

# SOCIAL FUND CONSULTATION

Interim report for Scrutiny - September 2012



## 1. Introduction

1.1 In April 2013 the Social Fund (SF) is going to be abolished when the Department for Work and Pensions (DWP) will hand partial funding to Local Authorities (LAs) to design and deliver a localised welfare assistance scheme. Funding offered to LAs is not ring-fenced and the DWP will be handing down less funding than they spent last year. DWP's spend in Plymouth on Social Fund crisis loans and community care grants in 2010/11 was £1.2 million and we will have £878,000 (plus administration expenses of £185,000) transferred for 2013/14. This leaves a shortfall of £322,000.

1.2 We consulted with a variety of stakeholders about the 8 principles that underpin the development of the scheme. The way we did this included:

- A focus group made up of 11 PCC Officers from a variety of departments on 3 September 2012.
- A focus group made up of 28 external stakeholders from a range of sectors on 10 September 2012.
- An online consultation for the public: the consultation went live on 31 August and will run until 26 October; on 19 September we had received 55 responses.

This report details interim findings from these consultation exercises. This report will be updated once the public consultation is completed on 26 October 2012.

## 2. Principle One - the new scheme should be limited to Plymouth residents only

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	11 (100%)	0	0
External (28)	24 (86%)	0	4 (14%)
Online (55)	48 (87%)	4 (7%)	3 (6%)
Total (94)	83 (88%)	4 (4%)	7 (7%)

2.1 Examples of comments about principle one:

- How do we signpost newly arrived homeless people?
- How do you prove residency for homeless people or people with no access to public funds?
- This could cause a postcode lottery for funding
- Would be difficult to administer having claims for non Plymouth residents
- Enables funds to be focussed
- Dialogue with other authorities during set up is necessary
- If they are 'resident' elsewhere then we should not help unless they are e.g. fleeing domestic violence
- If you are away from Plymouth, but need support – where do you get help?

- You need to be more specific about what counts as a Plymouth resident

### 3. Principle two: delivering the support from wherever is most appropriate

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	11 (100%)	0	0
External (28)	21 (75%)	1 (4%)	6 (21%)
Online (55)	42 (76%)	8 (15%)	5 (9%)
Total (94)	74 (79%)	9 (10%)	11 (12%)

#### 3.1 Examples of comments about principle two:

- Differing needs require differing assistance/support
- Initial assessment should be done at one place and then the support will come from where needed. Partnership with other organisations to provide the electricity or food
- Would require strong joint working with shared principles
- Charter mark - some agencies who can then do the assessment, saves double assessing
- Use local businesses to provide goods for services, therefore keeping money in local economy
- As a support provider I am aware of customers who 'play the system' and claim/receive extra payments without needing them – liaise with agencies to increase appropriateness
- It would be useful to have a variety of local services of support – food bank, local traders for goods etc.

### 4. Principle three: we spend the same amount of funding that we are handed from Government

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	10 (91%)	1 (9%)	0
External (28)	21 (75%)	4 (14%)	3 (11%)
Online (55)	44 (80%)	6 (11%)	5 (9%)
Total (94)	75 (80%)	11 (12%)	8 (9%)

#### 4.1 Examples of comments about principle three:

- Can't justify spending less with high levels of need
- Reduced funding - who will pick up shortfall? CAB/voluntary sector already pressured
- How do we make it consistent and stay within budget?
- Need to make sure the fund is not wiped out in the first few months
- Need more than Government gives us to prevent escalation to crises/specialist/expensive services thresholds
- Get the Council to ring fence this amount for the fund
- Yes but review after 1<sup>st</sup> year – we don't know how effective or 'targeted' the money was from DWP so it's hard to argue for or against
- Negative consequences: Needs not met for the most vulnerable
- Need trend data, profiles etc. from DWP to be able to financially forecast with more robustness

## 5. Principle four: broadly maintaining current eligibility criteria

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	10 (91%)	1 (9%)	0
External (28)	20 (71%)	2 (7%)	6 (21%)
Online (55)	46 (84%)	5 (9%)	4 (7%)
Total (94)	76 (81%)	8 (9%)	10 (11%)

### 5.1 Examples of comments about principle four:

- People do need to show that they take responsibility and are making an effort to avoid repeating mistakes so this can be taken into account if people apply for funding more than once
- Difficult to reconcile eligibility and personal responsibility
- Difficult to quantify what demand will be
- Criteria for unavoidable crisis? Is hard to quantify - staff training essential
- Familiarity for public
- Assess after first year, as we gain greater understanding of why people claim and what - also public understanding of what exists
- Need a stronger application system due to those who know how to 'work' the system – 1820 applications last year due to benefits spent & 850 applications due to lost or stolen giro
- Low income families – not relating to people who are just on benefits
- An option to 'think outside the box' for exceptions

## 6. Principle five: provision of support for those who are experiencing a crisis and for those moving into or out of long term care

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	10 (91%)	1 (9%)	0
External (28)	24 (86%)	0	4 (14%)
Online (55)	42 (76%)	5 (9%)	8 (15%)
Total (94)	76 (81%)	6 (6%)	12 (13%)

### 6.1 Examples of comments about principle five:

- Need initial assessment to judge what type of support is needed
- Can care support not be included in other discretionary pots?
- Need to use it to make sure higher costs are not made in social care etc
- Only negative consequence - may use spend in one area faster as greater demand
- Need to encourage self help so they have skills to avoid problems in future
- Support provision needs to be considered but on the proviso that individuals will access the support, otherwise providers may be overrun with applications from applicants who will not access the service & this increases cost to the council (in completing applications & the providers to process)
- The worry is the 'time factor' in getting the money out on time
- What other groups can help as an alternative? British legion for ex forces and so on? Multi claims? Preferential? Fairness?

- Conditional self-help support is a great idea if it can be organized well and doesn't create log-jams

## 7. Principle six: spending as little as we can on administration of the scheme so we get as much of the Government funding as possible to people in need

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	11 (100%)	0	0
External (28)	24 (86%)	1 (4%)	3 (11%)
Online (55)	51 (93%)	3 (5%)	1 (2%)
Total (94)	86 (92%)	4 (4%)	4 (4%)

### 7.1 Examples of comments about principle six:

- Strongly agree with combining administration of other funds to reduce fraud and save costs
- Could we restrict this to genuine emergencies not addressed by other pots?
- Keep central coordination in house but charter mark/accredit external providers to administer and deliver
- Keep in-house to collate info and link to other services/funds to target most in need and inform service planning
- Can we build admin on the back of our other contracts?
- Ensure all PCC staff are aware of schemes so reduce admin costs by dealing with at first point of contact
- We agree in principle with this to be more cost effective in the future although there is obvious uncertainty with how much money will be spent on the appeal procedure etc. Also commissioning was mentioned, how much would be spent on this? Putting out to tender, deciding on tender winner etc
- Out of hours service?
- The cost of running appears excessive - £500 a day??
- Don't bother seeking review of 'x' because outcome will be 'y'

## 8. Principle seven: provision of goods and service rather than cash

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	11 (100%)	0	0
External (28)	22 (79%)	2 (7%)	4 (14%)
Online (55)	49 (89%)	5 (9%)	1 (2%)
Total (94)	82 (87%)	7 (7%)	5 (5%)

### 8.1 Examples of comments about principle seven:

- Goods and services is key - help where it is needed most - money (cash) can not be misspent/lost
- Support should only be provided where absolutely necessary in cash
- Ensure vouchers don't have any stigma associated with them (e.g. school lunches)
- Could retail outlets bill us or would that increase admin costs?
- Voucher for goods will prevent money being used on non-essential items
- This will not be a loan as it is unrealistic to be repaid

- What about help with JSA sanctions (likely to increase in future with more stringent conditions on job search etc.)
- Check out the providers to whom contracts are being placed with to provide goods but also considering local/independent providers to support local economy
- Could credit union facilitate loans?
- Other sources of support could be within the scheme – charitable applications, money management courses etc

## 9. Principle eight: applying a limit to awards

Source	Agree	Disagree	Neither/Missing
PCC Officers (11)	11 (100%)	0	0
External (28)	20 (71%)	4 (14%)	4 (14%)
Online (55)	43 (78%)	11 (20%)	6 (11%)
Total (94)	74 (79%)	15 (16%)	11 (11%)

### 9.1 Examples of comments about principle eight:

- Maybe put something in place to reduce claims for ‘lost or stolen’ claims
- Maximum of £500 in one year
- Yes but need to consider statutory responsibility
- Agree if someone had help once and wants it again refer them to do training before further support given
- Limit amount awarded depending on crisis, e.g. set amount for food single person per week. Also go for basic range of goods
- Unfortunately we need to reduce costs and this may be the area if we reduce to two applications
- Agree - otherwise we run out of money but very hard to implement - how do we balance what people would like (washing machine) against our statutory responsibility and cost of delivering that?
- Need very clear guidelines so customers know what is criteria/availability
- Do you limit the value of the claims or the number of awards?
- Maybe cash limits & more robust checks on reasons for multiple applications – indicates underlying social/personal problems
- Case by case basis – people can’t control what crisis will happen when!

## 10. Additional comments about the shape of the new scheme

- Can the Credit Union or Community/Social Interest Company deliver the crisis loan aspect so we don't dump people in crisis?
- Can we use donations e.g. charity PAYE from PCC employees to boost funding - donations from local businesses?
- Involve current providers in developing the new scheme as they have first hand knowledge of how it works now and where it fails now
- Need to have a clear ‘reason’ or ‘written statement of reasons’ that is given as part of the decision letter (will reduce level of review requests)
- Need to have a robust, fair and consistent approach to decision making and access to a separate review process to ensure fairness/access to fair system for claimants and accountability by PCC

## **11. Conclusions**

11.1 Initial feedback from consultation (yet to conclude) suggests broad agreement with our principles (83% overall) with some comments about the issues that may arise through implementing them. This report gives only a glimpse into the type of feedback we have received and mainly from professionals who work in Plymouth. The online consultation may give us more information about how the public think we should be delivering our localised welfare assistance scheme.

11.2 Key areas for development according the interim consultation responses include:

- Defining residency and associated evidence
- Access for homeless people
- Liaising with partner agencies to prevent abuse
- Creating consistency in awards whilst managing a reduced needs-led budget
- Ascertaining criteria for 'crisis'
- Assessing people on low income who may not be entitled to benefits
- Use of the fund for rent in advance and social care needs
- Ensuring the support goes out quickly to those in need
- Use of self-help conditions
- Out of hours service
- PCC administration
- Links with credit unions
- How we implement any limits and the consequences of this
- Communicating with customers who have been unsuccessful
- Decision reviews