

**Manchester City Council
Report for Resolution**

Report to: Executive – 18 December 2013
Subject: Local Welfare Scheme Changes
Report of: City Treasurer

Summary

This report proposes an extension to the Welfare Provision Scheme for 2013/14 that was agreed by the Executive in January 2013.

The proposal provides £100,000 to provide specific support to vulnerable residents to deal with extreme circumstances of fuel poverty.

Recommendations

Executive is recommended to:

Extend, as a pilot, the current Scheme for Local Welfare Provision with a further £100,000 of funding in respect of the second area of need (support to stay within the home), with such funding being used to provide additional support to vulnerable residents to deal with extreme circumstances of fuel poverty.

Approve the distribution of the additional funding by way of a cash grant to specific vulnerable groups (as detailed in section four of this report) should they find themselves in extreme fuel poverty in that they are unable to afford immediate heating costs during the winter months or if they have been disconnected.

Note that when any such payments are made that the claimant will be directed to other support that may be available ensuring that they are receiving any universal and discretionary support from both the DWP and fuel providers and ensuring that advice about supplier switching and the best deal is discussed.

.Wards Affected: All

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The level of spend to date against the budget set aside for Welfare provision means that a further £100,000 could be released to support this scheme and the forecasted budget profile would still be under spent.

Although the Council is proposing to use the budget under spend to fund other areas including supporting the overspend budget for section 21 awards – no recourse to public funds, this amount is still affordable and these payments could provide an emergency short terms support for some of the most vulnerable households in the city during the winter months.

Financial Consequences – Capital

None

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to four years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Local Welfare Scheme report to Health Scrutiny December 2012 and Executive January 2013

1. Introduction and background

The Council's Welfare Provision scheme has been operational since 2 April 2013. The new scheme replaced the DWP Community Care Grants and Crisis Loan schemes which were abolished at the end of March 2013.

The Council's set up, programme and administrative funding is:

Funding / Year	2012/13	2013/14	2014/15 (Indicative)
Set Up Funding	£27,219		
Programme Funding		£2,721,885	£2,721,885
Administrative Funding		£575,155	£527,191
Total	£27,219	£3,297,040	£3,249,076

The scheme was designed to be able to manage demand and spend as other than the value and number of previous awards there was no detail in respect of repeat or duplicate awards and case details.

The scheme was set up and agreed with the intention that it would be reviewed as take up, impact and customer reaction was monitored and evaluated and to take into account future funding levels agreed by government (funding has only been guaranteed for two years - 2013/14 and 2014/15). It should also be noted that at the time of writing this report funding for 2014/15 has still not been confirmed by the DWP.

2. Details of the current Scheme

The Welfare Provision Scheme provides financial support to Manchester residents who are suffering financial hardship.

The Welfare Provision Scheme supports residents with three broad areas of need or circumstances:

- (a) Residents being re-housed/resettled into new accommodation due to fear of violence, significant health/care needs, following a disaster or emergency, or as part of a supported resettlement programme; or
- (b) Residents requiring support to stay within their home and maintain independent living, with significant and enduring medical/care/support needs; or
- (c) Residents requiring immediate financial assistance following a crisis or an emergency.

To qualify for support applicants must be:

- 16 or over; and
- A Manchester resident; where a resident lives in the area covered by the Council; or is moving into this area due to domestic violence or as part of a witness protection scheme.
- In receipt of or has claimed and likely to be entitled to*:
 - Income Support,

- Income Based Jobseeker's Allowance,
- Income Related Employment Support Allowance; or
- Guaranteed Pension Credit.
- Has no capital or savings.

*This is for people who may be moving due to domestic violence or as part of a witness protection scheme.

The scheme agreed by the Council offers support to residents accessing the scheme in the form of:

(i). Grants:

- Re-housing and resettlement support – Provision of minimum essential furniture items. In most cases this will be limited to the provision of beds, bedding packs (duvets, pillows, bed linen, a cooker, towels and a kitchen starter pack. In some cases (where health or family circumstances require) the Council also provides a fridge and a washing machine.
- Support to stay within their home – provision of essential furniture or equipment items;

(ii). Loans following a crisis or emergency – these are low value, low interest repayable loans that are delivered by the Manchester Credit Union and the South Manchester Credit Union.

The Council's scheme operates as an on line application process supported by a range of Council and partner organisations providing self service and supported service (67 venues across the city). We continue to work with partner agencies and provide briefings and awareness sessions. Special arrangements have been made with the Probation Service, prisons and for hospital residents.

Decisions are made by trained assessment officers with the majority of decisions and any follow up being progressed by phone. The system has a review process to ensure that decisions are made in the spirit of the Council's policy.

3. Proposal for further spend

When setting up the scheme the Council was intentionally cautious about the scope of the scheme. This was to ensure that the scheme met its objectives and that the budget could be sustained throughout the year.

After full consideration of the budget the proposal is to release a further £100,000 of funding to extend the second area of need (support to stay within the home), to pilot the provision of additional support to vulnerable residents to deal with extreme circumstances of fuel poverty.

This will be by the provision of a cash grant to specific vulnerable groups should they find themselves in extreme fuel poverty, in that they are unable to afford immediate heating costs during the winter months or if they have been disconnected.

It is proposed that this support will be provided by working with stakeholder groups who may be contacted by such residents in the course of their work, for example registered providers and advice agencies.

The cash grant will be linked into general advice about other support that is available and signposting to wider support including switching to a cheaper supplier or accessing discretionary grants supplied by the fuel companies.

Full details of other support that is available to help with fuel bills is attached as appendix one.

4. Eligibility criteria and payments

The pilot scheme would provide a one off non repayable grant of between £30 and £50 to support residents with an emergency fuel purchase or to avoid disconnection to residents.

Payments would normally be made to residents within the following groups:

In receipt of or has claimed and likely to be entitled to:

- Income Support, or
- Income Based Jobseeker's Allowance, or
- Income Related Employment Support Allowance; or
- Guaranteed Pension Credit. and
- Has no capital or savings.

And within the household there are:

- Children under 5; or
- A member of the family with a disability or serious health needs; or
- Over pension age ; or
- Other vulnerability issues for which each case would be considered on own merits.

The scheme would also allow a payment to be made in other circumstances based on the individual merits of the application and providing that the Council's officer is satisfied that the resident is in serious fuel poverty and is determined to be vulnerable.

Where possible the Council would look to ensure payments are made by topping up cards direct or making payments direct to the supplier to avoid disconnection.

The nature of the scheme means that the Council would not normally be able to make more than one payment to any one household.

5. Further Support

The Council's Communications Team have been contacted and they are working on bringing together the available support into one place on the Council's website so that residents will be able to find out what is available.

Although the DWP schemes (cold weather and winter fuel payments) are a universal offer based on agreed eligibility criteria for the support provider by the fuel providers it is a more complicated position.

There are more than 25 fuel providers operating within the city and although there is a general scheme offering a one of payment of £135 for residents over 75 in receipt of specific benefits, some providers provide offer support to working age residents based on their company's specific criteria.

All this detail will be available on the Council's website in the next couple of weeks. It is also intended to provide a briefing note to stakeholder agencies including registered providers, the Council's customer service staff and members. If approved this scheme would also be included in the briefing paper.

6. Conclusions

The level of fuel charges means that some residents may find themselves in extreme situations in the coming months. Although the Council is not able to provide a universal offer of support, it is able to make additional funds of £100,000 to respond and support vulnerable residents from extreme examples of fuel poverty.

7.0 Key Policies and Considerations

7.1 (a) Equal Opportunities

When developing the Welfare Scheme the Council undertook a comprehensive Equality Impact Assessment of the proposals. The assessment considered in detail what the impact the proposals could have on the protected characteristics: age, disability, gender reassignment, pregnancy, maternity, race, religion or belief, sex and sexual orientation.

This proposal does not change the original assessment and it still applies.

7.2 (b) Risk Management

The changes as proposed are being assessed and maintained in a risk register.

The main risks affecting the Council are financial risks. Given that the Council is within budget on the wider scheme and has put a specific amount aside for this particular scheme, the financial risk is low.

There is a wider concern that given the scale of fuel poverty and the impact of other welfare reform changes to scheme will be oversubscribed and the money that has been set aside will not last the winter.

7.3 (c) Legal Considerations

The legal considerations are contained within the report.

Appendix one- Other support that is available

Via the DWP

Cold Weather Payments	
Aim of scheme	To assist with additional heating costs. Paid to residents in receipt of specific benefits during periods of very cold weather.
Eligibility criteria	DWP will determine whether the temperature is low enough to trigger the scheme. Residents must be living in their own home and be in receipt of a qualifying benefit for at least one day during the period of cold weather. This includes Income Support (IS), income-based Jobseeker's Allowance (JSA) or income-related Employment and Support Allowance (ESA) and the following additional criteria: <ul style="list-style-type: none"> • IS or income-based JSA includes a disability, severe disability, enhanced disability, disabled child, pensioner or higher pensioner premium; or • income-related ESA applicable amount includes the pensioner premium, severe disability premium, enhanced disability premium, or the work-related activity or support component; or • Responsibility for a child under five; or • In receipt of Child Tax Credit which includes a disability or severe disability element.
What support is provided?	£25 for each week of cold weather between 1 November and 31 March.
Application process	The DWP will automatically pay it to people who qualify within 14 days of the cold period.
Winter Fuel Payments	
Aim of scheme	Annual payments to provide older people with help with fuel costs.
Eligibility criteria	Eligibility is residency and age related and is normally awarded to people who: <ul style="list-style-type: none"> • were born on or before 5 July 1951 (winter 2012 to 2013 - this date changes every year) • normally live in the UK throughout the week of 17 to 23 September 2012 There are some exceptions mainly relating to absence from home.
What support is provided?	The amount awarded depends on the circumstances of the recipient.

	Circumstances	Born on or before 5 July 1951	80 or over
	Qualifies and lives alone (or no other household members qualify)	£200	£300
	Qualifies and gets one of the benefits listed**	£200	£300
	Lives with someone under 80 who also qualifies	£100	£200
	Lives with someone 80 or over who also qualifies	£100	£150
	Qualifies and lives with partner or civil partner and they get one of the benefits listed***	Nil***	Nil***
	Qualifies but lives in a care home and don't get one of the benefits listed**	£100	£150
	<p>** Benefits: Pension Credit, income-based Jobseeker's Allowance , income-related Employment and Support Allowance</p> <p>*** Your partner getting the benefit will get the Winter Fuel Payment on your behalf</p> <p>Most payments are made automatically between November and December.</p>		
Application process	<p>A claim needs to be made by people who are not getting a social security benefit (or if only get Housing Benefit, Council Tax Support or Child Benefit). Only need to do this once to get paid every year.</p> <p>Download 'Winter Fuel Payment claim form – UK from Gov.uk website and send the form to the Winter Fuel Payment Team Department for Work and Pensions in Nottingham.</p>		

Support from Fuel providers

Warm Home Discount Scheme – from <https://www.gov.uk/the-warm-home-discount-scheme/what-youll-get>

Overview

For winter 2013 to 2014, you could get a £135 discount on your electricity bill* through the Warm Home Discount Scheme. The discount won't affect your Cold Weather Payment or Winter Fuel Payment.

The money isn't paid to you, it's a one-off discount on your electricity bill, usually between October and March.

Pre-pay or pay as you go meters - You can also qualify for the discount if you use a pre-pay or pay as you go electricity meters. Your electricity supplier can tell you how you'll get the discount if you're eligible. For example, a voucher you can use to top up your meter.

* (NB – this is misleading and 'ofgem' advice refers to gas as well as electricity when describing the Warm Front Discount Scheme - <https://www.ofgem.gov.uk/ofgem-publications/58947/warm-home-discount-supplier-guidance-version-2-2013.pdf>)

Eligibility

You qualify for the discount if on the 'qualifying day' (20 July 2013) your supplier was part of the scheme, your name (or your partner's) was on the bill and you were either: 75 or over and getting the Guarantee Credit element of Pension Credit (even if you get Savings Credit); or under 75 and only getting the Guarantee Credit element of Pension Credit (you won't qualify if you also get Savings Credit)

If you don't qualify -

Some suppliers offer the discount to vulnerable people (eg those on a low income). Each supplier has their own rules about who else (known as the 'broader group') can get this help.

Check with the supplier if you meet their rules for broader group help and how to apply for it

How to claim

If you qualify for the discount, you'll get a letter telling you one of the following:

- you don't have to apply for the discount – you'll get it automatically
- you must apply for the discount before the deadline – the letter will tell you why and how

Letters are sent between mid September 2013 and January 2014. Contact the helpline if your letter doesn't arrive by February 2014. The deadline to claim for winter 2013 to 2014 is 14 March 2014. Late claims won't be accepted.

If you have a general query regarding the scheme or think you may be eligible, call the Warm Home Discount Scheme helpline below.

Telephone 0845 6039439 Monday to Friday 8.30 am to 4.30pm

If you don't qualify for the discount you may be able to apply directly to the energy supplier for help.