Response to Call-in of Report to Cabinet, 23 June 2015: Review of Local Welfare and Crisis Support Schemes to Vulnerable Residents, with options for the Local Emergency Support Scheme

1. The decision taken at Cabinet, 23 June 2015

1.1 On 23 June 2015, Cabinet received a report presenting options for the future of the already much-reduced Local Emergency Support Scheme, placing this decision in the wider context of welfare reform and other options for statutory support to those in crisis. The current scheme had been contracted for a six month period following a decision at Cabinet in February 2015, and the options presented there were a response to a budget saving proposal put forward to Cabinet’s December meeting.

1.2 The decision taken in June was to allow the current contract to run its course, to 30 September 2015, and not to take the option to extend it for a further six months. Therefore, there would not be a Local Emergency Support Scheme in its current form from 30 September 2015.

Context for the decision

1.3 The minutes of the Cabinet discussion record the difficult context in which this decision was taken (provided elsewhere in this report pack). The Cabinet Member acknowledged the scale of the challenge around welfare reform, when compared to the relatively modest funding that the Council could make available for the LESS, and further reminded her colleagues of the July emergency budget which had been predicted to (and, indeed, did) identify further reductions in the welfare budget of £12bn nationally.

1.4 The Cabinet Member also emphasised the extent to which the Council had further developed its overall approach to providing support to the local community. Since the decision to fund the LESS for a further six months, the Council had committed to the development of BanD Together, and embarked on a programme to rethink the way it delivers its services, under the banner of Ambition 2020.

1.5 The reductions in the Council’s budget are already known for the coming two years, and modelled for a period following that. On 25 November 2015, the Chancellor will announce the results of the Comprehensive Spending Review which is widely expected to contain further challenges for the Council and local partners to meet. As the Council’s spending power further reduces over coming years, having already been very substantially reduced over the past four years, it is essential that resilience, self-reliance and sustainable approaches to welfare support are prioritised. It is also important that this work begins as soon as possible if it is to have impact over the next two years of budget reduction, and if it is to be underway as we consider the impact of the Comprehensive Spending Review which will fix the financial terms for the future of local services.
Appendix F

Other elements of the decision

1.6 The decision to cease the LESS was not taken in isolation. In order to move forward with new approaches to welfare support provision, a number of alternative developments were proposed and agreed:

i) Firstly, that the Strategic Welfare Reform Group would lead on developing the new approach to more sustainable welfare support for residents, grounded in resilience and self-reliance, rather than crisis intervention. This would draw on work around BanD Together, Ambition 2020 and the Growth Commission;

ii) To inform this work, two pilot schemes for up to £65,000 each would look to apply this approach to addressing the challenges faced by two cohorts of identified vulnerable residents, shaping the Strategic Welfare Reform Group’s longer term programme; and

iii) To ensure that the understanding of impact is robust, an independent review of these initiatives by an appropriate research body would be commissioned, working alongside the funded providers as they develop their pilots.

1.7 Details of future service provision are not yet finalised, in part due to awaiting any final decision being taken following call-in, but examples of mentoring schemes, debt management advice, and social empowerment are being reviewed in order to inform the approach to be taken if agreed.

1.8 Prior to the Cabinet meeting a number of matters were raised by the current holder of the LESS contract, some of which are addressed through this report, but specifically:

i) Policy or research setting out solutions as to how low income people, who have hit hard times through no fault of their own and are caught in a crisis, can be helped to become self reliant?

There is a wealth of research, pilot projects and other evaluative material to draw on, and this will be for the Welfare Reform Group to continue to assemble as part of the development of the pilot programme that is proposed.

ii) How do people overcome an immediate crisis with the promise of help for the future?

In short, it is intended that the sources of advice, including those identified in the follow-up to this question such as the Credit Union, income maximisation work and benefits checks, can work through the crisis as much as a short-term cash support which is not sustainable in the future.

iii) How are the alternative solutions more cost effective than the LESS?

It will be for the pilots to established cost-effectiveness as they unfold and why we are investing in having them evaluated. We will be looking for long-term impact rather than short-term funds to resolve immediate financial problems.
iv) Has any modelling been done to show the effect that cutting the LESS will have on the Statutory Services? What numbers of extra requests for help are likely to come to both Adult and Children’s Social Care Teams? Will applicants meet the criteria for help under the Care Act or Sec. 17 of the Children Act?

There are a number of pressures on these services, and it will be difficult to model any additional pressure from a specific source. However, elsewhere in the submissions made it is acknowledged that the LESS is the only source of support available in many cases, DHP and S17 having more restrictive criteria, so the extent of diversion to other funds will always be limited. Care Act prevention duties will apply specifically where there are social care needs to be prevented, reduced or delayed, but these are again longer-term evaluations rather than only about an immediate financial problem. The extent to which an average crisis payment of around £50 for food/fuel, or £750 for furniture, will be the solution to the problems evidenced by people falling within these duties will be limited.

v) What information and data was used to conclude that the relationship between the DHP and the LESS would allow the DHP to absorb LESS demand?

The report doesn’t say that the DHP will absorb LESS demand. It presents the context of the Council’s spend on DHP and S17, relative to LESS, as part of the evaluation of LESS’s impact.

vi) I understand that the vast majority of Sec 17. money is used to support families who have no recourse to public funds. It is a legal requirement and it is right that those families should be treated with dignity. Can you confirm that £2.5 million pounds was spent in this category last year and that these families were given adequate resources to live on and not required to feed themselves from food banks? We fully appreciate that asylum seekers and others in this category are in crisis through no fault of their own. We ask that the people of Barking and Dagenham, who have fallen on hard times through no fault of their own, be treated with at least the same dignity for the short period of time they find themselves in difficulty.

There are different criteria for Children Services’ Section 17 spend and there are many facets to it. Spend can be on subsistence and accommodation for some families who have children in need for a variety of reasons, and some of these would come under the category of ‘No Recourse to Public Funds’ but detailed monitoring data has not been available to confirm the proportion. In terms of the question of dignity, the Council would always seek to ensure that the crisis needs of people within our borough are met wherever possible, regardless of their status but always within the regulations that are laid down for us and the resources available. LBBD is seeking to pilot programmes for local emergency support that will specifically identify and target those who are most vulnerable. These schemes will be specifically designed to build dignity, self-reliance and self empowerment.
2. Specific questions raised in the Call-in

The LESS Fund is being removed from current fund holders when the current contract has less than a year to run, before it is clear what the alternative provision would be

2.1 The contract is not being terminated or 'removed'; it is ending at its agreed end date. The option to extend is not being exercised.

2.2 It was agreed in February 2015, following a previous Cabinet report, that the Local Emergency Support Service (LESS) would be contracted for six months from 1 April 2015 to 30 September 2015. The current contract therefore ceases on 30 September. Whilst the current provider's concern is understandable, this was the clear intention of Cabinet, and there was no commitment beyond the six month contract. Within this period it was made clear that there would be a further report submitted to Cabinet which would outline what the future provision for local emergency support would be. The report of the 23 June 2015 has now made its recommendation, noted at minute 13, regarding future of emergency support in Barking and Dagenham, and it was completed within publicly agreed timescales.

2.3 The Cabinet report of 23 June 2015 acknowledges that demand for emergency support may be deferred to other funds, but the Cabinet decision was to remove this fund and seek to develop initiatives that would build resilience for vulnerable residents rather than continue to give short term support which is unsustainable.

It is not yet clear why the pilot scheme would be better placed to manage the LESS fund

2.4 The budget of £300,000 for the year was agreed by Cabinet in February 2015, up to £150,000 of this will be spent through the LESS by 30 September 2015. The remaining budget will fund two initiatives outlined in the report, approximately £65,000 each, from October 2015 for six-nine months. The Voluntary and Community Sector will be invited to bid for the funding to deliver two pilot projects to cohorts of vulnerable residents.

2.5 Traditional approaches to welfare support have tended to foster dependency rather than self-reliance and these pilot initiatives seek to develop the latter, building on this to encourage and build social responsibility and capacity rather than provide ongoing emergency support. The proposed pilot schemes will re-define the model of delivery for support to residents in tough times seeking to build community resilience and capacity. The proposed initial pilot programme will identify and address the challenges faced by two small cohorts of identified vulnerable residents who are not served by other emergency funds currently and will be worked up in conjunction with both the Strategic and Local Welfare Reform groups and BandD Together in partnership with the voluntary sector locally.

2.6 The pilot work and evaluation from these two projects will be central to the longer term work that the Strategic Welfare Reform Group is leading on in terms of the challenges of welfare reform.
2.7 Full details and specifications for future service provision are not yet finalised. However, we are looking at examples of mentoring schemes, debt management advice and social empowerment initiatives, as a possible way forward. These will be aimed at certain cohorts, especially those identified as being vulnerable to some of the changes in the welfare benefits system (such as those labelled as young single non-priority homeless) and those identified by the EIA as being impacted most by removal of the LESS, which is likely to include families. The structure of these schemes may involve a certain amount of targeted intervention work. The programmes will have a research element standing alongside them which will feed into the long term work that the Strategic Welfare Reform Group is undertaking on emergency support.

The main issue relates to point E i.e. that there is a clear lack of clarity of the aims of the new provision and that also means that the desired outcomes of any new provision is not clear in the report.

2.8 The report has described the context for the Council, particularly in terms of the reduction of both its own budget and the welfare support available for residents, and has set out the intention behind the pilot projects that will be developed in place of the LESS. Due to the changes that are currently taking place and the challenge of budget reductions it is no longer possible to support models that encourage dependency and do not seek to promote/encourage self reliance and resilience. The alternative provision that the Council will seek to develop with third sector partners will address the challenges faced by specific cohorts, and will shift the emphasis towards the targeting of groups and individuals who are marginalised from support, who are perhaps most in need and who are experiencing the most stigma and isolation. The emphasis on community resilience and targeted intervention aligns with the move in general social care (and health and well-being) services towards more preventive and personalised services which are more responsive to diverse community needs. Support will enhance wellbeing and recovery in the community and will tackle the stigma and social exclusion that stand in the way of this. The London Borough of Barking and Dagenham has and will continue to seek to understand the most effective interventions for our residents in the light of significant welfare reform.

2.9 Work on the identification for the cohorts will be through the Welfare Reform Groups alongside BandD Together. The pilots would seek to develop a more sustainable model for Barking and Dagenham residents going into 2016-17.

2.10 The budget remaining from the additional revenue support that can be utilised is approximately £150,000 - £180,000. This will only be confirmed when the Local Emergency Support ends in September, however the minimum budget available will be £150,000.

There has been a lack of consultation regarding the quality of the current provision and no consultation in relation to any new provision.

2.11 This is not a debate about the quality of current provision, and therefore no consultation on this point is necessary to inform the decision. The quality of the service provision by the current providers, Harmony House (and the Citizen’s Advice
Bureau’s sub-contract), has not been brought into question. Through the contract monitoring and performance management process we have assured the providers that we have been content with how the service has been delivered in Barking and Dagenham and there is no criticism implied within this process. The decision not continue with the service once the contract comes to an end on 30 September was centred on whether the model of the actual service was the right one for the London Borough of Barking and Dagenham.

2.12 There has been ongoing consultation on the welfare reform and the impact of the changes through the Strategic and Local Welfare Reform groups and BanD Together. The LESS providers, Harmony House and the Citizen’s Advice Bureau, have attended both the Local Welfare Reform Group and BandD Together as standing partners. Partners have been aware of on-going policy developments and have been given opportunity to feedback on this, particularly in view of the changing landscape for welfare reform, and will continue to do so through the Comprehensive Spending Review in November and into the challenging years ahead.

2.13 As outlined above the proposed pilot projects will be shaped by the intelligence we have with our partners around welfare reform, as well as national research evidence and policy advice, and the voluntary sector will have the opportunity to contribute to the rollout of the pilot schemes. It is proposed that the pilot schemes will be evaluated independently so that the learning can shape future initiatives going forward.

The lack of research and consultation as outlined above raises issues relating to point B (re consultation and advice)

2.14 An Equalities Impact Assessment was conducted to advise and consider the impact of a reduced fund for emergency support, however it is not possible to fully mitigate the impact of budget reductions for residents in the ongoing environment of Local Government budget reductions and the EIA acknowledges this. The Council will continue to fund other facets of emergency support, e.g. Discretionary Housing Payments and Section 17 funding for families with children in need. It is the case that the assessment of equality impact in the February and June reports are substantially the same, and the decision to cease rather than maintain a reduced fund does not require a substantially changed equality analysis. The Equalities Impact Assessment clearly sets out the negative impacts created by the reduction and cessation of the LESS represents an extension of these same impacts. The purpose of the revised model targeting specific cohorts is to seek to enable those most in need to access services, together with looking for better ways of working across all welfare streams. However, the nature of the interventions from the new pilots will be different.

2.15 Again, it should be emphasised that consultations have been taken into account through a considered process and advice has been sought before any recommendations have been made. On 29 April the Council ran a Welfare and Advice Mapping Workshop and invited all its partners. At that workshop the idea of running pilots around small cohorts, e.g. single homeless, families at risk, and those particularly affected by welfare reform, was raised by various partners.
Appendix F

The potential disadvantages to a strata of people in poor and desperate positions raise issues relating to human rights in point C (re- respect for human rights).

2.16 The cessation of this service is not a question of diminishing peoples' human rights, but how best to support residents in challenging times. Whilst it is regrettable that sources of local support for vulnerable residents are being reduced, there remains in place a comprehensive national social security system which provides minimum entitlement levels and thereby upholds basic human rights.

2.17 The model currently being delivered has perhaps created a degree of dependence for residents facing financial hardship, with a level of repeat presentations and, fundamentally, the response to crisis placed ahead of the longer-term response to people's social circumstances and their personal capacities and resilience. New initiatives will aim to promote dignity for residents; and foster self-reliance and empowerment. The Council will retain other emergency support services (DHP, Section 17), thus providing the statutorily-mandated safety net. It is also investing in information technology such as 'BanD Together Routemaster', a new on-line signposting tool, which will seek to support all those who are entitled to benefits in receiving the requisite information to claim them. It will also open up access to debt advice, employment training, money management courses, and practical support (including food banks) for people who meet the eligibility criteria for these services.

Because of the lack of consultation and inadequate research issues of openness arise as listed in point D (a presumption in favour of openness).

2.18 As mentioned, the Strategic Welfare Reform Group has been an open forum on welfare reform more widely to consult with service providers and voluntary and community groups. This report was requested by Cabinet on the 16 February 2015. Within wholly transparent timescales officers have consulted with partners and local authority staff to consider the impact of the changes to the service.

2.19 A workshop on welfare reform was convened on 29 April to look at mapping the existing support and relationships. The Strategic Welfare Reform Group will again be considering the wider impact of the different schemes administered by the Council and the wider challenges faced by residents, and it will report in due course on the strategic direction for Barking and Dagenham in regard to this. It will retain its open consultation policy and consider all views from partners on how our most vulnerable residents can be supported.