

## CABINET MEETING – 13 FEBRUARY 2013

### EXECUTIVE SUMMARY SHEET – PART I

**Title of Report:**

Local Welfare Provision – Crisis Support and Community Care Support

**Author(s):**

Executive Director of Commercial and Corporate Services

**Purpose of Report:**

To provide Cabinet with an overview of Government proposals to transfer funding for welfare provision to local authorities through the introduction of the Local Welfare Provision Scheme, to outline the proposed services to be provided by Sunderland City Council (Crisis Support and Community Care Support) and to seek approval for implementation of the scheme, that is to come into effect from 1 April 2013.

**Description of Decision:**

That Cabinet be recommended to:

- a) Consider feedback received during the consultation period from the public, including representatives/representative groups of, voluntary organisations and community groups.
- b) Approve the Local Welfare Provision Scheme, developed locally as two separate services called Crisis Support and Community Care Support, as outlined in the report.
- c) Authorise publication of the Scheme on the Council's website and in any additional manner determined by the Executive Director of Commercial and Corporate Services in consultation with the Leader of the Council and Cabinet Secretary.

**Is the decision consistent with the Budget/Policy Framework? \*Yes****If not, Council approval is required to change the Budget/Policy Framework****Suggested reason(s) for Decision:**

The Council must have a Local Welfare Provision Scheme in place by 1 April 2013.

**Alternative options to be considered and recommended to be rejected:**

There are no alternative options recommended.

**Impacts analysed;**

Equality  Privacy  Sustainability  Crime and Disorder

Is this a “Key Decision” as defined in the Constitution? **Yes**

Is it included in the 28 day Notice of Decisions? **Yes**

**Scrutiny Committee**

**LOCALISATION OF WELFARE PROVISION**

**REPORT OF THE EXECUTIVE DIRECTOR OF COMMERCIAL AND CORPORATE SERVICES**

**1. Purpose of the Report**

- 1.1 Under the Welfare Reform Act 2012 Government are localising some elements of Welfare provision through the introduction of the Local Welfare Provision Scheme. The purpose of this report is to seek Cabinet approval to the required proposed Scheme for Sunderland.
- 1.2 The report also sets out responses to the consultation exercise from the public.

**2. Description of Decision**

- 2.1 That Cabinet be recommended to:
  - a) Consider feedback received during the consultation period from the public, including representatives/representative groups of voluntary organisations and community groups.
  - b) Approve the Local Welfare Provision Scheme, developed locally as two separate services called Crisis Support and Community Care Support, as outlined in the report.
  - c) Authorise publication of the Scheme on the Council's website and in any additional manner determined by the Executive Director of Commercial and Corporate Services in consultation with the Leader of the Council and Cabinet Secretary.

**3. Background**

- 3.1 On 8 March 2012, the Welfare Reform Act received Royal Assent. The Act legislates for the biggest change to the welfare system in decades and includes the abolition of two elements of the Social Fund, which is currently administered by Department of Work and Pensions (DWP) and delivered by Jobcentre Plus (JCP). From 1 April 2013, funding for these two elements of the Social Fund (Crisis Loans and Community Care Grants) will be transferred, at a reduced rate, to local authorities. The remaining Social Fund elements will be retained by DWP, for example short term advance payments for customers awaiting their benefit being paid and budget loans.
- 3.2 Specifically the two DWP Schemes to be transferred are:
  - Crisis Loans  
Provide for immediate help that is required as a result of a crisis, emergency or disaster. Loans are repaid via attachment of benefit.

## Community Care Grants

Provide support for those moving into the community, to help people to stay within the community, to prevent serious deterioration of health within the home, and provide for families under extreme pressure. This support is a grant that is not repaid.

3.3 The main features of the transferred scheme are that:

- the design and delivery of the scheme is at the Council's discretion
- people do not have a statutory right to support from the scheme; and
- the total amount awarded from the scheme is cash limited, and any spend above the grant level will have to be found from the overall Council budget.

## 4. The new Crisis and Community Care Support Service Scheme – Overview and Eligibility

4.1 It is proposed that there should still be two forms of means tested support to be provided by the new Service, the Crisis Support Scheme (previously Crisis Loans), and Community Care Support Scheme (previously Community Care Grants). Appendix A sets out the details of the Schemes.

4.2 The aims of the current DWP Scheme have been carried forward to the local schemes and are shown below:

### Crisis Support Scheme

- Will be available for applicants who are unable to meet their immediate short term needs either in:
- an emergency (a situation which causes the applicant to have a pressing need, or an unforeseen circumstance which requires immediate action or remedy, which the applicant could not have taken reasonable steps to avoid)
- as a consequence of a disaster (sudden calamitous event or misfortune causing loss of or damage to possessions or property – for example fire or flood resulting in a health and safety risk)

### Crisis Support Scheme items

- For Crisis support the main items of support to be provided are:  
A food parcel and/or prepaid energy top up cards for gas and/or electricity dependent upon the size of the household and the time of year
- Provision for emergency travel in exceptional circumstances
- If the applicant becomes homeless as a result of an emergency/disaster additional provision may be considered at the council's discretion
- Any essential item at the councils discretion

### Community Care Support Scheme

- Will be available to help vulnerable people enter the community (for example young people leaving care), re-enter the community, or remain in the community (for example to prevent serious deterioration of health within the home), and families under exceptional pressure

#### Community Care Scheme items

- For Community Care support the main items of support to be provided are:
- Essential items of furniture/white goods/bedding as defined by the council and taking into account the size and needs of the household
- Any essential item at the councils discretion

4.3 Eligibility criteria is carried forward from the DWP Scheme and supplemented by Council eligibility criteria, for example, to prove residency in the city. The eligibility criteria is shown in the scheme details set out at Appendix A. The scheme will be kept under review, and the position of the scheme will be reviewed in the first quarter of 2013/2014 to ensure it remains fit for purpose.

4.4 The eligibility criteria in the Schemes are complex and require interpretation. Whilst there are different criteria for each, both crisis support and community care support have commonality with regard to secondary qualifying conditions. These conditions are based upon the current scheme but we will need to monitor and review this area closely to ensure we make awards for the most needy in our City, within the budget available. Where the two schemes do differ significantly is the front end of the process, for example whilst crisis support can be dealt with in a single triage/phone application, the community care support involves many agencies (e.g. Probation Service) and ongoing secondary contact evidence/dialogue. In addition, the community care support procedures are not yet unified and will need ongoing adaptation post go live to establish a fully embedded end to end process. It is therefore proposed that Customer Service Network (CSN) provide the end to end process for crisis support, the Benefits Service provide the community care support, with the processes reviewed and refined going forward.

### **5. Budget**

5.1 There remain concerns regarding some of the budget/demand management information supplied by DWP on the schemes. This may mean there is a shortfall in the budget that will have to be dealt with by either additional funding, or limiting the range of assistance available, and also ensuring that administration of the scheme adheres strictly to eligibility criteria. At this stage it is proposed to build some headroom into the budget provision, closely monitor spend on the scheme, and apply strict eligibility criteria.

5.2 The council have received a grant of £1.2M for both schemes , which roughly equates to the 2005/2006 DWP Scheme budget to fund the scheme. DWP have stated that they expect local authorities to drive down the numbers of crisis loan awards to 2005/2006 levels in an attempt to reduce budgets. Appendix B shows year-on-year data of Crisis Loan and Community Care Grant awards. These figures highlight that in 2009/2010 and 2010/2011 the expenditure was in excess of £2.2m each year. Actual expenditure for 2011/2012 does approximate to the 2005/2006 level of expenditure, (albeit both years are at a total cost of over £1.4m), but such a dramatic reduction from the two years prior to 2011/2012 needs to be treat with caution.

5.3 A further dampening of demand available to DWP is that Crisis Loans are a loan that must be paid back via DWP attachment of benefit. This option is not available to the council and other councils have also chosen not to recover the loan.

- 5.4 The ongoing economic difficulties, other impacts due to the wider Welfare Reform agenda, and the likelihood that things will remain challenging for some time means that levels of demand are likely to prove challenging. It is therefore imperative that qualifying conditions for the new scheme must be fair but firm to not only provide support for those in most need, but also take due regard of the budget position. Clearly, this will be a severely pressurised budget, and whilst the Council has made arrangements for this to be recognised as an area of cost pressure, the intention is to manage demand within the overall envelope available.
- 5.5 In addition to the £1.2M from Government, the Welfare Reform Board is reviewing arrangements of similar provision and Housing Policy, to potentially bring more synergy to these areas.

## **6 Delivery Options**

- 6.1 The following delivery options have been considered:

Option 1 – Create a new stand alone service  
Option 2 – Align and combine the budget to an existing service  
Option 3 – Contract with a new or existing external partner  
Option 4 – Mixed provision

- 6.2 The mixed provision is the preferred option and takes the best elements of options 2 and 3 and provides for a locally based approach to delivery of the new service, which recognises the strengths that already exist in communities. Our approach to the impact of welfare reform has always been to identify a local solution to a local problem and by combining our local capacity and resources with that of partners, we can maximise delivery capability for example the use of city wide advocates to deliver assisted self serve for Benefit e- applications. This city wide approach also translates to general support, such as information, advice whereby a common triage system is used for enquiries, and so the scripts used by our own CSN advocates are also used by Gentoo advocates. By working together in tandem, enhancing and complimenting services already offered and not taking-over, duplicating or replacing, we are working towards a city wide support mechanism that has potential to capacity build and grow in terms of Community Resilience, mutual, and social enterprise. Involving partners in this approach from the beginning is proving successful and encourages the community to play a role in the success of the new Service. By assuming this model the Council will only provide the elements that could not be provided easily by anyone else, such as the provision of prepaid gas/electricity payment cards. A pragmatic approach will be taken with regard to the introduction of the service as elements of service delivery will need to developed over time to ensure our VCS partners can grow capacity, whilst we work together.
- 6.3 There are numerous items and products that customers can apply for with regard to the current Social Fund. Although our scheme includes fewer options, we will still require a range of items and delivery methods within our new Service to be able to provide a similar level. This will include:

- Food parcels, via a network of Food Parcel Providers
- Direct delivery by the council for items such as prepaid gas and electricity cards, exceptionally expenses for emergency travel
- Recycled goods, initially via organisations such as Sunderland Community Furniture, and to support these endeavours with potential for bulk pick ups. This requires some new infrastructure built around storage, removals etc. and will be an opportunity for growing Social Enterprise.
- Potential for assisted shopping by VCS to assist applicants with purchasing goods. In this instance, payments would be made to a VCS agent to help applicants to source goods/food using charity shops/food parcel providers etc.

6.4 Research undertaken shows that none of the regional local authorities are to offer cash payments to applicants as is currently offered by DWP as part of the Social Fund. Furthermore the majority of councils that have declared their intentions are not looking to recover any monies and are promoting their services as crisis support rather than crisis loans. Sunderland's Crisis and Community Care Support Service would seek to provide services that people need, without having to rely upon cash payments, with DWP still offer Budgeting Loans etc, which are intended to help long-term income-related benefit recipients cope with the cost of essential items.

6.5 The delivery of the new service is only one part of the wider impacts of the Government's Welfare Reform agenda. This wider change involves a major change in responsibilities in relation to administering benefits for those of working age, with councils losing responsibility for the current housing benefit system, but gaining responsibility for developing and implementing a localised Council Tax Support Scheme. In addition, from October 2013, the Government will be rolling out the Universal Credit system which replaces six current benefits and is to be applied for on-line; 'digital by default'.

6.6 With this in mind, part of the work of the Welfare Reform Board has been to ensure that we help people to help themselves with support from advocates across the City, for example Gentoo and other Registered Social Landlords, Private Landlords, GP's, Schools, and the Voluntary Sector. By using these city wide advocates, as well as Council resources to provide support and assisted self serve access to deliver our support tools, we will ensure that our services are future proofed and financially sustainable, as far as can be anticipated, in future years. Web based tools, already developed or soon to be rolled out include:

- Up to date web based advice and guidance, linking with other service providers that explains how benefits are changing and what organisations and residents of the City can do to help themselves.
- An on-line benefit application form, which is easily accessible, intelligent and simple to use, which currently delivers over 90% of applications on line.
- A Single financial assessment tool – helps to ensure all means tested benefits are maximised.
- 'Lets Help You' - a choice based letting tool which aims to keep the rental market moving and reduce levels of empty properties and evictions.

6.7 The new service will aim to help the neediest and will build on services already available to the public such as the Food Parcel Network support throughout the City. With the help of the Sunderland Partnership, the Council will work with the organisations supporting the food network. Where there are areas within the City that do not offer this service the council will look to develop a market consistent within the demands made.

## **7 Administrative Resource and 'back office' delivery functions**

7.1 For crisis support it will be necessary to process applications, within, it is anticipated, 24 hours. Signposting of immediate help available will be given for both successful and unsuccessful applicants. As with the current DWP scheme there will be no out of hours provision, as this service is not designed for this type of support, and normal 24 hour emergency services (e.g. on call social workers) will continue. It is proposed that the Customer Service Network will be the front face of the scheme, with support from citywide advocates, who will also act as a conduit for these enquiries and signpost them.

7.2 For Crisis Support, the majority is food provision. Via the soft market testing in January, it has shown that there is capacity and appetite in the established Food Parcel Network to deliver some of the required provision. Details are still being worked through, however it is anticipated that it will be possible to deliver some of the service in this way for commencement on 1 April 2013. Capacity will need to grow in the Network and organisations are being supported in this regard.

7.3 Given the complex and currently varying processes used by agencies such as the Probation Service to access community care support it is recommended that the Benefits Service specialists within the Council deliver the processing elements of the community care support service. Most authorities are looking to deliver this new service through the existing Benefits Service as many of the processes are similar and could therefore be aligned seamlessly without any additional resources being required. Because of the successful e-enablement direction of the organisation it is recommended that new applications will be e-enabled and delivered in similar manner to the current Benefit process.

7.4 The Welfare Reform Board have been heavily involved in the design of the new technology system provided by Civica, who already provide the council's Housing Benefit and Council Tax systems. This also means we can avoid duplication and reduce potential fraud through using known applicant information already held within our system.

## **8 Consultation**

8.1 Consultation has been carried out with the voluntary and community sector during January 2013.

8.2 The format of the consultation included presentation at Area VCS Network meetings across the city and a focus group meeting with the city's main advice providers, including organisations that help people to apply to the current DWP social fund. Regular discussions have also taken place with DWP representatives to gain insight into their experiences with regard to their current customers.

8.3 The results of the feedback and a summary of the comments are shown in Appendix C



- 8.4 Overall, the comments on the scheme have been largely positive, and there is support for a community based approach to the delivery of the overall Local Welfare Provision scheme, with the acknowledgement that the scheme's design will develop over time and the commitment to work in partnership to ensure the most effective model is designed.

## **9 Impact Analysis**

- 9.1 A comprehensive Equality Impact Assessment has been undertaken, taking into account analysis of public consultation data and comments. Further work will be undertaken to understand the actual impact upon Sunderland's more vulnerable residents.
- 9.2 Work will continue, to assess the impact of this scheme alongside the related impacts of the significant number of welfare and benefit reforms either already introduced or still being planned by Government. Any unintended consequences of the new scheme will be closely monitored and considered during review of the scheme.

## **10. Other Tyne and Wear Authority Schemes**

- 10.1 Our neighbouring authorities are also currently going through the consultation and decision making process on Local Welfare Provision. In the main most neighbouring authorities are offering branded new goods and on line shopping/food vouchers for local supermarkets, however, council's such as Darlington are now beginning to look to move into the third sector by developing their own Food Networks and creating a market for reusable furniture. Both Stockton and Northumberland were considering commissioning a third sector partner to deliver the full service but at the time of this report no final decision had been made.
- 10.2 It is clear up and down the country that no Local Authority is considering using cash payments. Regional LA's have also confirmed that due to the difficulty of collection, they will not seek to recover from customers.

## **11 Reasons for the Decision**

- 11.1 The council must have a Local Welfare Provision Scheme approved by 31 March 2013 to enable the scheme to be ready for 1 April 2013.
- 11.2 The changes referred to in this report result from Government's reduction in funding and will affect the council and its citizens. Consultation confirmed that the majority of respondents are supportive of the proposals for Sunderland's new Local Welfare Provision Scheme, with the council and the voluntary sector working together to support the city's most vulnerable residents. Impacts will be closely monitored following the scheme's introduction.

## **12 Alternative Options**

- 12.1 There are no alternative options recommended

## **13 Other Relevant Considerations**

13.1 Legal Implications

13.2 This report has been written using information provided by Government to date

13.3 Employee Implications

13.4 To accommodate a local scheme, a new service is to be provided. Any changes will also need to take into account the significant future Housing and Welfare benefit changes resulting from the introduction of Universal Credit.

## **14. Background Papers**

Welfare Reform Act 8 March 2012



Sunderland City Council

Local Welfare Provision

Crisis Support

2013/2014

[www.sunderland.gov.uk](http://www.sunderland.gov.uk)

## **1. Introduction**

- 1.1 In October 2010 the Government published the White Paper “Universal Credit: Welfare that Works”. This document detailed the government’s proposals for wide ranging welfare reform which have subsequently been included in the Welfare Reform Act 2012. Included within the proposals was reform of the Discretionary Social Fund which is currently administered by the Department for Work and Pensions (DWP).
- 1.2 From 1<sup>st</sup> April 2013 the DWP system will no longer exist for certain elements of the Social Fund and these will be replaced by a local scheme to be administered at the Council’s discretion.
- 1.3 The Government believes that this service is better delivered locally as Local Authorities will be empowered to better identify and meet the needs of the most vulnerable. It is also believed that by localising the service it may be possible to improve the quality of decision making and to integrate with locally designed programmes that can provide complimentary avenues of assistance.
- 1.4 The two elements of the DWP Social Fund that are to be abolished are:
  - Crisis Loans
  - Community Care Grants
- 1.5 These schemes will be replaced by two new schemes to be designed and operated by the Council, and which are:
  - Crisis Support
  - Community Care Support

Collectively the two schemes will form the Council’s Local Welfare Provision Scheme. Social Fund Budgeting loans, alignment payments and funeral expenses continue to be the responsibility of the DWP.

- 1.6 Crisis Support under this scheme is only available to vulnerable people who fit predetermined criteria and who have exhausted all other means of support including the DWP. This scheme is not available to asylum seekers or those with no recourse to public funds.
- 1.7 The Council retains its statutory responsibilities in relation to areas such as homelessness and safeguarding. All existing support schemes will continue to be operated by the Council. Local Welfare Provision is not a replacement or substitute for these separate support mechanisms.

## **2. Aims of the Local Welfare Provision Scheme – Crisis Support**

- 2.1 The purpose of this policy is to specify how Sunderland City Council will operate the Local Welfare Provision scheme and to indicate some of the factors that will be considered when deciding if a Crisis Support award can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly when the scheme is administered. The Council is committed to working with the local voluntary sector, social landlords and other interested parties in the city to maximise entitlement to all available state benefits and this will be reflected in the administration of the Local Welfare Provision scheme.

- 2.2 The Council will have the discretion to make a Crisis Support award to any applicant that meets the criteria set out in this policy. Every application will be considered on its own individual merits and circumstances.
- 2.3 The scheme is designed to assist the most vulnerable in meeting their immediate short term needs in the event of an emergency or disaster.
- 2.4 All decisions made on Crisis Support applications will be made following a consistent decision making model. Each claimant will be treated fairly and equitably and consideration will be given to individual circumstances. Where a Crisis Support award cannot be made, or where it may be more appropriate to do so, consideration will be given/signposting to available alternatives such as Discretionary housing Payments, Section 17 funding and Housing Funds as well as external support groups and agencies.
- 2.5 The Council's Local Welfare Provision Policy has been designed to
- Help those who are most in need that meet the qualifying criteria
  - Help families under exceptional pressure
  - Help those who help themselves
  - Support elderly and vulnerable people in the community
  - Help individuals and families in personal difficulty
  - Help those fleeing domestic violence
  - Assist young people leaving care
  - Support the chronic or terminally ill, or those with learning/ sensory/physical or mental health disabilities.
  - Be fair and consistent for all applicants, in accordance with Sunderland City Council's Equal Opportunities Policy.
- 2.6 The scheme is neither designed nor intended to replicate or assume responsibility of any statutory agency or any previous provisions made under the Social Fund Scheme operated by the Department for Work and Pensions. The policy is flexible and will be adapted as the needs of the scheme become more apparent.
- 2.7 This document will now set out the Sunderland City Council policy for administering the new Crisis Support scheme.

### **3. Crisis Support**

#### **3.1 General Description**

- 3.1.1 The crisis support scheme is only for applicants who are unable to meet their immediate short term needs either in:
- an emergency
  - as a consequence of disaster

### **3.2 What is an emergency?**

*An emergency is a situation which causes the applicant to have a pressing need; or an unforeseen circumstance either of which requires immediate action or remedy.*

- 3.2.1 The emergency should not be a consequence of an act or an omission for which the applicant or their partner is responsible and the applicant or their partner could not have taken reasonable steps to avoid. However, if the applicant has children or an adult who may otherwise qualify for support through Adult Social Care, the Council will provide support under the scheme regardless of the culpability of the applicant or their partner.

### **3.3 What is a disaster?**

*A disaster is a sudden calamitous event or great misfortune causing loss of or damage to possessions or property. Examples of a disaster include:*

- *Flooding*
- *Gas Explosion/Leak*

- 3.3.1 Consideration will also be given to the needs of individuals who need help to alleviate the likely consequence of an imminent disaster. The consequences of the disaster should be serious damage or risk to the health or safety of the applicant or a member of their household.

- 3.3.2 Help under the Crisis Support scheme should be the only remaining means of avoiding this damage or risk. It is a condition of the scheme that applicants must have explored all other avenues of support first including their own resources, family, friends, landlord, employer, insurance and the DWP.

### **3.4 Application Information**

- 3.4.1 Applications for Crisis Support can be made by telephone, by the applicant or a representative.

- 3.4.2 The Council will determine the level and type of support. There is no right of appeal, however there will be an internal review procedure in place to ensure clarity and consistency of decision (please refer to paragraph 3.8.3)

- 3.4.3 The scheme will be operated solely at the Council's discretion. There is no statutory role linked to the provision of the scheme and therefore applicants have no statutory right to support under the scheme.

### **3.5 Eligibility Criteria**

- 3.5.1 The applicant or their partner must have applied for all available assistance, for example, budgeting loan/alignment payment/short term advances from the DWP if they are eligible to do so – and have been declined. Applicant must be able to provide their budgeting loan/alignment payment reference.

- 3.5.2 The applicant or their partner must be in receipt of or be in the process of applying for Housing Benefit, Council Tax Support or Universal Credits with the Housing Costs component. This means that they must be a resident of the City. Applications will also be considered from 1<sup>st</sup> tier advice/professional agencies for those not in receipt of benefit. In these cases the applicant must be able to prove residency in Sunderland. This scheme is not available to asylum seekers or those with no recourse to public funds.
- 3.5.3 The applicant or their partner must have no readily available savings, capital, investments or funds that could be used.
- 3.5.4 The household is limited to one award in every rolling 12 month period. However, by extreme exception further provision may be considered.
- 3.5.5 In addition to the above, the applicant or their partner must then satisfy at least one of the following criteria:
- a. have a serious physical health problem affecting day to day living, which they are receiving ongoing treatment for
  - b. Have dependent children who normally live with them
  - c. Are at risk of homelessness
  - d. They have a substance or alcohol misuse problem, which they are receiving treatment or support for
  - e. They are on probation or receiving support relating to their offending history
  - f. Are affected by or at risk of domestic abuse
  - g. They have a learning disability, physical or sensory impairment or mental health problem
  - h. Are a young person leaving care
  - i. Are an older person with support needs
  - j. Have caring responsibilities for someone who is unable to look after themselves

### **3.6 Specific Evidence of Emergency or Disaster**

- 3.6.1 The applicant must provide detail of the emergency or disaster and the effect that it has had on the household and be willing for the situation to be assessed by the Council. The application will be approved or declined based upon the information given about the situation and the satisfaction of at least one of the eligibility criteria.

### **3.7 Level of Award**

- 3.7.1 The applicant or their partner will be limited to a maximum of one food parcel and/or pre-paid energy top-up cards for gas and/or electricity dependent upon size of household and the time of year. However, by extreme exception further provision may be considered.
- 3.7.2 There will also be provision for emergency travel in exceptional circumstances (hospital visit-if this cannot be covered by the NHS ambulance/transport service/funeral). This will be in the form of a travel voucher or bus pass only. Only in the most extreme circumstances will travel costs be considered for locations outside of the city.
- 3.7.3 If the claimant becomes homeless as a result of an emergency or disaster additional provision may be considered at the council's discretion.



3.7.4 Other essential items may be considered at the discretion of the Council for cases of extreme need.

### **3.8 Delivery of Service**

3.8.1 The food parcel and/or pre payment energy top up card will be delivered to the applicant in order to provide for, where possible, a safeguarding visit to ensure there is no additional cost to the claimant, and to prevent fraud and error.

3.8.2 The service is open Monday to Friday 8.30am to 5.15pm. The Council will continue to provide the existing out of hours services – for example, through the Homeless Unit.

3.8.3 The Council will endeavour to deliver food parcels and top up cards within 24 hours of the application being received. The time taken to process and consider applications will be dependent on information being provided by the applicant and DWP. If the claimant is unable to access items in the meantime they will be signposted to an appropriate agency for more immediate assistance. Signposting to appropriate agencies will also be given to unsuccessful applicants

3.8.4 Please note that cash payments or payments via BACS into a claimant or nominated persons bank account will NOT be made under the Crisis Support scheme.

### **3.9 Determining Factors in Assessing Eligibility**

3.9.1 The following factors will be taken into account when assessing Crisis Support applications. This list is not exhaustive:

- a) All income will be taken into account, including those incomes which are normally disregarded for benefit purposes e.g. Disability Living Allowance, Child Maintenance, Child Benefit etc.  
*N.B. War Disablement Pension and Armed Forces Compensation Payments will remain disregarded in full.*
- b) Any savings and/or investments held by the applicant/partner which could help to alleviate their financial situation.
- c) Whether any family members outside of the immediate household could help towards the applicant's financial situation.
- d) Whether expenditure on non-essential items could be reduced.
- e) Whether the applicant/partner could be eligible for other benefits which they are not claiming.
- f) The level of debt of the applicant/partner.
- g) Any other steps taken by the applicant/partner to help themselves.
- h) Any financial advice taken by the applicant/partner to alleviate their situation, e.g. Welfare Rights, Citizens Advice Bureau, Fiscus etc.

### **3.10 Decision Making and Disputes**

3.10.1 Once a decision on a Crisis Support application has been made the applicant and/or representative will be notified in immediately if possible, and followed up in writing. The notification will include:

- a) The items to be awarded
- b) Where a Crisis Support payment will not be made, the reason(s) for this decision.
- c) Information on who can be contacted for further information and advice.
- d) Any other options available to the applicant should their Crisis Support application be unsuccessful
- e) The duty to notify the Council of any change in circumstances which may affect their entitlement to a Crisis Support award

3.10.2 The applicant or representative will have the right to request that the decision be reviewed in the event that they disagree with

- The award being refused
- Amount of award

The applicant may be requested to supply additional information/evidence in order to support their request for a review.

The review process will have two stages:

- Stage 1: All requests to review a decision from the applicant or representative will be considered and notified within agreed service levels.
- Stage 2: If the applicant is still not satisfied with the outcome of the review, they may request a further review within the timescales of being notified of the review outcome. The review will be conducted by a senior officer taking into account all the information and evidence included in the review and how reasonable the decision made is. The decision will be notified within a fixed timescale.

There is no right of appeal via the Independent Review Service, however, the applicant or representative may request an internal review of the decision and will retain the right to make a complaint to the Local Government Ombudsmen.

3.10.2 Annual funding is a limited resource so awards can only be made while there is funding available to do so. Crisis Support awards will therefore be made on the basis of available funds, which will be managed and reprioritised on an ongoing basis.

### **3.11 Monitoring Arrangements and Managing Local Welfare Provision**

3.11.1 The Council will regularly monitor the number and value of Crisis Support awards, as well as the available Local Welfare Provision Budget.

3.11.2 In order to comply with quality and accuracy guidelines a sample of all applications will be audited to ensure that decisions are being made fairly with clarity and consistency, in line with Sunderland City Council's Equal Opportunities Policy and all other relevant legislation.

3.11.3 The Council will monitor all awards to ensure that they are meeting the needs of the claimant in line with the aims of the Local Welfare Provision scheme. All telephone contact will be recorded.

### **3.12 Counter Fraud**

- 3.12.1 The Council is committed to preventing fraud. Any applicant who attempts to fraudulently claim or fraudulently claims a Local Welfare Provision award by falsely declaring their circumstances, making false statements or providing false evidence in support of their application may be treated as committing an offence under the Fraud Act 2006. Where it is alleged or suspected that fraud may have been committed, the matter will be passed for investigation and appropriate action taken in any cases where fraud is proven. This may include referral to the Police.
- 3.12.2 If an award under the scheme is found to have been based on a fraudulent application the award may be recovered through formal action and the applicant will be disqualified from the scheme for a period of two years from the date fraud is discovered.

### **3.13 Publicising Local Welfare Provision**

- 3.13.1 Local Welfare Provision will be promoted to the relevant agencies, housing associations and voluntary sector organisations, which will also be made aware of the qualifying criteria and evidence required to support a Local Welfare Provision application. Information and application process will be available on the Sunderland City Council website.
- 3.13.2 Sunderland City Council is committed to providing training to all staff involved in the scheme to ensure their knowledge of the scheme is relevant and up to date.

Sunderland City Council  
Local Welfare Provision  
Community Care Support

2013/2014

[www.sunderland.gov.uk](http://www.sunderland.gov.uk)

## 1. Introduction

1.8 In October 2010 the Government published the White Paper “Universal Credit: Welfare that Works”. This document detailed the government’s proposals for wide ranging welfare reform which have subsequently been included in the Welfare Reform Act 2012. Included within the proposals was reform of the Discretionary Social Fund which is currently administered by the Department for Work and Pensions (DWP).

1.9 From 1<sup>st</sup> April 2013 the DWP system will no longer exist for certain elements of the Social Fund and these will be replaced by a local scheme to be administered at the Council’s discretion.

1.10 The Government believes that this service is better delivered locally as Local Authorities will be empowered to better identify and meet the needs of the most vulnerable. It is also believed that by localising the service it may be possible to improve the quality of decision making and to integrate with locally designed programmes that can provide complimentary avenues of assistance.

1.11 The two elements of the DWP Social Fund that are to be abolished are:

- Crisis Loans
- Community Care Grants

1.12 These schemes will be replaced by two new schemes to be designed and operated by the Council, and which are:

- Crisis Support
- Community Care Support

Collectively the two schemes will form the Council’s Local Welfare Provision Scheme. Social Fund Budgeting loans, alignment payments and funeral expenses continue to be the responsibility of the DWP.

1.13 Crisis Support under this scheme is only available to vulnerable people who fit predetermined criteria and who have exhausted all other means of support including the DWP. This scheme is not available to asylum seekers or those with no recourse to public funds.

1.14 The Council retains its statutory responsibilities in relation to areas such as homelessness and safeguarding. All existing support schemes will continue to be operated by the Council. Local Welfare Provision is not a replacement or substitute for these separate support mechanisms.

## **2. Aims of the Local Welfare Provision Scheme – Community Care Support**

- 2.1 The purpose of this policy is to specify how Sunderland City Council will operate the Local Welfare Assistance scheme and to indicate some of the factors that will be considered when deciding if a Community Care Support award can be made. Each case will be treated strictly on its merits and all customers will be treated equally and fairly when the scheme is administered. The Council is committed to working with the local voluntary sector, social landlords and other interested parties in the City to maximise entitlement to all available state benefits and this will be reflected in the administration of the Local Welfare Assistance scheme.
- 2.2 The Council will have the discretion to award Community Care Support to any applicant that meets the criteria set out in this policy. Every application will be considered on own individual merits and circumstances.
- 2.3 The scheme is designed to assist the most vulnerable in meeting their immediate short term needs and maintaining their independence in the community.
- 2.4 All decisions made on Community Care Support applications will be made following a consistent decision making model. Each claimant will be treated fairly and equitably and consideration will be given to individual circumstances. Where a Community Care Support award cannot be made, or where it may be more appropriate to do so, the applicant will be signposted to available alternatives.
- 2.5 The Council's Local Welfare Provision Policy has been designed to
- Help those who are most in need that meet the qualifying criteria
  - Help families under exceptional pressure
  - Help those who help themselves
  - Support elderly and vulnerable people in the community
  - Help individuals and families in personal difficulty
  - Help those fleeing domestic violence
  - Assist young people leaving care
  - Support the chronic or terminally ill, or those with learning/ sensory/physical or mental health disabilities.
  - Be fair and consistent for all applicants, in accordance with Sunderland City Council's Equal Opportunities Policy.
- 2.6 The scheme is neither designed nor intended to replicate or assume responsibility of any statutory agency or any previous provisions made under the Social Fund Scheme operated by the Department for Work and Pensions. The policy is flexible and will be adapted as the needs of the scheme become more apparent.
- 2.7 This document will now set out the Sunderland City Council policy for administering the new Community Care Support scheme.

## **3. Community Care Support**

### **3.1 General Description**

- 3.1.1 The Community Care Support scheme is intended to help vulnerable people to enter, re-enter or remain in the community and integrate with, and live independently within, that community.

## **3.2 Application Information**

- 3.2.1 Applications for Community Care Support can be made by web based application form (online) made by applicant or representative.
- 3.2.2 The Council will determine the level and type of support. There is no right of appeal, however there will be an internal review procedure in place to ensure clarity and consistency of decision.
- 3.2.3 The scheme will be operated solely at the Council's discretion. There is no statutory role linked to the provision of the scheme and therefore applicants have no statutory right to support under the scheme.

## **3.3 Eligibility Criteria**

- 3.3.1 The applicant or their partner must have applied for a budgeting loan/alignment payment from the DWP if they are eligible to do so – and have been declined. The applicant must be able to provide their budgeting loan/alignment payment reference.
- 3.3.2 The applicant or their partner must be in receipt of or be in the process of applying for Housing Benefit, Council Tax Support or Universal Credits with the Housing Costs component. This means that they must be a resident of the City or have firm plans to move to a home within the City. Applications will also be considered from 1<sup>st</sup> tier advice agencies that are supporting the in work poor who are not in receipt of Housing Benefit/Council Tax Support/Universal Credits with Housing Costs. Again, the applicant in these cases must also be able to provide evidence of their link to the City as described above. This scheme is not available to asylum seekers or those with no recourse to public funds
- 3.3.3 The applicant or partner must have no readily available savings, capital, investments or funds that could be used.
- 3.3.4 The household is limited to one award in every rolling 12 month period. However, by extreme exception further provision may be considered.
- 3.3.5 The applicant or their partner requires support for at least one of the following:
  - 1. Support to move back into the community after a stay in supported or temporary accommodation
  - 2. Support to stay in the home and prevent a move into residential care or hospital
  - 3. Support to prevent a serious deterioration of health within the home
- 3.3.6 In addition to the above, the applicant or their partner must then satisfy at least one of the following criteria:
  - a) They have a serious physical health problem affecting day to day living, which they are receiving ongoing hospital treatment for
  - b) Have dependent children who normally live with them
  - c) Area at risk of homelessness
  - d) They have a substance or alcohol misuse problem, which they are receiving treatment or support for
  - e) They are on probation or receiving support relating to their offending history
  - f) They are affected by or at risk of domestic abuse

- g) They have a learning disability, physical or sensory impairment or mental health problem
- h) They are a young person leaving care
- i) They are an older person with support needs
- j) They have caring responsibilities for someone who is unable to look after themselves

### **3.4 Specific Evidence**

3.4.1 The applicant must provide details of their circumstances and the effect that it has had/will have on their household. The application will be approved or declined based upon the information given about their situation and the satisfaction of the eligibility criteria.

### **3.5 Level of Award**

3.5.1 Support from the scheme is limited only to:

- Bed and bedding
- Essential white goods and furniture
- Any additional essential products the council sees fit to supply.

Second hand or refurbished goods may be supplied at the Council's discretion.

### **3.6 Delivery of Service**

3.6.1 All goods will be delivered direct to applicant at their home address.

3.6.2 The service is open Monday to Friday 8.30am to 5.15pm. The Council will continue to provide the existing out of hours service – for example, through the homeless unit

3.6.3 Please note that cash payments or payments via BACS into a claimant or nominated persons bank account will NOT be made under the Community Care Support scheme.

3.6.4 It is expected that the majority of applications and subsequent awards of Community Care Support will be a result of signposting from an accredited advocate within Sunderland City Council, such as council employees, health and care practitioners, as well as other professionals such as Probation officers etc.

### **3.7 Determining Factors in Assessing Eligibility**

3.7.1 The following factors will be taken into account when assessing Community Care Support applications. This list is not exhaustive:

- a) The income and essential expenditure of the applicant and/or partner.
- b) All income will be taken into account, including those incomes which are normally disregarded for benefit purposes e.g. Disability Living Allowance, Child Maintenance, Child Benefit etc.  
*N.B. War Disablement Pension and Armed Forces Compensation Payments will remain disregarded in full.*



- c) When assessing expenditure, consideration will be given to whether expenditure is considered above basic living requirements (i.e. excessive). If expenditure is considered to be unreasonably high, enquiries will be made for clarification. In these circumstances Sunderland City Council reserve the right to substitute a sum for the expenditure, which they consider to be a reasonable amount.
- d) Any savings and/or investments held by the applicant/partner which could help to alleviate their financial situation.
- e) Whether any family members outside of the immediate household could help towards the applicant's financial situation.
- f) Whether expenditure on non-essential items could be reduced.
- g) Whether the applicant/partner could be eligible for other benefits which they are not claiming.
- h) The level of debt of the applicant/partner.
- i) Whether any long term action has been taken to help their problems meeting their living costs.
- j) Any other steps taken by the applicant/partner to help themselves.
- k) Any financial advice taken by the applicant/partner to alleviate their situation, e.g. Welfare Rights, Citizens Advice Bureau, Fiscus etc.

### **3.8 Decision Making and Disputes**

3.8.1 Once a decision on a Community Care Support application has been made the applicant and/or representative will be notified in writing. The notification will include:

- a) The items to be awarded
- b) Where a Community Care Support award will not be made, the reason(s) for this decision.
- c) Information on who can be contacted for further information and advice.
- d) Any other options available to the applicant should their Community Care Support application be unsuccessful
- e) The duty to notify the Council of any change in circumstances which may affect their entitlement to a Community Care Support award.

3.8.2 The applicant or representative will have the right to request that the decision be reviewed in the event that they disagree with

- The award being refused
- Amount of award

The applicant may be requested to supply additional information/evidence in order to support their request for a review.

The review process will have two stages:

- Stage 1: All requests to review a decision from the applicant or representative will be considered and notified within agreed service levels.
- Stage 2: If the applicant is still not satisfied with the outcome of the review, they may request a further review within the timescales of being notified of the review outcome. The review will be conducted by a senior officer taking into account all the information and evidence included in the review and how reasonable the decision made is. The decision will be notified within a fixed timescale.

There is no right of appeal via the Independent Review Service, however, the applicant or representative may request an internal review of the decision and will retain the right to make a complaint to the Local Government Ombudsmen.

- 3.8.3 Annual funding is a limited resource so awards can only be made while there is funding available to do so. Community Care Support awards will therefore be made on the basis of available funds, which will be managed and reprioritised on an ongoing basis

### **3.9 Monitoring Arrangements and Managing Local Welfare Provision**

- 3.9.1 The Council will regularly monitor the number and value of Community Care Support awards, as well as the available Local Welfare Provision Budget.
- 3.9.2 In order to comply with quality and accuracy guidelines a sample of all applications will be audited to ensure that decisions are being made fairly with clarity and consistency, in line with Sunderland City Council's Equal Opportunities Policy and all other relevant legislation.
- 3.9.3 The Council will monitor all awards to ensure that they are meeting the needs of the claimant in line with the aims of the Local Welfare Provision scheme. All telephone contact will be recorded.

### **3.10 Counter Fraud**

- 3.10.1 The Council is committed to preventing fraud. Any applicant who attempts to fraudulently claim or fraudulently claims a Community Care Support award by falsely declaring their circumstances, making false statements or providing false evidence in support of their application may be treated as committing an offence under the Fraud Act 2006. Where it is alleged or suspected that fraud may have been committed, the matter will be passed for investigation and appropriate action taken in any case where fraud is proven. This may include referral to the police.
- 3.10.2 If an award under the scheme is found to have been based on a fraudulent application the award may be recovered through formal action and the applicant will be disqualified from the scheme for a period of two years from the date fraud is discovered.

### **3.11 Publicising Local Welfare Provision**

- 3.11.1 Sunderland City Council has no plans to publicise the Local Welfare Provision in the mainstream media. Local Welfare Provision will be promoted to the relevant agencies, housing associations and voluntary sector organisations, which will also be made aware of the qualifying criteria and evidence required to support a Local Welfare Provision application. Information and application forms will be available on the Sunderland City Council website.
- 3.11.2 Sunderland City Council is committed to providing training to all staff involved in the scheme to ensure their knowledge of the scheme is relevant and up to date.

## Social Fund expenditure via Jobcentre Plus

### Year on Year DWP data for Crisis Loans and Community Care Grants.

The table below has been included to show the trend for expenditure over the last three financial years, with a further comparison with 2005/06, which is the year that the DWP has based the budget settlement upon for Crisis Loans.

#### Expenditure (£'000)

Financial Year	Crisis Loans			Community Care Grants	Totals Expenditure £000
	Items	Living Expenses	Total £000		
2005/06	431.5	149.3	580.8	876.7	1,457.5
2009/10	934.0	558.2	1,492.2	796.7	2,288.9
2010/11	882.4	535.5	1,417.9	796.2	2,214.1
2011/12	144.7	426.8	571.5	877.4	1,448.9

### Consultation

- 1 Consultation has been carried out with the voluntary and community sector during January 2013.
- 2 The format of the consultation was presentation at Area VCS Network meetings across the city and a focus group meeting with the city's main advice providers, including organisations that help people to apply to the current DWP social fund. Regular discussions have also taken place with DWP representatives to gain insight into their experiences with regard to their current customers.
- 3 The results of the feedback have been mostly positive and a summary of the comments are shown below
  - There is support for a non cash based system as DWP crisis loans and community care grants are not always used for the purpose they were approved for.
  - There is also an understanding that all awards will be in form of a grant as the council cannot recover any monies via attachment to benefit, unlike DWP
  - There is concern for 'in-work' poor that may not be entitled to any means tested benefits. It is therefore recommended that accredited agencies/1<sup>st</sup> tier advice providers have discretion to recommend cases for support. As the Food Parcel Network partners will also be able to potentially exercise some discretion, above the provision provided by the council, this would also afford an opportunity to support this group.
  - There is general support for the use of second hand/reconditioned items and an awareness that those in need to use this market now to make their money go further.
  - There is support for the opportunity to grow local social enterprises across the city thus 'future proofing' the service.
  - There are concerns regarding the seemingly low level of awards under the current DWP scheme, compared with the number of applications. There is therefore support for the proposed Sunderland scheme in that we will be able to help more people, albeit with less (an essentials pack to be developed).
  - There is general agreement with the principle that all other already existing avenues of support should be accessed before application to the Local Welfare Provision Scheme.
  - There is also support for the opportunity afforded in delivering goods to applicants, which can be combined with a safeguarding/benefit maximisation check to help people to explore others way to improve their current situation.
  - There is support for disregarding War Pension income
  - A disability group has disagreed with the proposal that all income should be taken into account as this would include such items as Disability Living Allowance. However, it is understood that neighbouring authorities are taking all income into account, and all other organisations such as first tier advice providers have also supported this approach. As the assessment process will not exclude disability applicants should their income test show they are on low income, this impact is mitigated in any event as they are not being treated any less favourably.
  - Some carers have commented on the consultation process. Whilst they appreciate why the Area Network meeting were used they have requested a separate meeting. As this request was received the day before consultation

closed, a meeting has been arranged and any issues of significance that are raised will be fed back in a verbal report when Cabinet considers the report.

- Another organisation who supports families moving back into the community from a domestic violence situation has commented that there is a need to provide nappies and baby milk as part of the provision. They have also requested carpets, curtains, wallpaper and paint. Within the scheme there is discretion to allow for items that are deemed essential, so where these are required for example as part of a support plan they will be considered. Payments of bus fares for travel to hospital and court appearances have been requested and also payments to support bereavement such as flowers, an outfit for the funeral and a notice in a newspaper are requested. Whilst there is some provision for emergency travel in the proposed scheme, some of these additional items requested will not be available. However, as the scheme will be kept under review there is an opportunity to make amendments

4 Overall the comments on the scheme have been largely positive, and there is support for a community asset based approach to the delivery of the overall Local Welfare Provision scheme, with the acceptance that the scheme's design will develop over time and the commitment to work in partnership to ensure the most effective model is designed.

