

Agenda Item No.7 (i)

DERBYSHIRE COUNTY COUNCIL

CABINET

1 September 2015

Report of the Strategic Director for Adult Care

DERBYSHIRE DISCRETIONARY FUND ANNUAL REPORT 2014/15

ADULT SOCIAL CARE

1. Purpose of the Report

To present to Cabinet the 2014-15 Annual Report for the Derbyshire Discretionary Fund (DDF), its second year of operation.

2. Information and Analysis

The Derbyshire Discretionary Fund (DDF) was established in April 2013 to administer the funding provided to local councils by the Department for Work and Pensions for 'local welfare provision'. This was the result of the welfare reforms made by Government.

The DDF has been a key contribution by the Council to the Derbyshire Anti-Poverty Strategy 2014-2017 and supports some of our most vulnerable residents who are facing serious financial difficulty and unavoidable need.

The principle of replacing a national system with a local welfare provision was opposed by the Council. However because the DDF is better able to use local knowledge and organisational relationships, it provides a more joined up response to people and families facing financial hardship. The DDF is therefore proving to be better at providing assistance focused on longer term prevention than the national system it replaced.

Applications to the DDF in 2014-15 totalled 16,372 an increase of 2,628 over 2013-14. Applications continue to increase and it is anticipated that this trend will continue as a result of further changes to the national benefits system.

Two types of financial support are available through the DDF, namely small cash payments for food, heating, or emergency travel; or grant payments for

specified items to assist the applicant in their home situation, e.g. domestic appliances, beds and bedding, kitchen/dining equipment, rent in advance.

During the year 2014-15 the fund awarded a total of £1.018m in cash and grants. Details of the awards, the characteristics of applicants, plus district and borough application trends can be seen in the Annual Report document attached as Appendix 1.

3. Financial Considerations

The cost incurred of £1.018m in operating the fund were met from within the Discretionary Fund budget allocation.

4. Considerations

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

5. Background Papers

‘Proposal for the local administration of the Social Fund in Derbyshire – to be known as the Derbyshire Discretionary Fund’, DCC Cabinet report, November 2012.

6. Key Decision

No

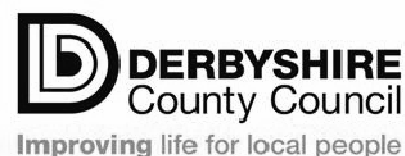
7. Call-in

No

8. Officer’s Recommendations

That Cabinet notes the 2014-15 Annual Report of the Derbyshire Discretionary Fund (DDF) in its second year of operation.

**Joy Hollister
Strategic Director – Adult Care
County Hall
MATLOCK**



Derbyshire Discretionary Fund

Annual report 2014/15



The Derbyshire Discretionary Fund (DDF) was established in April 2013 to administer the funding provided to local councils by the Department for Work and Pensions for 'local welfare provision'.

This report summarises the work of the fund, and in particular focusses on the essential financial assistance provided for local people in the second year of operation: April 2014 – March 2015.

1. Background and Overview

The Government policies of Welfare Reform included establishing 'local welfare provision' to be led by upper tier authorities from April 2013. From that date the Department for Work and Pensions (DWP) has not been providing Community Care Grants and Crisis Loans and instead signposts applicants to local provision. Some residual Crisis Loan function is retained by JobCentre Plus in the provision of 'Short Term Advances' and DWP Budgeting Loans are also still available.

In common with many other authorities, the Council sought to provide broadly equivalent support for the needs that had previously been met by the system of Community Care Grants and Crisis Loans. All councils had to set up their provision to be operational in a short space of time, and with limited data about previous demand and spending patterns. A better understanding of local needs and opportunities in Derbyshire has developed during the time the Derbyshire Discretionary Fund has been operational, and refinements to the scope of the scheme have been made along the way.

The principles under which the fund was set up include:

- Working to effectively signpost to preventative and alternative appropriate services to better assist applicants, and avoid repeated use;
- Not duplicating the role of other agencies/departments (e.g. DWP);
- Focusing on those facing greatest difficulty, and enabling a more flexible response to unavoidable need.
- Delivering a local response efficiently, and making use of local knowledge and connections to deliver a more joined-up approach than previous provision.

The Council has since led the Derbyshire Partnership Forum in work to draw together Derbyshire's Anti-Poverty Strategy (2014 – 2017). The strategy references the role of the Derbyshire Discretionary Fund in supporting some of the most vulnerable residents in the County, and ensuring continuation of the fund is referenced as a 'key action'.

“Young people with support needs (perhaps mild learning disabilities) are being disproportionately hit - their job seekers’ targets are often unrealistic and not understood by the young people. They are on very limited income and sanctions cause havoc plunging them further into debt; lack of food and potentially issues around maintaining their accommodation. The Derbyshire Discretionary Fund is their ‘safety net’.”

Adullum Homes Housing Association

1.1. Overview of the Derbyshire Discretionary Fund

The Derbyshire Discretionary Fund (DDF) provides two forms of grant payment – *Emergency Cash Payments* and *Exceptional Pressure Grants*.

1.1.1. Emergency Cash Payments

The scope of an Emergency Cash Payment is to assist individuals or households when there are insufficient resources to meet an urgent need for food, heating or travel expenses, which pose an immediate and substantial risk to the health and safety of the person(s).

Awards of Emergency Cash Payments are subject to a maximum limit, which is set at 75% of the single person rate of means tested benefit for claimants over 25 and under pension age (from 1.7.2014 this is £54) with an additional maximum amount for each family member of £10. There are no minimum limits.

Emergency Cash Payments are made to applicants using the Post Office ‘Payout’ provision in which a voucher code is sent to the applicant by text message, and which is “cashed” at the local Post Office for the value allocated to the voucher.

1.1.2. Exceptional Pressure Grants

The scope of an Exceptional Pressure Grant is to:

- help people to establish themselves in the community following a stay in institutional or residential accommodation, where care was provided; or
- help people to remain in the community rather than enter institutional or residential accommodation; or
- ease exceptional pressure on the applicant and their family; or

- help people setting up home as part of a resettlement programme following a period during which they have been without a settled way of life; or
- help with travel expenses in certain circumstances, e.g. to visit someone who is ill; attend a relative's funeral; ease a domestic crisis; or visit a child who is with the other parent pending a court decision.

Awards of Exceptional Pressure Grants vary according to the cost of the items or services for which the award is made.

Exceptional Pressure Grants are made to applicants through payments to local traders or trades people; payment to furniture re-use projects; or vouchers for purchasing items from shops (administered through the Family Fund Trust).

1.2. Developments to the scope of the DDF since it began

Evaluating the demand on the fund during its first year, the Council has revised some of the provisions to:

- increase the standard amount of an Emergency Cash Payment from 60% of the single person rate of means tested benefit for claimants over 25 and under pension age to the current level of 75%
- increase the maximum number of Emergency Cash Payments an applicant can have in a twelve month period from two to three
- increase the amount of savings/capital that are disregarded when applying for an Exceptional Pressure Grant from £500 to £1000
- introduce a 'benefit run-on' provision for Exceptional Pressure Grants to enable those who have stopped receiving a relevant benefit because they have recently started work, to be treated as though they were still on that benefit
- enable on-line applications to be made in addition to telephone applications. This is particularly useful to support and voluntary sector organisations who can assist the applicant to apply on-line.

2. Operational Review – year two 2014/15

2.1. Applications

One application can lead to both an Emergency Cash Payment and an Exceptional Pressure Grant assessment.

Over the first year (2013/14) 13,744 applications were made to the fund – with monthly volumes increasing steadily, but with peaks in January and March.

The applications data for year two shows that trend continuing as the number of applications continues to rise and with a 'spike' in January.

The total number of applications in 2014/15 was 16,372.

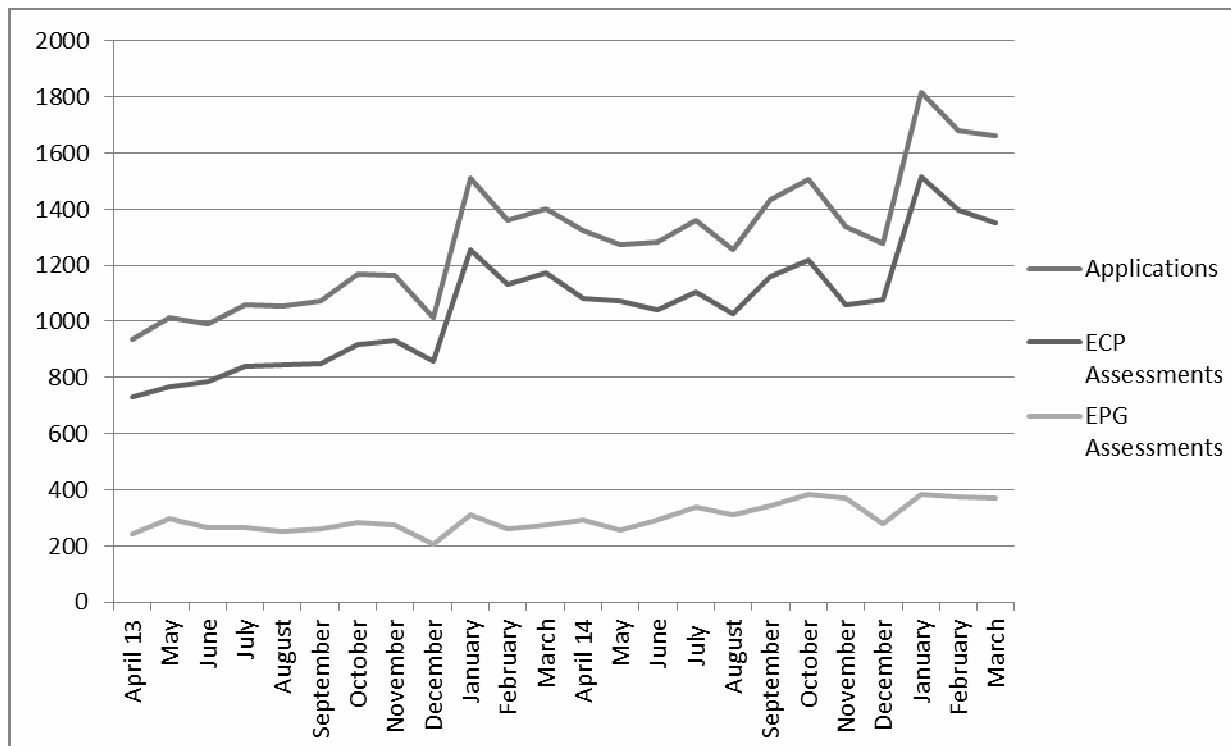


Fig 2.1

2.2. Awards of Emergency Cash Payments

Emergency Cash Payments can be awarded for food, heating, or emergency travel. One applicant can be awarded for more than one purpose – an award for both food and heating for example.

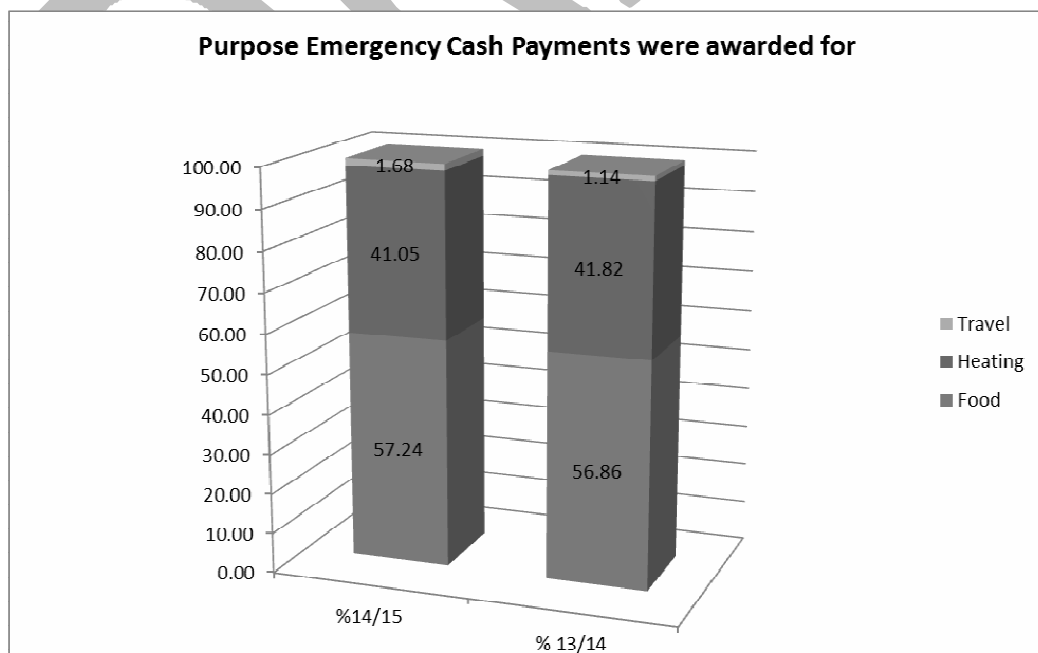


Fig 2.2.1

Over the year 2014/15 **72.04%** of applications for Emergency Cash Payments were awarded a payment. The equivalent figure in 2013/14 was 75.65%.

Case example (1) ECP award:

The applicant – a single male – had been on Jobseeker's Allowance until he had to have an operation on his foot. His JSA claim was ceased on 24th April. On 12th May he contacted the DDF as he had made a claim for Employment and Support Allowance but had no money left for food and heating. He had been told by the JobCentre he would not get any Employment and Support Allowance until 22nd May. An Emergency Cash Payment was awarded.

Case example (2) ECP award:

The applicant was 67 and one of a recently retired couple. His wife received Personal Independence Payment because of her disability. When the applicant retired he claimed State Pension and Pension Credit. The couple still had a substantial mortgage and were seeing a solicitor about possible mis-selling. The DWP suspended the Pension Credit (including the help towards the mortgage) when his ex-employer paid him an additional retirement bonus which they thought showed he was still working. The applicant appealed and the matter was resolved, but meanwhile three Emergency Cash Payments were paid to help with food and heating.

The reasons that Emergency Cash Payment awards were not made in the remaining cases are as follows:

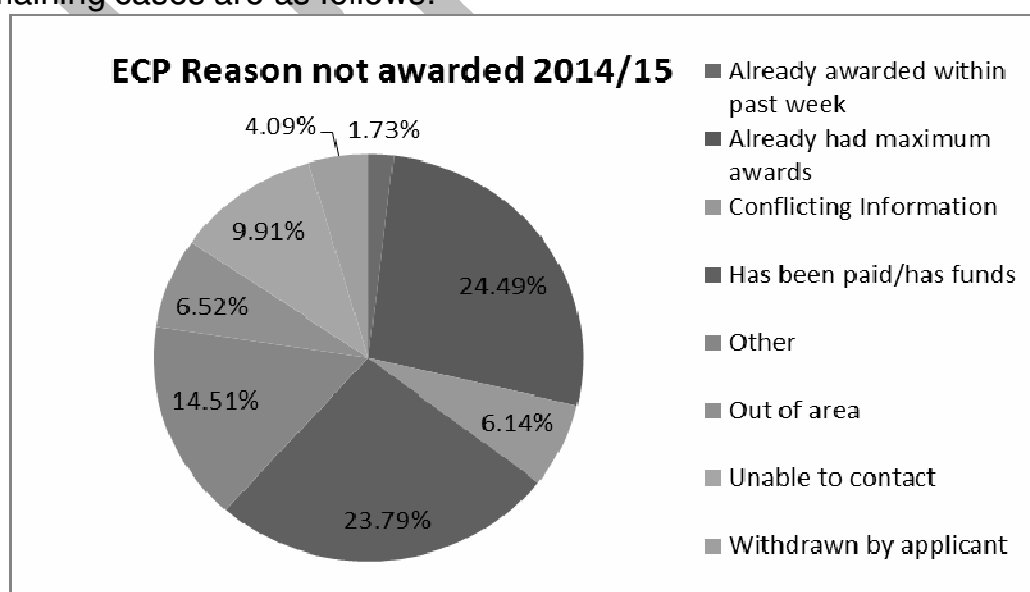


Fig 2.2 2

“Escape supports many vulnerable clients in the Derbyshire Dales. The provision of the Derbyshire Discretionary Fund is vital to the support of those in need, towards giving them a chance to be able to make changes/improve their quality of life.”

Escape Project – Derbyshire Dales CVS

62% of the DDF applicants surveyed in May/June 2014 had heard about the DDF through a worker or agencies such as JobCentre Plus.

2.3. Awards of Exceptional Pressure Grants

Exceptional Pressure Grants can be awarded for a wide range of items or services that will assist the applicant in their situation. For the purposes of monitoring the fund these are clustered into common items or themes. The items an award was made for in 2014/15 are:

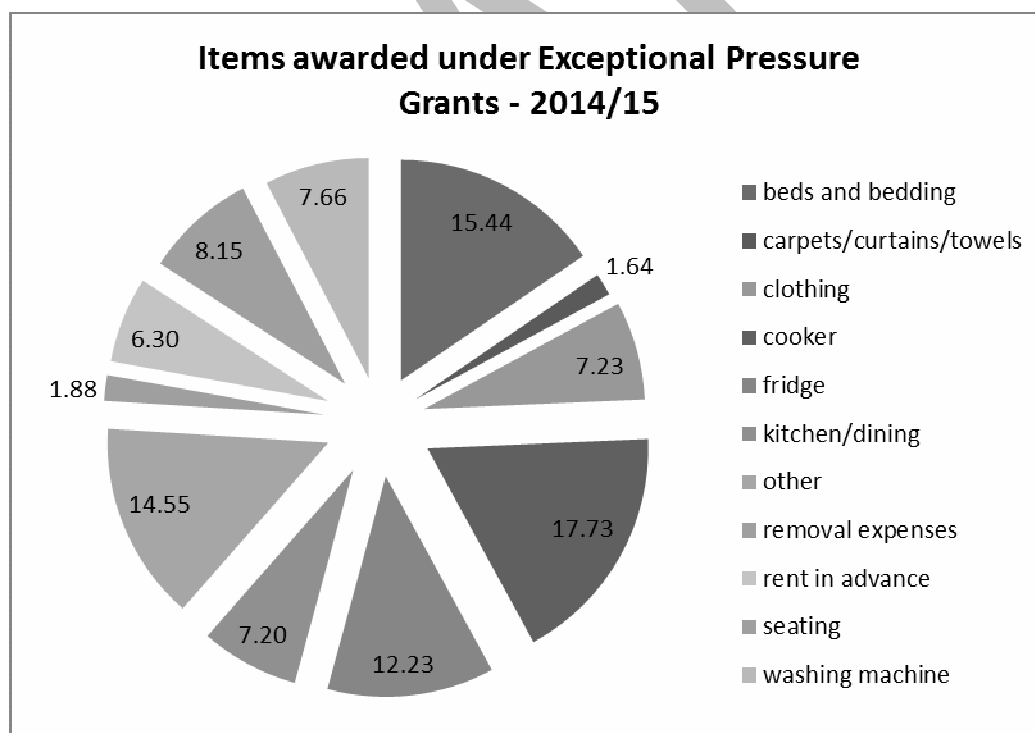


Fig 2.3

Over the year 2014/15 31.28% of the applications for an Exceptional Pressure Grant were closed before consideration of the ‘exceptional pressure’ for one of four reasons - the applicant did not respond to contact from the assessment team; the applicant withdrew; the applicant was not on a relevant benefit; or the applicant did not meet the ‘resident in Derbyshire’ criteria.

Of the remaining applications assessed **57.96%** were awarded a payment. The equivalent figure in 2013/14 was 44.34%.

Case example (3) EPG award:

The applicant was aged 70. She had a level access shower installed in 2009 but had no on-going Social Care input. The Welfare Rights Service had supported her in 2010 to gain Disability Living Allowance, and she was in receipt of Pension Credit.

The applicant had heard of DDF by word of mouth and had applied for a bed and mattress as hers had springs poking through. She also applied for a living room carpet as, because of her illness, she was very shaky and has split many things on the carpet. The carpet now posed a hazard to her.

An Exceptional Pressure Grant was awarded for a new mattress and floor covering for the lounge to maintain safety at home

Case example (4) ECP and EPG awards:

The applicants were young couple with a nine week old baby. They had been housed in temporary accommodation having been homeless. They had received a payment of Child Benefit and expected Child Tax Credit.

Jobseeker's Allowance was not yet in payment although the couple had made their claim and signed their Jobseeker's Agreement. They had run out of money and had nothing to buy any nappies or baby milk. As they had no fridge to keep food fresh, the family had to purchase items daily.

Despite contact with the JobCentre to claim, and to sign their Jobseeker's Agreement the couple had no information about Short Term Benefit Advances (STA). An Emergency Cash Payment was awarded and also advice given about how to access an STA.

Contact was maintained with the family whilst their housing situation was resolved, and an Exceptional Pressure Grant was also awarded to support the family with a fridge, cooker and washing machine.

3. Additional perspectives from the data monitoring

3.1. Characteristics of applicants

Monitoring of the “household make-up” of those applying to the DDF undertaken each month between October 2014 and March 2015 shows that between 20 – 26% of applications come from household that contain children. Over the same period single people represented between 52 – 57% of applicants.

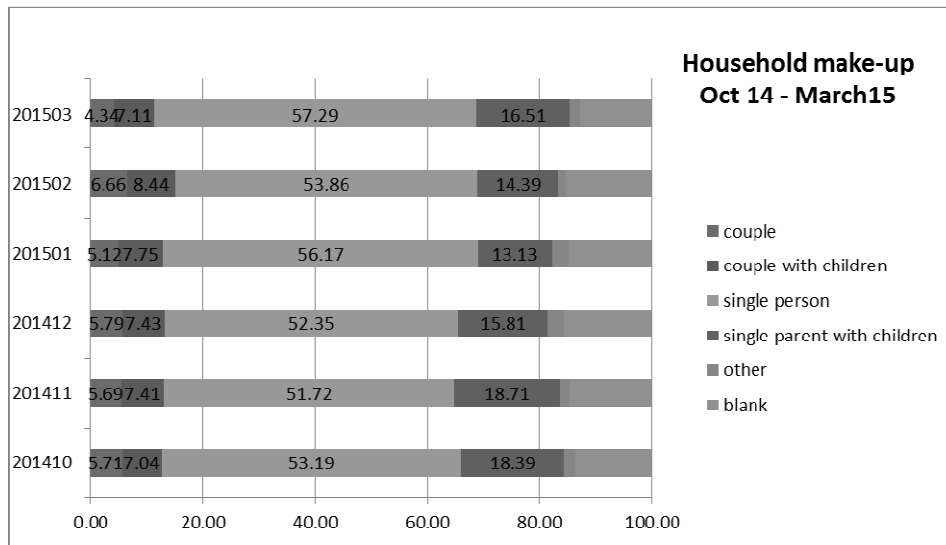


Fig 3.1 1

The gender and ages of single claimants shows that the most frequent age bands for single applicants are 25 – 34 years and 18 – 24 years. The number of single male applicants (3354) was almost double that of single women (1665) in the monitoring period.

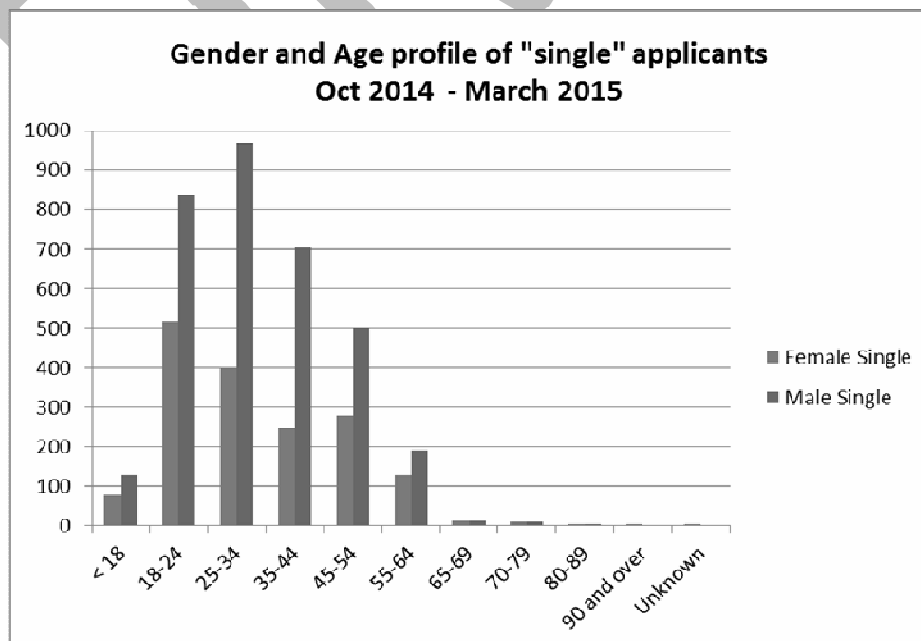


Fig 3.1 2

3.2. District and borough trends

The proportion of applications from each district and borough in Derbyshire has been monitored for the full operation of the fund.

The profile of applications for Emergency Cash Payments from each district and borough each year is as follows:

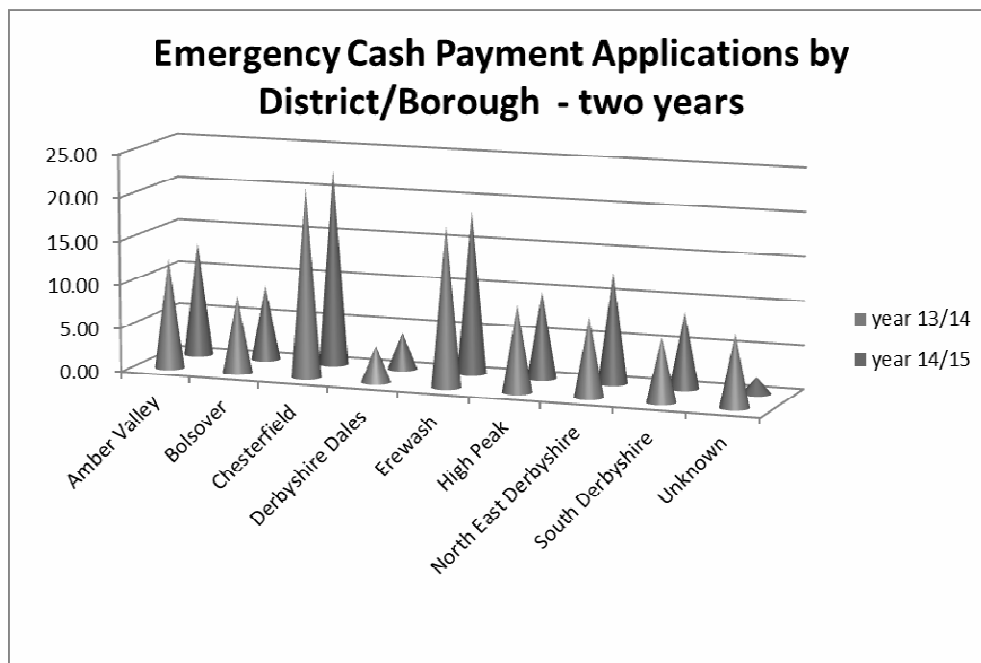


Fig 3.2 1

The profile of applications for Exceptional Pressure Grants from each district and borough each year is as follows:

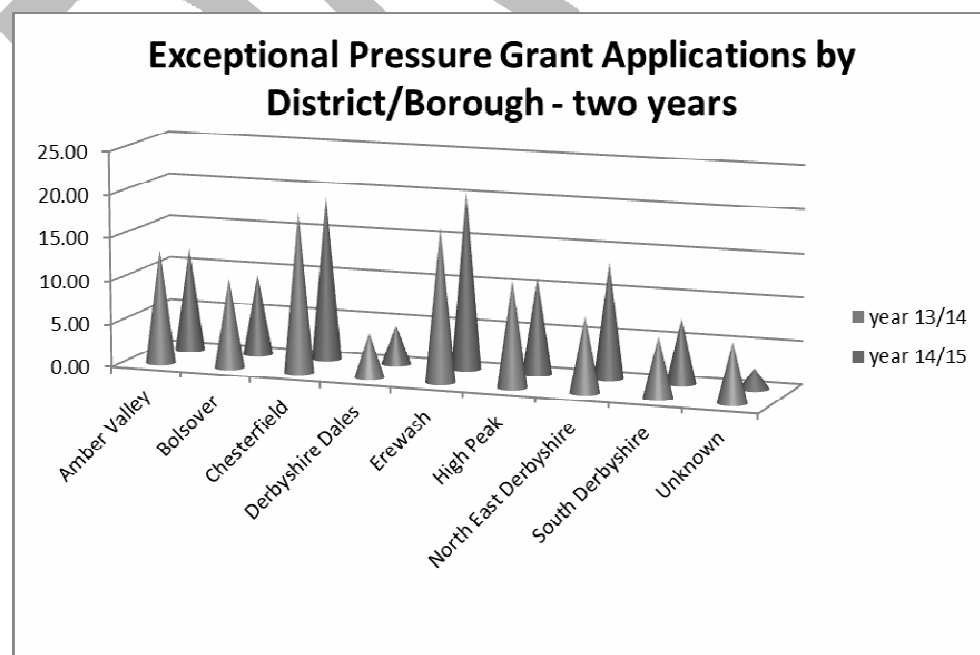
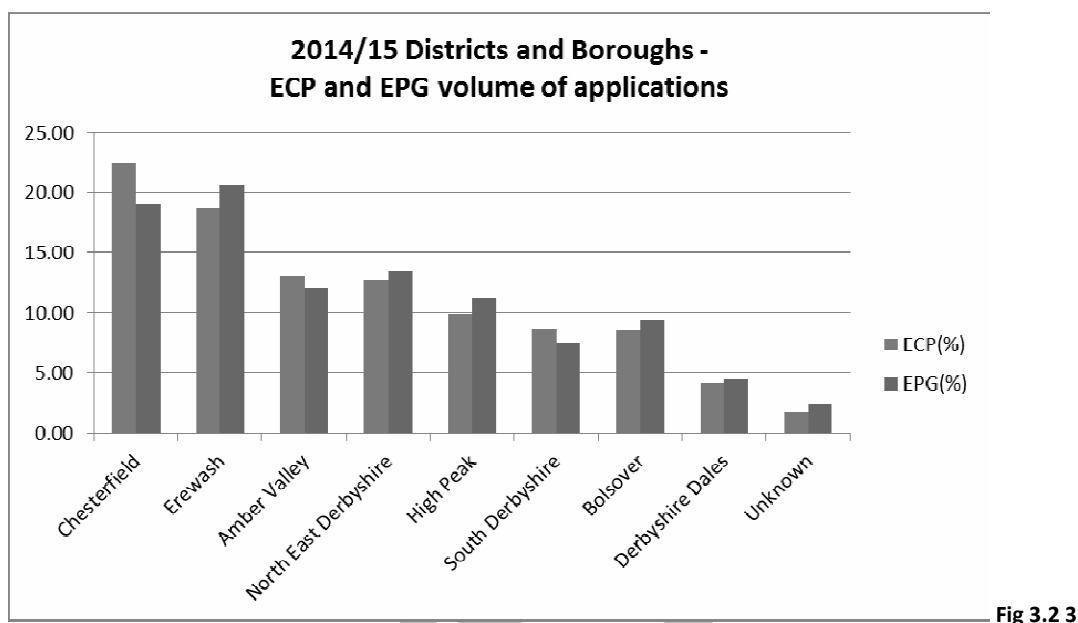


Fig 3.2 2

Translating the data for applications for Emergency Cash Payments and Exceptional Pressure Grants in 2014/15 onto one chart shows that the trends in demand are as follows:



93% of the DDF applicants surveyed in May/June 2014 felt that accessing the fund was “ok/fairly easy/very easy”

4. Budget

Over 2014/15 the Discretionary Fund paid out a total of £316,988 as Emergency Cash Payments and £700,686 as Exceptional Pressure Grants.

10,361 Emergency Cash Payments were made and 1,635 Exceptional Pressure Grants.

5. Using what we know – lobbying and reporting

During the year there was considerable uncertainty about the on-going funding to local authorities from the Department for Work and Pensions to continue to provide Local Welfare Assistance. Information about the need for, and provision of, the Derbyshire Discretionary Fund was used to respond to Government consultations and in other forums to seek to raise the profile of the fund, and the need for on-going Government funding.

- In April 2014 the Council passed a motion calling on the Government to continue to fund Local Welfare Provision adequately.

- The Council contributed to the Social Security Advisory Committee enquiry into the Government proposals to extend benefit waiting days which was published in September 2014. The Council cited the demand caused to the fund by applicants waiting for benefits to be paid, or facing benefit delays.
- In October 2014 the LGIU briefing document on the future of Local Welfare Provision highlighted Derbyshire County Council's Discretionary Fund
- In October 2014 the Deputy Cabinet Member for Adult Care took a briefing document to share with the ADASS Conference in Manchester.
- In November 2014 the Council responded to the Government Consultation on the future of Local Welfare Provision.
- In December 2014 the Council submitted written evidence to the Department for Work and Pensions Select Committee investigation into benefit sanctions based on joint work done between the Welfare Rights Service and the Derbyshire Discretionary Fund.
- In January 2015 the Council sent information to all Derbyshire MPs about the work of the DDF and asking them to lobby/support calls about the need for on-going funding
- In January 2015 the Service Manager for the Welfare Rights Service and Derbyshire Discretionary Fund gave oral evidence to the Department for Work and Pensions Select Committee investigation into benefit sanctions about both the experiences of claimants in Derbyshire being sanctioned, and the demand caused to the DDF by these sanctions.

“[Without DDF]... our residents would not be able to fund crucial travel.. [such as]... travel to make a child protection contact appointment and many other vital needs that as a charity we cannot provide. Particularly many of our residents would not be able to move on into a new home without support from the Exceptional Pressure Grant.”

Good News Family Care

For more information about the Derbyshire Discretionary Fund please contact:

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