

Item No. 14.	Classification: Open	Date: 18 November 2014	Meeting Name: Cabinet
Report title:		Southwark Emergency Support Scheme 2015 - 2018	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Fiona Colley, Finance, Strategy and Performance	

FOREWORD – COUNCILLOR FIONA COLLEY, CABINET MEMBER FOR FINANCE, STRATEGY AND PERFORMANCE

The Southwark Emergency Support Scheme provides assistance to residents in crisis - providing emergency cash, food and goods to people in desperate need.

Since we took over providing crisis support in April 2013 we have received over 4,000 applications for help and spent almost £1m to provide this safety net.

The scheme is delivered in partnership with key voluntary sector organisations such as PECAN, St Giles and CAS. We believe this has resulted in a scheme that is both efficient and effective – with low administrative costs and reaching those in greatest need.

Last month we agreed that we would extend the scheme until at least 2018 and this report recommends allocating £2.7m funding for this.

The government's welfare reforms are continuing to bite and we are seeing increasing numbers of applications to the scheme. Half of the referrals are made by the Job Centre Plus and it is worrying to hear that JCP benefit sanctions may be one of the key drivers of demand!

We are also finding that needs are evolving as the impacts of welfare reforms develop. For instance the average age of applicants to SESS has increased since April 2013, indicating that older people are increasingly in need of support. With this in mind we are also proposed to continue to review the scheme and eligibility criteria alongside our voluntary sector partners to ensure the scheme continues to provide the right support to our residents who are in the greatest need of help.

RECOMMENDATIONS

1. Cabinet notes the decision approved within the policy and resources strategy report to cabinet in October 2014 to continue to provide for the Southwark Emergency Support Scheme for the three year period to 2017/18 in line with criteria contained within this report.
2. Cabinet agrees to include provision for the costs of the scheme of approximately £2.7m over the three year period within the budget options for the Policy and Resources Strategy to be agreed by council assembly in 2015, including the use of unspent balances from the local welfare provision grant up to March 2015 and the earmarked revenue reserve for the Welfare Hardship fund

3. Cabinet notes the costs of the scheme will be contained within existing budgets and will be subject to ongoing efficiency reviews.
4. Cabinet notes that officers will undertake a series of reviews and explore options to ensure that the Emergency Support Scheme and other services supporting vulnerable people in Southwark are aligned and integrated where appropriate.

BACKGROUND INFORMATION

5. The Welfare Reform Act 2012 initiated the localisation of the Department for Work and Pensions Social Fund (Crisis elements) to local authorities with effect from 1 April 2013.
6. On 19 March 2013 cabinet approved the establishment of Southwark Emergency Support Scheme to support Southwark residents in crisis and made provision for additional support through a welfare hardship fund.
7. The scheme was reviewed in October 2013 and cabinet agreed to continue the provision to March 2014 and keep the scheme under review.
8. A subsequent review was undertaken in June 2014 resulting in this report.
9. Government is presently consulting on future, central funding arrangements for local welfare schemes from 2015. The Council's response to that consultation is attached as an appendix to this report. The Government consultation document set out a number of options including continued provision for separate visibility of local welfare provision funding.
10. The Council's response expresses a strong preference for continued, separate visibility of local welfare provision funding. The Council further argues that Government should continue to work with the Council and with the local government sector as a whole, so that a sustainable welfare emergency intervention fund may continue to be operated at local level. The Council also argues that, as part of that engagement, proper consideration should be given to the local challenges expected to arise from the implementation of Universal Credit.
11. This report seeks to retain the existing level of service supporting those most vulnerable in the community for the duration of the administration.

KEY ISSUES FOR CONSIDERATION

Southwark Emergency Support Scheme

12. Southwark's scheme was implemented in partnership with Community Action Southwark (CAS) who procure and manage suppliers delivering services to those suffering hardship.
13. The scheme offers assistance to customers in crisis by providing support in kind including the provision of white goods, furniture, foodbank parcels, rent advances for those leaving care or prison and in exceptional circumstances cash payments through the London Mutual Credit Union.

14. The scheme has received 4,291 applications to September 2014 and made 2,219 awards, a 52% approval rate.
15. To October 2014 the scheme has utilised £978,000 of the existing funding and the spend to date is broken down as follows:

Cash	£	37,000	4%
Food	£	24,000	2%
Furniture/White Goods/Other Housing	£	856,000	88%
Rent Advance/Deposit	£	59,000	6%
Total	£	978,000	100%

16. The review of the service in October 2013 confirmed that the majority of referrals came from Job Centre Plus, followed by other council services. The position is largely unchanged:

Referrals to Date:

Referral Organisation	October 2013		October 2014	
	Number of Referrals	% of Referrals	Number of Referrals	% of Referrals
Citizens Advice Bureau	37	3	116	3
Council Services	209	15	755	18
Job Centre Plus	874	65	2083	50
Other	175	13	913	22
VCS	53	4	263	6
Total	1348	100	4130	100

17. Between April 2013 and October 2014 87% of all applicants were either single or lone parents. 54% of applicants were women, and the average age of applicants to the scheme has increased since April 2013, indicating that older people are increasingly in need of support. 59% of applications were made by people in receipt of ESA or Income Support, followed by 19% in receipt of Job seekers allowance.
18. Although evidence is limited anecdotal reports from officers suggest that Job Centre Plus sanctions are a key driver of demand for emergency support.

Hardship Fund

19. On 19 March 2013 cabinet also recommended that the Strategic Director of Finance & Corporate Services set aside £400,000 from the Welfare Hardship Fund to supplement SESS and 'provide support for households where the levels of disability prevents temporary or full time employment'.
20. The fund particularly sought to assist customers affected by one or more of the welfare reform changes including the introduction of the council tax reduction scheme.
21. Since April 2013 the welfare hardship fund received 1131 applications and made 835 awards with an approval rate of 74%.

22. Of those applying 80% of the awards were made to vulnerable households in line with the policy. 59% of awards were made to women and 69% to single and lone parents.
23. The welfare hardship scheme has assisted those determined to be most in need and less likely to access support including the 50-65 age group.
24. A high proportion of awards (83%) were made to people in receipt of Employment Support Allowance or Job Seekers Allowance/Income Support.

Other considerations

25. Reviews of SESS and the Hardship Fund undertaken since April 2013 indicate that the services have performed consistently well, and, although there is limited evidence regarding the long term outcomes of support provided.
26. It does however appear that many emergency support recipients have not sought further assistance following the initial support and guidance received.
27. Over 90% of Hardship Fund recipients have seen a sustained improvement in their financial position in terms of council priority debts during 2013/14.
28. The cumulative effects of the welfare reforms implemented during 2013 combined with expected further reforms have created significant financial pressures for many of the most vulnerable residents in Southwark including groups who have never before required assistance.
29. Evidence from both schemes indicates that customer needs are evolving as the impacts of the reforms have developed over the last 18 months.
30. There is therefore a need for an ongoing and responsive development of eligibility criteria to ensure support continues to be targeted effectively to those who need it most.
31. The council will work in partnership with CAS to ensure the ongoing supply of goods and services remain best value for money.

Policy implications

32. Southwark council is committed to achieving a fairer future for all as set out in the Council Plan. The council recognises that in times of reduced funding from central government there is a need to focus our resources on areas where the greatest impact can be made.
33. The continued provision of the Southwark Emergency Support scheme is in line with the councils principles and recognises the importance of ensuring that support is provided to those most in need.

Consultation

34. There is no legal requirement for public consultation on changes to the emergency support or welfare hardship scheme.
35. However, the council continues to work closely with representatives from

Community Action Southwark (CAS), Southwark financial Inclusion and legal advice networks, the CAB, St Giles Trust and Pecan (foodbank) to help determine future requirements.

Community impact statement

36. The council must have due regard to the public sector equality duty under the Equality Act 2010 and is committed to ensuring the scheme is both fair and equitable.

Resource implications

Financial issues

37. As at October 2014 the grants issued in relation to SESS equated to £978,000 and the welfare hardship fund £195,000.
38. At current levels with the residual funding and cabinets £800,000 commitment to the welfare hardship scheme, based on existing levels of expenditure the schemes are sustainable to 2017/18.
39. The £225,000 grant in 2014/15 for the administration of the scheme will cease in April 2015.
40. The service area is currently under review and it is anticipated that the application process will be absorbed within the existing revenues & benefits customer service provision following implementation of a process efficiency exercise.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

41. Cabinet is asked to note the continuation of the Southwark Emergency Support Scheme until 2017/18 in line with the criteria outlined in the report.
42. Cabinet is reminded that the council's duties under the Equality Act 2010 are ongoing for the purposes of this scheme and the review. The council is required to ensure that the delivery of the fund complies with the duties outlined under s.149 of the Equality Act 2010.

Strategic Director of Finance and Corporate Services

43. The strategic director of finance and corporate services notes the recommendations in this report concerning the Southwark Emergency Support Scheme.
44. If agreed, the budget proposals for the three year period to 2017/18 will include a total amount of approximately £2.7m, to be funded in part by the use of unspent balances from the local welfare provision grant up to March 2015 and the earmarked revenue reserve for the Welfare Hardship fund
45. The ongoing administrative costs of the scheme will be contained within existing budgets and will subject to ongoing efficiency reviews.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Policy and resources strategy 2015/16 to 2017/18: scene setting report	Finance & Corporate services, 160 Tooley St, London SE1 2QH	Jennifer Seeley 0207 525 0695
Link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?CId=302&MId=4554&Ver=4		

APPENDICES

No.	Title
Appendix 1	Local Welfare Provision, response to consultation 7/11/14

AUDIT TRAIL

Cabinet Member	Councillor Fiona Colley, Finance, Strategy and Performance	
Lead Officer	Duncan Whitfield, Strategic Director of Finance and Corporate Services	
Report Author	Dominic Cain, Assistant Director, Revenues, Benefits & FTSS	
Version	Final	
Dated	7 November 2014	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		7 November 2014