

LETTER SENT TO LOCAL MPS ON CHANGES IN WELFARE FUND FUNDING

Dear MPs

Local Welfare Provision

I write to you as MP with constituents in the London Borough of Bromley requesting you raise concerns on behalf of Bromley's residents with the appropriate Minister(s) the Authority's disappointment at funding being removed for the Councils Welfare Fund from 2016/17.

As part of the Government's welfare reforms, the Council's Welfare Fund replaced the DWP's Community Care Grants and Crisis Loans. The responsibility for the provision of a Social Fund was transferred from the DWP with two year funding identified for 2013/14 and 2014/15. This new burden was funded through Government grant. The funding supported the Government's New Burden Doctrine which ensures that the new burdens placed on local authorities are "fully and properly funded".

The decision to axe the Department of Work and Pensions funding from 2015/16 was contained in the fine print of the local Government Finance Settlement, published just before Christmas.

The £172m fund (Bromley 2014/15 - £819,535 programme + £158,732 admin) which was previously administered by DWP was transferred to local authorities from April 2013 as part of the government's welfare reforms. The reason provided for the transfer of responsibility was that LA's were in the best position to determine local needs and priorities. At that time there was no suggestion that future funding would be withdrawn and Local Authorities would be expected to meet future costs.

It is a concern that the latest decision to withdraw the Community Care Grants has taken place without discussion or consideration for the consequences and appears to be a case of a Government department making savings on the basis that Local Authority will cover the cost. Therefore effectively the new burden is not being adequately funded. I am sure you will appreciate the removal of funding does not take away the demand; neither does it free the Authority of its statutory responsibilities but more importantly in many ways, its duty of care to its residents.

Bromley is facing a significant increase in homelessness with the combined effect of welfare reform and a buoyant private rented sector which limits availability of accommodation to benefit claimants (additional cost of homelessness of £4.8m per annum from 2017/18 compared with the Council's 2013/14 Budget). In Bromley, the largest area of expenditure from this grant is the provision of essential equipment to those being provided with accommodation following periods in temporary accommodation, hospital or prison. Many of these individuals are highly vulnerable and the Council is required to ensure that the accommodation is "suitable and habitable". To fulfil these criteria the accommodation is required to have items such as a fridge, cooker and bed. Delay or non-provision of these items can result in families and vulnerable people spending an extended period in temporary accommodation or hospital incurring additional Government welfare expenditure.

It should also be noted that the removal of funding will have a consequential impact on those for whom we provide social care and assist in maintaining their place in the community.

As you will see from the earlier paragraph, removal of this provision would bring about an increase in Government welfare expenditure (DCLG, DWP & NHS); however the Authority cannot effectively continue to meet this need without central Government funding.

In conclusion, I would like to reiterate my request that you express my concerns and help seek a review of this decision.

Yours sincerely

Stephen Carr
Leader of Bromley Council

Your ref: BS/KA/LI-14

Bob Stewart DSO MP
House of Commons

Our ref: POS(3)11167/46

25 February 2014

Dear Bob,

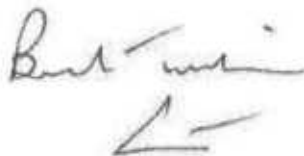
Thank you for your letter of 21 January to the Secretary of State on behalf of Councillor Stephen Carr, Leader of the Council of London Borough of Bromley about the reform of the Social Fund. I am replying as Minister with responsibility for this area of the Department's work.

Parts of the poorly targeted and remotely operated Social Fund, Community Care Grants and Crisis Loans were abolished from April 2013. Funding was provided for the remainder of the current Spending Review period, up to 2015, for English local authorities and the devolved administrations in Scotland and Wales to provide a different kind of local support for their vulnerable citizens. Councils in England and the Scottish and Welsh Governments had complete freedom on how they used this funding to meet the intended aim, but the Government expectation was they would align it with their existing strategies and duties.

On the basis of experience on the ground since support was localised, the Government believes that it makes most sense for councils in England to choose how much funding to allocate to these services in their areas in future – according to local priorities and needs – and how to provide such support. So from 2015/16, when councils have become accustomed to and mainstreamed their new responsibilities, such support will be funded from within their general fund.

Councils are the best judge of needs and priorities within their areas, so it is right for them to choose how much funding to allocate to these services and how to provide such support. The Department for Communities and Local Government is responsible for this general fund.

I hope that this reply is helpful.



STEVE WEBB MP
MINISTER OF STATE FOR WORK AND PENSIONS

GENERIC EQUALITY IMPACT ASSESSMENT FORM

Stage 1 – screening to establish if the function has any relevance to any equality issue and/or monitored group i.e.

- Could the function affect one or more equality group in a different way to another group?
- Establish whether different equality groups have different needs
- Establish whether the function contributes to or hinders equality of opportunity

1a	<p>Please give a brief description of the function and its purpose*</p> <p>Cessation of the Bromley Welfare Fund a scheme set up in April 2013 to provide grants for those entering the community and granting financial assistance to those in crisis. Replacement with a fund solely providing assistance to those moving into a permanent address following a period in an institution or nightly paid accommodation.</p>		
1b	<p>How would you classify the function type?</p> <p>The service is provided on the basis of an application</p>		
1c	<p>Is the function accessible for all groups? Either tick the box 'Accessible to all groups' and provide relevant evidence OR tick the box for each group to whom the function is not accessible or for whom there may be needs or considerations to accommodate.</p> <table border="1" data-bbox="204 954 1439 1323"> <tr> <td data-bbox="204 954 842 1323"> <input checked="" type="checkbox"/> Accessible for all groups <input type="checkbox"/> Age <input type="checkbox"/> Disability <input type="checkbox"/> Gender <input type="checkbox"/> Marriage & civil partnership </td> <td data-bbox="842 954 1439 1323"> <input type="checkbox"/> Pregnancy & maternity <input type="checkbox"/> Race <input type="checkbox"/> Religion & belief <input type="checkbox"/> Transgender or Transsexual </td> </tr> </table>	<input checked="" type="checkbox"/> Accessible for all groups <input type="checkbox"/> Age <input type="checkbox"/> Disability <input type="checkbox"/> Gender <input type="checkbox"/> Marriage & civil partnership	<input type="checkbox"/> Pregnancy & maternity <input type="checkbox"/> Race <input type="checkbox"/> Religion & belief <input type="checkbox"/> Transgender or Transsexual
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1d	<p>Is it likely that there will be a negative impact on one or more of the equality groups, or is it clear at this stage that it will be equality neutral? (No negative impact on the groups) Please tick in the box equality neutral OR tick the box for the group(s) that will suffer a negative impact. If you have ticked the box 'equality neutral' please provide evidence.</p> <table border="1" data-bbox="204 1503 1439 1877"> <tr> <td data-bbox="204 1503 842 1877"> <input type="checkbox"/> Equality neutral <input type="checkbox"/> Age <input checked="" type="checkbox"/> Disability <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Marriage & civil partnership </td> <td data-bbox="842 1503 1439 1877"> <input checked="" type="checkbox"/> Pregnancy & maternity <input checked="" type="checkbox"/> Race <input type="checkbox"/> Religion & belief <input type="checkbox"/> Transgender or Transsexual </td> </tr> </table> <p>If you consider that the impact is Equality Neutral then go to question 1h Otherwise go to question 1e</p>	<input type="checkbox"/> Equality neutral <input type="checkbox"/> Age <input checked="" type="checkbox"/> Disability <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Marriage & civil partnership	<input checked="" type="checkbox"/> Pregnancy & maternity <input checked="" type="checkbox"/> Race <input type="checkbox"/> Religion & belief <input type="checkbox"/> Transgender or Transsexual
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2b	<p>Have complaints or feedback been received about the function and its effect on different equality groups?</p> <p><input type="checkbox"/> yes X no <input type="checkbox"/> Don't know</p>
	<p>Provide evidence by documenting all reliable up to date information.</p> <p>Views have not been obtained regarding the proposed scheme. However, monitoring information has been collected in respect of the current scheme and that is reported later in this assessment.</p>
2c	<p>Outsourced services - if the function is provided by external organisations/agencies on behalf of the Council please detail any arrangements you have to ensure that the function promotes equality; this may include contract conditions.</p>
	<p>Provide evidence by documenting all reliable up to date information.</p> <p>The current scheme is outsourced; however that contract expires on the 31 March 2015. It is planned that the scheme to be introduced the following month will be administered in-house</p> <p>The proposal would be to integrate the assessment and administration of the fund within the homelessness and move-on services to ensure fast assessment prioritised to meet the Council's statutory rehousing duties.</p> <p>It is further proposed to explore the potential to outsource the direct provision of essential items in set prices and items supplied.</p>
2d	<p>Does the function have employment implications for Council staff</p> <p>X yes <input type="checkbox"/> no <input type="checkbox"/> Don't know</p>
	<p>The current externally administered scheme is monitored by the Welfare Reform Manager whose secondment into this position is due to end on the 1 April 2015. The new scheme will be administered by officers of ECHS with no decision made as yet with regard to staffing arrangements.</p>
2e	<p>If you have established that the function does have an adverse impact on one or more of the groups, then you must identify whether this is justifiable. If not, then the function must be changed. Please set out the adverse impact and the business justification for continuing with this situation.</p> <p>The groups indicated will be adversely impacted by their higher level of usage of the current scheme. The changes have been necessitated by the removal of Government funding, the proposed scheme will in itself place a significant burden on the Authority.</p>
2f	<p>Monitoring – give details of any monitoring being carried out on existing functions.</p> <p>The revised scheme will be monitored in respect of awards, refusals and complaints. This will take a similar form to that currently undertaken.</p>
2f (i)	<p>If this is a new function, or not currently monitored, are you planning to monitor the impact of the function</p> <p>X yes <input type="checkbox"/> no <input type="checkbox"/> Don't know</p> <p>If yes add details to action plan</p> <p>If no please explain why it is not considered appropriate to do so.</p> <p>See above response</p>

Appendix 2

Stage 3 - GENERIC EQUALITY IMPACT ASSESSMENT ACTION PLAN please list actions that you plan to take as a result of this assessment, continuing on a separate sheet if necessary. If appropriate these actions should be added to any business/service plan for the function.

Issue	Action to be undertaken	Desired outcome	Action owner	Target date
Potential for increased debt/call on social care or risk to families through non-provision of essential items for those excluded from the revised scheme	Meetings/discussions with range of potential providers for those no longer eligible. Including housing associations, credit unions etc. to	Increased Access to a range of support and savings plans to enable those not eligible to plan, save and access funds for essential living items	AD Housing Needs	Quarters 2 & 3 2014/15 prior to commencement of the revised scheme
Lack of understanding for vulnerable groups no longer eligible under the scheme	Compile directory of potential funding sources and guidance.	Those not eligible are able to access support, advice and guidance to reduce potential of increased debt, payday loans and additional calls on social care	C&D manager – welfare reform lead – housing needs	Q4 2014/15 – directory to be widely available through agencies, website and so forth
Delayed move-on and further silting up of vulnerable clients in temporary accommodation.	Clear policy and process for assessing welfare fund requirements alongside homelessness and move-on processes to negate undue delays	Statutory housing cases are able to access welfare fund for essential items at time of move-on	AD housing needs	In place prior to start of new scheme – march 2015
Potential delays in accessing essential items and inconsistencies arising from clients ability to access independently	Commission provision of standard essential item packs to be delivered directly	Applicants receive timely good quality packs. The local authority are able to plan costs and monitor consistency		In place by April 2015