

POLICY FINANCE AND ADMINISTRATION COMMITTEE

4 DECEMBER 2012

REPORT OF CHIEF EXECUTIVE

SOCIAL FUND

1.0 PURPOSE OF REPORT

1.1 To propose new arrangements for the running for the 'Social Fund' within Leicestershire.

2.0 RECOMMENDATIONS

It is recommended that:

2.1 **The Committee approves the Locality Management of the Social Fund by Melton Borough Council from 1 April 2013, subject to agreement as to reimbursement of reasonable costs.**

3.0 KEY ISSUES

3.1 From April 2013 the Department for Works and Pensions (DWP) is transferring funding currently used to provide Community Care Grants and Crisis Loan Schemes to all top tier Authorities in England. In Leicestershire this is Leicestershire County Council. In transferring this responsibility the Government has indicated it does not expect Council's to replicate the current schemes but encourages them to develop a new provision that is suitable and appropriate to meet the needs of Local Communities. Representatives of DWP have indicated that their system and procedures whilst reaching those in need was not particularly sophisticated in the outcomes it achieved.

3.2 The County Council have examined the implications of the new duty and have approached the Districts to consider providing the fund in their Localities. District Councils are seen as being highly experienced in processing applications from the public for a wide range of financial related services including complex applications such as claims for welfare benefits and housing. Also Districts offer a highly localised service offering accessibility and good links to those organisations within the Local Community that provide tailored support for particular families and individuals needs, such as food projects, furniture projects and credit unions.

3.3 The District Councils have worked with the County Council, DWP and VAL to develop an approach to localise delivery of the Social Fund by the implementation deadline of 1 April 2013. Those discussions are continuing, however the principles upon which the Fund would be provided in this way are as follows

- The scheme will be based on a single eligibility criteria and single performance management approach
- The County Council will underwrite the scheme budget, accepting that the eligibility of the scheme will be reviewed on an ongoing basis.
- The County Council will meet reasonable administrative costs incurred by the Districts
- The District Councils are best placed to deliver this scheme
- The Districts will determine their own delivery model that best aligns to their existing arrangements for other relevant services. This will mean that from the 1st April 2013 delivery models across the districts will differ, however opportunities to simplify, consolidate and standardise will be sought during the first year, where appropriate.

- The expectation is that the delivery models from the 1st April 2013 will be:-
 - Office Hours only (no Out of Hours service will be provided)
 - Based on provision of grants only (No administration of loans will be necessary)
 - Developed using existing technology (no reliance on new software/integration)

A single eligibility criterion is continuing to be developed alongside the delivery model discussions and will be subject to a public consultation exercise prior to the launch of the scheme in April 2013.

- 3.4 Your Officers see the localisation of the Social Fund as an opportunity to develop and continue the Council's support and offer to vulnerable families and individuals. It sees linkages to the changes to benefits and the introduction of Universal Credit in that there will be an opportunity to look at how this fund would work with the current Hardship Fund and the new Discretionary Fund proposed under the Council Tax Finance Reforms. These funds will give an integrated level of support to those in the Melton community in need. They would also offer a range of tools for the Council to link to its intervention and family support activity. In order to achieve this part of this Council's proposal, the Family Support Workers and the Customer Services Team will be trained to a relevant level to assist applicants to make proper claims by phone or by paper and this will reduce the administrative and processing burden under the scheme as relevant professionals will be assisting and operating within the established criteria to put forward proportionate claims.
- 3.5 The current development of the scheme by Melton is attached at Appendix A in the form of a bullet pointed presentation. This includes a flowchart of design of the system together with certain assumptions around delivery costs and partnership approach. This presentation and the assumptions are well founded in the local knowledge of Senior and Front Line Officers within the Council. Discussions are continuing with County Council upon settlement of the overarching aspects of the scheme including eligibility criteria, standard forms and processes and allocation of funds. There is a commitment across all 7 Districts to achieve a successful outcome to these ongoing discussions.
- 3.6 Your Officers support the Localisation of the Social Fund and recommended this to Members for approval, subject to satisfactory settlement of the outstanding issues particularly adequate funding however, local delivery of the fund is seen as a key additional assistance to the Council's approach to helping and having positive outcomes for those in the Community with complex needs.

4.0 **POLICY AND CORPORATE IMPLICATIONS**

- 4.1 The Localisation of the Social Fund is seen as being in line with this Council's Policy approach to support vulnerable people by providing integrated and holistic local services to them which will enable positive outcomes and improved life chances for those receiving assistance. The proposal also improves accessibility of the services as they will be provided in a way which is known to many applicants through the District Council in their locality.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

- 5.1 In August 2012 the Government advised Leicestershire County Council of the funding transfer detail. It was apparent once that funding was analysed that a reduction of 8.7% had been made to the funding previously awarded to DWP. The funding is only allocated for the first two years. The proposal therefore is to implement this scheme initially under that funding regime with ongoing arrangements being reviewed thereafter and they may be subject to a broader procurement exercise.

- 5.2 The Council has in the presentation attached at Appendix A indicated the level of resource assumptions it has put forward to the County Council to deliver the fund. Discussion are ongoing over a finite resource, however Members' decision is subject to a satisfactory financial outcome.
- 5.3 This Council believes that there will be efficiencies from training Front Line Staff in Customer Services and the Supporting Leicestershire Families Team to assist and guide when such applications will be made. There is also a commitment to look at the administration costs of all three current funding arrangements to ensure efficiencies and effectiveness in delivery are realised.

6.0 LEGAL IMPLICATIONS/POWERS

- 6.1 The Districts and the Council would enter into a delegation arrangement for service delivery, probably by way of a Memorandum of Understanding. This Council already has such an Agreement with the County Council and considers these arrangements could fit within that.

7.0 COMMUNITY SAFETY

- 7.1 The assistance offered helps families and individuals through emergency situations and once developed grants have previously supported individuals returning to their Communities from institutional care. This assistance will offer different life choices to those under pressure within our Community and should have an impact on Community Safety outcomes.

8.0 EQUALITIES

- 8.1 A coordinated Countywide approach to any Equalities Impact Assessments will be carried out once details are finalised, particularly as the statutory duty rests at that level.

9.0 RISKS

- 9.1 In developing the current proposals the Group working on the introduction of this revised funding regime have endeavoured to mitigate the risks applicable to both the County Council and Localities. The initial scheme due to commence 1 April 2013 has avoided the need to rush into a complicated IT Framework, postponed at this stage Out of Hours provisions (which were not significantly used) and the offer of loans. All of these desired requirements will continue to be the subject of negotiation with the County Council and the Locality Partners to develop a coordinated approach to both the introduction of developments to the Fund and use of IT systems.

10.0 CLIMATE CHANGE

- 10.1 There are no particular implications arising from the report.

11.0 CONSULTATION

- 11.1 The proposal includes consultation upon the eligibility criteria within the scheme.

12.0 WARDS AFFECTED

12.1 All

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Date: 23 November 2012

Appendices : A – Melton Fund Local Delivery Model

Background Papers: Report to District Chief Executives Meeting – 29 October 2012
Report to Leicestershire Together Commissioning Executive – 22 November 2012
Leicestershire Together Briefing Paper – the Social Fund
Relevant notes of the Partnership Social Fund Meetings

Reference : X : Committees\PFA