Local Welfare Assistance scheme review 2020/21

Scrutiny Committee

12 September 2019

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Brent

Background to the scheme and the review

- Functions transferred from DWP in 2013/14

- Non-statutory local scheme

- Covers emergency payments for residents who are vulnerable or in crisis

- Current funding arrangements from Reserves will run out in approx. March 2020

- Relatively low take-up and not well-targeted

- Relatively expensive to administer but provides a potential safety net to residents who are in receipt of state benefits

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Options to be considered

1. Scheme to continue in its current form

2. To modify the current scheme, potentially a reduced version with reduced expenditure and / or better targeted to residents most in need

3. To devise a new system of support for residents in crisis, which could be better targeted at those in need

4. To cease the scheme from April 2020 and find alternative options to take its place (e.g. through signposting to voluntary sector provision)

Options 1 -3 require new budget provision

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Other factors for consideration

- Expenditure is low and demand decreasing
  - Crisis Payments – 321 awards in 2019/19 (£17,493)
  - Community Payments – 218 awards in 2018/19 (£59,152)
  - Total of 780 "eligible" applications in 2018/19 (59% received an award)
- However impacts of other changes in 2020 are as yet unknown –
  - New Council Tax Support scheme
  - Continuing rollout of Universal Credit
  - New spending review potentially affecting provision of Discretionary Housing Payment and other funding
- Scheme could be better targeted and loopholes removed
- Potential alignment with the Customer Access Strategy in particular the Community Hubs offer

Next steps

- High-level options appraisal - September / October

- Recommendations to CMT / PCG – Autumn

- Design of proposed model / engagement with stakeholders and service users*

- Report to Cabinet and agreement of commencement date*

- Implementation*

Timetable to be established subject to which option is chosen