

CABINET

16 February 2015

Title: Options for Providing Support to Vulnerable Residents	
Report of the Cabinet Member for Adult Social Care and Health	
Open Report	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Divisional Director: Glynis Rogers, Divisional Director of Commissioning and Partnerships	
Accountable Director: Anne Bristow, Corporate Director of Adult and Community Services	
Summary <p>In 2014, the Government indicated its intention to cease funding through the Revenue Support Grant local emergency support services. As a result, Cabinet, as part of its budget deliberations at its meeting on 16 December 2014, asked for an options paper.</p> <p>Since then, and following considerable lobbying, the Government has now announced (in February 2015) continuing funding at a reduced level in 2015/16.</p> <p>This paper sets out proposals for a number of short term measures. These, if approved, will continue at a reduced level a local emergency support scheme, whilst investing in some key BanD Together initiatives to accelerate system change.</p> <p>A wider review of how the local 'safety net' provisions can be improved is under way and a further report will be presented to Cabinet in the Summer.</p>	
Recommendation(s) <p>The Cabinet is recommended to:</p> <ul style="list-style-type: none">(i) Agree the continued funding of a Local Emergency Support Service, at a reduced level of £300,000 for 2015-16, using the additional Revenue Support Grant in the local government financial settlement issued on 3 February 2015;(ii) Agree to the funding of the development of the CommunityConnect knowledge platform to support the Community Checkpoints model being developed and to agree to waive the Council's Contract Rules for this pump priming in recognition of the development work that has already been completed on this initiative;(iii) Agree that a fixed term post be established to accelerate progress on the development of alternative proposals for a local safety net;	

(iv) Delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Cabinet Member for Adult Social Care and Health, the Head of Legal and Democratic Services and the Chief Finance Officer, to award:

- The contract with Harmony House for one year from 1 April 2015 by a waiver under the Council's Contract Rules.
- Funding towards the development of CommunityConnect knowledge platform for not more than £80,000 and to waive the Council's Contract Rules accordingly.

Reason(s)

The proposal is intended to assist the Council in continuing to support its most vulnerable residents. Through the initiatives to support vulnerable residents and the grants through the LESS fund residents will be enabled to sustain tenancies, meet immediate crisis and be signposted and supported to address the issues that they are facing. In doing so the fund contributes to the achievement of the Council's priority to:

Encourage Civic Pride by

- Building pride respect and community cohesion across our borough
- Promote a welcoming, safe, and resilient community
- Build civic responsibility and help residents shape their quality of life

Enable social responsibility by

- Supporting residents to take responsibility for themselves, their homes and their community
- Protecting the most vulnerable, keeping adults and children healthy and safe.

1. Introduction and Background

1.1 In the current climate of austerity residents in Barking and Dagenham continue to face significant challenges. The new vision of "One Borough; One Community; London's growth opportunity" and associated priorities have been developed to reflect the changing relationship between the Council, partners and the community and to seek to address the challenges together.

1.2 Barking and Dagenham has seen a significant overall population increase of 13.4% to 185,911 (2011 Census). This is 22,000 more people since 2001, including a 50% increase in 0 – 4 year olds. 30% of the population are children, placing a huge pressure on school places, housing and social care including on workloads across key agencies working with the borough's families. The borough is also more ethnically diverse than it has ever been. The population is projected to rise from 190,600 in 2012 to 229,300 in 2022. This is a 20.3% increase and is the second largest in England after Tower Hamlets.

1.3 The borough is the 7th most deprived in London and 22nd most deprived nationally which is also reflected in the relatively poor standard of health. London's Poverty profile shows that when compared with other London boroughs Barking and

Dagenham still has significant challenges. For the following indicators, Barking and Dagenham is in the 4 worst boroughs in London:

- Child Poverty
- Unemployment
- Low pay by residence (household)
- Landlord and mortgage repossessions
- Lack of qualifications at 19
- Limiting long-term illness

<http://www.londonpovertyprofile.org.uk/>

- 1.4 Across the Borough there are a range of initiatives that seek to enable residents in these challenging times to take responsibility for themselves, their homes and their community. These include: Housing and homelessness support, advice through the Citizen's Advice Bureau, Council services and other partners, discretionary housing payments, employment support initiatives, adult and children social care payments, children's centres and a wide range of other initiatives.
- 1.5 Within this context the authority with its partners is seeking to address the challenges to the borough's most vulnerable residents. The proposal outlined in this report seeks to join some of the current initiatives that are in place to develop a more robust approach. The current initiatives are outlined below.
- 1.6 The Strategic Welfare Reform Group within the Council has been seeking to look at the impact of the welfare reforms on residents and will continue to do this, particularly as Universal Credit is rolled out in Barking and Dagenham in June 2015.
- 1.7 The BanD Together initiative has been established with key voluntary sector providers in the borough to seek to coordinate the support to residents in the borough in tackling the complex issues that face the borough. The initiative has established a Strategic Leadership Board to take the initiative forward in partnership with partners, including the Council. To support this the London Borough of Barking and Dagenham has identified funding for a PO1 post, hosted by Barking and Dagenham Council for Voluntary Service to coordinate their initiatives including:
 - Supporting Community hubs
 - Information and referrals
 - Events and celebrations
 - Identifying need and evidencing impact
- 1.8 In parallel with the BanD Together initiative the Council is developing, with partners a Community Checkpoints and Champions initiative. Community Checkpoints are any building or organisation that is willing to support local people to access Barking and Dagenham information and services. Each Checkpoint will have at least two people (Community Champions) who have been trained and assessed in providing information and guidance for using our Community portals (not necessarily full time). Each checkpoint will be able to provide access to the Council and other websites and guidance for residents on how to use the Community portal. Each checkpoint will be linked to a community hub, will be locally accredited and receive

Community Network information and training. The plan is to identify 50 Community Checkpoints by December 2015.

- 1.9 In addition Community Resource has developed an initiative called "CommunityConnect" which currently seeks to connect people with local services. It provides information around advice, direct support and groups and networks. There are approximately 80 service or groups/activities listed, which are regularly checked and updated. Below is the link to the current website:

<http://www.communityconnect.today/>

- 1.10 Another part of the range of support has been the Local Emergency Support Service locally, which has been funded through the delivery of new local provision to replace the Department for Work and Pensions' Community Care Grants and Crisis Loans. This change was part of the Government's overall policy of localism.
- 1.11 The funding was distributed to upper tier authorities on the basis of historical Crisis Loan and Community Care Grant demand and spend data by local authority area.
- 1.12 From April 2013, local authorities could therefore set up their own local welfare schemes or choose other ways of providing flexible help. The Department for Work and Pensions paid the amount that would have been available for Community Care Grants and Crisis Loans for the remainder of the current spending review period (i.e., to 2015) to local authorities through grants under section 31 of the Local Government Act 2003 for 2013/14 and 2014/15.
- 1.13 In Barking and Dagenham it was felt that the voluntary sector had the necessary skills and experience to deliver such a service so the Council advertised for interested parties to deliver a Local Emergency Support Service (LESS) for residents (18+) experiencing extreme financial hardship in the borough. The contract for the provision of the service was put in place April 2013 - March 2015.
- 1.14 Following completion of the procurement process the contract has been awarded to Harmony House, a local community interest company. Harmony House are the lead organisation but have a sub-contractual relationship with the Barking and Dagenham Citizens Advice Bureau (CAB). For local residents requiring emergency support Barking and Dagenham CAB is the access point for help and advice.
- 1.15 As with the previous model adopted by the DWP, decisions about applications were made away from the point of application. Applicants were contacted and informed about the outcome of their application. In addition this model enabled the CAB to support residents facing financial challenges by offering debt advice and support as well as addressing the immediate crisis.
- 1.16 Over the 21 months of the contract to December 2014 the LESS in Barking and Dagenham has:
- Awarded grants to 5502 individual residents or families
 - Awarded grants totalling £1,195,919
- 1.17 As part of the Spending Round 2013, the Government provided for a number of areas of local authority spending, including local welfare provision, to be funded

from within Revenue Support Grant, rather than being the subject of separate grants. Central Government intended that, from April 2015, local welfare provision would be funded from general grant to Local Government, instead of an identifiable sum being made available specifically for this purpose. Local authorities would continue to decide what local provision to provide and at what cost, as the view was that they are best placed to understand the needs of their local communities. However additional funding to do this would be removed.

- 1.18 This decision was challenged in judicial review proceedings by members of the “Keep the Safety Net” campaign which have now been settled. The Government committed to making a fresh decision as to how local welfare provision should be funded in 2015/16 and ran a consultation over 6 weeks to which it received 5,603 responses.
- 1.19 The Final Local Government Finance Settlement for 2015-16 was announced on 3 February 2015. This Settlement provides an additional £74M to upper-tier authorities to recognise that councils have asked for additional support, including continuing support for local welfare needs. This is included in the additional Revenue Support Grant to the authority of £415,000.
- 1.20 The Cabinet meeting of the 16 December 2014 was asked to approve the end of the Local Emergency Support Scheme (LESS) from 2015/16 following potential withdrawal of Central Government funding for the service as detailed in paragraph 2.4 of the Cabinet report or agree a further allocation from reserves for a revised scheme to be delivered.
- 1.21 Cabinet requested that an options paper for the continuation of the Local Emergency Support Service in Barking and Dagenham be brought back to Cabinet early in 2015 for consideration. This report considers the continuation of the Local Emergency Support Service in a wider context and contains related proposals.

2. Proposal and Issues

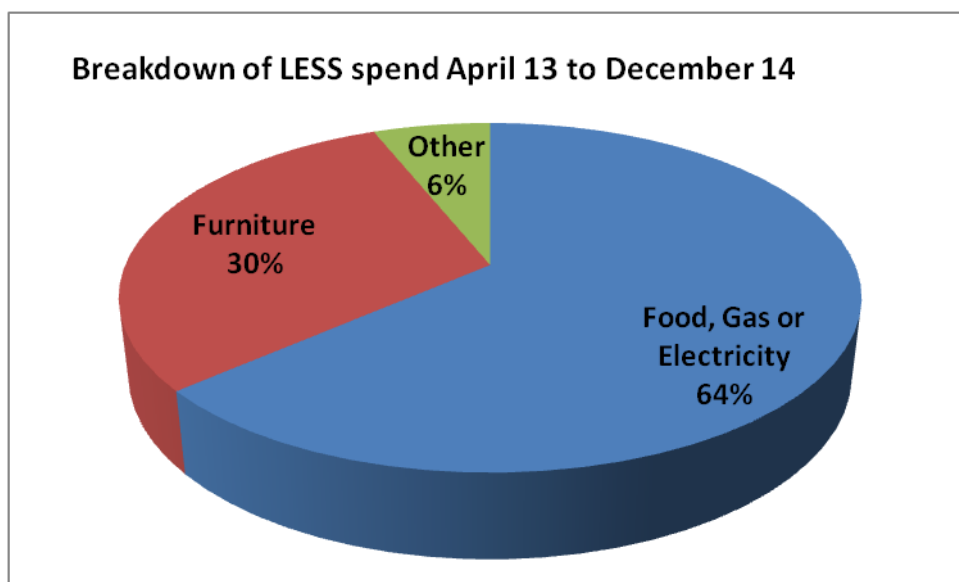
- 2.1 The proposal is to fund from the additional Revenue Support Grant in 2015/16 the following:
 - A reduced Local Emergency Support Service for one year;
 - A fixed term Commissioning Manager post to accelerate progress on the development of responses to welfare reforms including BanD Together initiatives;
 - The pump priming of “CommunityConnect” to develop an online information and advice hub that will be available through the Community Checkpoints and other websites.

To fully fund all the proposals will require £430,000. The £15,000 shortfall can be met from the Adult and Community Services budgets for 2015/16.

- 2.2 In addition the Strategic Welfare Reform group will bring a report reviewing the range of welfare benefits available, including the LESS, back to Cabinet in the Summer with options for consideration once the impact of Universal Credits and continued austerity in the borough is becoming clearer.
- 2.3 Due to the lateness of the Central Government decision it will not be possible to retender the Local Emergency Support Service for April 1 2015 and so officers are

recommending that the current providers continue to deliver the service for one year within a reduced cost window through the award of a one year contract.

- 2.4 The current model, as outlined at 1.13, is based on a grant fund per annum to residents of £750,000 and the cost of delivering the current service model is £140,000. Through this model in 2013-14, 2737 residents were funded, with an average grant of £229 and up to the end of December in 2014-15 2194 residents have been funded.
- 2.5 The model delivered has sought to promote dignity rather than create dependence for residents facing financial hardship by providing grants and seeks through the CAB to direct residents to the most appropriate fund in their individual circumstances as well as signposting to debt advice, money management courses and encouraging the opening of a savings account with Liberty Credit Union.
- 2.6 The chart below shows the different forms of support provided. The greatest demand has been from residents needing a contribution for food, gas or electricity to see them through an immediate hardship. To date the Local Emergency Support Service has provided money for food, gas and electricity to 2,539 residents, who otherwise would have had to go without. The Local Emergency Support Service provide supermarket vouchers for food, so people do not feel stigmatised and can choose the food they want.



- 2.7 The proposed funding from the additional revenue support grant resource to continue a reduced service is for a grant fund for residents of £210, 000 and a delivery cost of £90,000. It is recognised that the scheme management costs require too high a proportion of the funds available. However, identifying lower cost solutions cannot be achieved between now and 1 April 2015. They will however be central to the approach designed for April 2016. If Cabinet agrees this level of funding for one year officers will work with the current providers to ensure the best service possible within the budget. This will include:

- Consideration of the staffing and hours of the current delivery model

- A review of the criteria for applicants to ensure the reduced fund is having the maximum impact.
- The continued signposting and referral of applicants to other funds and support to help them develop financial resilience.
- Continuing to explore the most cost effective way of furnishing properties where people are taking up unfurnished tenancies to continue to support tenancy sustainment.

2.8 The reduction of the grant fund by £540,000 and the delivery fund by £50,000 will impact on residents. With regard to the delivery and accessibility of the service the providers will work with partners to ensure online applications are utilised and appropriate supporting evidence submitted. It will not be possible to maintain the same level of open access for the service within the reduced funding allocation and therefore potentially the grant assessment time will increase, although this will be mitigated where possible by working differently.

2.9 In relation to the grant fund officers with the provider will monitor the criteria and applications in the first two months of 2015-16 and further revise the fund as necessary to ensure provision throughout the year. However it will not be possible to fully mitigate the reduction in the number and size of the grants to residents. In addition there will not be the same resilience within the fund to respond to disaster situations that may occur locally.

2.10 The fixed term proposed fixed term post will be for 1 year at an indicative cost of £50,000 including on costs to:

- Ensure that the Council is coordinating its initiatives internally and with partners in response to the current challenges face by residents.
- Review the LESS fund in relation to other welfare schemes to align and ensure a robust process.

2.11 For the “CommunityConnect” to be developed to the stage where it can provide the knowledge platform an initial pump priming investment of approximately £80,000 will be required.

2.12 The CommunityConnect provides individuals and practitioners with a single tool that takes account of multiple or complex needs and delivers relevant and accurate signposting to appropriate services including benefits, local agencies and other support organisations. Once developed this would be accessible through the Community Checkpoints and to frontline staff across the borough and it is considered that it has the potential to significantly decrease the time currently required in supporting residents to access the right services and support. It would be of particular value to non specialist staff and/or volunteers.

3. Options Appraisal

3.1 The following options for the additional revenue support grant were considered:

- a) Option 1 – Do nothing allowing the current contract for the LESS to cease on 31 March 2015.
This would mean that there would be no local provision for LESS for residents facing particular financial hardship. *Not Recommended.*

- b) Option 2 – Retender the LESS commission for April 2015.
This is not possible within the timescales that have been given by Central Government and would mean that a viable scheme would not be in place for April 1 2015. *Not Recommended.*
- c) Option 3 - Fund the LESS to the full level of the additional revenue support grant.
This would mean that the options proposed to sit alongside the LESS fund for 2015/16 to ensure the wider benefit would not be achieved. *Not Recommended.*
- d) Option 4 – Fund the LESS at the level previously provided by Central Government.
In light of the pressure on Local Government finances this was not deemed possible, and whilst this might be optimal, measures can be put in place to mitigate some of the impact by continuing with a reduced scheme. *Not Recommended.*
- e) Option 5 – Fund: the LESS at £300,000 total; a fixed term post in Integration and Commissioning and part pump prime “CommunityConnect” to develop an online information and advice hub.
This is the preferred option for maximising the impact of the time limited funding through the additional revenue support grant. **Recommended.**

4. Consultation

- 4.1 This report was requested by Cabinet on the 16 December 2014. Within the timescales officers have consulted with the current providers and local authority staff to consider the impact of the changes to the service. It was also considered by the Strategic Welfare reform group on the 19 January 2015.
- 4.2 There has been ongoing consultation on the LESS in relation to other welfare benefits programme and advice through BanD Together and the local welfare reform group that Harmony House and the Citizen’s Advice Bureau attend as standing partners.

5. Financial Implications

Implications completed by: Roger Hampson, Group Manager Finance, Adult and Community Services

- 5.1 The proposal in this report is to continue the Local Emergency Support Service in 2015/16 at a total cost of £300k, including the contract for the service with Harmony House and grants to residents. In addition it is proposed to fund one fixed term post for a year (£50k) and provide pump priming funding of £80k for CommunityConnect. This cost can largely be met from additional Revenue Support Grant announced on 3 February 2015 of £415,000 within the Final Local Government Finance Settlement. The shortfall in funding of £15k will be met from the Adult and Community Services budget.
- 5.2 As the level of funding beyond 2015/16 is unclear, during the coming year, the Strategic Welfare Reform Group will develop options for 2016/17 and beyond. The

cost of any proposed scheme may need to be funded from offsetting savings across the Council unless additional funding becomes available from Central Government later in the year.

6. Legal Implications

Implications completed by: Kayleigh Eaton, Contracts and Procurement Solicitor

- 6.1 Part of this report concerns the possible award of a contract for a Local Emergency Support Service in Barking and Dagenham, directly to the current provider, Harmony House.
- 6.2 Legal Services note that the proposed contract is not subject to the Public Contracts Regulations 2006 (“the Regulations”) meaning that there is no legal requirement to competitively tender this contract in the Official Journal of the European Union.
- 6.3 Contract Rule 28.5 of the Council’s Contract Rules requires that all contracts with an estimated value of £50,000 or more must be subject to a competitive tendering process. However, Contract Rule 6.5 advises that a chief officer may issue a waiver of any of the Contract Rules where the contract value is below £500,000.
- 6.4 The report author and responsible directorate are advised to keep Legal Services fully informed. Legal Services will be on hand and available to assist and answer any queries that may arise.

7. Other Implications

- 7.1 **Risk Management** – The maintenance of a Local Emergency Support Service at a lower level of funding than from 2013-15 will have the following associated risks:

Challenges and Risks	Opportunities and Mitigating Factors
Reduced number of residents funded with rent deposits	Frontline staff will be advised of changes in the fund level and criteria will be revised as appropriate.
Reduced level of funding for furniture to help sustain new tenancies	The service provider will continue to work with voluntary sector and businesses to achieve the most economically viable options for the provision of furniture and white goods.
Reduced funding to deliver the service therefore less accessible	Further work will be done to look at the use of online applications and referrals via professionals and key times for staffing the service will be identified to minimise impact.
Residents unable to access support when needed	The development of CommunityConnect and the Community Checkpoints will widen the information and locations where residents will be able to access information and support.

- 7.2 **Contractual Issues** -The contract for the LESS ends on March 31 2015. The contract for the service is currently for £140,000 and the grant funding to residents administered through the scheme is for £750,000. The proposed new contract will be for one year, 2015-16, for a reduced amount of £90,000 for the delivery of the service and £210,000 in grants to residents.

Further to the announcement of the additional revenue support grant on 3 February, the funding for the contract will be for the totality of this fund.

The contract performance will be monitored through meetings, reports, performance improvement and escalation where necessary. The standard Council terms and conditions are proposed.

Delivery of the expected and required services with maximum utilization of the resources, ensuring that at all times appropriate service delivery is available within the contract.

- 7.3 **Staffing Issues** - The reduced funding for the delivery of the service will require the providers to reduce staff hours.
- 7.4 **Corporate Policy and Customer Impact** -An impact assessment has been completed for this report considering the potential impact of the reduced funding through the LESS in relation to race, gender, disability, sexuality, faith, age and socio economic deprivation and is attached as appendix 1.

In addition the provider will deliver the service in line with the Council's policies and ensure that information is suitable protected and funding is targeted in line with the community strategy in supporting residents to take responsibility for themselves.

- 7.5 **Safeguarding Children** - This proposal will continue, in a reduced way, to support vulnerable families in crisis and through funding to furnish new tenancies with basic equipment that helps tenancy sustainment. However the reduction in the fund will put pressure on other service budgets, which will be mitigated in part by the development of the CommunityConnect online site and the Community Checkpoints.
- 7.6 **Health Issues** - The proposal will impact positively on health issue in supporting people with rent deposits and furniture to sustain new tenancies who might otherwise not have accommodation. In particular some of our most vulnerable residents are supported in this way.
- 7.7 **Crime and Disorder Issues** - This proposal will continue to fund vulnerable residents in crisis to meet their basic needs such as food. This potentially reduces petty crime in the borough.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

- Appendix 1 : Equalities Impact Assessment