

Title of meeting: Resources Portfolio

Date of meeting: 10th March 2016

Subject: Local Welfare Assistance Provision - April 2016 Onwards

Report by: Director of Community and Communication
Acting Tackling Poverty Coordinator

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

- 1.1 To make recommendations on local welfare assistance provision and budget from April 2016, and on the use of under-spend from local welfare provision in 2015/16 (estimated to be £60,000).

2. Recommendations

RECOMMENDED that:

- A sum of £30,000 from the 2015/16 budget under-spend be allocated to provide local welfare in 2016/17, solely for residents from within the City boundaries to be distributed as £15,000 to Hampshire and Isle of Wight Community Foundation for the provision of Keep Warm Keep Well grants in 2016/17 and £15,000 for Housing Options to co-ordinate on behalf of housing support provider partners, for the provision of essential furniture and white goods for vulnerable clients who are re-settling, and require Housing Options to provide a quarterly report detailing the use of funds.
- A sum of £30,000 be allocated from the 2015/16 budget under-spend within Resource Portfolio reserve to provide local welfare in 2017/18.
- The Acting Tackling Poverty Coordinator (ATPC) to ensure information resources for people in financial hardship are kept up to date.
- The ATPC to continue to work with Learning Links to develop a furniture recycling project in the city, with a sustainable model that can meet the needs of residents in financial hardship.

3. Background

3.1 Aims of local welfare

Local welfare enables recipients to maintain a minimum basic standard of living, by providing small grants to keep warm, and paying for essential furniture and white goods. The budget for 2015/16 is £99,550, allocated from under-spend in the local

welfare budget for 2014/15, and £30,000 provided by Public Health Portsmouth (PHP) towards the Keep Warm Keep Well (KWKW) scheme.

The key aims of local welfare in 2015/16 are to:

- Provide resources for people in need, via the agencies that support them;
- Provide those agencies with a decision making tool to enable consistency and prompt other solutions;
- Balance accountability with a 'light touch' scheme to avoid creating unnecessary bureaucracy;
- Reduce dependency by providing one-off assistance alongside advice and support;
- Meet high impact needs for which there is no statutory provision, to prevent needs from escalating into statutory services.

Providing local welfare to people in need (for example those who have been homeless and are resettling in the community) aims to prevent unmanageable expenditure, which can lead to a debt spiral and financial crisis, by providing an alternative to unaffordable credit (high cost lenders, Brighthouse shops etc). Both KWKW and furniture and white goods grants are provided a maximum of once per year, ensuring they do not become a secondary source of income, but can support independence alongside a programme of wider support and advice, as part of the city's Tackling Poverty Strategy.

Local welfare does not replace, or provide an alternative to, statutory provision, (eg welfare benefits or assistance under PCC's statutory duties, for example to the homeless or to children in need etc). Nor does it replace the help available from the voluntary sector, such as the network of foodbanks in the city providing emergency food aid. Supporting households in need, who do not yet qualify for a statutory response, can help to prevent needs from escalating.

3.2 Demand for local welfare assistance

Between April 2013 and March 2015, all local authorities received central government grant funding for local welfare, based on previous provision of Department of Work and Pensions (DWP) Community Care Grants and Crisis Loans.

Portsmouth's Local Welfare Assistance Scheme (LWAS) was contracted to Northgate for the period April 2013 - March 2015. On behalf of PCC, they assessed 3,811 full applications and made 1,397 awards with a total value of £767,000 (average award value £549), with the largest areas of need being furniture and white goods, primarily beds, cookers and fridge freezers.

From April 2015, LWAS closed. Significantly reduced funding has instead been allocated to 9 specific agencies who work with the most vulnerable residents in the city, overseen by the Acting Tackling Poverty Co-ordinator (ATPC). These agencies work to strict eligibility criteria (see Appendices 1, 2 and 3).

In order to meet the needs of vulnerable residents resettling in the community, one of these 9 agencies was Housing Options. Between 01/04/15 and 05/01/16,

Housing Options provided 235 essential items to 80 households, the most common items of need being single bed (69), table top cooker (56), fridge (49), sofa (41). 73 of these households were leaving emergency accommodation, and were therefore in a homeless crisis.

Seven of the households assisted were resettling from other types of accommodation, including three leaving supported housing and one leaving the Women's Refuge. Supported housing and Refuge residents frequently applied to the LWAS scheme 2013-15, but since its closure, support providers have worked with clients to utilise other options, including saving for items, charitable help and assistance from friends and family. This has greatly reduced the presenting demand, but there remain a small number of service users whose needs cannot be met in this way.

Voluntary and community sector organisations in the city collectively support a wide range of vulnerable client groups, but no single organisation has the remit or capacity to engage with all client groups.

In Housing Options' role as a hub for those in housing need, it co-ordinates service delivery for vulnerable people receiving housing-related support services from providers including Early Intervention Project, Roberts Centre, the Richmond Fellowship and other providers as appropriate.

Housing Options is therefore best placed to co-ordinate the provision of local welfare assistance provision on behalf of a number of third sector support and accommodation partners, to vulnerable people who are re-settling and require local welfare assistance. However, Housing Options does not have the capacity to provide an open access local welfare scheme for all residents of the city.

City Helpdesk (CHD) report a continuing demand for local welfare, with an increase before Christmas. Needs reported by callers include; issues with benefits leaving them unable to meet daily living costs, the need to purchase essential household items, and significant life events, such as resettling after leaving prison. The majority of these callers have been advised to call PCC by DWP, whose national call centres give a generic message to people with additional needs to contact their local authority for information on local welfare provision.

CHD are advising customers that Portsmouth has no public local welfare scheme, and use an FAQ (see Appendix 4) and the directory of help for people in financial hardship (see Appendix 5) to provide information on other help available.

3.3 The impact of withdrawing support

Evidence strongly suggests that some residents in need will turn to unaffordable credit instead, including pay weekly stores (eg Brighthouse) and home-collected or payday loans. In order to help us understand this further, Hampshire Credit Union provided us with some anonymised data on payments to unsecured loans from their customers' accounts, for the period 01/07/15 to 15/08/15. Of a total of 1,751 payments to several dozen different unsecured credit organisations, 399 (23%)

were made to Brighthouse (with a total value of £15,465), highlighting how many residents end up turning to this costly pay-weekly store, and the amount of money leaving the community.

In addition, Portsmouth CAB analysed data for 537 clients seen in the 12 months to August 2014. 110 (20%) had outstanding Provident/Greenwood home-collected loans. 119 (22%) had outstanding payday loans, of which 18% were unemployed and seeking work, 8% were full-time carers with dependants while 12% were permanently sick or disabled, highlighting the prevalence of unaffordable and unsustainable debt among vulnerable low income households.

3.4 Developing sustainable options for furniture and white goods

Since the DWP ceased to offer local welfare assistance in April 2013, PCC has been working towards a sustainable model to meet local needs as follows:

Information and Training for Frontline Staff: Information is published on PCC's Money Advice webpages, maintained by the ATPC, who also facilitates regular half-day workshops on supporting people in financial hardship, aimed at frontline staff in Portsmouth. These information and training resources help to up-skill agencies across the city to assist those in need, to reduce the demand for emergency assistance.

Directory of Resources: In March 2015, PCC published its directory of help for people in financial hardship (see Appendix 5), to publicise to residents, and the agencies supporting them, options to meet essential needs, including furniture, emergency funds and food. Feedback from PCC services (including City Help Desk, Children's Social Care and Housing Options) and voluntary and community sector organisations (including Advice Portsmouth, Central Point and Portsmouth Foodbank Network) indicates that the resources listed are relevant to client's needs, and the directory is being used to meet needs.

The directory will therefore be updated for 2016 by the ATPC, who will continue to identify relevant resources for publication.

A number of agencies, including Advice Portsmouth, Housing Options and Portsmouth Refuge, have reported a change in the way they support people in material deprivation since the closure of LWAS. As a result of this, they are having earlier conversations with clients who may be in need and are using the directory and training resources to meet their needs from within the wider community. This work on sustainability and on capitalising on resources and help from the wider community has reduced the demand for local welfare.

Recycling unwanted items for those in need: PCC Local Authority Housing (LAH) is making use of unwanted items left in its empty properties. These are first offered to the new tenant, but if unwanted, are made available to other new tenants; LAH pays the cost of moving the item rather than disposing of it. The Recovery Café in Fratton has recently purchased a van, to be driven by volunteers, to enable vulnerable people to gain access to furniture that is available via Freecycle and other donations. Portsmouth Family Welfare Association, the city's oldest charity, currently based in Carnegie Library, also provides donated household items to people in need.

Alternatives to high cost lending - affordable loans: This remains a critical provision in the city. The Tackling Poverty Co-ordinator and others within PCC have worked with Hampshire Credit Union (HCU) to ensure it remains financially viable to offer affordable loans to those in financial hardship. A PCC Finance Manager now sits on the Board of HCU, helping to ensure that its work is sustainable and aligned with local needs.

Under development - provision of more affordable furniture and white goods: The key to helping people in material deprivation who require furniture and white goods is to have an effective, city-wide furniture recycling project, to make best use of available resources and provide items at a cost that is affordable to the individual. Building on work over a number of years to initiate such a project in the city, Learning Links submitted its final bid to the Big Lottery Reaching Communities Fund in January 2016 for a furniture recycling project, after a successful initial application. A decision is expected by March 2016. The ATPC has been involved in providing information to support the bid.

If this bid is successful, the ATPC will join the project steering group, to help ensure that Portsmouth will have a service focused on providing household items to meet the needs of those in financial hardship in the city, through a tiered pricing system according to need and financial circumstances. This will enable PCC to develop pathways to this service, in place of providing funding for furniture and white goods.

3.5 Other provision to meet local welfare needs - Keep Warm Keep Well small grants

Keep Warm Keep Well (KWKW) grants have helped to meet some of the need resulting from the closure of the DWP and LWAS schemes. Instead of creating an application process, and encouraging clients to report needs that they expect to tick the right boxes, the KWKW scheme has put the onus on frontline agencies to identify need among their service users, and provide small grants directly. By providing grants rather than loans, the scheme avoids creating additional debt issues or management costs.

In 2015/16, a total of £39,000 (£30,000 PHP funding, targeted at preventing cold-related illness and excess winter deaths, £6,000 funding from Portsmouth Civic Fund, and £3,000 local welfare funding) enabled provision of the main winter KWKW scheme and also a smaller summer scheme; even in warmer weather there are risks associated with fuel poverty, particularly around fuel for cooking and bathing.

Hampshire and Isle of Wight Community Foundation (HIWCF) administered the grants on behalf of PHP, at a cost of 10% of the total budget. Part of the fund was distributed by HIWCF to other voluntary sector partners to make direct awards to those in need, and each partner organisation was allocated 5% of their total grant pot for administration costs.

However, Portsmouth's Director of Public Health has identified the entire KWKW budget as a saving for 2016/17, so no funding will be provided by PHP. Using local welfare funding to provide a reduced scheme in 2016/17 and 2017/18 will enable partners to build on the knowledge gained during previous schemes to best target

the available resource, and plan the transition towards future years when no funding is expected to be available for this scheme.

4. Reasons for recommendations

The recommendations will ensure that resources are available for vulnerable people in need, via the agencies that support them; it will also provide those agencies with a decision making tool to enable consistency and prompt other solutions.

5. Equality impact assessment

An equality impact assessment was not completed as this service / function has not been changed, this report is just ensuring the Local welfare scheme continues to support vulnerable people who may or may not belong to a protected characteristic as described by the Equality Act 2010.

Local Welfare will meet high impact needs for people who may or may not belong to a protected characteristic, although this is not a statutory provision, but this will prevent needs from escalating into statutory services.

Ensuring welfare is in place will support our most vulnerable residents so they have a basic standard of living, there have not been any specific negative impacts raised for people with a protected characteristic as we do not collect that equality information, the welfare is dependent on need and is not provided to a specific equality group. We have assessed the potential impact on the protected characteristics and mitigation is not required due to no service changes that will impact on the people it is intended for.

6. Legal implications

Legal Services have considered the report and are satisfied that the recommendations are in accordance with the Council's legal requirements and the Council is fully empowered to make the decisions in this matter.

7. Director of Finance's comments

The recommendations propose to use the forecast underspend on the 2015/16 Local Welfare Support Scheme budget to provide a budget provision of £30,000 in each of the 2016/17 and 2017/18 years to continue welfare support to City residents.

At year end, portfolio underspends are retained in a portfolio specific reserve. The budgets for 2016/17 and 2017/18 will be increased by £30,000 in each of those years via a transfer from the portfolio reserve.

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Signed by:

Appendices: Appendices 1, 2 and 3 - Local Welfare Assistance eligibility criteria
 Appendix 4 - Help for people in financial hardship - Frequently Asked Questions
 Appendix 5 - Directory of help for people in financial hardship

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: