

## **Adult Health and Care Select Committee**

**26 September 2019**

### **The Local Assistance Network (LAN)**

#### **Report by Executive Director People Services and Director of Adults' Services**

#### **Summary**

The Local assistance network (LAN) was established in 2013 when the Department of Work and Pensions (DWP) abolished several discretionary elements of the benefits system and transferred the responsibility for providing discretionary assistance to local government. A 'ring fenced' grant was provided to the County Council for two years. Since 2015, funding for the LAN has been funded from the Council's base budget.

The LAN is a discretionary grant that is provided directly to organisations. It is used alongside other sources of funding and support to provide assistance, to individuals and families during periods of crisis.

In April 2019 the LAN was reduced from £806,000 to £200,000 following consultation with providers. In November 2019, following a further period of consultation with providers, the Cabinet Member for Adults and Health will be asked to consider a proposal for a further reduction of the LAN to £100,000 from 1<sup>st</sup> April 2020.

#### **Focus for scrutiny**

The Health and Adult Social Care Select Committee is asked to consider the proposal to reduce the LAN funding and the proposed consultation approach as set out in paragraph 5 of the report.

The Chairman will summarise the output of the debate for consideration by the Committee.

### **Proposal**

#### **1. Background and Context**

- 1.1 The LAN was established in 2013 when the DWP abolished several discretionary elements of the benefits system and transferred the responsibility for providing discretionary assistance to local government. A 'ring fenced' grant was provided to the County Council for two years. Since 2015 funding for the LAN has been funded from the Council's base budget.

- 1.2 The principle behind the LAN is to provide discretionary services to households facing hardship as a result of a crisis or emergency. Typically, this involves provision of food, utility top ups, furniture, white goods or household equipment. No financial assistance is available although, in some circumstances, providers offer low value supermarket store cards to purchase essential items. There are no eligibility criteria.

## **2 Proposal Details**

- 2.1 Recognising the Council's significant financial challenge and the predominantly discretionary nature of the LAN, the Council took the decision to reduce the LAN from £807,000 to £200,000, from April 2019.
- 2.2 In November 2019, following a consultation period with providers, the Cabinet Member for Adult Care and Health will be asked to consider a further reduction in the LAN to £100,000.
- 2.1 In consideration of a reduced LAN, investment will be prioritised according to need, potential vulnerability and crisis situations. On this basis, consultation will focus on the aspects of the LAN that will add the most value and deliver the best outcomes in the reduced financial envelope.
- 2.2 LAN funding is currently provided to food banks, children and family centres, citizens advice and social enterprises.

### **Food Banks**

- 2.3 The eight Trussell Trust Food banks<sup>1</sup> provide good local access points from which applicants can seek help. Food banks provide assistance to households for a limited period based on a voucher referral system. Seven of the eight Trussell Trust Food banks currently receive funding through LAN and this funding was maintained in 2019 despite the overall reductions in funding. This funding is used to support the basic infrastructure of these services, e.g. premises and storage facilities, enabling the services to access to additional sources of revenue and resources to support the overall food bank offer.

### **Children and family centres (CFCs)**

- 2.4 The County Council has statutory responsibilities to children and families. CFCs provide a good local base where help can be provided through face to face interactions. The CFCs' LAN role within both Crawley and Littlehampton is especially important providing essential support such as furniture, white goods, baby equipment, clothing, sometimes food, etc. Funding to children and family centres was not reduced in 2019 despite the overall reductions in funding. Any reductions in funding need to be considered in relation to an overall Council impact.

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<sup>1</sup> Chichester, Bognor Regis, Littlehampton, Worthing, Shoreham, Haywards Heath, Horsham and East Grinstead.

## **Citizens Advice (CA)**

- 2.5 The Council already provides funding to support the general 'core' CA service in West Sussex with the LAN being an additional revenue stream. There is significant overlap in the support provided through the LAN, for example with benefits advice, debt and money management and the core CA offer. However, following consultation feedback in 2018 it was agreed to continue with reduced LAN funding allocation to CA from April 2019.

## **Social enterprise providers**

- 2.6 Social enterprise providers historically received a substantial proportion of the LAN funding; however, this was reduced significantly from April 2019 and now provides a small amount of funding to five charitable organisations who between them provide the core LAN in respect of utility top ups, furniture and white goods<sup>2</sup>. The providers have developed services based on a social enterprise model, which in most cases complements their core charitable purpose. Much of this pre-date the establishment of the LAN; for example, involving recycling of donated furniture or provision of work experience for residents living in supported housing etc. The purpose of the current LAN allocation is to support these social enterprises to meet some infrastructure costs, e.g. storage and transport, to enable independent furniture collection and distribution schemes.

## **3 Resources**

- 3.1 The current budget for the LAN is £200k per annum, distributed as follows;
- £35k to food banks,
  - £80K to children and family centres,,
  - £35K to Citizens Advice and
  - £50K to social enterprises
- 3.2 The proposal reduces the LAN to £100K and consultation will focus on how this should be distributed based on an impact assessment and a focus on the most vulnerable. It is however, likely that some areas currently funded by the LAN will no longer receive funding.

## **Factors taken into account**

### **4 Issues for consideration by the Select Committee**

- 4.1 The Health and Social Care Committee are asked to consider the proposal to reduce the LAN funding and the proposed consultation approach as set out in paragraph 5 below.

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<sup>2</sup> Stone Pillow, Turning Tides, Crawley Open House, Horsham Matters, Furnihelp

## 5 Consultation Proposals

- 5.1 A period of targeted consultation with providers is taking place with all providers during September and October 2019. This will close on 18<sup>th</sup> October with feedback and impact assessed during the remainder of October to develop proposals for consideration in November.
- 5.2 A questionnaire has been sent to providers setting out the proposed reduction and asking for an understanding of the impact. As the LAN contributes to wider funding arrangements for these organisations, consultation is focused on;
- The impact of overall service provision through a reduction or removal of LAN funding and options to mitigate these challenges, and
  - Possible options for distribution of future LAN allocations.
- 5.3 Whilst the exact distribution of the future LAN cannot be confirmed prior to consultation it is expected that the focus for the reduced LAN will be on the support to children and family centres with any remaining LAN being used to support food banks. This inevitably means that LAN allocations for citizens advice and other social enterprises are unlikely to be continued. The impact will be assessed before final proposals are presented to the Cabinet Member for Adults and Health.

## 6 Risk Implications and Mitigations

Risk	Mitigating Action (in place or planned)
There is a risk that reduction or removal of the LAN funding will mean that the current providers are unable to continue delivering services	This is unlikely as all LAN forms a small element of the funding arrangements for these providers, however the impact will be considered through consultation process.
There is a risk that a reduction of the LAN could increase costs in other areas of the Council (e.g. an impact on children's services budgets)	Impact will be considered through consultation process.

## **7 Other options considered**

- 7.1 As part of the Councils budget planning process members were asked to consider potential removal of the entire amount of the LAN. This option was rejected and consideration given instead to a further reduction to the LAN.

## **8 Equality duty**

- 8.1 The Council has a duty under Section 149 of the Equality Act 2010 to have due regard in the exercise of its functions to the need to eliminate discrimination, harassment and victimisation and the need to promote equality of opportunity for those that share a protected characteristic and those who do not. This impact will be considered through the consultation process.

## **9 Social value**

- 9.1 Almost all the LAN providers are third sector, not for profit organisations. These organisations provide additional social value by attracting inward investment in the form of public grants and charitable fundraising as well as social capital in the form of volunteering and campaigning activity. As part of the consultation, consideration will be given to how these benefits can continue to be delivered, working with these organisations at a local level and collectively.

## **10 Crime and Disorder Implications**

- 10.1 There are no crime and disorder impacts expected as a result of this consultation, however this will be considered through the consultation period.

## **11. Human Rights Implications**

- 11.1 There are no human rights impacts expected as a result of this consultation, however this will be considered through the consultation period

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**Appendix 1:** Breakdown of current LAN allocation

**Background Papers: None**