

Cabinet – 5 February 2014

Walsall Crisis Support Scheme - review

Portfolio: Councillor Christopher Towe – Resources

Related Portfolios: Councillor Rachel Andrew – Children’s services,
Councillor Barbara McCracken – Social care and health

Service: Benefits

Wards: All

Key decision: Yes

Forward plan: No

1. Summary

1.1 As part of the Government’s welfare reforms, Community Care Grants and Crisis Loans for general living expenses, administered by the DWP within the social fund, were abolished from April 2013 and replaced by a new local provision.

Whilst the Government was not prescriptive with regard to the design of the new local provision; the intention of the funding transferred to local authorities is that it is to be used to provide a new local provision

1.2 The time scales for the design and development of a local scheme was extremely challenging. The limited data available from the DWP was high level and related to the old service provision. The exact nature of Walsall residents’ demands on the new service could not be fully known until work began to help and support applicants from April 2013.

1.3 Officers were tasked with designing a local service provision based on customer demand. Designing a new scheme to “help residents in crisis” has given Walsall Council the opportunity to develop a scheme to support the most vulnerable in a holistic way.

1.4 At their meeting on 23 January 2013, Cabinet approved the adoption of a local scheme for Walsall, the Walsall Crisis Support Scheme (WCSS), as an interim scheme for 2013/14 whilst further work was undertaken to design the scheme for the longer term based on demand. As part of the interim scheme, the funding allocated for 2013/14 was broken down into a programme allocation element (funding to be used for awards) and an administrative allocation (for costs associated with running the scheme) as suggested by the Minister of State for Pensions.

1.5 Nine months into the scheme, it is now becoming clear that more work is being carried out by officers providing help to residents who are presenting to the

service “in crisis”. An officer spends time with the resident to understand what the root cause of their problem is and works with the resident, colleagues and other agencies to resolve those issues. This process is resource intensive but delivers better help and support to the resident and at the same time saves money; either from the programme funding or by preventing the residents “crisis” from escalating or repeating which could prove more expensive to rectify; e.g. – homelessness.

- 1.6 This approach has led to less demand on the funding originally allocated for awards, however more funding has been spent on provision of staffing support, to help residents at the first point of contact. It is important to emphasise that this staffing is direct front-line support for residents and their families, not administrative work. The council spends far less than notionally allocated on administration and this funding is used instead to provide direct help to residents.
- 1.7 This report provides members with an update of the operation of the WCSS, including customer demand, feedback and the financial position together with recommendations to enhance the scheme by improving the flexibility around the funding allocation arrangement to allow for the overall funding to be better distributed to meet the needs of residents from April 2014.
- 1.8 The primary significant change to the Scheme proposed for 2014-15 is making explicit that government funding will be used for staffing costs involved in providing direct practical help to residents, as well as providing awards of money to individuals where necessary and appropriate.
- 1.9 Because there are so many ongoing changes to the welfare system under way and planned, it is important that the council can be flexible in making best use of all of the resources available to it as we learn more about the impact on Walsall residents. To this end, it is suggested that the Executive Director (Resources) is given delegated authority, in consultation with the Cabinet Member for Resources, to agree alternative uses for government funding beyond that already identified in the WCSS should the need arise during the year. Any such changes would be reported through to Cabinet and to Corporate Scrutiny Committee as soon as possible.
- 1.10 The Government has recently announced that funding for 2015-16 onwards will be within the Revenue Support Grant, not via a separate grant. The implications of this needs to be assessed and it is highly likely that in practice this means that government support for this work will be substantially reduced. Limited details are available and this is set out in section 6.3 below.

2. Recommendations

- 2.1 That Cabinet approve the adoption of the amended Walsall Crisis Support Scheme for 2014/15, thereby making explicit that government funding to help people in crisis will be used on a combination of staffing to provide direct practical help to Walsall residents and their families and the provision of direct awards to individuals where this is necessary and appropriate.
- 2.2 That the Executive Director (Resources) is given delegated authority, in consultation with the Cabinet Member for Resources, to agree alternative

uses for government funding for people in crisis beyond that already identified in the Walsall Crisis Support Scheme should the need arise during the year. Any such changes to be reported through to Cabinet and to Corporate Scrutiny and Performance Panel as soon as possible after they have been made.

- 2.3 That cabinet receive a further report on the provision of the Walsall Crisis Support Scheme from April 2015 during 2014/15 once the implications of the funding position has been assessed.

3. Report detail

- 3.1 WCSS was established in April 2013 after the abolition of the discretionary elements of the Social Fund relating to Crisis Loans schemes and Community Care Grants.
- 3.2 The Government's stipulations for Local Welfare Provision is that the grant should be used to support applicants who were experiencing an 'immediate threat to their health or safety' and to provide some financial support to customers moving into the community to replace the existing scheme of Community Care Grants.
- 3.3 Other elements of the Social Fund were retained by the DWP, nationally, in the form of funeral payments, cold weather payments, winter fuel payments and sure start maternity grants. Budgeting loans and crisis loans for alignment purposes will be replaced by short term advances and budgeting advances, and will be within universal credit in the future.
- 3.4 The authority was provided with high level information of customer numbers, however, demographic information and expenditure from the DWP in relation to the scheme that they operated was not available. The demand on a local service could not be understood until the service commenced on the 1 April 2013 and residents started to ask for help.
- 3.5 It is for this reason that the WCSS was developed based on key principles of how the scheme should initially operate within Walsall:-
1. Understanding the applicant's needs and the root cause of their problem officers will draw on the wealth of provision that is available:-
 - Within the authority.
 - Build on existing multi-agency working by offering applicants other partners/advocates support,To ensure long term solutions can compliment support facilitated by this fund.
 2. Ordinarily to provide goods and services to support the customers' needs and this will not be offered as a loan, it will be an award.
 3. Work with statutory services, local community and voluntary groups and other interested parties to facilitate this scheme.
 4. Promote applications from advocacies and support services to ensure the most vulnerable are targeted and supported.

5. Repeat awards will not ordinarily be granted – unless exceptional circumstances dictate otherwise.
 6. Set fair eligibility criteria and provide applicants with a right to a review.
- 3.6 Officers have explored practical options to provide the support that residents need.
- 3.7 Officers have also worked collaboratively with partners, charities and agencies to support customers in other ways through crisis.
- 3.8 **Applications**

The number of applications seen during the period 01/04/2013 – 31/12/2013 are shown in the table below.

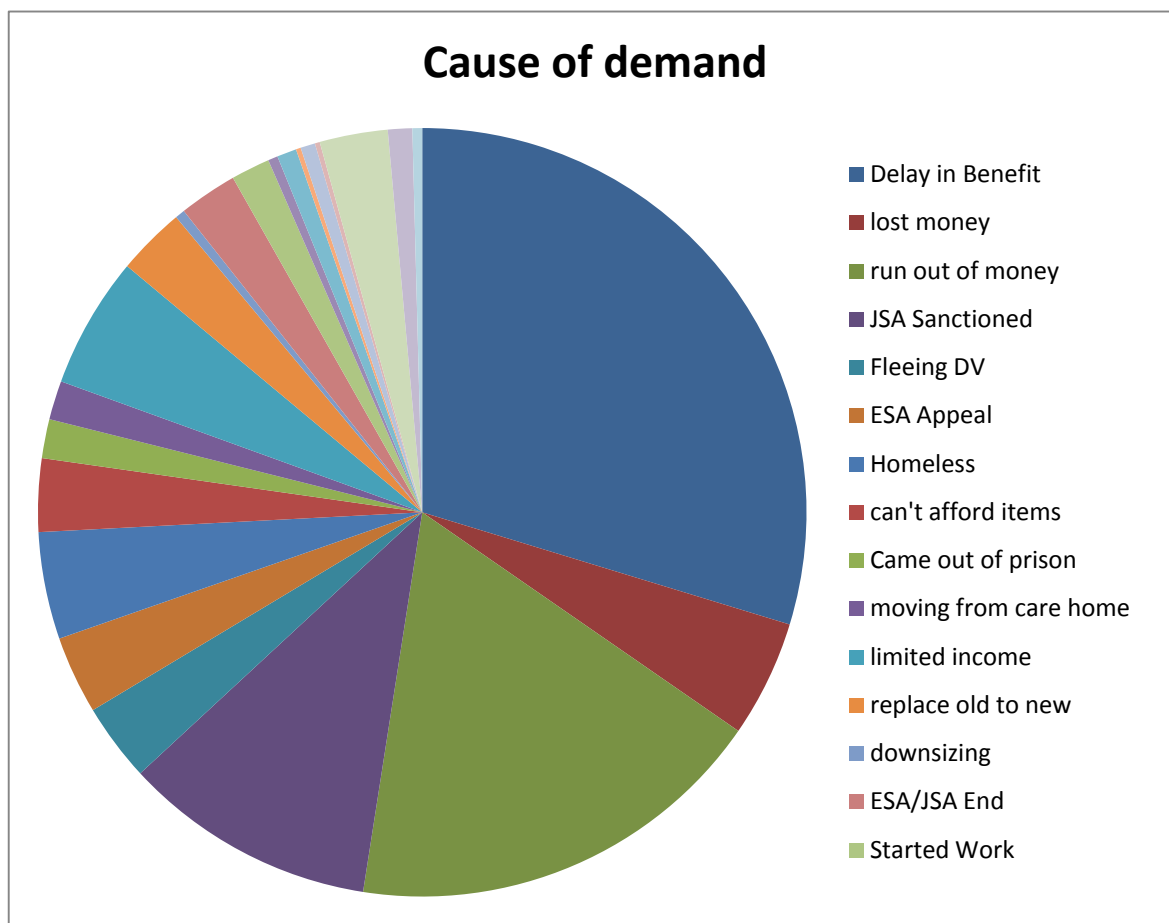
Total applications received	Applications Approved	Applications Declined
7,038	4,240	2,798

3.9 Customer profiles

E.g. Food bank applicants – September

Household type	% of applicants
single	65%
Single parent	13%
Couples	13%
Couple with children	10%
More than 2 adults	5%

3.9 Cause of Demand- The causes leading to this demand are set out in the chart below.



3.10 Awards Approved

Of the awards approved the type of provision awarded is shown in the following table.

Provision	Types of support provided
Deposits for rented tenancies	19
Furniture and carpets	454
Utilities	1124
Groceries	1980
Clothing/bedding	253
Travel	211
White goods	850
Other assistance	512

3.11 Awards declined/ alternative support provided

Examples of the other help and support provided to residents in crisis are detailed below.

Help given to customer by officer in other ways
Help to apply for budgeting loan
Processed housing benefit claim and council tax reduction claim
Pulled on expert in debt management
Help to maximise other benefits
Call to DWP to sort their claim out
Help to apply for short term benefit advance

Helped to apply for assistance from the DWP hardship fund
Helped with housing issues – helped customer move.
Negotiated with 3 rd party on customers behalf
Helped customer get a job
Worked with children’s services and section 17 funding
Pulled on charitable support
Educating customers – informing the customer of options/consequences --- e.g. money management.
Negotiation with landlords- rent in advance/deposits
Contacted bailiffs to waiver costs/fines
Contacted utilities – reset meter- waiver of arrears
Help from school with uniforms
Housing improvement – heating systems

3.12 Scheme spend on awards by month April – December 2013

The total spend on awards by month is detailed below.

Month	Value
April	6,149
May	10,547
June	12,870
July	34,434
August	27,183
September	22,334
October	41,256
November	44,458
December	44,127
Total	243,359

3.13 Examples of customers helped

The resident had water arrears for around £600 going back about a year. A WCS Officer contacted the water company and discussed arrangements for the customer to pay back by instalments and £450 of the debt written off. No cost to the fund

A particular story that stands out for me where we have intervened and due to this it has changed the resident’s ongoing life according to the probation service. WCS officer and an officer from housing services were asked to assist a probation customer. He had been under probation services for a long period of time and had gone through traumatic family problems. Housing services assisted in securing accommodation for him and WCS assisted in providing him with an electric cooker, a fridge and a bed. He was also provided with kitchen essentials so he could set up in his new home and feel like he had a purpose in life.

Shortly after supporting the resident the WCS officer received this email from probation services:-

"I am writing to you to express my appreciation of what has done for my current Probation client. This has been in the role of assisting him in being able to sort out suitable accommodation which made a major contribution in terms of changing his life. We found staff to be professional, engaging with the client and going beyond the remit that one would normally expect from someone in a similar role.

I am hoping because of the help, he has moved on in his life and will not come before the Criminal Justice System again. I have seen a notable change in him, since coming into contact with your team.

Staffordshire & West Midlands Probation Trust, Midland Road Complex, Walsall"

Client presented being anxious and worn down - had been to the food bank with not a great amount of success as he didn't have a cooker at home so he couldn't cook some items.

The resident presented with Water Rate arrears and a couple of door lender loans which had resulted from buying flowers and other items for his mother's funeral.

How the resident was helped.

The WCS officer pulled on a debt management advice agency to help. This support enabled affordable repayments on the loans to be agreed. The resident wished to avoid insolvency. An application was made to a Charitable Trust and this was accepted and the arrears will be cleared after 26 weeks

Different charities provided the following: - £400 for carpets, TV being purchased enabling the return of a costly hire purchase rental, cleared phone bill.

Food bank vouchers. The customer is now a volunteer for an advice agency

Resident was claiming Employment Support Allowance (ESA) which was terminated in November 2012 due to failing his medical assessment. He was told that because he could sit and stand, he was capable of doing some sort of work.

He contacted us in January 2013 as he was not receiving any income and was struggling with feeding himself. A WCS officer started to work with him and made contact with ESA to query the decision and what he should do next. He was helped with food throughout this period. SSAFA were also helping to support him.

A new claim was submitted for ESA and a request was put in for backdating to November 2012, but he had to attend another medical appointment. He did this, but again was turned down for ESA.

With the WCS officers' assistance, he appealed against the decision and was supported when the case was taken to the tribunal. His GP was asked to provide documentary evidence of all his health issues to support his application. Reconsideration was agreed and he received backdated ESA payment of over £700 back to November 2012.

4. Council priorities

The changes and decisions required may help to mitigate some of the negative impact that the welfare reform will have on the council's priorities as the reduction in benefit payments will take money out of the local economy.

5. Risk management

The legislative changes and the decisions required to support these changes pose a potential significant financial and reputation risk as the demand variables are unknown.

6. Financial implications

- 6.1 On 6 August 2012, the Minister of State for Pensions issued a settlement letter to Walsall Council outlining the indicative amount of programme funding for the delivery of the new provision for the financial years 2013/14 & 2014/15. The awards are based on discretionary Social Fund spend for 2012-2013 and a suggested breakdown between Programme and Administrative funding were provided which was adopted for 2013/14.

The breakdown of this funding is shown below:-

Walsall	
Local Authority:	Walsall
2012/13	
Set-up funding	£10,985
2013/14	
Programme funding	£1,098,510
Administrative funding	£232,123
2014/15	
Programme funding	£1,098,510
Administrative funding	£212,766

- 6.2 As stated within the report (paragraphs 1.4 to 1.7), 2013/14 has acted as a pilot whilst further work is undertaken to determine the schemes demand and how best resources can be utilised to support this. This approach has identified less demand on the funding originally allocated for awards, however more funding has been required on the provision of staffing support, to help residents at the first point of contact.

The funding allocated remains un-ring fenced and can be used in a number of different ways to meet local need. This could include, for example, topping up local food banks, commissioning additional advocacy support or matching the funds with existing discretionary grants. By Cabinet approving increased flexibility in the programmes funding allocation, the original split of funding between

programme and administrative functions set out above will change, however the total cost of the scheme will remain within the resources available to it.

Funding for 2015 and beyond

- 6.3 DCLG released the Authority's draft funding settlement for 2014/15 and provisional 2015/16 on 18 December 2013. Alongside the settlement further information was published on each authority's spending which includes £1.311m within the in 2014/15 spending powers detail in relation to Local welfare Provision Grant but no allocation shown in 2015/16. Whilst further work will be required to understand the implications of this at present there is now no funding within the MTFP allocated for Crisis Support from 2015/16 onwards.

A press release from government received 24th December 2013 reads as follows:-

"This Government is devolving more power and discretion to local councils, so they can best target those most in need. From 2015, the Local Welfare Provision Grant is being wrapped up in general central government grant to local authorities, as part of our broader commitment to reducing ring-fencing."

A further report identifying Crisis Support position and forward plan for 2015/16 will be circulated once details have been clarified.

7 Legal implications

The scheme is in accord with the requirements set out in the settlement letter by the Minister of State for Pensions.

8. Property implications

There are no property implications.

9. Staffing implications

Additional staffing resources were acquired to support the scheme with 5 additional assessment resources aligned to the benefits service. However, supporting residents in crisis and dealing with complex issues requires additional skills and capabilities to help residents at the first point of contact. Currently there are 8 assessment resources supporting the delivering this complex service. As part of the assessment of the future of the scheme from 2015/16 the potential impact on these staff will also need to be identified.

10. Equality implications

The DWP provided equality data based on national activity. An equality impact assessment (EqIA) is being completed using data collected during 2013 to support the design changes required of the new scheme that will operate from April 2014. Consultation is ongoing and will contribute to the EqIA.

11. Consultation

- 11.1 Consultation commenced with feedback on the design of a local crisis support scheme from officer groups and a key stakeholder event.
- 11.2 Further consultation has commenced with officer groups and the operation of the scheme is being improved to release resources to support the demand from residents.
- 11.3 The current scheme has been reported to the members of the Corporate Scrutiny and Performance Panel in order to inform members of the implementation and progress of the scheme

12. Service improvement considerations/proposals

- 12.1 Continued development of skills and knowledge to support staff delivery a better service to vulnerable residents.
- 12.2 Explore the possibility of closer working with the Credit Union to provide loans for those who do not qualify for WCSS or DWP assistance.
- 12.3 Continue to develop closer working with partner organisations.

Background papers

- The Minister of State for Pensions settlement letters for local support that replaces Community care and Crisis Loans. 6th August 2012 and 11th December 2012.

Author

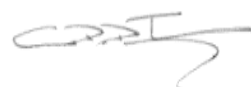
Lynn Hall
Head of Benefits

☎ 653986

✉ halllynn@walsall.gov.uk



Rory Borealis
Executive Director Resources
27 January 2014



Councillor Christopher Towe
Portfolio holder Finance and Personnel
27 January 2014