

For General Release

REPORT TO:	CABINET 10 December 2012
AGENDA ITEM:	10
SUBJECT:	Croydon Discretionary Support Scheme (CDS)
LEAD OFFICER:	Graham Cadle – Director of Customer Services, Communication and Transformation
CABINET MEMBER:	Cllr Sara Bashford CABINET MEMBER FOR CORPORATE AND VOLUNTARY SERVICES
WARDS:	All wards

CORPORATE PRIORITY/POLICY CONTEXT:

The Council wishes to implement a local scheme to replace the current social fund aspects in the form of crisis loans for general living expenses and community care grants to help people stay in the community which are currently administered by the Department for Work and Pensions (DWP) but will, in future, no longer be provided by the DWP. Currently the schemes assist over 6,500 residents a year. In Croydon, this scheme will be referred to as a **Croydon's Discretionary Scheme** and is referenced in this manner throughout this report. The purpose is to ensure a support scheme is developed and implemented which will provide continued support to the most vulnerable residents within the community whilst seeking to protect the priorities of our residents overall.

FINANCIAL IMPACT

The cost of awards the crisis loans and community care grant elements of the social, as at the end of the financial year 2011.12 exceeded £1.38m. Government have confirmed Croydon will receive £1.152m leaving a gap of over £230,000 (17%). The current costs of administration are not known, although the council will receive £243,398 in year one for administration, reducing to £223,101 in year 2.

The Council has worked with partners from the third sector and in health on options for a local policy in accordance with guidance from Government whilst continuing to protect the most vulnerable residents of our community.

KEY DECISION REFERENCE NO.: 1185 This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the 5th working day after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Having considered the Council's public sector equalities duty in relation to the issues detailed in the body of the report and the Equalities Impact Assessment (EIA) at Appendix 2 to the report, and the results of consultation with stakeholders, to agree Croydon's Discretionary Scheme as our local replacement scheme for crisis loans and community care grants, Option 2. (Set out in full in Appendix One).

2. Executive Summary

- 2.1 As part of the Governments Welfare Reform Act 2012, changes have been made to the operation of the Social Fund. The Social Fund includes funeral payments, maternity grants, crisis loans, budgeting loans, community care grants and cold weather payments. Winter fuel payments are also a type of Social Fund payment, but they are restricted to people who have reached state pension age.
- 2.2 From April 2013 the DWP will no longer operate the social fund elements for provision of Community Care Grants and Crisis Loans, the funds for these awards will be allocated to local authorities to design and introduce localised schemes, to meet the needs of local residents in these areas. The level of funding provided will be based on previous expenditure in Croydon.
- 2.3 Under the current arrangements, Community Care Grants are non-repayable awards of cash or goods, to help people either stay in their community or move back to their community.
- 2.4 Crisis Loans, as applied by the current social fund system, are interest free cash payments for people facing emergency situations or who are facing a disaster situation.
- 2.5 The DWP have published details of Croydon's grant allocation for the next two years and there is an additional provision within the grant allocation for the administration of the localised scheme. There is no statutory requirement for the council to provide a scheme and the funds which have been allocated are not ring-fenced. Although the Government expects the funding to be used to provide the new provision and future funding will be dependent on how much the council spends
- 2.6 Unfortunately the level of detail we have been able to obtain from DWP in respect of payments made, which Croydon residents receive those payments and the reasons for support are very basic. This places significant limits on the level of understanding we have of the support required for Croydon residents going forward and therefore significantly adds to the risk to the council of making any dramatic changes to the current manner of operation of the crisis loans and community care grants.

3. Current scheme administered by DWP

Crisis Loans

- 3.1 Crisis Loans are interest-free loans to anyone (whether on benefit or not) who cannot meet their short-term needs in an emergency or as a result of a disaster. Where the person is on benefit, the loan is recovered via a deduction from benefit. Where the person is not on benefit, separate arrangements are made for repayment. Claims are usually made over the phone. They are awarded to meet immediate living expenses in order to avoid serious damage or risk to the health or safety of the applicant or member of the family.
- 3.2 Awards of crisis loans can be for items similar to community care grants but they are generally low value cash awards currently paid via giro cheques cashable at the PO.
- 3.3 Nearly two-thirds of applicants are unemployed and a third are in the 18-24 age-range.
- 3.4 The main reasons for Crisis Loan applications are
- Lost or stolen money
 - Capital or income not immediately accessible
 - Reconnection of fuel supply to avoid a crisis
 - Benefit spent before next benefit due
 - Disaster (e.g. house flooded)
- 3.5 Decisions regarding applications are made in accordance with the detailed directions and guidance in the social fund guide. Where an application is refused (in full or in part), the applicant can ask for Independent Review Service to review the decision. 46% of decisions are amended by the Independent Review Service. Crisis loans are claimed via a free phone 0800 number available between 8am – 6pm.
- 3.6 A summary of crisis loan applications and awards is set out below from 2009 to 2011.

Crisis Loans in Croydon			
Year	Applications	Awards	Expenditure
2009/10	10,860	6,640	£724,500
2010/11	10,510	7,240	£847,900
2011/12	7,510	5,560	£505,800

- 3.7 When looking at the current operation of the crisis loan spend information provided by the DWP it indicates that in the vast majority of cases the decision is made based on the financial consideration rather than the actual crisis situation.
- 3.8 The main reasons awards are made to people are for necessary living expenses like food and fuel, the decision for the award in 55% of the claims stated it to be 'benefit spent' – living expenses required, 18% capital not realisable and 14% lost or stolen money/giro. The data provided does not elaborate on the reasons for the benefit is spent, or the capital not realisable, nor does it confirm whether this was because of an unexpected expense or just

poor budgeting.

- 3.9 The DWP has a facility to recover awards direct from ongoing benefit so crisis loan decision making can be more generous as the reason for a person's benefit spent is not as important in the decision as the ability to recover the money. The DWP state that one of the reasons for a negative decision is a customer's inability to repay.
- 3.10 The repayment of these awards in some way protects the DWP in their decision making process as applications based on unverifiable facts can still be made with the safe guards of the money being paid back. The Council would be very unlikely to be able to recover these payments and could potentially be open to significant levels of risk and fraud by operating a scheme which is based more on trust than on evidence based fact.
- 3.11 As the Council will not have the ability to implement a cost effective means to recover these payments it is unlikely that they would be able to recover any of these payments and on the basis it is questionable whether the Council would make any awards.

Community Care Grants

- 3.12 Community Care Grants are non-repayable grants, primarily to help vulnerable people live as independently as possible in the community. The grant is for a range of expenses, including household equipment, intended to support vulnerable people to remain in the community or to return to the community following a stay in institutional or residential care, and to help ease "exceptional pressure" on families. In order to receive a grant the applicant must be in receipt of an income-related benefit, such as Income Support and Job Seekers Allowance.
- 3.13 Nearly a third of applications are made by households where one member has a disability or long-term health problem, and one quarter are made by lone parents.
- 3.14 Examples of when a Community Care Grant can be awarded are:-
- People moving out of institutional or residential care
 - People who need help to stay in the community, e.g. improving the living conditions of elderly frail people to avoid having to take them into care
 - Families under exceptional pressure
 - Prisoners or young offenders on release on temporary licence
 - People setting up home as part of a planned programme of resettlement
 - People needing travel expenses to
 - visit relatives in hospital or care home
 - visit relatives who are sick
 - visit their child residing with their ex-partner (where custody not decided)
 - attend a relative's funeral
- 3.15 As with Crisis Loans, decisions regarding applications for Grants are made in accordance with the detailed directions and guidance in the Social Fund Guide, with a right of appeal to the Independent Review Service. 39.8% of decisions are amended by the Independent Review Service.
- 3.16 A summary of Community Care Grant applications and award is set out below

from 2009/10 to 2011/12.

Community Care Grants in Croydon			
Year	Applications	Awards	Expenditure
2009/10	3,930	1,820	£1,026,600
2010/11	3,530	1,500	£978,700
2011/12	3,270	1,250	£879,600

4. Proposals for Localised Scheme

- 4.1 Government has indicated that it will not place a new duty on local authorities in respect of the new provision of social funding. Whilst the Government has indicated that it does not expect authorities to replicate the current scheme in either whole or part, and the funding is not ring fenced, the intention of the Government is that the funding is to be used to provide the new provision of social funding but that, having regard to local circumstances that the funding to be concentrated on those facing greatest difficulty in managing their income, and to enable a more flexible response to unavoidable need.
- 4.2 Accordingly, three alternative options for the operation of this element of support have been drafted for consideration:
- No scheme
 - Revised scheme; main difference being the stricter criteria than under the current DWP scheme; or
 - DWP Scheme replicated, but without recovery of the award

5. OPTIONS FOR CONSIDERATION

Option 1: No scheme

- 5.1 The regulations do allow the council to decide to not have any scheme in place.
- 5.2 If there was no support to replace the previous scheme there would be a high risk of additional financial pressure placed on the Council in various services, including housing and under its duties to safeguard families. As an example the Council has a statutory duty under Section 17 of the Children Act and The National Assistance Act for vulnerable adults. Some additional fund would have to be channeled in those areas to make up for there being no crisis loan facility. (The DWP data indicates that 24% of all crisis loan application are from households with children)
- 5.3 Data gathered and provided by the DWP under the current scheme is not detailed or comprehensive and therefore to make significant changes or to withdraw the support without a true understanding of the impacts and customer profile would be a huge risk to local residents and to the organisation.

Option 2: Council designed scheme with strict Criteria

- 5.4 It is proposed that any localised Croydon arrangement should provide one single scheme whose provision extends to all vulnerable residents. It is proposed that the scheme should be known as the Croydon Discretionary Support (CDS) scheme.
- 5.5 It is also advisable that in setting up the scheme to ensure that awards are made to a set of criteria that are reasonable and can be verified. For the reasons set out in section 3 above, the support suggested will be payments and not loans. The Council will not attempt to recover payments as the sums are too small and the council will not have the opportunity to recover via a deduction from benefit, as is currently the case with the DWP.
- 5.6 It is important that appropriate controls are in place to protect the public purse. We are suggesting the broad reasons and type of support offered would remain per the current scheme, but that no awards would be made unless the customer can reasonably evidence their need, eg why they are currently without funds, they have no other possible access to food, and they have documents to support their identity and residency within Croydon. Payment will only be made where CDS is the only means by which serious hardship or risk might be prevented. For instance we would expect police incident numbers where the nature of the incident would lend itself to such. If they cannot provide this information a payment may not be awarded.
- 5.7 The proposed localised scheme would have 2 key criteria which must be met and evidenced before any other eligibility requirements will be considered. The claimant must be;
- in receipt of a qualifying out of work or disability benefit (consideration will be given in exceptional circumstances to low income working households not on receipt of benefit) and,
 - the person must live in the Borough or have been placed in temporary accommodation or social housing outside the borough by Croydon, or in the case of someone leaving prison, or someone who has been discharged from the armed forces, or the former spouse or dependent of a recently deceased member of the armed forces, have an intention to move into the Borough.
- 5.8 The proposed circumstances under which support would then be provided are as below:
- a) for the replacement of items following a disaster,
 - b) to cover emergency living expenses.
- 5.9 It is also proposed that there will be restrictions on the number of awards and applications that a household can make in a rolling 12 month period. The proposal is to not allow any more than one award in a rolling 12 month period.
- 5.10 It is also proposed that the maximum any household could receive within 12 months would be £1,500. In view of the lack of detailed understanding of the current support provided it is proposed that in extreme circumstances, where payment above £1,500 is felt to be appropriate, a decision can be referred to the Executive Director of Corporate Services and Customer Services.
- 5.11 The reasoning for having a limit on the number and value of awards is to ensure the allocation of budget can support residents throughout the financial

year. The limits do not have a detailed analysis of previous payments behind them, but are based on some of the types of support expected to be picked up and are based on previous awards at a summary level.

- 5.12 Where a payment is required purely in respect of living expenses it is suggested the sum payable is limited to 50% if the current level of DWP daily personal allowance (the limit of the current scheme is 60%).

	DWP weekly personal allowance	DWP daily personal allowance	50% of daily amount
Single person aged between 18 – 24	£56.45	£8.06	£4.03
Single person aged 25 and over	£71.00	£10.14	£5.07
Couples both under 18	£84.95	£12.14	£6.07
Couples at least one over 18	£111.45	£15.92	£7.96
Single Parent over 18 years with one child	£135.99	£19.43	£9.71
Couple at least one over 18 with 2 children	£241.43	£34.49	£17.25

- 5.13 It is proposed that the maximum level of award in such circumstances will be set at the equivalent of 14 days crisis payment, rounded to the level of the nearest denomination of payment card or voucher dependant on the payment scheme adopted
- 5.14 We are also proposing the introduction of a more specific element where payments can be made to support those facing severe difficulties due to the forthcoming welfare reform changes – including council tax support.
- 5.15 If a household is making continual requests for payments due to their benefit being spent, this would indicate another underlying issue with financial management and we would seek to refer these people to more appropriate assistance depending on their circumstances, eg money advice, credit union etc.
- 5.16 Wherever possible crisis payment awards will not be paid through cash/giro payments but through a method that meets the need of the immediate crisis e.g. food vouchers or payment cards.
- 5.17 It is proposed that awards are limited to the total sums allocated by central government. This will safeguard the councils overall financial position and provide certainty in respect of its budget.
- 5.18 It is not proposed to provide a free phone service; however claimants will have

the option to call, come into Access Croydon, arrange for a personal visit or apply online.

Option 3: Maintain the current DWP scheme

- 5.19 The DWP scheme caters for a wide range of circumstances and is set up to react quickly to customers needs. In terms of adopting this methodology for Croydon's scheme there are a number of issues that would cause concerns in terms of the security of the scheme.
- 5.20 The current scheme does not restrict payment to customers who reside in the Croydon area, an award is made to an individual on the basis of where they make their claim. This is clearly not acceptable as the funding has now been split between each local authority.
- 5.21 The current scheme is not based on a strong process for evidence of need or residency verification. Continuing this arrangement would result in high risk of abuse and it would be impossible to know how many awards an individual had received, thus making the limit on crisis loans in a rolling calendar year unworkable.
- 5.22 The current scheme generally makes awards into the customer's bank account and the award recipient then purchases the necessary item. This method is not considered secure or an appropriate way of ensuring that the customer obtains the items they most need, and renders the system more open to misuse. It also provides no insight to when a different form of intervention, as suggested under option 2, might be more beneficial to the household.

Recommendation

- 5.23 It is recommended that Option 2 is adopted by the Council as this gives us the ability to assist vulnerable people in crisis but in a way that safeguards the public funds and ensures that awards are direct to where they are most needed. A draft policy is attached at Appendix 1 for Members' consideration.
- 5.24 It is then recommended that the Scheme will be subject to rigorous monitoring during year one, with a full review of the scheme recommended following the first full year, by which time the council will have a detailed understanding of the type of residents requiring support and the best way of allocating available funds. The outputs of this review will support a review of current procurement arrangements.
- 5.25 It is proposed that crisis payment will be paid to the applicant wherever possible via a scheme of vouchers or pre-payment cards. The method of payment will restrict the customer to shopping at a particular retailer and we are working to develop controls that will prevent the funds being used for items such as tobacco and alcohol
- 5.26 The Council is therefore proposing to set up a procurement framework which will allow the items that the household requires to be purchased. Opportunities

are being explored for partnering with an organisation that has a track record of providing items to people in need such as the Family Fund.

5.27 It is proposed that the recipients will receive either a pre-payment card to allow them to purchase specified items from certain local retailers up to the agreed amount of the award, or in certain circumstances the goods will be delivered directly to the claimant's home e.g. where there is need for a cooker.

6. Administration of the CDS

6.1 It is proposed that a CDS Team is set up and this team will also be responsible for the award of Discretionary Housing Payments, and other discretionary hardship applications, for example the new Council Tax support hardship scheme. Linking all of these would mean that the Council has a more holistic discretionary awards service in place and has a better oversight of the demographic of those people within the borough which are potentially more vulnerable and require greater support.

6.2 It is felt that a centrally based decision making team, independent of the Benefits assessment teams (following a similar model to how Benefits appeals are managed), would provide consistent decision making and maximise efficiency in the grant allocation.

6.3 It is proposed that claims will be made via an on line application, telephone, personal visit or face to face service. It is not proposed to provide a free-phone service.

6.4 In addition to the central decision making team it is proposed that awards of crisis payments will be made by appointment via existing outreach surgeries administered by the housing and council tax benefits & welfare rights team within Croydon.

6.5 The DWP data shows that 3,270 applications for community care grants and 7,510 applications for crisis loans were made during the last financial year. This is a total of 10,780 applications which equates to 29 new applications each day, of which 60% would be for crisis loans.

6.6 Based on this level of claims activity it is felt that the scheme will require 6 officers. These additional costs will be met from the administration funding provided.

7 Financial Implications

7.1 The DWP have provided the council with details of the grant allocation for the next two financial years 2013/14 & 2014/15

	2013/14	2014/15
Social Fund Grant	£1.152 million	£1.152 million
Administration Funding	£243,398	£223,101

7.2 Estimated costs of administration are contained in the table below:

Annual operating costs for the crisis loans and community care grant elements of the Social Fund	2013/14
---------------------------------------------------------------------------------------------------------	----------------

Staff	£187,500
IT	£17,000
Applications	£5,000
Printing	£5,000
Post	£2,500
Contingency	£25,000
Total	£242,000

7.3 The allocations of awards from the localised fund would be based on the fact that they come from a cash limited pot equivalent to the grant provided. Once the grant level has been reached no further awards will be made and no additional Council funds will be made available. Any unspent grant is retained by the Council.

7.4 To ensure that the cash limited fund is shared equally across the year and does not unduly discriminate against people whose emergency occurs later in the year when there is a higher potential for the fund to be spent it is proposed that this is tracked against a monthly profile.

7.5 The medium term financial forecast is within the table below:

Financial Consequences

	Medium Term Financial Strategy – 2 year forecast	
	2013/14	2014/15
	£'000	£'000
Expenditure	1,152	1,152
Contribution from Government grant	(1,152)	(1,152)
Remaining budget	<u>000</u>	<u>000</u>

Approved by: Richard Simpson, Director of Finance and Deputy Section 151 Officer

8. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

8.1 The Solicitor to the Council comments that there are no direct legal implications arising save as set out in the body of the report.

(Approved by: Jessica Stockton by: Corporate Solicitor, for and on behalf of the Council Solicitor & Director of Democratic & Legal Services)

9 HUMAN RESOURCES IMPACT

9.1 No immediate impact expected although there may be future requirements for recruitment and/or roles and responsibilities realignment.

Approved by: Gloria Lau, HR Business Partner on behalf of the Director of Workforce, Equality & Community Relations

10. EQUALITIES IMPACT

- 10.1 The full equalities impact assessment has been completed, detailed in Appendix 2.
- 10.2 As acknowledged in the Government's own EQIA for the reform of the Social Fund, the current scheme makes accurate assessment of outcomes difficult. High level details of applicants are known, but this data is insufficiently detailed to allow for precise modelling.
- 10.3 The new Croydon discretionary scheme will address these issues via effective data collection at the point of application, enabling a detailed knowledge base to be developed of applicants and their needs. This will be used to review the scheme, ensure seasonal demands are balanced, and to target support where it is most needed.
- 10.4 Activity is planned to ensure fair and open access to the scheme with communication planned around the new scheme and links being established to ensure effective cross-referral activity between welfare support groups to ensure support is provided to the most vulnerable, and critically to ensure that underlying issues are identified and resolved as swiftly as possible.
- 10.5 Whilst the timescales for the new scheme have prevented a full consultation exercise. Engagement has taken place with stakeholders from the third sector about the spirit and precise wording of the scheme. This engagement will continue through to the roll out of the scheme, and then regularly following implementation to discuss the impact and opportunities for improvement.

11. ENVIRONMENTAL IMPACT

- 11.1 There are not any expected impacts

12. CRIME AND DISORDER REDUCTION IMPACT

- 12.1 There are not any expected impacts.

13. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 13.1 Detailed within the body of the report.

14. OPTIONS CONSIDERED AND REJECTED

- 14.1 Detailed within the body of the report.

CONTACT OFFICER: Mark Fowler, Head of Income & benefits, ext 88470

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972 – None

Appendices: printed separately

Croydon Discretionary Support (CDS) Scheme Local assistance for vulnerable people

Introduction

The Welfare Reform Act 2012 provides for the reform of the Social Fund which helps people with needs that are difficult to meet from their regular income or who are facing additional expenditure due to an emergency or disaster.

From April 2013 Croydon Council will be responsible for determining a scheme to make discretionary payments to assist certain vulnerable people. The scheme replaces the support previously provided by the DWP Social Fund in the form of Crisis Loans for general living expenses and Community Care Grants to help people stay in the community.

Part 1: Principles

1.1 The principles of the CDS scheme are to provide discretionary payments:

- a) to support people in times of crisis.
- b) to support people moving out of institutional or residential care, help residents stay in their communities and help keep families together

Further detail is provided in section 4 below

Part 2. Eligibility

2.1 Payments of CDS will only be made to applicants who are

- a) in receipt of one or more of the following benefits
 - a. income support
 - b. income and contribution based jobseeker's allowance
 - c. income and contribution based employment and support allowance
 - d. pension credit
 - e. universal credit

- f. if an applicant is due to leave an institution or care home within 6 weeks and are likely to get one of the above benefits they may be eligible.
- g. if a prisoner or young offender on release on temporary licence, the person they are living with is on a qualifying benefit
- h. any disability benefit
- i. housing benefit
- j. council tax support

and

- b) aged 16 or over

and

- c) resident in Croydon (and have lived here for 3 months prior to applying), unless exceptional circumstances apply, or have been placed in housing outside the borough by the London Borough of Croydon within the past 6 months or, in the case of someone leaving prison, or someone who has been discharged from the armed forces, or the former spouse or dependent of a recently deceased member of the armed forces, be about to move into Croydon

and

- d) without sufficient resources which would cause serious hardship to their family or themselves which could affect their household's health or safety

and

- e) not excluded under paragraph 2.3

2.2 The council retains the right to make a CDS payment in exceptional circumstances to a person who is on low income but not in receipt of a qualifying benefit where that person can demonstrate

- a) why they are unable to receive such benefits

and

b) that they meet all the other qualifying criteria
and

c) that they are not excluded under paragraph 2.3

2.3 No payments will be made to claimants and their partners

- a) who could have applied for help to the DWP but have not done so
- b) who have applied for help to the DWP but that application has been refused in the previous 12 months
- c) who are subject to a DWP sanction
- d) whom the council has reason to believe do not reside at the address which is stated on the claim form
- e) who are classified as persons from abroad
- f) who are students and who are not in receipt of a DWP benefit
- g) who have received a DWP Social Fund or Grant award in Croydon for the same reason in the past 12 months
- h) have been placed in housing in Croydon by another local authority

Part 3. Claims for CDS

3.1 No CDS payment will be made unless a claim is made to the council.

3.2 A claim can be made over the phone, in writing, online and face to face at Taberner House, Park Lane.

3.3 Claims by telephone or in person can only be made between 9 a.m. and 5 p.m., Monday to Friday (except where public holidays). Facilities are available to claim on line and these are available 24/7 and personal visit can be arranged on request.

3.4 Claims for CDS must include

- a) the name and current address of the person making the claim, except where the claimant is homeless
- b) whether they have been placed in Croydon by another authority
- c) what support is being requested – i.e. certain goods or the level and purpose of financial support
- d) details of why the claim is being made and what consequences there will be if payment is not awarded
- e) details of what other assistance the claimant has considered or sought before making the claim and the result

- 3.5 The council can require claimants to supply such information or documentary evidence within 14 days as it deems necessary in order to decide the claim, including evidence of identity.
- 3.6 Failure to supply the information or documentary evidence within the time limit without good cause will result in the claim being refused.
- 3.7 Evidence and applications will be accepted from or, with the claimant's consent, may be sought from
- a) the claimant and/or their representative
 - b) social workers
 - c) youth offending officers or youth offending specialists
 - d) probation officers
 - e) medical professionals
 - f) landlords
 - g) other council departments
 - h) other local authorities
- 3.8 The council may require claimants to be interviewed at their home, at the council's offices or at some other place specified by the council at a reasonable time so that their claim can be progressed.
- 3.9 Failure to attend an interview without good cause may result in the claim being refused.

4. CDS qualifying criteria

- 4.1 As detailed above the principles of the CDS scheme are to provide discretionary payments:
- a) to support people in times of crisis.
 - b) to support people moving out of institutional or residential care, help residents stay in their communities and help keep families together
- 4.2 Further detail for the type of support the scheme can provide is provided below

To support people in times of crisis

- 4.3 CDS payments will only be paid
- a) for the replacement of essential items following a disaster
 - b) to cover emergency living expenses

Replacement of items following a disaster

4.4 A disaster is an event of great or sudden misfortune, resulting in significant damage to, destruction or loss of, essential possessions or property.

4.5 A disaster can apply to an individual dwelling or to a community

4.6 A disaster does not include any damage to or deliberate destruction of possessions.

Emergency living expenses

4.7 Emergency living expenses are day to day living expenses where the claimant has no other available income

4.8 The need for emergency living expenses must be because of one of the following reasons:

- a) the need for emergency travel expenses
- b) loss of money where that loss is not the fault of the claimant
- c) capital which the claimant cannot immediately access
- d) fuel expenses where the claimant might otherwise lose their fuel supply or in order to reconnect the fuel supply
- e) board and lodge expenses for people who are homeless and would otherwise sleep on the street
- f) people recently discharged from prison

4.9 Where a claimant states that their money has been stolen, the claim must be supported by a crime reference number.

4.10 The amount of the emergency living expenses will be 50% of the claimant's applicable amount (the figure used to calculate benefit to reflect the basic living needs of the claimant & their family), calculated on a daily basis.

4.11 Emergency living expenses will be paid for a maximum of 14 days.

4.12 No more than one award for emergency living expenses can be made during a rolling 12 month period.

4.13 No more than one award in a rolling 12 month period for a lost or stolen welfare benefit payment.

4.14 No award for emergency living expense will be made if welfare benefit payments are spent or exhausted.

CDS payments to support people moving out of institutional or residential care, help residents stay in their communities and help keep families together

General

4.15 CDS payments will not be made for

- a) maternity expenses
- b) funeral expenses
- c) expenses which the council has a statutory duty to meet
- d) housing costs or improvements
- e) an educational or training need, including clothing, meals and travel
- f) expenses in connection with court (legal proceedings) such as legal fees, court fees, fines, costs, damages, subsistence or travelling expenses
- g) removal or storage charges if you are being re-housed following a compulsory purchase order, a redevelopment or closing order, a compulsory exchange of tenancies, or under homelessness legislation
- h) domestic assistance and respite care
- i) any repair to council property
- j) a medical, surgical, optical, aural or dental item or service which can be provided free of charge by the National Health Service)
- k) investments
- l) costs of purchasing, renting or installing a telephone and of any call charges
- m) holidays
- n) non essential electrical goods

People moving out of institutional or residential care

4.16 CDS payments can be made where to a person who has moved out of institutional or residential care after being resident there for six months or more and, in order to set up home, requires

- a) furniture, household equipment and connection charges
- b) suitable clothing and footwear
- c) removal expenses
- d) fares when moving home

- e) rent in advance
- 4.17 Institutional and residential care includes residence in NHS hospitals, care homes, hostels, nursing homes, staff intensive sheltered housing, local authority care, foster care, prisons and youth custody, detention or treatment centres.

Helping people to stay in the community

4.18 CDS payments can be made in order to help a qualifying person stay in the community or to delay them having to enter care, by

- a) improving their existing living arrangements, or
- b) enabling them to move to more suitable accommodation, or
- c) enabling them to move nearer to someone who can offer support

4.19 A “qualifying person” in para. 4.18 is

- a) a frail elderly person who
 - 1. has restricted mobility, or
 - 2. has difficulty performing personal care tasks
- b) a person with physical or mental disability
- c) a person who is chronically sick
- d) a person who has misused alcohol, drugs or other substances and is seeking rehabilitation

4.20 Improving existing living arrangements includes

- a) structural repairs and maintenance, where home improvement and renovation grants are not available
- b) addition or improvement to physical or mental impairment facilities, where a disabled facilities grant is not available
- c) exceptional need for bedding as the claimant or a member of their family is bedridden or incontinent
- d) fuel reconnection charges
- e) laundry needs where the claimant or a member of their family is bedridden or incontinent

4.21 Moving to more suitable accommodation means moving because the existing accommodation is not suited to the claimant or members of their family due to factors such as

- a) steep stairs or living space on different levels
- b) a bathroom which can only be reached with difficulty
- c) inadequate toilet, bathing and washing facilities

- d) structural defects
- e) the size of the accommodation
- f) inability to meet current housing costs not being met in full

4.22 Where a person has moved to more suitable accommodation or to be nearer a person who can offer support, CDS payments can be made to cover

- a) removal expenses
- b) fares when moving home
- c) essential furniture, household equipment and connection charges

Families under exceptional pressure

4.23 CDS payments can be made to families under exceptional pressure. Exceptional pressure includes but is not limited to

- a) the breakdown of a relationship, particularly where there is reasonable evidence of domestic violence
- b) overcrowding, as defined by housing guidance and legislation
- c) where a member of the family has a disability that is too difficult to manage
- d) sudden domestic upheaval as a result of unforeseen circumstances
- e) sudden reduction in welfare support as a result of changes in local or government schemes i.e. Housing Benefit, Council tax localisation
- f) rent in advance where there is no other available provision for discretionary help.

4.24 Where a payment is made as the result of the breakdown in relationships, CDS payments can be made to cover

- a) removal expenses
- b) storage charges
- c) furniture and household equipment
- d) clothing and footwear
- e) fares when moving home

4.25 CDS payments for removal expenses can be made where there is reconciliation in a relationship where, prior to the separation, the couple had been living together

- a) for 3 months or more where there are children in the household

4.26 Where a claimant is under exceptional pressure because the accommodation is particularly overcrowded, CDS payments can be made to cover

- a) removal expenses (except where the council has a duty to re-house the claimant)
- b) essential household equipment and connection charges
- c) fares when moving home

4.28 Where a claimant is under exceptional pressure because of high washing costs because of a disabled child, or other dependent for whom you have kinship care responsibilities, CDS payments can be made to cover

- a) a new washing machine and any connection charges
- b) repairs to a washing machine
- c) tumble dryer or washing machine with tumble dryer where there is no suitable drying facilities

4.29 Where a claimant is under exceptional pressure because the need to repair or replace items damaged by behavioural problems within the family, CDS payments can be made to cover

- a) essential household items
- b) security items, e.g. safety gates, cupboard and window locks or reinforced glass

4.30 CDS payments can be made where a claimant is under exceptional pressure because they need to carry out structural repairs or improvements to keep a home habitable or for the safety of a child

4.31 CDS payments can be made where a claimant is under exceptional pressure because they are responsible for a disabled child, or other dependent for whom you have kinship care responsibilities, and the nature of the disability causes

- a) excessive wear and tear on clothing or footwear, or
- b) rapid weight gain or loss

4.32 CDS payments can be made where a claimant is under exceptional pressure because the family includes a disabled family member or a child under five and they need to install a prepayment meter or pay a reconnection charge.

People setting up home as part of a planned resettlement programme

4.33 CDS payments can be made where a claimant needs help to set up home in the community as part of a planned resettlement programme following a period during which he has been without a settled way of life.

4.34 A person without a settled way of life means a person who has been

- a) using a night shelter
- b) staying in a hostel
- c) sleeping on the streets
- d) using an emergency winter shelter
- e) using a temporary supported lodging scheme

4.35 A planned resettlement programme means a programme run by a local authority, a voluntary organisation, a housing association or a registered charity.

4.36 Where a claimant is setting up home as part of a planned resettlement programme, CDS payments can be made to cover

- a) essential furniture and household equipment
- b) connection charges, if the move involves installing domestic appliances
- c) removal expenses and storage charges
- d) fares on moving home
- e) rent in advance

4.37 No more than one application can be made for a grant within a rolling 12 month period.

4.38 A grant will not be paid for items that have already been awarded within a rolling 12 month period.

Travel expenses

4.39 CDS payments can be made to cover the reasonable travel expenses of a claimant where they are visiting a child and

- a) that child is in the care of an estranged partner, and
- b) the question regarding the child's living arrangements has not yet been decided by the court.

4.40 CDS payments can be made to cover the cost of an escort's fare where the person concerned cannot travel alone because of youth, age, illness or disability.

Part 5. Decisions

- 5.1 All decisions will be notified in writing.
- 5.2 Recognising the urgent need of the claimant in the case of supporting people in times of crisis, all such claims will be decided within one day.
- 5.3 All other decisions will be made within 14 days from the completed application.
- 5.4 Notifying a claimant in writing includes notifying a claimant by e-mail.
- 5.5 Notifying a claimant in person or by telephone does not remove the requirement to also notify the claimant in writing.
- 5.6 The council can decide to
- a) pay the claim in full
 - b) pay the claim in part
 - c) refuse the claim
- 5.7 Where the council decides to refuse a claim, the council's decision notification will state the reason for that refusal.
- 5.8 The council can refuse a claim if
- a) it has insufficient funds to make a payment, or
 - b) it has reason to believe it will run out of funds before the end of the financial year
- 5.9 Where the council decides to pay a claim in full or in part, the council's decision notification will state the amount of the payment
- 5.10 Where the council decides to pay a CDS claim in respect of emergency living expenses, the council's decision notice will state the period covered by the payment.
- 5.11 Where the council decides to pay a CDS claim in respect of furniture, household equipment, connection charges, clothing or footwear, the council's decision notification will state the amount of the payment.
- 5.12 Where the council decides to pay a CDS claim in respect of travel or accommodation expenses, the council's decision notification will state the reason for the payment.

5.13 Where the council decides to pay travel expenses, the amount of the payment will be

- a) the standard rate of public transport, excluding air fares; or
- b) the cost of petrol either
 - I. up to the cost of public transport, if public transport is available, or
 - II. in full, if public transport is not available or the claimant and/or their partner cannot use public transport because of a physical disability or because they are frail and elderly; or
- c) the cost of taxi fares if either
 - I. the claimant and or their partner cannot use public transport because of a physical disability or because they are frail and elderly, or
 - II. public transport is not available and there is no access to private transport

Part 6. Payments

- 6.1 Payment will be made within 3 days of the decision being made.
- 6.2 Payments of CDS will normally be in the form of vouchers, redeemable in specified shops, or in the form of goods.
- 6.3 Where a payment is in respect of additional assistance for council tax support, we will reduce the amount on the council tax bill.
- 6.4 The maximum amount of funding for any one household is £1,500 over a rolling 12 month period.
- 6.5 Payment above this limit (and in respect of the limit on claims within a period) will only be made in extreme circumstances and at the agreement of the Executive Director of Corporate Resources and Customer Services.
- 6.6 Where the council make a CDS payment, the council retains to right to ask the claimant to provide a receipt confirming that the payment was used for the purpose for which it was claimed.
- 6.7 The council retains the right to make payment by instalments.

Part 7. Appeals

- 7.1 Except where paragraph 7.2 applies, a claimant can appeal against a decision to refuse a claim or to pay a claim in part.
- 7.2 There is no right of appeal against a decision made under

- a. paragraph 2.2

- b. paragraph 2.3(h)
- c. paragraph 5.8
- d. paragraph 6
- e. paragraph 7.5
- f. paragraph 7.10

7.3 An appeal must be made

- a) within 14 days of the written decision notification in respect of a CDS claim from a person in a time of crisis
- b) within 1 month of the written decision notification in respect of all other CDS claims

7.4 The council has the discretion to extend the time limits specified in paragraph if the claimant has continuous good cause for not appealing sooner.

7.5 An appeal must

- a) be made in writing
- b) be signed by the claimant or their representative
- c) state the reasons why the claimant believes the decision is incorrect including any additional information which they believe should be taken into consideration.

7.6 Any appeal will be heard by an officer of the council, of appropriate seniority, who is designated as an appeals officer and was not involved in the original decision.

7.7 The designated officer will make a decision within 14 days of an appeal being received or as soon as reasonably practicable thereafter.

7.8 The designated officer may request additional information or evidence in order to decide the appeal.

7.9 The designated officer can

- a) allow the appeal in whole
- b) allow the appeal in part
- c) refuse the appeal

7.10 There is no further right of appeal against the decision of the appeals officer.

**Appendix 2 to item 10
Cabinet 10 December 2012**

Croydon

Discretionary Support Scheme

Equalities Impact Assessment

November 2012

EQUALITY IMPACT ASSESSMENT (EqIA)

SECTION 1: SUMMARY OF EQUALITY IMPACT ASSESSMENT (EqIA)

1.1	Details of the Policy, Strategy, Function, Project or Activity
	<p>Title of EqIA: Croydon Discretionary Support Scheme</p> <p>Date of EqIA: November 2012</p> <p>State whether EqIA is on a policy, strategy, function, project or activity or a combination: Policy</p> <p>Indicate whether it is a 'new' or an 'existing' policy, strategy, function, project or activity:</p> <p><input checked="" type="checkbox"/> New</p> <p><input type="checkbox"/> Existing</p>
1.2	Details of the person responsible for the EqIA
	<p>Full Name: Mark Fowler</p> <p>Position: Head of Income & Benefits</p> <p>Department: Corporate Resources and Customer Services</p> <p>Telephone number: x 19503</p>
1.3	What is the aim and objective of the policy, strategy, function, project or activity?

Introduction

The Social Fund was established under the Social Security Act 1986, to provide interest free loans and grants to people in receipt of income related benefits, who faced unexpected financial pressure. It aimed to meet a range of needs that were not met by statutory provision such as regular benefits or tax credit. There are two distinct parts of the Social Fund: The regulated Social Fund, which covers one-off specific expenses such as funeral expenses and winter fuel payments; and the discretionary Social Fund which covers emergencies such as flooding, reconnection of fuel supply and basic needs such as lack of money to buy food. These emergency payments currently fall under Community Care Grants and Crisis Loans and are the subject of this impact assessment.

A key element of the welfare state, the Social Fund is currently administered by Jobcentre Plus, part of the Department for Work and Pensions (DWP). It forms part of the wider welfare reform and is at the heart of the Government's plans for localism. The reform proposals were set out in the Government's Welfare Reform White Paper "Universal Credit: welfare that works", published on the 11 November 2010.

As part of the October 2010 spending review, the Social Fund is one element of the reform measures that the Government is reviewing as part of its deficit reduction plans. The Welfare Reform Act 2012 abolishes the existing discretionary Social Fund and replaces parts of the fund (crisis loans and community care grants) with new locally based provision. The level of funding will be aligned to previous expenditure in Croydon.

Consequently, Croydon Council is now responsible for designing a new scheme under the Social Fund, to make discretionary payments to assist certain vulnerable people. The scheme will replace the support currently provided by the DWP for crisis loan items; general living expenses and community care grants only, and must come into effect in April 2013.

Aim of Croydon's Discretionary Support Scheme (CDS)

The aim of the CDS is twofold:

- To support people in times of crisis.
- To support people moving out of institutional or residential care remain in their communities and keeping families together.

At present, the Social Fund is seen as a short term measure, assisting people with immediate financial needs. The crisis loan is an interest free cash payment for emergency situations and the community care grants – a non-repayable award of cash or goods to assist people to remain in or return to their community. The aim of the new scheme, as part of welfare reform, is to address the longer term challenges faced by those who require financial support. A phased approach to bring about a more sustainable scheme which does

much more than address the immediate needs of the applicants. It aims to provide effective support to those who need it most, while simplifying the current system and making it easier to understand. The Council aims to ensure a cost effective transition from the DWP to Croydon Council.

Payments of CDS will only be made to applicants who are over the age of sixteen, ordinarily residing in Croydon and in receipt of one of the following :

- Income support
- Income based jobseeker's allowance
- Income-related employment and support allowance
- Pension credit
- Universal credit
- Housing benefit
- Disability benefit
- Council tax support

The council retains the right to make a CDS payment in exceptional circumstances. Full details of this scheme can be found in Appendix 1.

The basic structure of the Social Fund will still remain effective. However, there are some areas which need to be reviewed to align with emerging Government legislation, as well as the current economic climate. The council already has a statutory duty under the Children Act to safeguard the interests of children and it is committed to supporting the most vulnerable residents.

The reform of the scheme, while supporting vulnerable and frequent users, will be able to assess and tackle the underlying problems faced, signposting applicants to agencies who may be able to assist and helping them move towards financial independence.

The scheme will also reduce the number of multiple applications made per household and seek to address reliance on the Social Fund.

The new proposals

The new proposals will deliver a more simplified system, leading to a culture of continuous service improvement, assisting the most vulnerable, helping them to remain in the community and encouraging those who can look for employment, to make the transition into work and ultimately into financial independence.

The new scheme will contain controls to protect the public purse, restricting the number of times a year a household can make a claim. We will also be able to refer people who make multiple claims to the most appropriate agencies for advice and help, thus seeking to address long term issues. That is not to say that all multiple claimants will be refused grants. Discretionary payments may be made to a person who has made more than one claim a year, but this will be looked at on a case by case basis.

Another major change to the current system will be granting financial awards in the form of vouchers instead of cash, to ensure that payments are used appropriately. The council will not seek to recover these grants, thus saving resources and administrative costs. There will be a limited annual budget, which is why it is important that payments are made to those in genuine need and that applicants use the funds for the reasons stated. The provision of vouchers instead of cash payments will reduce fraudulent claims.

Applicants will need to evidence their needs before an award is granted. This is to ensure that public funds are distributed fairly and are provided to those in genuine need.

SECTION 2: SCOPING THE ASSESSMENT

2.1 What information is currently available about the different protected groups that the policy, strategy, function, project or activity is likely to effect? (for examples see guidance)

Information available from the Greater London Authority (GLA) population projections

Borough profile – gender and age

According to the GLA 2008 projections, Croydon Borough contains the largest population of all London boroughs (363,400 residents). The borough also contains the largest number of children and young people in London, with wards in the north and south east comprising the greater numbers of young people and children. There are overall more women (52%) than men (48%) living in the borough. Over the last ten years Croydon has seen an increase in population of 10%, almost 3% higher than the national average.

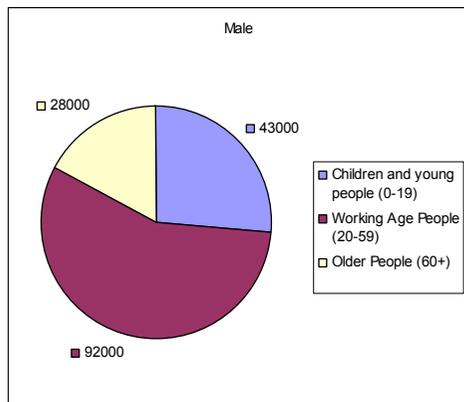
The greatest number of elderly people reside in the south of the borough. There is a much higher proportion of females over the age of 60 than males, with almost double the amount of women over 85, compared to males. By 2026, it is estimated that there will be a 5% increase in the proportion of elderly people across the borough, whilst there will be a 4% reduction of children and young people. Overall, this means that the population will remain steady.

The age breakdown for the borough, is as follows:

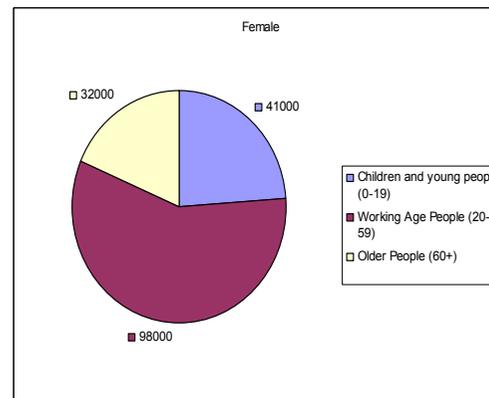
Age	2011 Census	2011 % of total population
0-19	97,000	26.9%
20-59	204,200	56.2%
60+	61,400	16.9%

The gender breakdown is as follows:

Male



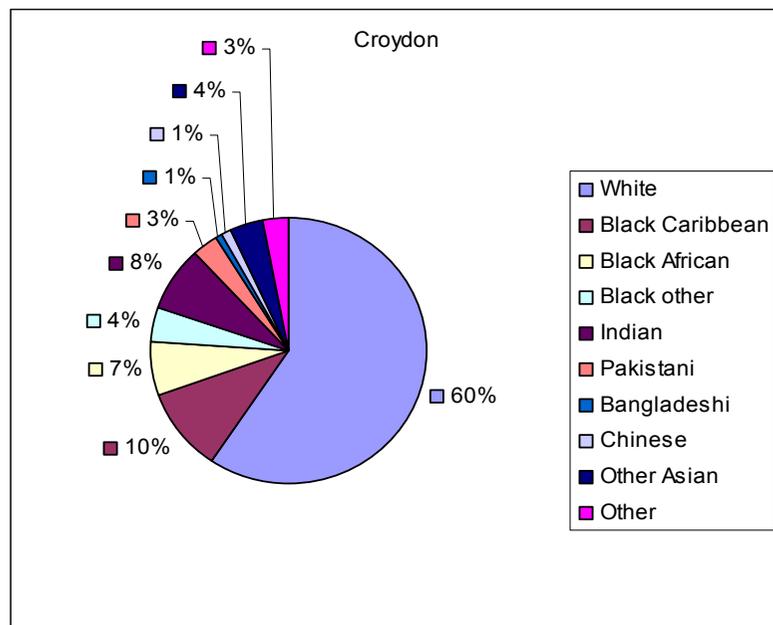
Female



Borough profile - ethnicity

The population in Croydon is very ethnically diverse, with a large proportion of residents from black and minority ethnic groups (BME) higher

than the average for London. Wards such as West Thornton and Broad Green, contain some of the highest levels of ethnic diversity in London and England. The smallest proportion of BME residents live in the south of the borough. (source: GLA 2008 projections)



	Croydon
White	60%
Black Caribbean	10%
Black African	7%
Black other	4%
Indian	8%
Pakistani	3%
Bangladeshi	1%
Chinese	1%
Other Asian	4%
Other	3%

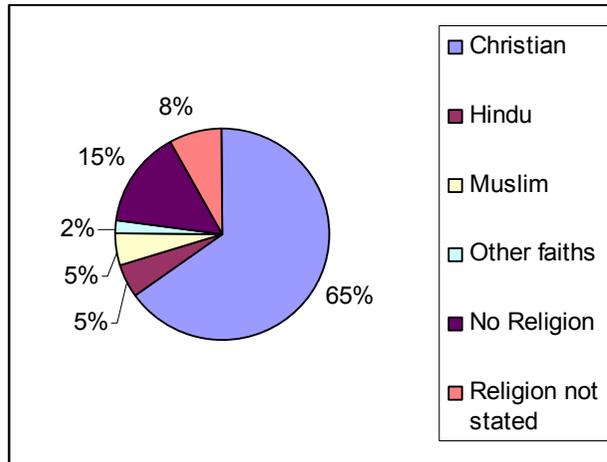
Borough profile - disability

In the 2001 Census, 48,660 people described themselves as having a restricting long-term illness, health problem or disability that limits their daily activity or work. Given that the population of Croydon has increased since the 2001 Census, it is likely that this figure now exceeds 50,000 and it is estimated that this will exceed 53,000 by 2018. In 2011/12 approximately 11,500 Blue Badges for disabled or blind people were issued.

Borough Profile – Religious Groups

Croydon is home to a variety of religions and beliefs, with Christianity accounting for 65% of the population. The Christian population is predominantly in the south of the borough with the north of the borough comprising a greater diversity of faiths. (Office for National Statistics Census 2001)

Breakdown of religious groups in Croydon:



Christian	65%
Hindu	5%
Muslim	5%
Other faiths	2%
No Religion	15%
Religion not stated	8%

Lesbian Gay Bi-sexual Trans-gender

Nationally there is insufficient data for the Lesbian, Gay, Bi-sexual and Transgender (LGBT) community. It has been estimated between five and ten percent of the population could potentially classify themselves in this way. This would indicate Croydon's LGBT community could range from 15,000 to 30,000 people.

Social Fund – current service users

Over the last twelve months, 7,510 applications were received for crisis loan items and 3,270 applications were received for community care grants. However, these applications have decreased over the last three years, particularly applications for crisis loans. Expenditure has fallen from £724,500 in 2009/10 to £505,800 in 2011/12 in respect of crisis loans. Data indicates that 58% of single men have made applications for crisis loans in the past year, but with the reduction in this type of loan over the last three years it is difficult to say whether single men would continue to be high service users.

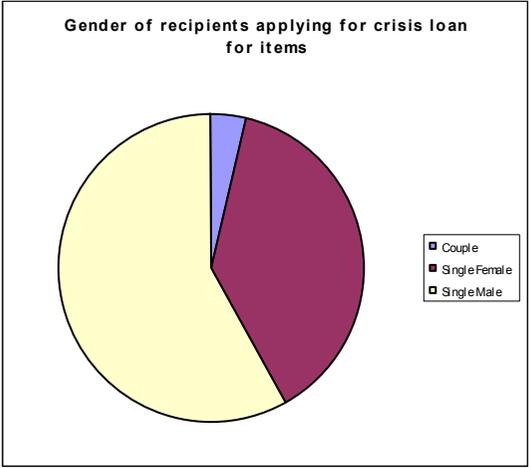
Data from 2011/12 indicates that 58% of single women applied for a community care grant. These applications have also decreased over the last three years from £1,026,600 to £879,600.

Crisis Loans in Croydon			
Year	Applications	Awards	Expenditure
2009/10	10,860	6,640	£724,500
2010/11	10,510	7,240	£847,900
2011/12	7,510	5,560	£505,800

Community Care Grants in Croydon			
Year	Applications	Awards	Expenditure
2009/10	3,930	1,820	£1,026,600
2010/11	3,530	1,500	£978,700
2011/12	3,270	1,250	£879,600

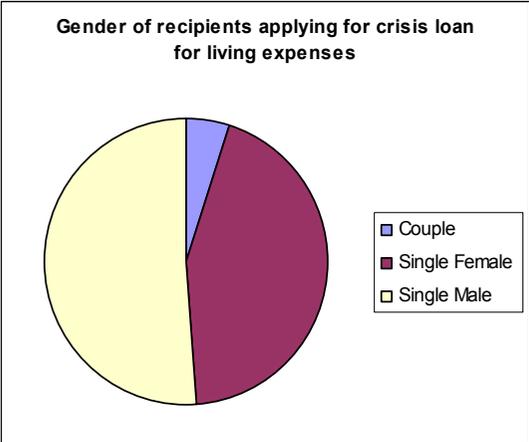
Gender recipients 2011/2012

Crisis loan items



	2011/12	2010/11
Couple	4%	4%
Single Female	38%	44%
Single Male	58%	52%

**Gender recipients 2011/12
Crisis loans for living expenses**

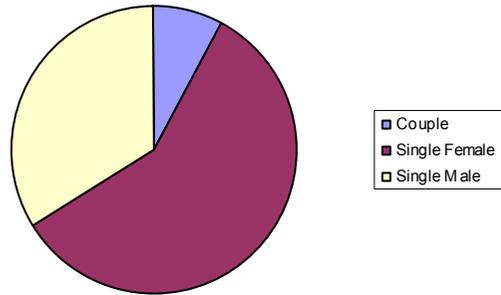


	2011/12	2010/11
Couple	5%	4%
Single Female	44%	44%
Single Male	51%	52%

Gender recipients 2011/12

Community care grants

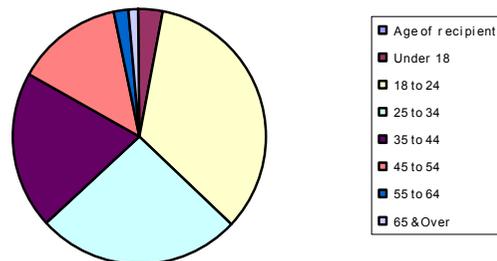
Gender of recipients applying for crisis loan for community care grant



	2011/12	2010/11
Couple	8%	9%
Single Female	58%	63%
Single Male	34%	28%

Age of recipients – crisis loans for items 2011/12

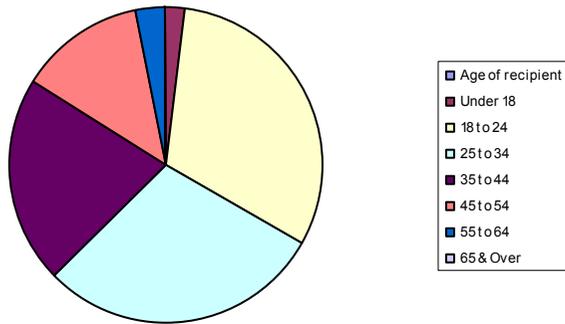
Age of recipients applying for crisis loan for items



Age of recipient	
Under 18	2%
18 to 24	31%
25 to 34	29%
35 to 44	21%
45 to 54	13%
55 to 64	3%
65 & Over	0%

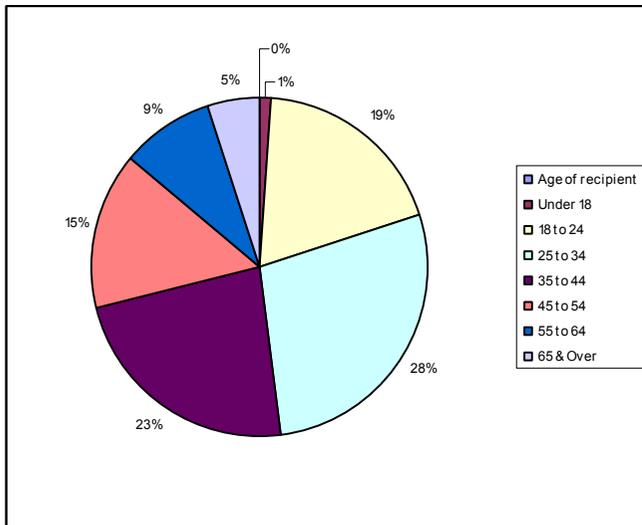
Age of recipients crisis loans for living expenses 2011/12

Age of recipients of crises loan for living expenses



Age of recipient	
Under 18	2%
18 to 24	31%
25 to 34	29%
35 to 44	21%
45 to 54	13%
55 to 64	3%
65 & Over	0%

Age of recipients community care grants 2011/12



Age of recipient	
Under 18	1%
18 to 24	19%
25 to 34	28%
35 to 44	23%
45 to 54	15%
55 to 64	9%
65 & Over	5%

According to the data held for 2011/12, the 18-44 year age group applied for discretionary awards the most, with single men making the highest number of applications, (58%) applying for a crisis loan item compared to 38% of women. However, this ratio is reversed when we look at the applications for community grants, with 58% of single women receiving this particular grant.

At present, it is difficult to analyse the impact the new scheme will have on any protected group with a great deal of accuracy. However, the new scheme will gather more detailed information on the gender and age of recipients; their names; the area of the borough they reside in and exactly what they are claiming being an absolute minimum expectation. We will be able to monitor impact on some of the protected groups; however it may provide difficult to assess ethnicity, faith and sexual orientation. While we can provide standard equality monitoring forms for completion by applicants to the fund, this information will be optional and we do not expect a high percentage of responses.

The Council will be able to check whether an applicant has made multiple claims within a rolling twelve month period. This information will be important to ensure that funds are distributed fairly and that households that keep claiming financial assistance are provided with advice, or referred to agencies where they can receive help. The council will have a limited budget and has to ensure that funds from the public purse are given to those people with genuine need. The Council aims to reduce the number of payments made to multiple claimants.

2.2 What are your information gaps? For example service user data, or employment data on a particular protected group. What steps are you/have you taken to fill them as part of this assessment?

The Department for Work & Pension's own impact assessment of the 10th October 2011, on Social Fund localisation, identifies the issue with information gaps and accurate data: "*It is difficult to properly assess customer requirements using a remote delivery system and it is difficult to analyse if the rewards are targeting the most vulnerable customers.*"

It is important to focus the provision on the most vulnerable customers in society and customer groups with higher policy priority. The profile of customers who access the loans and grants, vary with users of crisis loans primarily Jobseekers' Allowance claimants under the age of 35, while recipients of community grants are more likely to be lone parents and people with a disability. (<http://www.dwp.gov.uk/docs/social-fund-localisation-wr2011-ia.pdf>).

In Croydon, over the last three years, while the applications for crisis loans in particular have reduced, it is difficult to assess future trends. At present, there are more applications for crisis loans than community care grants and the majority of the crisis loans are received by single men between the ages of 18 to 44 years. Crisis loan applications are made when welfare money has been lost or stolen; fuel supply needs to be reconnected; benefit has been spent before the next benefit is due or there is a disaster such as a flood. Our data indicates that more

single men fit into this category of need. However, it will be necessary to ascertain what the majority of claims relate to and the reasons behind them, before further analysis can be made.

Community care grants on the other hand are normally paid to enable someone to remain in the community such as an elderly person to avoid them being taken into care, prisoners and those people setting up home as part of a resettlement programme. There are fewer applications compared to crisis loans, however the expenditure for community grants is higher. Nearly a third of applications are made by households where one member has a disability or a long-term health problem and one quarter are made by lone parents.

There is currently insufficient data to accurately assess whether a protected group would particularly be affected. However, once the new support scheme is in place, we will be better placed to assess need and impact on some protected groups. The CDS scheme will be administered from a dedicated, limited, financial pot and data will be used to ensure that this money is effectively proportioned to cover the expected demand profile over time.

2.3 Who have you engaged with (staff, service users, community groups etc)?

Describe the methods of engagement you used

What are the issues arising from the engagement?

What are the outcomes of this engagement?

What engagement did not or could not take place?

Purpose of engagement:

As part of the wider welfare reforms, council tax support is another area where local Councils have been asked to design and administer a new scheme locally. Croydon Council recently consulted with all residents in the borough, on a new council tax support scheme (CTS). Like the Discretionary Support Scheme, it will come into effect in April 2013. The open public consultation for the CTS was essential as the Council was proposing an increase in council tax payments from those residents currently receiving a concession. The council held an open public consultation offering residents the opportunity to comment on three options for raising the additional funding required, which will no longer be provided by central government.

The basic structure of the Discretionary Support Scheme however, will not change, so it has been decided, in part due to the very tight timescales, not to hold an open public consultation, but to engage with government bodies and relevant official organisations instead. (please see list of stakeholders below).

This is the best use of resources and time (a public consultation would take us through Christmas and into the New Year). Furthermore, little could be gained from a lengthy consultation where the Council is seeking to tighten up the way it hands out grants, not restructure the system.

Vulnerable residents will continue to be supported and grants will continue to be made to those under financial pressure.

Method of engagement

Having identified the relevant stakeholders, the Council wrote to all concerned explaining the new proposals and asking each recipient to comment on the new scheme, which was attached. Stakeholders were also asked whether they were aware of any agency or organization who should be included in the engagement process. Correspondence was circulated on 8th October with a deadline for responses on 31 October; the second was circulated on 16th November with a deadline for responses by 23 November.

The distribution list for 8th October Consultation

Head of Provider Relations – Adult Services
Head of Housing Strategy & Commissioning – Adult Services
Housing Strategy Manager – Adult Services
Croydon Citizen’s Advice Bureaux
Age UK Croydon
Head of Partnerships and Business Development – Children & Family Learning
The Pension Services
Principal Housing Strategy Officer - Adult Services Health And Housing
Fraud Manager - Resources and customer services
Investigations Manager – Resources and customer services
Sustainable Communities Officer (Worklessness) - Adult Services Health And Housing
CV Alive
Social Inclusion Coordinator - Adult Services Health And Housing
Croydon EDC
Welfare Rights Team Manager - Corporate Resources And Customer Services
Benefits Manager – LBC
Learning Consultant – LBC
Support Services Manager – LBC
Job Centre Plus

The Additional distribution list for 16th November Consultation

Managing Director Croydon Landlord Services
Head of Corporate Equality and Community Relations
Croydonptc – NHS
Head of Youth Service - Children Families And Learning

Senior Communications Officer (interim) - Corporate Resources And Customer Services
 Social Inclusion Coordinator - Adult Services Health And Housing
 Deloitte
 St Giles Trust

To date, we have received feedback from Croydon Citizen’s Advice Bureau (CAB), St Giles Trust, Job Centre Plus internal departments from Croydon Resources & Customer Services & Adult Services.

The Head of Income and Benefits will be meeting with CAB later on this week to discuss feedback on the consultation.

Feedback received

In summary, feedback received related to:

- The criteria required in order to claim from the social fund.
- Clarification of what constitutes a vulnerable group for the purposes of the proposed scheme.
- Clarification over exclusions.
- Clarification over meaning of some of the terms used.
- Clarification over the appeals process and seeking independent advice.

All comments were carefully considered and the scheme was duly changed following receipt of additional information.

Stakeholders commented that they were pleased to see this draft proposal as it provided clarity over new arrangements and in particular eased concerns that vulnerable groups may be disadvantaged.

3.1 From the information you have gathered (including information gathered to fill existing gaps) and the engagement you have undertaken how are each protected group affected (positively or negatively, or not affected at all)?
 What changes could be made to the policy, strategy, function, project or activity to mitigate a negative impact?

Age

	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?

0–18 years			√	No impact identified.	N/A
19-35		√		Current data shows that over 30% of this age group received crisis loans and crisis loan living expenses – more than any other age group. The majority of claimants were single men. However, there has been a reduction in applications and the percentage of service users will not necessarily remain at 30% over the next few years. We therefore do not consider this particular group to be exceptionally disadvantaged.	We will assess data received once the new scheme is in place in order to identify needs and assist the most vulnerable.
36-65		√		According to the 2011/12 data, more than 20% claims for all three types of loans and grants were made by applicants between the ages of 35 to 44. This reduces considerably after the age of 55years. We do not consider this group to be exceptionally disadvantaged.	Please see above.
Over 65			√	Less than 3% of people aged 65 years and over claimed a crisis loan or community care grant during 2011/12. In view of the current data, this group is not expected to be impacted in the future. However, we will monitor all future data to assess needs.	Please see above
Disability					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Learning disability			√	Data unavailable. No impact identified. The discretionary support scheme is aimed at supporting the most vulnerable, so this particular	The Discretionary Support Scheme is aimed at supporting all vulnerable groups. Those applicants on disability

				protected group will be supported.	benefits will be able to apply for a discretionary payments.
Physical disability			√	Data unavailable. Please see above.	Please see above.
Mental health			√	Data unavailable. Please see above.	Please see above.
Deaf or hard of hearing			√	Data unavailable. Please see above.	Please see above.
Visually impaired			√	Data unavailable. Please see above.	Please see above.
Other, incl carers			√	Data unavailable. Please see above.	Please see above.
Gender/Sex					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Female			√	Current data shows that 58% of single females claimed community care grants during 2011/12. This is a slight reduction from 2010/11. It is difficult to assess at this stage whether applications will continue to reduce. We do not however, consider this protected group to be exceptionally disadvantaged.	Once the new scheme is underway, we will be able to monitor any impact on single females and attempt to identify why the impact is high and then look at how we can reduce impact.

Male			√	Current data shows that 58% of single males claimed crisis loan items during 2011/12. This percentage has increased over the last year, although applications and awards have gone down over the last three years.	Once the new scheme is in place, we will be able to identify whether this group is impacted more than other protected groups. We will then be able to consider what changes can be made.
Gender reassignment			√	Data unavailable. No impact specifically identified.	
Race/Ethnicity					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Asian			√	Data unavailable. No impact specifically identified	We would carry out a sample survey on customers 6 months after the scheme was implemented in order to monitor the impacts on applicants and as a result we would ask applicants if they would like to give us their ethnicity data so we can monitor any impact
Black			√	Data unavailable. No impact specifically identified	As above
White			√	Data unavailable. No impact specifically identified	As above
Mixed			√	Data unavailable. No impact specifically identified	As above
Other, such as Travelers			√	Data unavailable. No impact specifically identified	As above

Religious/Faith Groups					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Buddhist			√	Data unavailable. No impact specifically identified	We would carry out a sample survey on customers 6 months after the scheme was implemented in order to monitor the impacts on applicants and as a result we would ask applicants if they would like to give us their ethnicity data so we can monitor any impact.
Christian			√	Data unavailable. No impact specifically identified	As above
Hindu			√	Data unavailable. No impact specifically identified	As above
Jewish			√	Data unavailable. No impact specifically identified	As above
Muslim			√	Data unavailable. No impact specifically identified	As above
Sikh			√	Data unavailable. No impact specifically identified	As above
No religion/faith			√	Data unavailable. No impact specifically identified	As above

Other			√	Data unavailable. No impact specifically identified	As above
Sexual Orientation					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Heterosexual			√	Data unavailable. No impact specifically identified	We can only request this information through the standard equality monitoring forms. It is highly unlikely that we would receive a high level of responses to accurately monitor this group.
Lesbian			√	Data unavailable. No impact specifically identified	As above
Gay			√	Data unavailable. No impact specifically identified	As above
Bisexual			√	Data unavailable. No impact specifically identified	As above
Pregnancy and maternity					
Pregnancy and maternity	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
			√	Data unavailable. No impact specifically identified	We will attempt to obtain data in the future to ensure that this group is not impacted significantly. The discretionary support scheme is

					intended to ensure that those residents who are on benefits and experiencing financial difficulties, are assisted.
Marriage and civil partnership					
	Positive Impact	Negative Impact	None	Brief detail of impact	What changes could be made?
Marriage/civil partnership			√	None specifically identified	Please see above.
3.2	From the information you have gathered and the engagement you have undertaken describe how the policy, strategy, function, project or activity actively enables the council to meet its public duties to:				
Advance equality of opportunity between different groups of people by removing or minimizing disadvantages	<p>The Council is committed to advancing equality of opportunity between people who share a protected characteristic and those who do not.</p> <p>The Council's proposals are intended to enable it to continue to provide a fair and effective service to all Croydon taxpayers, reducing the pressure on the social fund, while taking into account the needs of the most vulnerable groups and assisting them when they meet with a financial crisis.</p> <p>The Council has had regard to the guidance provided by the government and in particular, to the Child Poverty Act 2010; Disabled Persons (services, Consultations and Representation) Act 1986 and Chronically Sick and Disabled Persons Act 1970 Housing Act 1996.</p> <p>With that in mind, it has worked across the local government sector in addition to a number of partner support organizations in order to identify the most appropriate scheme.</p>				

Advance equality of opportunity between different groups of people by taking steps to meet needs	Please see above.
Advance equality of opportunity between different groups of people by encouraging participation in public life	The Council actively promotes equality of opportunity between different groups of people by encouraging participation in public life. This policy however, does not in itself advance equality of opportunity.
Eliminate discrimination, harassment and victimisation.	The policy does not in itself actively eliminate discrimination, harassment and victimization. However, the Council is committed to eliminating discrimination, harassment and victimization as prohibited by the 2010 Act.
Foster good relations between different groups and communities by tackling prejudice and promoting understanding.	The policy does not in itself foster good relations between different groups by tackling prejudice and promoting understanding, but the Council is committed to fostering good relations by displaying numerous informative and social events for residents to attend.

3.3 Having considered the potential or actual effect of the policy, strategy, function, project or activity on equality make an informed judgment about what should be done (more than one may apply)?

Outcome		Judgment (Y/N)
Outcome 1: no major change	Your assessment demonstrates that the policy is robust and the evidence shows no potential for discrimination and that you have taken all appropriate opportunities to advance equality and foster good relations between groups.	Y
Outcome 2:	This involves taking steps to remove barriers or to better advance equality and introducing measures to	N

adjust the policy	mitigate the potential effect.					
Outcome 3: continue the policy	This means adopting your proposals, despite any adverse effect or missed opportunities to advance equality, provided you have satisfied yourself that it does not unlawfully discriminate.					N
Outcome 4: stop and remove the policy	If there are adverse effects that are not justified and cannot be mitigated, you will want to consider stopping the policy altogether. If a policy shows unlawful discrimination it must be removed or changed.					N
3.4	Planning actions – please record all actions arising from the assessment, with clear targets, milestone and lines of responsibility.					
Protected group¹	Action (SMART)	Intended Outcome	Completion Date	Lead Officer	Lead Partner²	
All	Agree and undertake a general publicity campaign to explain the new scheme in detail and to offer help and advice to all affected by the proposals.	Explain the impact of the new policy on those most affected.	March 2013	Mark Fowler		
	Targeted communications for affected groups	Simple and effective process. Easy to understand.	April 2013	Mark Fowler		

¹ Enter in this column which of the protected characteristics that the action encompasses: race/ethnicity (r), disability (d), age (a), sexual orientation (so), gender/sex (g), religion/belief (rb), gender reassignment (gr), marriage and civil partnerships (m), pregnancy and maternity (pm).

² If appropriate.

	<p>Develop a system where data can be collected for analysis. This data will include names, addresses, reason for application; items requested and other similar information.</p>	<p>We will have a system with detailed information on applications for financial support. We will be able to assess need, see who has made multiple applications with a rolling twelve month period and assess data such as which type of group applies for awards the most. With this information we can decide how to spread the budget in the fairest way possible.</p>	<p>March 2013</p>	<p>Mark Fowler</p>	
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3.5 Please indicate the risks and what will be done to address them? Risks may need to be recorded in your risk register.

Risk/ issues identified	Action required/completed	Resource implications	Timescales	Lead Officer	Expected outcome	Progress
The scheme is inadequately designed which will either fail completely or not be ready on time. Poorly designed schemes also run the risk of increased fraud and error.	The approach outlined adheres to all of the key principles and legal reference set out by Government. The Council's engagement process has included all key stakeholders and some areas of the proposals have been altered due to feedback.	If any risk materialises, we will need additional resources to mitigate risks.	N/A	Mark Fowler		
The implementation timetable also coincides with a number of other significant changes and additional administrative burdens from 2013, adding further complexity and risk of failure.	Cross departmental and sector working will be integral to successfully delivering these changes.	We will require additional resources to implement the new system for collecting data.	N/A	Mark Fowler		
The new scheme could potentially become inundated with appeals and ombudsman investigations.	The consultation has been thorough; we have and will, continue to actively work with the third sector and other stakeholders.		N/A	Mark Fowler		

SECTION 4: MONITORING AND REVIEW

4.1	Equality impact assessment is an ongoing process that does not end once a policy, strategy, function, project or activity has been agreed or implemented.	
Question	Response	
How will you measure the effects of the policy on equality?	We intend setting up a new system which will capture all relevant data such as name, gender, area of residence etc. in order to analyse need and to ensure that multiple claimants are identified. We can provide the standard monitoring form for applicants to complete, but this information will be optional. We do not expect to receive a high percentage of responses on equality monitoring so analysis will not be accurate.	
When will the policy be reviewed?	The policy itself will be reviewed annually, but reviews of applications and reasons for applying to the fund will be conducted more frequently.	
What type of equality information is needed for monitoring and how often will it be analysed?	We require equality information on ethnicity, religion, sexual orientation, marriage and pregnancy and maternity. However, while we can offer all applicants the standard monitoring form for completion, this will be optional and we do not expect a high percentage of responses.	
How will stakeholders be engaged in the implementation, monitoring and review?	We will continue to engage with the Department for Work & Pensions and third sector parties. We will also continue to meet with the Welfare Reform Group and the Croydon Senior Management Welfare Board. We will communicate regularly with the above stakeholders as the policy is introduced, analysing trends in applications and assessing need and claims; analysing why claims are made and what is being claimed.	

5.1	Before sending the EqIA to be approved by the relevant director use the following checklist to ensure the process is completed. The completed initial EqIA should also be checked.	
		Y/N
The EqIA clearly outlines the purpose of the policy, strategy, function, project or activity? (initial and full assessment template)		Y
The EqIA clearly outlines how the policy, strategy, function, project or activity relates to equalities and to the council's public duties? (initial and full assessment template)		Y
The EqIA clearly outlines the evidence available and the information gathered for the assessment?		Y
The EqIA clearly outlines the community engagement undertaken for the assessment?		Y
The EqIA clearly identifies the impact on each protected group based on the information available and how the policy, strategy, function, project or activity enables the council to meets its public duties?		Y
Final judgement has been made based on the evidence available?		Y
The EqIA identifies SMART actions and identifies risks?		Y
The EqIA includes information on how the policy, strategy, function, project or activity will be monitored and reviewed?		Y

SECTION 6: DECISION MAKING AND PUBLICATION

6.1	I agree with the outcome of the above EqIA and actions arising, and have integrated the outcome into the policy decision	
Lead Officer		
Name	Mark Fowler	
Signature		
Date	20.11.12	
Lead Director		
Name	Graham Cadle	
Signature		
Date	20.11.12	
Date sent to corporate equalities and cohesion team (data.equalities@croydon.gov.uk)		

THIS SECTION TO BE COMPLETED BY THE CORPORATE EQUALITIES AND COHESION TEAM

Publication Date (summary on website)	
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