

CHANGES TO THE CAMBRIDGESHIRE LOCAL ASSISTANCE SCHEME ELIGIBILITY CRITERIA

To: **Cabinet**

Date: **15th April 2014**

From: **Executive Director: Children, Families and Adults**

Electoral Divisions: **All**

Forward plan ref: **2014/033** *Key decision:* **Yes**

Purpose: **This paper recommends changes to the eligibility criteria to Cambridgeshire Local Assistance Scheme (CLAS) as well as providing a brief overview of current issues and progress.**

Recommendation: **The changes to the eligibility criteria set out in paragraph 2 are agreed to take immediate effect.**

<i>Officer contact:</i>		<i>Member contact:</i>	
Name:	Simon Willson	Name:	Councillor Fred Yeulett
Post:	Head of Performance Management and Quality Assurance, CFA	Portfolio:	Adult Services
Email:	Simon.Willson@cambridgeshire.gov.uk	Email:	Fred.Yeulett@cambridgeshire.gov.uk
Tel:	01223 699162	Tel:	01223 699173

1. BACKGROUND

- 1.1 From 1st April 2013, following the abolition of the Department of Work and Pensions (DWP) Social Fund's Community Care Grants and Crisis Loans, the County Council took on the role of providing some local welfare assistance (known as the Cambridgeshire Local Assistance Scheme – CLAS).
- 1.2 The scheme does not replicate the DWP provision and it awards grants only, not loans. The scheme is aimed at some of the vulnerable groups that were able to apply for the discretionary elements of the old Social Fund.
- 1.3 The funds (£860,674) allocated by the Government to the County Council for the scheme were considerably less than were available under the DWP's previous Social Fund arrangements. Thus the scheme and the eligibility criteria were purposely designed to ensure that those who presented with genuine needs, and were particularly vulnerable, would be given priority access to grants from the scheme.
- 1.4 The eligibility criteria for the scheme were therefore designed to support these objectives. In broad terms, assistance would be given to people (aged 16 and over) who meet all of the following four factors:
- Live in Cambridgeshire (for one year);
 - Get a means-tested benefit or payment on account for one, or have evidence of very low income and capital;
 - Meet vulnerability criteria; and
 - Have a need within the scope of the fund that cannot be met from other forms of support.
- 1.5 From contacts with those engaged with the CLAS scheme, it appears to be operating well with an increase in activity and spend as the new arrangement beds in – see tables below:

Financial Summary

Month	Spent (£)
April 2013	6,971
May	8,220
June	14,099
July	25,080
August	20,343
Sept	20,637
October	52,733
November	48,541
December	37,743
January 2014	63,663
February	56,893
Total so far	£354,992
Budget	(£860,674)

Awards Summary

Type of award	No. Awards	%	Value
Food	106	5.6%	£4,005
White Goods	990	52.1%	£259,428
Furniture	339	17.8%	£43,137
Bedding	217	11.4%	£13,882
Clothing	218	11.5%	£24,708
Other Assistance	32	1.7%	£9,762
Totals	1,902	100%	354.992

- 1.6 All referrals for assistance must be submitted on behalf of the claimant by an authorised agent. These are largely drawn from statutory bodies (housing or social workers), housing associations/Registered Social Landlords or voluntary agencies such as Citizens Advice Bureaux. The number of authorised agents continues to grow and additional training sessions have been arranged for them.
- 1.7 Although the Government has confirmed that the funding for CLAS will remain for 2014/15, it is not clear what will happen from April 2015. The Government has also indicated that for 2014/15 it may claw back any underspends. Recent meetings and contacts with colleagues from other authorities in the region and nationally suggest that many, but not all, are under spending the budget allocated by DWP. A consideration here is that the DWP funding was not ring-fenced for a direct replacement to its Social Fund and the Council can show that many funded activities also contribute to the alleviation of immediate distress.
- 1.8 As agreed by the Cabinet, a review of the scheme after one year of operation is currently being undertaken. This will seek the views of all the main stakeholders, including authorised agents, the scheme operator (Charis Grants) and other interested parties.
- 1.9 This report recommends changes to the eligibility criteria to take effect from the beginning of the second year of the scheme. This is being put forward ahead of the review in order that the changes make best use of the funds made available by DWP and to coincide with the start of the new financial year.
- 1.10 An independent review of the scheme has been undertaken by the Children's Society, who were positive about many aspects of the scheme but felt that the 'working poor' should not be excluded from the scheme and that the age limit for dependent children should be raised from 16 to 19.

2. MAIN ISSUE - PROPOSED CHANGES TO THE ELIGIBILITY CRITERIA

- 2.1 Following reviews by the Children's Society and by the CFA Management Team, officers have explored further 'loosening' of the eligibility criteria and the following recommendations are now made:

Emergency Utility Credit

- 2.2 This would only cover gas and electricity. The proposal is to offer a flat rate amount to cover dual fuel for a client to provide enough fuel to cover 7 days. Based on average household bills the recommended award amounts would be as follows:

- Individual - £28
- Family - £45.

- 2.3 The client would have to advise on usage when applying, to ensure that the best split for gas/electricity is achieved in terms of credit to be provided. If a client is, for whatever reason, only seeking top-up for one type of fuel then it is recommended that we should still retain the above awards limits as a guide, rather than halve the amount, as it may be the main source of energy for the household.
- 2.4 It is difficult to forecast demand for this service with any precision as we are not sure as an authority that we capture these requests in any coherent way. We have spoken to North Yorkshire, who have just introduced utility payments, and they are estimating up to as many as 45 calls per month for assistance, but do not believe everyone who calls will qualify under their scheme. Based on these assumptions we are planning a monthly spend of £2,250 which is well within the resources of the current fund.
- 2.5 In order to make the payments we need to access PayPoint and these costs are as follows: £1,325 one-off and an annual fee of £1,200. Given the under spend on the contract price, these charges seem acceptable.

People on low incomes

- 2.6 It is proposed that those with low incomes and without savings should be allowed to access the scheme. The current scheme gives help to low income people who are in receipt of certain means tested benefits - for working age people these are Income support, income based Jobseekers Allowance and income related Employment and Support Allowance - i.e. benefits for people who do not work full time. A recent report from Joseph Rowntree Foundation said that more than half of the working age people in poverty were in full time work. The Children's Society are also of the view that those low incomes should be able to access funds set aside for welfare assistance.
- 2.7 The eligibility criteria would be amended to read: *People receiving a means-tested benefit with NO savings OR have a household income below the current HMRC low income threshold (for 2013/14 = £15,910) and NO savings. Applicants will be required to produce evidence to support their claim.*

Other Changes

- 2.8 It also is proposed to amend the scheme in other ways:
- Remove the restriction on the number of items available from 3 to 5 per single award. The three items rule was a cautious step in response to the reduction in funding from central Government. The restriction is particularly hard for those re-establishing themselves in a new home. There have been a small number of incidents where this restriction has caused problems. The financial cost of this is hard to calculate but it is not likely to be considerable.
 - Increase the age limit for dependent children who can be included in a claim from 16 to 19. No application has been turned down on this basis nor do we

know if anyone has been deterred from applying because of this restriction. The cost implication is likely to be small.

- Relax the 12 months residency requirement to 6 months. Again this was introduced in response to the concern over the reduction in funding. It is likely that some people have been deterred from applying because of this criterion but we have no data to substantiate this. There are likely to be more applications as result of changing this criterion.
- In the past few months we have had representations from the Military Covenant Board who were concerned that the residence qualification could discriminate against people leaving the armed forces after service who needed assistance to 're-settle' back into the county. The proposal is to amend the criteria to state that time spent in the armed forces could count as residence in the county. The inference here is people have had, and continue to have, a connection with the county.

2.9 To accommodate these changes we have applied a 10% uplift to the budget – see section 4.

3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING

3.1 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives

Emergency assistance provided through CLAS is an important measure to ensure vulnerable people or families facing crisis are able to resume safe, independent living.

3.3 Supporting and protecting vulnerable people

Emergency assistance provided through CLAS is an important measure to ensure vulnerable people or families facing crisis are able to resume safe, independent living.

3.4 Ways of working

There are no significant implications for this priority

4. SIGNIFICANT IMPLICATIONS

4.1 Resource and Performance Implications

Financial:

2013/14

The original budget for CLAS was as follows:

Administration:	£182,000
Awards:	£861,000

Between the design of the scheme, the eligibility criteria changes from the DWP scheme and the short timescale given to set up the scheme and the emerging spend profile for 2013/14, it has been hard to say how much the scheme would cost. There is however a clear upward trend in successful claims. The slow start in 2013 was perhaps inevitable given the change from a DWP to a County Council administered scheme and the need to train a large number of staff in both statutory and voluntary agencies to take on the role of agents to check and process applications.

The CLAS budget for 2013-14 is predicted to underspend by £450k. However, the Council will need to safeguard provision in case the DWP pursue the threat of claw back on any underspend – although this would of course occur in a later financial year.

2014/15

The total budget for 2014/15 has been reduced by £300k:

Administration:	£117,000
Awards:	£631,382

Taking account of the proposed eligibility changes and a more consistent spread of applications to scheme throughout the year, the budget may come under some pressure in 2014/15. However, the design of the scheme does allow us to apply a 'sliding scale of need' to help control costs. If this is used, it effectively means there may be points throughout the year when people are excluded from the scheme.

Performance:

The performance of the scheme is summarised in paragraph 1.6 above. A more detailed assessment will form part of the 12-month review of CLAS currently being undertaken.

4.2 Statutory, Risk and Legal Implications

Before the scheme was established, there were fears that the County Council would suffer reputational risk if vulnerable people or families were left unsupported. Feedback suggests that the CLAS scheme has, in fact, proved a valuable lifeline.

4.3 Equality and Diversity Implications

The CLAS scheme is targeted at the most vulnerable so can particularly help those with disabilities and women recovering from domestic violence.

4.4 Engagement and Consultation Implications

There are no significant implications.

4.5 Public Health Implications

The provision of emergency assistance for food, white goods and bedding helps ensure people are able to maintain healthy lives and helps them avoid developing long-term health conditions. The recommendation to provide emergency utility

credit also ensures people can keep warm and eat whilst longer term solutions are found to pay for their energy needs.

Source Documents	Location
CLAS Activity Reports	Room C015, Castle Court