

Wiltshire Council

Council

26 February 2013

Item 14 (8) - Questions from Councillors

From Councillor Chris Caswill, Chippenham Monkton Division

To

Councillor John Thomson, Deputy Leader and Cabinet Member for Adult Care, Communities and Housing

Question 13

Which stakeholders did the Council consult on its way to abandoning all emergency cash awards in its Local Welfare Provision replacement of the previous Social Fund Crisis Loans and Community Care Grants?

Given that there were over 2000 Crisis Loan awards of an average of £51 and 580 Community Care Grants averaging just under £600 made in just six months in 2011, and that the DWP award rates for these two schemes were 84% and 76% respectively does he accept that the Social Fund met a genuine need for the people of Wiltshire?

And if so, what is his response to those people who will genuinely need small cash advances in the future? Are they simply to be referred to pay day loan providers, charging extortionate rates of interest, and guaranteeing continuation of the poverty cycle?

Response

Consultation

- Consultation was limited due to the late announcement in confirming the sum of available for Local Welfare Provision the council would have to distribute and the late clarification as to what it could be used for. Aspects of the existing scheme will still be delivered by the Department of Work and Pensions.
- Consultation so far has included the CAB, Wiltshire money, disabled groups and Department of Work and Pensions and the council's Welfare Reform Forum
- Consultation, particularly with users and the voluntary sector will continue and we will learn from feedback as the scheme develops

Awards and cash payments

- The scheme has not been developed in isolation. A number of meetings have taken place between the council and The Department of Work and Pensions, who will be referring their customers to our scheme. They believe the current social fund scheme is not directed to those most in need and is wide open to abuse hence it's abolition.
- The Department of Work and Pensions is clear that we should not be trying to replicate the current scheme.
- The Department of Work and Pensions will continue to award cash advances to those who are awaiting income support and other welfare benefits (funeral grants for example) they administer.
- Community care grants have, in the past, predominately been used to provide goods, not cash – they are usually items of essential furniture to help set up home or for rent deposits.
- The focus of the new scheme is on immediate need, food, warmth, shelter. With a budget of £617,000, this is £50k less to spend than the Department of Work and Pensions spent in Wiltshire during 2011/12. We need to ensure that the fund is directed to alleviate crisis and the best way of doing this, in many cases is by referral to the voluntary sector.
- Unlike the Department of Work and Pensions the council will signpost people to other means of support and discretionary payment, such as discretionary housing payments, which are also administered by the council's benefits service.
- The interviewing facilities at County Hall and Milford Street, Snuff Street and Monkton Park are already causing concern in terms of staff safety. To ask staff to make cash awards will most certainly place them at increased risk.
- The guidance from the Department of Work and Pensions and the feedback we have received from our staff who were involved in the administration of the social fund confirmed our concerns. Cash awards could leave the scheme open to abuse and cause the misdirection of funds from those who genuinely need them.
- The verification process would need to be far stricter if we were to make cash awards, thereby delaying awards to many people in genuine need.
- Unlike the Department of Work and Pensions the council will monitor and record every application and award. We will quickly build

information to determine need and use this information to review our approach and our policies.