

EMERGENCY WELFARE SCHEME

Your Plymouth Scrutiny Panel – 30 September 2013



PLYMOUTH
CITY COUNCIL

1. Purpose of the report:

1.1 To provide Your Plymouth Scrutiny Panel with an update on the delivery of the Emergency and Welfare Fund following implementation of the new scheme in April 2013 and to enable any recommendations for improvement to be made:

2. Background:

2.1 A report was presented to Cabinet on 15th January 2013 recommending the introduction of a local Emergency and Welfare Fund (EWF) to replace the national Social Fund commencing April 2013.

2.2 The Social Fund was a multi-faceted scheme that supports people in extreme financial difficulty via grants and loans. People historically accessing the scheme did so for a variety of reasons including lost or stolen money, experiencing a fire or flood, replacement of key household goods or support for moving out of institutional care.

2.3 Plymouth City Council was given funding to design and develop a localised welfare assistance scheme to replace the current Community Care Grants and Crisis Loans schemes administered by the Department for Work and Pensions (DWP). In December 2012, the amount of funding was confirmed as an un-ring fenced grant of £1,064,046. Of this DWP guidelines estimated that up to £185,618 (17% of the total budget) is required for administering the scheme, leaving £878,428 for the scheme itself. This represented a front line delivery budget cut of 28% (£345,272) from the amount DWP spent in Plymouth during 2010/11. This is equivalent to 5,114 less people being able to get a crisis payment at the average award level.

2.4 A service model was developed, based on 8 key principles, describing how the scheme will operate and addressed 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

2.5 Cabinet agreed on 15th January 2013 to establish the replacement scheme to support people in extreme financial difficulty.

It was agreed that

1. The EWF was to be 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;
2. The recommended service model was to be adopted

3. The Your Plymouth Scrutiny Panel, previously Customer and Communities Overview and Scrutiny Panel, would review service delivery after 6 months of implementation and at the end of the first year with recommendations being made for improvements.

3 Emergency and Welfare Fund Update

3.1 Implementation

3.1.1 The Emergency and Welfare Fund is being delivered by a designated team within Revenues and Benefits. The team's primary objective is to deliver the Emergency Welfare Fund (EWF), The Discretionary Housing Payment Fund (DHP) and The Council Tax Support Vulnerability Fund to support people in extreme financial difficulties and for the benefit of the most vulnerable within the Community.

3.1.2 Combining these functions allows for a holistic view of the customer and their needs. The staff are trained to carry out benefit health checks, offer financial support and signposting to other departments or organisations dependant on the needs presented by the customer.

3.1.3 The team consists of 4 FTE staff and a Team Leader. Two members of the team are funded by the DWP grant to meet the needs of the Emergency and Welfare team, the remaining staff are funded internally. The administration costs to the EWF were estimated at £80,000(7.5% of the funding) less than the government suggested levels.

3.1.4 To help support customers or support workers apply for either Crisis Loans or Community Care Grants a dedicated Freephone telephone number was set as well as an online application form. The Freephone number is promoted the most as this allows for a faster decision for customers in crisis.

3.1.5 The expectations of the demand for this service were primarily based on the information received from the DWP and procedures were set up on that basis. It was anticipated that there would be a high demand on the fund and the risk of not meeting this need may impact on other council budgets. Since implementation in April, demand has been less than anticipated.

3.2 Customer Demand

3.2.1 Since April the team have worked together to understand the customers' needs, gather signposting information and work with internal and external organisations to provide an effective service for the customer.

3.2.2 Based on the historical information from DWP 42 % of their applications were received between April and August and of those 76% were awarded.

3.2.3 Customer demand is lower than anticipated however there was a significant number of customers making application to PCC for funds still available from the DWP. This has reduced as the scheme has continued. This type of contact has been recorded as DWP signposting.

3.2.4 Although we have received less actual demand than anticipated the percentage of awards made is consistent with DWP awards. This is reassuring as it shows customers' needs continue to be met as well as the benefits of expertise that allows for the considerable signposting to other organisations.

3.2.5 Most of the customer demand has been made via the Freephone number with some customers using the online form. We have received 1647 applications and of those 308 (18%) were made via the online application form. The online method of application has been improved recently with customer being able to access the form via computers in the Civic Centre; this has helped to meet customer demand at peak times.

3.2.6 Promotion of the scheme has been undertaken at a low level, due to the expected high demand on the fund. The team have been working with specific groups, identified as working with vulnerable groups such as PATH, Housing Options and PCC Care Leavers team.

Customer Demand up to 31.8.13

2013/14 Up to 31/8/13	Crisis Loans	Community Care Grants	Total	% awarded
Anticipated Applications	2841	1117	3958	
Anticipated Awards	2225	446	2671	67%
Actual Applications	624	348	972	
Actual Awards	484	191	675	69%
Customers signposted (DWP)			288	
Customers signposted (Other)			1407	

3.3 Budgets

3.3.1 The EWF fund was allocated an un-ring fenced grant of £1,064,046. Of this DWP guidelines estimated that up to £185,618 (17% of the total budget) would be required for administering the scheme leaving £878,428 for the scheme itself. PCC are committed to using as much of the funding for the benefit of the customer and to reduce the risk of potential impact on other areas of the Council budget. It was therefore estimated that administration of the scheme could be delivered at £80,000 with the remaining £984,046 being used for vulnerable customers

3.3.2 Administration costs have remained in budget with £32,487.05 being spent to date against a projected spend of £33,333.33. Additional staffing has been agreed on a temporary basis to support the admin functions of the team allowing for technical staff to spend more time dealing with the customers. These additional costs have been included in the budget figures.

3.3.3 The current budget is showing an under-spend. Expenditure has been increasing as the scheme develops and it is anticipated that this trend will continue now there is a better understanding of the customer base and individual needs. The projected spend up to end of August was £413,382.00 with current spend being £133,450.60, showing a £279,931.38 under-spend.

	April	May	June	July	Aug	Cumulative
Community Care Grants	£5,770.00	£14,239.00	£11,920.00	£19,907.00	£18809.50	£70,645.50
Crisis Payments	£3397.50	£5874.50	£5,844.46	£7,764.00	£7,269.00	£30,149.46
Admin Costs	£6,413.69	£6347.88	£5939.47	£6462.44	£7492.18	£32,487.05
Total Spend	£15,581.19	£26,461.38	£23,703.93	£34,133.44	£33,570.68	£133,450.60
Budget	£74,072.00	£88,120.00	£85,486.00	£84,608.00	£81,096.00	£413,382.00
Difference	-£64,914.50	-£68,022.50	-£67,758.00	-£56,778.39	-£55,079.50	-£279,931.38

3.3.4 Budget forecasting shows an increase in demand over the winter months due to natural peaks in such areas as fuel payments and the Christmas period. Combined with continued promotion of the scheme it is anticipated that the expenditure will increase with a better understanding of the impact on the fund being available in Spring 2014.

3.4 Future Activity

3.4.1 It is clear that the fund is currently underspent. We are now in a better position to understand the demands on the fund and proactively engage with vulnerable client groups. This will support those in need and enable promotion of the scheme.

3.4.2 Promotion of scheme: Specific organisations and internal departments have been identified and presentation sessions are being run to promote the scheme, which are being well received by the attendees. Some of the initial organisations that we are planning to contact over the next few months are; Probation Service, Adult Social Care, Police and Neighbourhood Liaison groups. We anticipate an increase in demand as a result of this work as more professionals understand the benefits of the scheme to their clients.

3.4.3 Utilities: There has been a low level of customers seeking help with their utilities, especially gas and electricity bills. This may be a seasonal issue and therefore there is a likelihood of an increase in demand during the winter months. This is an area of concern so this risk group will be targeted and work will be undertaken with customers to raise awareness of Plymouth Energy Community and offer support to help engage with the scheme.

3.4.4 Food Bank: 129 customers have been provided with vouchers for the Foodbank instead of being given cash. As this a charity any referrals to this service do not incur a cost from the EWF. Based on the EWF cash allowances for food the 129 customers would have cost £2580.75 from the fund. There is a continual need within Plymouth for the services provided by the Foodbank and therefore it is planned to work with the Charity to allow for financial support to be given based on the referrals actually made. This will allow for the EWF to not be a drain on the Charity, but to allow continued support to customers.

3.4.5 Other Funding Options: There appears to be a perception that the EWF is for individuals claiming benefits. It is clear, however that there are other groups in the community that are in need of help due to a difficult period in their lives. For example those individuals who are trying to support themselves and get into work. The transition from benefits to work can cause financial difficulties and we are going to explore alternative ways to help support these individuals further.

3.4.6 Benchmarking: The trend Plymouth are experiencing is consistent with neighbouring authorities that are running similar schemes. Benchmarking with other Authorities within our family group will be undertaken to identify alternative methods of raising awareness of the scheme as well as sharing best practice in scheme management and customer focus.

3.4.7 Streamlining: Now there is a greater understanding of the demands on the scheme, there is an opportunity to review the processes and practices that are being undertaken, this has been started by working with internal audit for an external perspective of how we work. This will allow for a more efficient service, and enable additional resource to be available for the increase in demand.

3.4.8 Customer Survey: A customer survey is being conducted and is open until the end of October. The outcomes will enable customer feedback to be considered when reviewing the scheme and the customer experience.