

To: POLICY AND RESOURCES (FINANCE & CUSTOMER SERVICES) SUB-COMMITTEE		Subject: SCOTTISH WELFARE FUND 2014/15
From: HEAD OF E-GOVERNMENT & SERVICE DEVELOPMENT		
Date: 4 MAY 2015	Ref: IMcK/SD	

1. Purpose of the Report

1.1 The purpose of this report is to:

- Provide background and performance detail on the Scottish Welfare Fund for the second year of operation; and
- Provide an update on improvements to the service.

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 will be replaced by a permanent Welfare Fund from April 2016. Final consultations on the regulatory framework for the fund are underway and will conclude later in the year.
- 2.2 Funding for the scheme remained unchanged from year one at £2,956,014 and will continue at this level during 2015/16.
- 2.3 The second year of operations has seen a focus on improving systems and efficiency in the face of growing demand. The number of applications to the fund has risen significantly and in year two the council experienced a 108% increase in applications for Crisis Grants and a rise of 21% in applications for Community Care Grants.

3. Scottish Welfare Fund Performance in the First Year

- 3.1 During 2014/15 North Lanarkshire SWF has made 22,071 decisions on applications to the fund with 15,449 awards being made. The overall rate of award from the fund is 70%. It should be noted that although the rate of award is 7% down on the first year of the fund, this is due to the priority setting for the fund having been at medium for six months of year one, whilst during year two the priority setting was set to 'High' from April to the end of October and then to 'High - Most Compelling' from November until the end of the year.
- 3.2 The 2014/15 total budget for the Scottish Welfare Fund is £3.43m, including a £0.474m carry forward from 2013/14. Spend is projected to be on budget with the year end reconciliation currently being finalised. Table 1 below details the 2014/15 in year spend incurred. This does not include approximately £0.26m spend relating to decisions approved in early April 2014 which were included in the 2013/14 Scottish Government return.

Table 1

Month	Monthly Budget CCG's	Monthly Budget Crisis	CCG Spend	Crisis Spend	Total Spend	% of monthly budget
Apr-14	£177,105	£69,229	£192,014.68	£86,658.00	£278,672.68	113%
May-14	£177,105	£69,229	£291,486.84	£87,730.62	£379,217.46	154%
Jun-14	£177,105	£69,229	£225,405.33	£81,238.58	£306,643.91	124%
Jul-14	£177,105	£69,229	£246,253.67	£91,543.10	£337,796.77	137%
Aug-14	£177,105	£69,229	£217,909.27	£98,798.00	£316,707.27	129%
Sep-14	£177,105	£69,229	£238,922.16	£88,523.00	£327,445.16	133%
Oct-14	£177,105	£69,229	£326,957.10	£71,141.00	£398,098.10	162%
Nov-14	£177,105	£69,229	£165,410.26	£63,963.28	£229,373.54	93%
Dec-14	£177,105	£69,229	£113,223.07	£67,306.58	£180,529.65	73%
Jan-15	£177,105	£69,229	£69,942.96	£55,622.00	£125,564.96	51%
Feb-15	£177,105	£69,229	£88,945.06	£53,607.27	£142,552.33	58%
Mar-15	£177,105	£69,229	£87,706.14	£58,188.00	£145,894.14	59%
Total Spend 2014-15					£3,168,496*	

- 3.3 Table 2 below shows the increased number of decisions made by the service during 2014/15;

Table 2

	CCG Awards	Crisis Awards	Total Awards	CCG Refusals	Crisis Refusals	Total Refusals	Total Decisions
Apr-14	289	987	1276	60	269	329	1605
May-14	495	1016	1511	122	268	390	1901
Jun-14	314	936	1250	107	259	366	1616
Jul-14	313	1045	1358	89	204	293	1651
Aug-14	303	1126	1429	111	278	389	1818
Sep-14	374	1032	1406	167	332	499	1905
Oct-14	534	1000	1534	278	399	677	2211
Nov-14	320	880	1200	166	369	535	1735
Dec-14	221	955	1176	153	407	560	1736
Jan-15	201	894	1095	238	684	922	2017
Feb-15	233	826	1059	240	607	847	1906
Mar-15	244	928	1172	240	558	798	1970

- 3.4 Committee will recall from the previous report in January 2015 that the Priority setting for the fund was moved from 'High' to 'High Most Compelling' from Monday 3rd of November 2014 to ensure prudent financial management of the fund until year end. The impact of the increase in the priority level can clearly be seen in both tables 1 and 2 above.
- 3.5 The Scottish Government has updated the national guidance to better reflect the changing welfare landscape. The new guidance makes minor changes to SWF and also recognises the roll out of Universal Credit which began in North Lanarkshire for a limited number of claimants during March 2015.

- 3.6 The Scottish Public Services Ombudsman will take over responsibility for 2nd Tier Review hearings from 1st April 2016, however local authorities will remain responsible for 1st tier reviews and the administration and preparation of cases for the 2nd Tier.

4. Service Improvements

- 4.1 Successful implementation of Paypoint electronic payments has resulted in 4,836 less visits by customers to the council's first stop shops as customers who are receiving awards of less than £100 now receive these electronically by mobile phone and access their award in cash from local retailers.
- 4.2 The service now procures sofas and armchairs exclusively from North Lanarkshire Industries. During the last 2 quarters of the year there has been a significant reduction in the numbers of Sofas ordered due to stricter decision making criteria as a result of the priority setting of the fund.
- 4.3 The Civica ICT system has seen a number of developments throughout the year in order to increase efficiency and accuracy of data recording. This work included a redevelopment of the financial and application recording functions in order to align the system more closely with the Council's financial reporting requirements.
- 4.4 The work undertaken within the team to constantly review and improve the processes has resulted in significantly improved performance – as evidenced by the volume of applicants now benefitting from this funding. These improvements are reflected in a recent follow up audit of the service which delivered an assessment of 'substantial assurance' that appropriate controls are in place and risks are being managed.
- 4.5 The permanent structure for the service is now in place and will better allow the service to cope with the increased demand seen since April 2014

Staffing	Cost
1 x Service Manager NLC grade 14	£52,553
2 x Team Leader @ NLC 8	£65,066
16 x SWF Decision Makers @ NLC 6	£384,330
4 x CSA's @ NLC 4	£85,514
1 x 2 nd Tier Review Officer	£32,533
TOTAL COSTS per year	£619,996

5. Recommendations

It is recommended that the Committee:-

- Note the significant progress made to date



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, Customer Contact Manger (SWF) on 01698 524816