFARE PROVISION 2015-16**

##### **1 Purpose of Report**

- 1.1 For members to note the pressures on the Local Welfare Provision (LWP) scheme for both 2015-16 and 2016-17.
- 1.2 To seek approval to review the LWP funding for 2015-16.

##### **2 Recommendation(s)/Proposed Action**

The Cabinet is requested to resolve that:

- (a) Additional funding of £30k for 2015-16 be approved; and
- (b) The pressures and potential changes for 2015-16 and 2016-17 be noted.

##### **3 Slough Joint Wellbeing Strategy Priorities**

This report supports the 5 Year Plan through support to housing outcome and adults outcome through the use of Local Welfare Provision funding stream.

##### **4 Other Implications**

###### **(a) Financial**

The council proposes to increase the LWP budget for 2015-16 by a further £30k which will be funded from the additional Revenue Support Grant funding that the Council received as part of the final Local Government Settlement.

It is acknowledged that this will create a strain on the Council's financial position, however without this additional funding there may be additional calls on other budgets in the longer term which would ultimately be more expensive to the Council

###### **Risk Management**

<b>Risk</b>	<b>Mitigating action</b>	<b>Opportunities</b>
Legal	None	
Property	None	

Human Rights	None	
Health and Safety	None	
Employment Issues	None	
Equalities Issues	None	
Community Support	None	
Communications	None	
Community Safety	None	
Financial	None	
Timetable for delivery	None	
Project Capacity	None	
Other	None	

(c) Human Rights Act and Other Legal Implications

There are no human rights or other legal implications arising from this report.

(d) Equalities Impact Assessment

No EIA is required for this report as the policy remains the same, funding is being proposed to ensure that the LWP scheme is available for Customers for 2015-16. A copy of the EIA assessment that was provided when the policy was approved in March 2015 is attached for your information at Appendix C.

## 5 Supporting Information

- 5.1 The Local Welfare Provision policy was approved by Cabinet on 9<sup>th</sup> March 2015 for the financial year 2015-16.
- 5.2 LWP is the scheme that replaced the DWP Crisis Awards and Community Care Awards scheme at a local level.
- 5.3 The government have provided funding for the LWP scheme for 2013-14 and 2014-15 financial years. In 2015-16, the LWP specific funding was stopped, though the Council did receive £197k of additional Revenue Support Grant to compensate for the removal of the LWP specific funding.
- 5.4 As this was a very late change to the Council's funding arrangements, the Cabinet decided to utilise existing underspends on the LWP for the 2015-16 and review the situation.
- 5.5 The financial position is highlighted in the table below

Local Welfare Provision				
	2013/14	2014/15	2015/16	
	Actual	Actual	Actual YTD	Projected
Expenditure	£123,393	£246,384	£78,513	£266,000
Income - Grant	(£329,476)	(£324,683)	£0	£0
Income - Carried Forward Underspend		(£158,200)	(£236,480)	(£236,480)

- 5.6 It is projected that the carry forward funding for this year will be exceeded by £30k (including administration costs) and that this funding could run out by January 2016.
- 5.7 The Council is not obliged to have a LWP scheme, or replacement scheme, however considering the impact of the Welfare Reforms members wished to continue this scheme.
- 5.8 It is projected that the current funding could run out by January 2016, at which point there will be little choice but to inform customers that we are unable to help them.
- 5.9 The other option is to review the scheme again to make it “tougher”, though it was reviewed in March 2015 and believe we currently have a “tough” but fair policy. A copy of the policy is attached at Appendix A.
- 5.10 Attached at Appendix B are examples of help that has been provided to customers since April 2016.
- 5.11 The budget announced on the 8<sup>th</sup> July 2015 that there would be further welfare reforms and with the introduction of Universal Credit planned for Slough for the end of September 2015 the LWP policy will need to be considered again for 2016-17.
- 5.12 The Council already has a very ‘tough’ policy in place at present, but even with this, there is either future spend implications going forward, if we continue with the scheme, or there will be significant policy / service delivery implications for the Council going forward if we are unable to provide emergency assistance.
- 5.13 A further report will be submitted to cabinet later in the year when the changes in legislation have been passed by government and a clearer picture of the impacts has been established.

## **6 Comments of Other Committees**

This report and documents have not been considered by any other Committees.

## **7 Conclusion**

The Cabinet is requested to consider and agree the following.

Approve additional funding of £30k for 2015-16.

## **8 Appendices Attached**

‘A’	Policy for Local Welfare Provision
‘B’	Assistance that has been provided to customers
‘C’	Equality Impact Assessment

## **9 Background Papers**

None

## Local Welfare Provision

### 1. Background

Local Welfare Provision (LWP) Funding transferred from the Department of Work and Pensions (DWP) to Local Authorities (LAs) on 1 April 2013, to provide locally-administered assistance to vulnerable people. The transfer was made under existing powers and LAs can decide for themselves how to use these funds. The DWP is keen that LAs do not replicate the DWP scheme but instead uses the funding in a way that more closely meets the needs of the community.

There is no statutory duty requiring LAs to deliver a specific scheme for administering this funding but Slough Borough Council (the Council) considered that it was in the best interests of the community to run a scheme for two years to provide the Council with an opportunity to understand and measure local demand. This scheme will be known as the Local Welfare Provision (LWP) scheme.

The LWP scheme has been in operation for two years and the demand has increased over this two year period. Central Government provided funding for two years.

The council has funds available to continue the scheme for another year and then wishes to again review the scheme, the scheme will be run on the same principals as the last two years.

The scheme will be cash-limited to the amount of funding provided by the Government. It will not replace the support mechanisms and budgets that exist elsewhere in the Council.

Slough Borough Council is committed to working with the local voluntary sector, who are key partners in working with our communities, and landlords who are an important asset in providing homes in Slough.

The purpose of this policy is to detail the Council's high level objectives in respect of Local Welfare Provision and detail how the Council will operate the scheme, including the factors that will be taken into account when considering if an LWP award can be made. Each case will be treated strictly on its merits and all applicants will be treated equally and fairly when the scheme is administered.

In principle, this scheme will consider two categories of need:

- Crisis Awards
- Community Care Awards

By the fact that both of the above awards are determined on a similar discretionary basis, an application for a Crisis Award may be treated as an application for a Community Care Award, vice versa.

Further, if an applicant is entitled to Housing Benefit and is suffering from exceptional hardship as a direct result for housing costs (eg. Contractual rent,), an application may be treated in accordance with the Council's Discretionary Housing Payment Policy.

## **2. Statement of Objectives**

The Council will consider making an LWP award to applicants who meet the qualifying criteria, as specified in this policy, providing sufficient funding from the Government grant for this purpose is available at the time of the Council's decision. We will treat all applications on their individual merits. An LWP award will normally be an urgent, one off provision used as a short term fix to prevent a long term problem, and we will seek to:

- prevent serious risk to the health, well being or safety of the area's most vulnerable and financially excluded residents;
- ease severe financial pressure on families in certain situations;
- help those, without the necessary means, to either establish themselves in the community as a transition from care or prison or to remain in their community;
- give flexible financial help to those in genuine need.

## **3. Policy**

### **3.1. Main Features of the Scheme**

The main features of the Slough LWP scheme are that:

- it is discretionary;
- an applicant does not have a statutory right to a payment;
- the total expenditure in any one year resulting from awards under this scheme will not exceed the value of the funding received from the DWP;
- the payment may be treated as a loan with repayment required, e.g. interim payment whilst awaiting Job Seekers Allowance;
- the operation of the scheme is for the Council to determine;
- the Council may choose to vary the way in which funds are allocated according to community needs and available funds;
- other than the normal appeal against the application of a discretionary function by Judicial review, there is no right to a statutory appeal of any application decision. In the interests of fairness the Council will operate an internal review procedure for appeals.

### **3.2. LWP award applications**

1. An application for an LWP award must be made in a way that is acceptable to the Council. The application must be made by the person to whom the application relates (the applicant) but the applicant can ask a council officer or another person to complete the application.
2. We may determine such other bodies, as we decide are appropriate, to be authorised to decide applications and they will be granted secure access to the necessary Council systems for this purpose.
3. Applications from people not meeting the minimum eligibility criteria will not be considered.
4. We may request any reasonable evidence in support of an application for an LWP award. The applicant will be asked to provide the evidence and it must be provided within one month of the request although this will be extended in appropriate circumstances.

5. We reserve the right to verify any information or evidence that the applicant supplies, in appropriate circumstances, with other council departments, government agencies and external organisations or individuals. We may also use the information for the detection/prevention of fraud.
6. If the applicant is unable to or does not provide the required evidence, in the agreed time, we may treat the application as withdrawn by the applicant and we will not be under an obligation to decide it.
7. We are under no duty to make an LWP award. Where funds are available from another source we will signpost the applicant to those sources rather than make an LWP award.
8. We will aim to decide applications for emergency assistance within 1 working day and all other applications within 10 working days, excluding any days that it takes for an applicant to provide any evidence.

### **3.3. Eligibility Criteria**

An application will only be considered where the applicant satisfies each of the following 9 criteria and at least criterion A or B. References to Slough mean the area within Slough Borough Council's boundary. The applicant must:

1. be aged 16 or over;
2. be able to demonstrate that they have a settled residence in Slough, or have been placed outside of the borough by the council, in the case of someone leaving prison or care, be about to move into Slough;
3. not have savings that can be relied upon to meet the need to which they are presenting;
4. Have a reduction in income, for example the transition period of earning and claiming welfare benefits, or a reduction in working hours
5. Have not received, or be able eligible to receive help from other public funds for the same category.
6. not be excluded from applying for public funds on the basis of immigration status;
7. not have received an LWP award in the past 6 months, unless they can demonstrate significant exceptional need;
8. not have been refused an LWP award for the same need in the past 6 months, unless they can demonstrate exceptional/changed circumstances;
9. be without sufficient resources which would in turn cause serious risk to their own, or their family's health or safety or well being;

#### **AND**

**A.** must require essential assistance to establish, or to remain, in the community;

or

**B.** must require essential assistance with an emergency (eg: illness/emergency travel costs).

### **3.4 Awarding an LWP**

In deciding whether to make an LWP award we will have regard to the applicant's circumstances including:

- any sources of credit such as cash cards, store cards, credit cards, cheque cards, cheque accounts, overdraft facilities, loan arrangements;
- any help which is likely to be available from other funds, such as Short Term Advances and

Budgeting Advances issued by the Department for Work and Pensions to out of work benefit claimants; [This facility is appropriate for applicants that have lost or spent money, or are in need of money while they wait for their first payment.]

- the financial circumstances of the applicant, any partner, their dependants and other occupiers of their household;
- the income and expenditure of the applicant, any partner, their dependants and other occupiers of their household;
- the level of indebtedness of the applicant and their family;
- any medical issues, or other exceptional needs, of the applicant, partner or dependants, or other members of their household;
- whether the circumstances of the applicant are such that an LWP award would alleviate the problems of the applicant;
- being mindful of the amount available in the LWP budget;
- the possible impact on the Council of not making such an award, e.g. the applicant becoming homeless and the costs associated with this;
- any other special circumstance of which we are aware;
- We will decide how much to award based on all of the applicant's circumstances and the LWP funds available and we will be mindful of the likely total calls on the LWP fund.
- The Council may treat the award as a loan rather than a benefit and will then in conjunction with the Customer agree repayment arrangements.

The main items that an LWP payments will be awarded for are :

- Food and Utilities
- Furniture, household equipment and connection charges
- In some case removal expenses

The council will consider any items or emergency expenses as necessary depending on the customers circumstances which could include expenses to attend an interview if they have not been made available by the Job Centre Plus.

### **3.5. Payment of an LWP award**

We will decide the most appropriate method of payment based on the circumstances of each case. The methods may include:

- vouchers;
- provision of goods or services by the Council or third party provider;
- bank account credit to the applicant or some other person as appropriate;
- credit directly to a landlord, rent account
- cash or similar method of payment NB: in exceptional cases only

### **3.6. Notification**

We will notify the applicant of the outcome of their request on the day the decision is made. This may be by letter, email, SMS (text) or a combination of these methods.

Where the application is successful, we will tell the applicant:

- the amount of the award;
- the purpose for which the award should be used;
- the method of payment and, where applicable, of repayment.

The applicant will then need to decide whether to accept the award.

Where the request for an LWP award is unsuccessful or not met in full we will explain the reasons why the decision was made, and explain the applicant's right of appeal.

We may, with the applicant's permission, also inform a support worker or advice agency of a decision.

### **3.7. The Right to Appeal**

LWP awards are not subject to a statutory appeals process. Appeals will therefore be decided by the Council.

We will operate the following policy for dealing with appeals about either the decision not to make an award or the amount of an award:

- An applicant (or their representative) who wants an explanation of an LWP application decision may request one in writing within one calendar month of notification of the decision.
- An applicant (or their representative) who disagrees with a decision may appeal the decision.
- Any appeal must be made in writing or electronically, but must be made within one calendar month of the LWP decision being notified to the applicant.
- Where possible we will try to resolve the matter by explaining the reasons for the decision to the applicant or their representative either verbally or in writing.
- Where agreement cannot be reached, we will review the decision. The officer reviewing the decision will not have been involved in the making of the original decision. The review will be suspended if more information is needed from the applicant.
- The applicant will have one month to respond to the request for further information, thereafter the review will be undertaken on the information held.
- If we decide that the original decision should not be revised, we will provide full written reasons to the applicant.

### **3.8. Overpayments**

If the Council becomes aware that the information contained in an application for an LWP award was incorrect or that relevant information was not declared, either intentionally or otherwise we will seek to recover the value of any LWP award made as a result of that application.

### **3.9. Fraud**

The Council is committed to the fight against fraud in all its forms. Any applicant who tries to fraudulently claim an LWP award might have committed an offence under the Fraud Act 2006.

If we suspect that fraud may have occurred, the matter will be investigated as appropriate and this could lead to criminal proceedings.



### **3.10. Publicity**

We will publicise the scheme by providing information to relevant agencies, stakeholders and other Council services.

### **4. Monitoring/ Audit of the Scheme**

To ensure transparency and consistency, there will be regular monitoring of applications made against the scheme. Such monitoring will be undertaken with due regard to the Council's responsibilities under all relevant legislation. The Council is subject to the general equality duty which requires that it has due regard to the need to:

- Remove or minimise disadvantages suffered by persons who have a relevant protected characteristic specified in the equalities act and other relevant legislation.
- Take steps to meet the needs of persons who share relevant protected characteristics that are different from the needs of persons who do not share it.
- Foster good relations.

If an applicant wishes to make a complaint about the nature in which their enquiry or application was dealt with. We will adhere to our corporate complaints procedure. Please note, there is a separate review / appeals process for applicants unhappy with their decision (see 3.7 above).

Assistance that has been provided to Customers

1. The LWP scheme has made all attempts to assist customers without awarding Cash payments in order that the assistance is targeted at the specific need that the customer is claiming for, regular referrals are made to the Slough food bank which is at no costs to the authority but there are instances where the foodbank cannot assist for example baby formula
2. There has been an increase in the referrals from Children's especially in relation to delays in benefit payments – the benefits agency are stating a 2 weeks turnaround at present and this is leaving some families without funds which Childrens are asking LWP to assist with
3. In addition there are other referrals from Wellbeing as a whole but more from Childrens again for example, a family experiencing financial difficulties due to their benefits been cancelled on 14/04/15. Although, the family renewed their benefits application on 13/05/15 they did not have any food or funds as they will not be receiving their benefits for quite sometime due to the renewal of application. Also please note the family have no cooker at home due to a number of identified risks by technicians from British Gas. The family are in a crisis situation and we will appreciate your support to help them to have some stability.
4. Another example is where British gas have condemned their gas cooker and this has been confirmed by children's, the family were on benefits and could not afford a new cooker, another family again referred from Children's is on benefits and has a broken bed and are unable to find the funds to replace it and the children were sleeping on the floor
5. There has also been an increased demand for temporary accommodation; this has resulted in slough residents being placed in temporary housing in and outside the borough. These customers seek assistance from LWP in the form of and not only limited to
  - Emergency removal assistance from their evicted house
  - Travel money to the temporary accommodation
  - Bedding, food, clothing as in most cases forced eviction leaves the customer with no access to their previous belongings
  - When these families get rehoused, they normally need furniture for their new houses and removal assistance
  - Storage costs
6. There are also Private Tenants who are finding it with the Benefit Cap in place unaffordable to continue to live in Slough and are requesting financial assistance to look at homes elsewhere. If the customer is in receipt of Discretionary Housing Payment (DHP), travel assistance is provided via LWP as this will in the longer term reduce the cost to the council via DHP.

# Equality Impact Assessment

Appendix C

<b>Directorate: RHR</b>	
<b>Service: Finance &amp; Audit</b>	
<b>Name of Officer/s completing assessment: Jackie Adams</b>	
<b>Date of Assessment: 26.02.2015</b>	
<b>Name of service/function or policy being assessed: Local Welfare Provision Scheme 2015-16</b>	
1.	<p>What are the aims, objectives, outcomes, purpose of the policy, service change, function that you are assessing?</p> <p>The <u>changes</u> to the Local Welfare Provision Scheme 2015-16 and future years</p>
2.	<p>Who implements or delivers the policy, service or function? State if this is undertaken by more than one team, service, and department including any external partners.</p> <p>The policy is delivered in the first instance by our partner arvato, whose role it is to accept all applications, analysis them, request such supporting information as they see fit and assess how much Local Welfare Provision Payment a person will be entitled to within the bounds of the scheme. If the Customer disagrees with the assessment they have the right to ask arvato as our partner to review their decision and if the decision stands the Customer has a right to appeal to the ombudsman as the next stage as this is a discretionary scheme and does not have another independent review body.</p>
3.	<p>Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc. Please consider all of the Protected Characteristics listed (more information is available in the background information). Bear in mind that people affected by the proposals may well have more than one protected characteristic.</p> <p>All those who live in the borough and are experiencing hardship can apply for Local Welfare Provision.</p> <p>The scheme is a discretionary scheme set up to assist those people who are facing hardship for any number of reasons including those affected by the Welfare Reform changes, those who would in the past have been given a crisis loan from the DWP those who may have been given a budgeting loan from the DWP and those suffering financial hardship where additional help can be given – the budget is cash limited.</p> <p>The policy is generic to help all groups to provide support to all parts of the community affected and to asst them when they are experiencing hardship, though some groups are highlighted in the policy it does not preclude any one group</p> <p>o Age – the policy provides assistance to young adults leaving care children aged 16 and 17 and young adults by helping them purchase</p>

white goods and furniture to set up a home of their own, it also assist people feeling domestic violence to set up a new home as well as those leaving prison

- o Disability - Under the previous national scheme disabled people were a significant beneficiary population of social fund provision. They accounted for 32.4% of Community Care Grants expenditure and 18.5% of Crisis Loans in 2012-13. People with disabilities, long term health and mental health conditions remain over-represented amongst local welfare provision applicants

- o Pregnancy and maternity – while the policy is generic priority for assistance will be given to pregnant mothers and those with young children to assist them in keeping their homes warm and to provide food.

- o Race - While no data appears to be available on the ethnicity of local welfare provision recipients as a whole it is logical to assume that minority groups are over-represented in the beneficiary profile. Local welfare provision is designed to help those on very low incomes, and black and minority ethnic-headed households are at a higher risk of poverty than non- black and minority ethnic -headed households. The latest data shows, for example that the poverty risk for minority-headed households ranges from 25-44 percent compared to 15 percent for non- black and minority ethnic -headed households.

- o Other - Applications from women and especially women fleeing domestic violence is a critical group which allows them to set up a new home.

With regard to the following there is no specific impact though the policy is open to all

- o Religion and Belief
- o Sex
- o Sexual orientation
- o Gender Reassignment
- o Marriage and Civil Partnership

This policy aims to assist some of the most vulnerable people in the community and needs to be simple and easily implemented and understood. This is why each claim is considered individually and customers are given all of the support they need to access the scheme. Officers in Revenues, Customers Service, and Housing are fully aware of Local Welfare provision and the process of claiming.

4.	<p>What are any likely positive impacts for the group/s identified in (3) above? You may wish to refer to the Equalities Duties detailed in the background information.</p> <p>None from the changes to the scheme for 2015-16</p>
5.	<p>What are the likely negative impacts for the group/s identified in (3) above? If so then are any particular groups affected more than others and why?</p> <p>None from the changes to the scheme for 2015-16, however the budget is cash limited and the original intention was that it would be funded from central government for 2 years this has now been extended to a third year. The budget does not have to be spent on Local Welfare provision but SBC has spent that last two years budget on LWP, there is currently an underspend which will be used to fund the scheme for year three.</p> <p>The LWP scheme provides assistance in the main for people who have the need to purchase white goods and can get funding from no other organisation, for example those fleeing domestic violence and need to set up home again, those leaving prison , those leaving care etc it also provides assistance to those in immediate help of financial assistance for example if someone loses their benefit money and needs to keep their home warm if they have a small child assistance will be provided in the form of a voucher to pay for heating costs. It also has the ability to refer customers to the foodbanks when they are experiencing hardship for example where they have been sanctioned by the DWP.</p>
6.	<p>Have the impacts identified in (4) and (5) above been assessed using up to date and reliable evidence and data? Please state evidence sources and conclusions drawn (e.g. survey results, customer complaints, monitoring data etc).</p> <p>This is based on an evaluation of the payments made over the last two years and the reason for the payments. It has also taken into consideration a survey carried out by the DWP and the outcomes of that survey.</p>
7.	<p>Have you engaged or consulted with any identified groups or individuals if necessary and what were the results, e.g. have the staff forums/unions/ community groups been involved?</p> <p>No</p>
8.	<p>Have you considered the impact the policy might have on local community relations?</p> <p>Yes</p>

9.	<p>What plans do you have in place, or are developing, that will mitigate any likely identified negative impacts? For example what plans, if any, will be put in place to reduce the impact?</p> <p>In 2015-16 the policy will remain as now and there will be no negative impacts</p>
10.	<p>What plans do you have in place to monitor the impact of the proposals once they have been implemented? (The full impact of the decision may only be known after the proposals have been implemented). Please see action plan below.</p> <p>The current spend is monitored on a monthly basis to ensure that the spend remains within budget, the details of the customers that receive LWP are available to the Partnership Development and Client Monitoring Team who regularly monitor the payments made, and ensuring that the payments made are in line with the policy, they also monitor the refusals made.</p>

<b>What course of action does this EIA suggest you take? More than one of the following may apply</b>	✓
<b>Outcome 1: No major change required.</b> The EIA has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken	✓
<b>Outcome 2: Adjust the policy</b> to remove barriers identified by the EIA or better promote equality. Are you satisfied that the proposed adjustments will remove the barriers identified? (Complete action plan).	
<b>Outcome 3: Continue the policy</b> despite potential for adverse impact or missed opportunities to promote equality identified. You will need to ensure that the EIA clearly sets out the justifications for continuing with it. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact (see questions below). (Complete action plan).	
<b>Outcome 4: Stop and rethink</b> the policy when the EIA shows actual or potential unlawful discrimination. (Complete action plan).	

**Action Plan and Timetable for Implementation**  
At this stage a timetabled Action Plan

should be developed to address any concerns/issues related to equality in the existing or proposed policy/service or function. This plan will need to be integrated into the appropriate Service/Business Plan.

Action	Target Groups	Lead Responsibility	Outcomes/Success Criteria	Monitoring & Evaluation	Target Date	Progress to Date

<b>Name:</b> <b>Signed:</b> .....Jackie Adams .....(Person completing the EIA)  <b>Name:</b> .....Joseph Holmes ..... <b>Signed:</b> .....( Policy Lead if not same as above) <b>Date:</b> 26 <sup>th</sup> February 015
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