

# **EMERGENCY WELFARE SCHEME**

Your Plymouth Scrutiny Panel – 10 March 2014



**PLYMOUTH**  
CITY COUNCIL

## **1. Purpose of the report|**

1.1 The Emergency and Welfare Fund (EWF) was introduced in April 2013 to provide support for people in extreme financial difficulties. The scheme is funded by central government for two years and it has been confirmed that funding will not be available from 1<sup>st</sup> April 2015.

1.2 A review of the scheme was required within 6 months of implementation and with a further review at the end of year one. This report is to provide Your Plymouth Scrutiny Panel with an update on the delivery of the Emergency and Welfare Fund following implementation of the scheme in April 2013 and to enable any recommendations for improvement to be made.

## **2. Emergency and Welfare Fund Update**

2.1 Since September we have been focussing on improving the service delivery for the customer, promoting access to the fund and re-focusing on early intervention and prevention. Spend projections indicate that we are on track to spend the full year 2013/14 budget.

2.2 Promotion of scheme: We have continued to promote the scheme to organisations and internal departments targeting those who have a client base that is likely to be in need of support. Since the last review we have worked with Youth Offending teams, Adult Social Care, Police and Neighbourhood Liaison groups. A Community Support campaign has also been used to make residents of hard to reach communities aware of the existence of the scheme - a bus has been touring the City taking support organisations out into the community. This has contributed to the significantly increased spend during Quarter 3 (October – December), which shows an overall increase of 50% in comparison with Quarters 1 & 2.

2.3 Scheme development: Because of a lack of information provided by the Department for Work and Pensions (DWP) about allocations from the previous Social Fund in Plymouth, it was difficult to predict demand for the EWF, meaning we had no choice but to limit the scheme in terms of scope and levels of awards. This has meant that whilst we have successfully managed the Fund within budget (£984,046 frontline budget for 2013/14) significant demand was not being addressed. In November 2013, the Portfolio Holder took steps to address this and agreed a series of measures funded from the EWF directed towards those vulnerable people in need of this type of assistance:

1. Funding to help people clear arrears if they need to downsize because of the Bedroom Tax, but are unable to do so because of their arrears (£6,000)
2. A package of proactive advice and support for the 642 people waiting to downsize because of the impact of the Bedroom Tax (£7,000)
3. Support for the Food Bank (£20,000)
4. A new worker for Plymouth Energy Community to help people sort energy debt and enable them to switch to cheaper providers (£55,000)
5. A fund to incentivize some of Plymouth's most financially vulnerable residents to save with a credit union (£40,000)
6. Continuation funding for a specialist caseworker within Housing and Revenues and Benefits to identify and deal with problems early (£42,000)
7. A fund to ensure people get Medical Assessments and Disclosure and Barring Service Checks when they need them to access benefits and get into work (£10,000)
8. A feasibility study into the council providing an ethical payday lending scheme (£10,000)

2.4 Food Bank: Up to 31st January 2014, 169 customers have been provided with vouchers for the Foodbank, which provides support for those in crisis without incurring a cost to the EWF. Based on the food cash allowances, the 169 customers equates to a £4000.75 spend from the fund. The £20,000 grant was given to the foodbank in December as financial support to mitigate any burden Plymouth City Council puts on the scheme by providing vouchers for our customers and to generally support the Foodbank and ensure it is sustainable. The team continues to make referrals and to liaise with the Foodbank.

2.5 Utilities: The team have been working with Plymouth Energy Community (PEC) in order to promote switching to cheaper energy providers. Referrals are also made to Advice Plymouth where a customer presents with an energy debt - the debt advisors there are able to use their knowledge and experience to tap into funding and assistance to aid the customer. Funding has also been made available to PEC to employ a full time debt worker until March 2015, to increase debt advice availability to customers in crisis

2.6 Benchmarking: The trend with Local Authorities nationally appears to be that spend to customers is less than predicted. Various decisions have been made about future funding from other Local Authorities and some have decided to not continue offering an emergency scheme. Plymouth has continued with its commitment to help the most vulnerable in our community and will continue to run the scheme for 2014/15 and look for ways to continue this support once government funding has stopped.

2.7 White goods: The community care grants (white goods) procurement process has been changed from 1<sup>st</sup> February 2014. Customers are now provided with payments by BACs so that they can secure white goods for themselves. This allows for a more efficient process allowing for speedier supply of goods and more flexibility and control for the customer, as well as reducing the administration costs of delivering this element of the service.

### **3. Customer Demand**

3.1 Customer contact has increased significantly over the last 6 months. In September we reported a total number of customers contacting the team since April of 2667. Since then we have adjusted our reporting process and are able to show that demand has increased with the total number of customers contacting us between April and January to 6907, an increase of 158%. There has been a 19% increase in applications from customers in crisis and 187% increase in customers that have been signposted to the DWP or other agencies. This supports the value of the advisor capacity of the team as well as the financial support that is available.

3.2 As well as the increase in demand there has also been an increase in the number of applications where support has been awarded. 75% of application have received financial support, which is 8% above the 67% anticipated levels based on DWP information. 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.

3.3 Most of the customer demand has been made via the Freephone number with some customers using the online form. We have received 2042 applications and of those approximately 44% were made via the online application form.

3.4 We have received 10,710 calls since April with a significant increase since September, the average monthly calls have increased from 1010 to 1131, a 12 % increase. Despite this increase in calls we have continued to maintain the level of calls answered, however this has resulted in an increase in wait times for customers. Although we are confident, that customers are either

waiting to speak to an advisor or calling back, we are reviewing our application processes to ensure that wait times are reduced despite the increase in demand.

Customer Demand up to 31.1.14

<b>2013/14 Up to 31/0/2014</b>	<b>Crisis Loans</b>	<b>Community Care Grants</b>	<b>Total</b>	<b>% awarded</b>
Anticipated Applications	5683	2233	7916	
Anticipated Awards	4450	891	5341	67%
Actual Applications	1366	676	2042	
Actual Awards	1101	434	1535	75%
Customers signposted (DWP)			599	
Customers signposted (Other)			4266	

3.5 Specialist support for identifiable customer groups: We recognise that some individuals or families in crisis are supported by other organisations or departments within PCC. We have worked with various groups to allow quicker access to the Emergency Welfare service by prioritising the applications made from support workers accepting that they have already validated customers' needs and are working with them to engage in making improvements with their situation. An example would be applications for assistance from families who are part of our Families with a Future (FWAF) programme. Their applications are now being identified early and prioritised. The families making applications to the fund all have a dedicated worker assigned to them who understands their issues and financial position. In order to be able to continue the intense work being done with these families, applications made with the support of the worker can be emailed direct to the Welfare Team who can then identify them and prioritise them according to the urgency of the need.

#### **4. Government Funding**

4.1 The government has recently announced that the funding for Social Fund replacement schemes will be cut from the end of 2014/15, it is therefore essential that we plan for the future, to minimise spending on hardship and crisis, whilst ensuring there is an effective safety net for the most vulnerable people in Plymouth. Therefore as well as considering improvements to the scheme, we are considering how best to re-focus the fund on early intervention and prevention including areas such as employment support and financial capability. A package is being put together and we hope to shortly announce more detail about this.

4.2 Customer demand has increased as the scheme has progressed and we have continued to work with other organisations to ensure that those most vulnerable in our community have access to funding. This is reflective in the table below which shows a steady increase in Crisis and Community Care Grant payments since April.

## Emergency Welfare Budget spend April 2013 to January 2014

	Q1 Apr / May / Jun	Q2 Jul / Aug / Sep	Q3 Oct/ Nov / Dec	Q4 up to 31/01/2014	Cumulative
Community Care Grants	£31,929.00	£49,770.02	£86,423.00	£34,436.00	£202,559.02
Crisis Payments	£14,971.46	£22,931.61	£32,855.05	£12,932.00	£83,690.12
Initiative Spend			£190,000.00		£190,000.00
Admin Costs	£20,154.63	£21,676.58	£23,589.53	£7,613.44	£73,034.18
<b>Total Spend</b>	<b>£67,055.09</b>	<b>£94,378.21</b>	<b>£332,867.58</b>	<b>£54,981.44</b>	<b>549,283.32</b>
Budget	£269,203.64	£272,395.78	£248,986.77	£88,315.81	1,064,046.00
Difference	<b>£202,148.55</b>	<b>£178,017.57</b>	<b>£83,880.81</b>	<b>£33,334.37</b>	<b>-514,762.70</b>

\* Spend is based on total budget for 2013/14 of £1064,046.00

### 5. Future Activity

5.1 Promotion of scheme: Promotional work with organisations that have a vulnerable client base will continue to ensure that they are aware of the scheme and that support that can be offered. A review of the community outreach campaign will be undertaken in April to assess if future campaigns of this nature are of benefit to the community.

5.2 Advisory Service: PEC is currently working on employing two debt case workers to assist customers with their energy debt in order to switch suppliers, but also to assist with more general debt issues that affect a customer's ability to pay their energy bills. These debt advisors will be based in the Revenues and Benefits Department for three days a week in order for them to work closely with the Welfare Team

5.3 The Housing Options Department has an Advice Plymouth debt caseworker based with them to refer customers with assistance. This contract has been renewed and extended so that the Revenues and Benefits staff, including the Welfare Team, can make referrals direct to them.

5.4 Future years; In 2014/15 we will receive £1,048,000 to deliver the Emergency Welfare Fund. If administration costs are deducted at the same level as 2013/14, (£80,000), this will leave a frontline spend of £968,000. After this no further funding will be provided by the Government to deliver an emergency fund.

We are considering using the fund received for 2014/15 to deliver the scheme for a further three years from April 2014. This would mean £322,666 would be available for each of the three years. To operate within this reduced budget, we would require efficiencies, further emphasis on prevention and early intervention to minimise demand, and possible changes to the scheme eg offering some payments on a loan basis with support from the credit union. The scrutiny Panel's views on how this should be taken forward would be welcomed.