

EXECUTIVE BOARD COMMISSIONING SUB-COMMITTEE
15 JANUARY 2014

Subject:	Discretionary Emergency Hardship Scheme		
Corporate Director(s)/ Director(s):	Carole Mills – Deputy Chief Executive & Corporate Director of Resources Tony Kirkham – Director of Strategic Finance		
Portfolio Holder(s):	Cllr Chapman – Resources and Neighbourhood Generation Cllr Liversidge – Commissioning and Voluntary Sector		
Report author and contact details:	Liz Jones – Interim Head of Corporate Policy (0115 876 3367 * liz.jones@nottinghamcity.gov.uk Lisa Black – Head of Revenues, Benefits and Welfare Rights (0115 876 3930 * lisa.black@nottinghamcity.gov.uk		
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Reasons:	<input type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
			<input type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Total value of the decision:			
Wards affected: All	Date of consultation with Portfolio Holder(s): 2 January 2014		
Relevant Council Plan Strategic Priority:			
Cutting unemployment by a quarter			<input type="checkbox"/>
Cut crime and anti-social behaviour			<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City			<input type="checkbox"/>
Your neighbourhood as clean as the City Centre			<input type="checkbox"/>
Help keep your energy bills down			<input type="checkbox"/>
Good access to public transport			<input type="checkbox"/>
Nottingham has a good mix of housing			<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs			<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events			<input type="checkbox"/>
Support early intervention activities			<input type="checkbox"/>
Deliver effective, value for money services to our citizens			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
This report sets out changes to the Local Discretionary Emergency Hardship Scheme (DEHS) for the City of Nottingham and seeks approval to amend this Scheme from 15 January 2014.			
Exempt information:			
None			
Recommendation(s):			
1. To approve the proposed amendments to the (DEHS) for the City of Nottingham as outlined in section 1 of this report to take effect from 15 January 2014.			

1 REASONS FOR RECOMMENDATIONS

- 1.1 The level of demand for the Scheme during 2013 has not matched the anticipated levels. The original eligibility criteria have been reviewed and it is proposed that the Scheme is amended to ensure that it responds more flexibility to hardship and

places less emphasis on the need to demonstrate emergency and/or crisis in order to better meet the needs of households experiencing hardship in Nottingham.

1.2 The key proposed changes to the Scheme are as follows:

- Amend the policy to allow up to 3 awards for hardship support in a 12 month period, and 1 award of household support (household goods) with discretion for a further household support award in exceptional circumstances.
- Awards for financial support can be extended from the current 3 days, up to 7 days for both food and utility supplies (gas and electricity).
- The financial support for gas and electric levels are increased during winter months to reflect the increased need.
- Provide a wider range of household items available for household support based on need and discretion, e.g. to include table and chairs, sofa etc.
- Remove the emphasis in the scheme on emergency/crisis focus the scheme on responding to hardship.
- Open the eligibility to include households that are in receipt of “in work” benefits such as working tax credit.
- Expand how people access the scheme, enabling a direct referral route to the scheme from recognised agencies and professionals. This would allow authorised agencies/professionals use their judgement as to whether the household is experiencing hardship to refer citizen to the Scheme for short term hardship help whilst also ensuring that the household receives advice and support to deal with issues creating hardship.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

2.1 The Welfare Reform Act 2012 abolished the Discretionary Social Fund. From April 2013 funding for Crisis Loans (CLs) and Community Care Grants (CCGs) were devolved to top tier or unitary authorities. There was no new statutory duty on local authorities to recreate CCGs and CLs but there was a strong expectation from Government that councils would implement locally appropriate solutions.

2.2 The Council’s Executive Board approved the establishment and implementation of the DEHS to be introduced on 1 April 2013, when current DWP provision was abolished, and delegated approval of the final Scheme to the Executive Board Commissioning Sub-Committee, which approved the final DEHS on 27 March 2013. The DEHS was successfully introduced and was open to Nottingham citizens from 1 April 2013.

2.3 The Scheme provides either:

- Emergency Support – assistance to vulnerable people in meeting their needs for critical short term or financial help where they are unable to meet their immediate short term needs, as a result of an unavoidable emergency/disaster and/or,
- Household Support – support to establish or maintain independent living.

- 2.4 Since the scheme was introduced, NCC colleagues have continuously monitored demand to both manage the budget and ensure that the scheme design is fit for purpose in supporting households at point of emergency need and/or crisis. During this period user groups and workshops with the advice sector have taken place, which have further helped to shape the scheme throughout the first 9 months of operation. As a result of this, amendments have been made to flex the eligibility criteria to ensure the Scheme did not exclude certain groups of people and to allow more generous awards for Household Support.
- 2.6 This report presents the further changes to the Scheme formally called the Discretionary Hardship Support Scheme (DHSS) for approval.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 Not to amend the scheme. However, this was rejected having taken account of both the intelligence and insight gathered since the Scheme was implemented on 1 April 2013 and the potential issues and impacts that could arise if appropriate provision is not made available for vulnerable citizens facing hardship or needing support to maintain independent living. The key reasons for rejection are:
- Risk to health and wellbeing of citizens
 - Risk of use of disreputable or door step lenders by citizens
 - Risk of increased demand on other services such as homelessness services, advice services, and family support services
 - Increased risk of reliance on already stretched voluntary services such as food banks

4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 Nottingham City Council has received £1.8m per annum for 2013/14 and will receive a further £1.8m in 2014/15. In 2013/14 the allocation of £1.8m will be used to finance the DHSS.
- 4.2 Based on current take-up, the full allocation of grant will not be spent within the financial year. The proposed amendments to the scheme will increase spend in year but as the impact will be in the final quarter of the year the increase in demand and increase in awards can be accommodated within the original grant allocation.
- 4.3 Any grant underspent at the end of the financial year can be retained and carried forward to be used in future years. The government has confirmed in the Local Government Finance Settlement that it will not continue the Local Welfare Provision Grant in 2015/16. It has stated that this grant will be wrapped up in general central government grant to local authorities. At present there are no details to enable the impact of this to be determined. A review of the future of the hardship scheme will be required when future funding is clearer.

5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 Legal observations were provided for previous reports to Executive Board and its Commissioning Sub-Committee relating to the setting up of the Emergency Hardship Scheme. The Council has discretionary powers to introduce such a scheme and to make any appropriate amendments to that scheme, such as outlined in this report.

6 SOCIAL VALUE CONSIDERATIONS

- 6.1 Not applicable

7 REGARD TO THE NHS CONSTITUTION

- 7.1 Not applicable

8 EQUALITY IMPACT ASSESSMENT (EIA)

- 8.1 A full EIA was carried out in respect of the original Scheme in March 2013. Advice from the Equalities and Community Relations team recognises the likely benefits to citizens of the proposed amendments to the Scheme and that overall the Scheme will contribute to relieving short-term financial hardship faced by citizens. NCC and Councillors, as decision makers, have a legal responsibility to pay due regard to the equalities implications of decisions to change, limit or remove aspects of our services.

9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)

- 9.1 None.

10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT

- 10.1 Welfare Reform Act 2012
- 10.2 Executive Board report 20 November 2012
- 10.3 Executive Board Commissioning Sub Committee 27 March 2013
- 10.4 DEHS Equality Impact Assessment March 2013
- 10.5 Discretionary Emergency Hardship Scheme September 2013

11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT

- 11.1 Lisa Black – Head of Revenues and Benefits
- 11.2 Liz Jones – Head of Corporate Policy

11.3 Sarah Molyneux – Head of Legal Services

11.4 Geoff Walker – Head of Departmental Finance