

## CABINET MINUTE 128 OF 15 JANUARY 2013

### SOCIAL FUND REPLACEMENT

The Director for People submitted a written report on a proposal for the introduction of a local Emergency and Welfare Fund to replace the national Social Fund (which supported people in extreme financial difficulty via grants and loans) in April 2013. The council was expected to run this scheme with a 28 per cent cut (£345,272) in the front line delivery budget imposed by the government.

A localised welfare assistance scheme would be designed and developed to replace the current community care grants' and crisis loans' schemes administered by the Department for Work and Pensions.

Following consultation on eight key principles, market testing and consideration by a Customer and Communities Overview and Scrutiny Panel task and finish group, a service model had been developed on how the scheme would operate and address some key delivery and implementation issues arising from the principles including budget management, limiting awards, eligibility criteria, procurement of goods and services, administration arrangements, whether to have a loans or grants system and an appeals process.

The Chair, in the absence of Councillor Penberthy (Cabinet Member for Cooperatives and Community Development), introduced the report and the Head of Safer Communities presented the proposals.

In response to questions, Cabinet Members were informed that information had not been forthcoming from the Department for Work and Pensions on the details of grants and loans previously allocated and were assured that the new team administering the scheme would be properly trained. Officers undertook to monitor the position and report to Cabinet Members periodically.

#### Alternative options considered and reasons for the decision –

As set out in the report.

#### The City Council is Recommended to –

- (1) establish a replacement for the Social Fund called the “Emergency and Welfare Fund” (EWF) to support people in extreme financial difficulty;
- (2) agree that the EWF is based on the following principles. It will -
  - be limited to Plymouth residents only;
  - deliver goods and services from wherever is most appropriate;
  - spend the same amount of funding that the council are handed from government;

- broadly mirror the current Social Fund eligibility criteria (e.g. those on low income and without access to other forms of income);
  - provide crisis and welfare responses;
  - minimise the spend on administration of the scheme so the council gets as much of the government funding as possible to people in need;
  - provide goods, services and cash;
  - apply limits to the number of awards an individual can access;
- (3) ask the Customer and Communities Overview and Scrutiny Panel to review delivery of the EWF after six months of implementation and make any relevant recommendations. A further review to be undertaken at the end of the first year of implementation with recommendations made to Cabinet for any improvements in year two;
- (4) delegate authority to the Director for People, in consultation with the Cabinet Member for Cooperatives and Community Development and Director for Corporate Services, to make any changes to the EWF within the first year, which are consistent with the principles agreed, and necessary to ensure effective budget management and / or response to customers' needs;
- (5) adopt the service model (referred to in Appendix I to the report) for delivery of the EWF;
- (6) review, on an on-going basis, the potential for delivering some elements of the EWF via key partners (eg credit unions).

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*Note:*

*The full report in connection with this minute is available on the website*

*[www.plymouth.gov.uk/democracy](http://www.plymouth.gov.uk/democracy)*

*or by contacting Democratic Support on 01752 304867*