

To: POLICY & RESOURCES (FINANCE AND CUSTOMER SERVICES) SUB-COMMITTEE	Subject: SCOTTISH WELFARE FUND	
From: HEAD OF E-GOVERNMENT & SERVICE DEVELOPMENT		
Date: 13 February 2014	Ref: IMcK	

1 Purpose of the report

- 1.1 The purpose of the report is to update the Committee on the current status of the Scottish Welfare Fund.

2 Background

- 2.1 The Scottish Welfare Fund (SWF) went live on the 1st April 2013 and was designed as an interim two year scheme to deliver Community Care Grants and Crisis Grants. The interim scheme has been extended and will now run until June 2015 at which point the statutory scheme will begin.
- 2.2 The SWF delivers the social fund payments and grants previously administered by the Department for Works and Pensions (DWP). It is important to note that where previously the Crisis awards were **loans** which required to be repaid, the new arrangements are **grants** which do not require to be repaid
- 2.3 The Scottish Government have issued guidance to local authorities on the distribution of the SWF funds but broadly the funding should be used to address unavoidable need and be available to those who require emergency support.
- 2.4 Funding of £2,956,014 has been awarded for each of the financial years 2013/14 and 2014/15. This equates to an average monthly spend of £246,334. Scottish Government announced its spending plans for 2014/15 and an indicative budget for 2015/16 on the 11 September 2013. This includes similar funding for SWF going forward.
- 2.5 It is important to note that unlike Discretionary Housing Payments and Sustainability Fund payments, SWF payments are hard to predict, the customer base by its very nature can vary dramatically and it extends to all citizens – not just tenants in Council properties.

3 Year to Date Position as at 31 December 2013

- 3.1 The Scottish Welfare Fund has made 5,047 Crisis Grant decisions and 2,807 Community Care Grant decisions from 1st April to 31 December 2013 with total award funding totalling £310,798 and £875,631 respectively This represents 41% of the total fund available. As previously reported to committee, due to the low uptake of this fund at its inception and the slow build to the expected demand levels, it is unlikely that the whole fund will be spent by the end of March. This funding is ring fenced however and will be carried forward.

- 3.2 Demand has grown over the year and is now at the level that had been anticipated at the outset of the fund with monthly spend now slightly in excess of the original estimated monthly profile. As expected, demand fell during the two week festive period but has now spiked post Christmas and spend is now above weekly profile estimates for January and this will be reflected in the next report.
- 3.3 The average award for crisis grants is £80.19 and the average community care grant is £413.62
- 3.4 There have been 101 first tier reviews and 8 second tier reviews to date. There are a number of second tier reviews currently pending, awaiting supporting documentation.
- 3.5 As reported to committee in November 2013, there has been a significant review of the operational arrangements for the Scottish Welfare fund to ensure that the current team has sufficient capacity to meet demand. In that report it was noted that there were a range of options which could be pursued to bring additional resources to the team, should this be necessary. To that end, in December 2013 the Head of Human Resources exercised her delegated authority and approved the creation of 5 temporary Customer Service Assistants to assist in dealing with the increased volume of calls to the fund. These posts will be in place for a maximum of 6 months with the cost of £50,000 being met from the funds already set aside to deal with the impact of Welfare Reform.
- 3.6 Detailed work is underway to improve the ICT system used by the SWF team to streamline the application process. This will enable partner organisations and internal Council services to submit pre populated, on line applications which will reduce data entry time significantly.
- 3.7 In addition, the service is introducing the ability to receive crisis awards of up to £200 through the Paypoint network. This will reduce the pressure on First Stop Shops as Paypoint outlets are widely available across a number of retail outlets and provide customers with much more choice in terms of the time and the location that they can access their awards.
- 3.8 It is hoped that these changes will allow the temporary staff to be stood down but, until these processes are fully embedded, and until a full yearly cycle of the fund has been experienced it will not be clear if the current resource levels within the SWF are sufficient to meet demand.
- 3.9 The Scottish Government have now undertaken a consultation on the permanent scheme to replace the interim Scottish Welfare Fund. The response provided to this consultation is the subject of a separate report to this committee.
- 3.10 Table 1 below shows the actual spend as at the end of each month since the launch in April.

Table 1

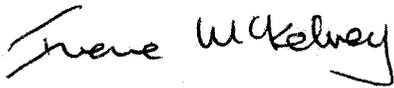
Month	Monthly Budget	Spend	% of monthly budget
December	£246,334	£155,510	63%
November	£246,334	£206,043	84%
October	£246,334	£194,593	79%
September	£246,334	£179,554	73%
August	£246,334	£171,126	69%
July	£246,334	£129,324	52%
June	£246,334	£62,366	25%
May	£246,334	£64,324	26%
April	£246,334	£23,281	9%
Total Spend to Date		£1,186,121	

4 Grant Processing Targets

- 4.1 Processing of Crisis Grant applications for the year to date has seen 98% of all decisions being processed on the same day as received and 100% of all crisis decisions have been made within the target of two working days.
- 4.2 Processing of Community Care Grants for the year to date has seen 76% of all decisions being processed within the processing target of 15 working days. 100% of 'high priority' Community Care Grants have been processed within 24 Hours. High priority cases are those cases where the need is immediate and severe and the individual or family are highly vulnerable and the award will have an immediate and sustained effect in resolving the health and wellbeing of them or their family.

5 Recommendations

- 5.1 It is recommended that committee:
- notes the current status of the Scottish Welfare Fund; and
 - approves the funding of £50,000 to provide additional staff as outlined in Para 3.5 above.



Head of E-Government & Service Development

Members seeking further information on the contents of this report are asked to contact Irene McKelvey, on tel. 01698 302532 or Stephen Devine on tel. 01698 524816