

<b>Cabinet Member for Adults and Health</b>	<b>Ref No:</b>
<b>September 2018</b>	<b>Key Decision: Yes</b>
<b>Strategic Budget Options: Local Assistance Network</b>	<b>Part I:</b>
<b>Report by Executive Director Children, Adults, Families, Health and Education and Interim Director of Adults' Services</b>	<b>Electoral Division(s): All</b>
<p><b>Summary</b></p> <p>The Council currently budgets to spend £0.807m providing discretionary assistance to households in crisis situations through the Local Assistance Network (LAN). The LAN is delivered through a partnership with voluntary sector agencies which provide non cash based assistance, very largely on an 'in kind' basis, to households facing hardship as a result of a crisis or emergency.</p> <p>The scheme was launched in 2013 when funding for discretionary welfare provision was transferred from the benefits system to local government and 'ring-fenced' for this purpose. Given that this funding no longer exists the cost of the LAN falls entirely on the Council's base budget. In the current financial context it is not considered sustainable to maintain expenditure on the LAN at the current level and a significant reduction is therefore being proposed.</p> <p>The Cabinet Member will be asked whether to agree to the further reduction of LAN funding to a total of £200,000 per annum from April 2019. The decision will open a period of engagement to gather evidence to inform this decision in the context of an impact assessment and to establish the priorities for the use of this funding going forward.</p>	
<p><b>West Sussex Plan: Policy Impact and Context</b></p> <p>The LAN contributes to the West Sussex Plan objective for Stronger Communities. This proposal is one of several strategic options being put forward as part of the Council's budget process 2019/20 in light of the current financial challenges.</p>	
<p><b>Financial Impact</b></p> <p>If implemented, the proposal would involve a saving of £0.607m</p>	

## Recommendation

The Cabinet Member for Adults and Health is recommended to approve process of engagement with providers and stakeholders, which may result in a reduction in the budget for the LAN to £200,000 per annum from 2019/20 onwards.

## Proposal

### 1. Background and Context

- 1.1 The LAN was established in 2013 when the Department of Work and Pensions abolished a number of discretionary elements of the benefits system, and transferred the responsibility for providing discretionary assistance to Local Government. The discretionary benefits involved included Community Care Grants and most elements of the Social Fund. At the same time the Government transferred levels of funding previously committed to these benefits to upper tier authorities as part of a 'ring-fenced' fund. When established in 2013, the ring-fenced fund which the government transferred to the Council was in excess of £1m per annum.
- 1.2 The principle behind the LAN is to provide discretionary services to households facing hardship as a result of a crisis or emergency. The aim is to provide immediate and short-term assistance in practical ways. 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.
- 1.3 LAN applicants must apply directly to providers for assistance who operate the scheme on a discretionary basis, without any formal eligibility criteria beyond the principles previously described above. A leaflet describing the scheme is available as a background paper.
- 1.4 The Government ceased to provide 'ring-fenced' funding for discretionary welfare schemes in 2015. Since then the Council has continued to fund the LAN, albeit at a reducing level. A summary of spending on LAN together with applicants assisted is provided in the table below.

Year	Applications Accepted	Total Expenditure
2013/14	5749	£1.06m
2014/15	6033	£1.181
2015/16	5369	£0.892m
2016/17	4455	£0.877m
2018/19	4976	£0.784m

## **2. Proposal Details**

- 2.1 In view of the discretionary nature of this service and in view of the financial context it is proposed that the Council funding for the LAN in 2019/20 should reduce to £200,000 per annum. Prior to implementing this reduction it is proposed that a process of engagement should take place involving providers, district and borough councils, voluntary sector agencies and other affected stakeholders. The purpose of this will be to conduct an impact assessment and to establish priorities for the use of LAN funding in 2019/20 and beyond.
- 2.2 There is a good deal of crossover between the LAN and the provision of housing related support. Several of the principal LAN providers are also commissioned to provide housing related support. Equally there is a crossover with clients using both services since many LAN service users have experienced or are threatened with homelessness. For this reason it is proposed that the process of engagement about changes to the LAN service should run, at least in part, in tandem with the process being established for housing related support. This is set out at (*Decision Report Reference xxx*) and involves the oversight of the West Sussex Strategic Housing Group. At the same time there are a number of key agencies involved in the LAN which operated outside the supported housing sector, for example the Citizens Advice Bureau. This will require a parallel process of engagement in order to carry out a full impact appraisal.
- 2.2 The purpose of the process of engagement will be to determine the most effective way of delivering discretionary welfare to households facing crisis or emergency situations within the constraints of a reduced budget. The approach will explore the various options which exist to adapt the current scheme and the potential for making more use of capacity and resources which may be available elsewhere in the public and voluntary sector.
- 2.3 The timescale within which the engagement process will be completed, impact appraisals undertaken and final decisions made will be December 2018.

## **Factors Taken Into Account**

### **3. Consultation**

- 3.1 The overall approach described in this report has been discussed and agreed by the West Sussex Leaders' Board as part of a wider discussion on strategic budget options and future funding of housing related support.
- 3.2 This decision report is due to be considered at the Health and Adult Social Care Select Committee on 27 September, with more detailed proposals subject to scrutiny at a further meeting of the Select Committee in November 2018.
- 3.3 In addition to the above 'structured' consultation with key stakeholders, the County Council welcomes views from the wider community and has established a generic mailbox to receive individual or community comments. This mailbox is [LocalAssistanceNetwork@westsussex.gov.uk](mailto:LocalAssistanceNetwork@westsussex.gov.uk)

## 4. Financial (revenue and capital) and Resource Implications

### 4.1 Revenue consequences of proposal

	Current Year 2018/19 £m	Year 2 2019/20 £m	Year 3 2020/21 £m	Year 4 2021/22 £m
Revenue budget	0.807	0.807	0.200	0.200
Change from Proposal	Nil	-0.607	Nil	Nil
Remaining budget	0.807	0.200	0.200	0.200

4.2 If the LAN budget for 2019/20 is reduced to £0.2m there will be an annual revenue saving of £0.607m.

## 5. Legal Implications

5.1 As previously indicated, this is a discretionary role which the Council has a power rather than a duty to provide. The Council has no statutory housing function or responsibility for addressing homelessness or destitution. Its obligations are found in legislation relating to children and to adults with care needs.

## 6. Risk Assessment Implications and Mitigations

6.1 The key risk involved with this process revolves around the quality of the consultation and the effectiveness of the engagement with providers and stakeholders.

6.2 A reduction in the capacity of the LAN does involve a risk of increasing demands upon statutory services, whether provided by the Council itself or within the wider public sector. Accurately forecasting the risks associated with this will be a key element of the consultation and this will ultimately depend on the effectiveness of the partnership process which will be overseen by the West Sussex Strategic Housing Group.

## 7. Other Options Considered

7.1 The nature of the decisions recommended allows for the potential for a range of options to be considered prior to a final decision in December. At this stage no other options are being considered.

## 8. Equality and Human Rights Assessment

8.1 The Equality Act requires the Council to promote equality and to eliminate discrimination, paying particular regard to the need for equality of opportunity for those that share a protected characteristic and those who do not. An Impact Appraisal which addresses this will form part of the engagement process.

## **9. Social Value and Sustainability Assessment**

- 9.1 Almost all of the organisations which participate in the LAN are third sector, not for profit organisations. These organisations provide additional social value to West Sussex by attracting additional inward investment in the form of public grants and charitable fundraising as well as social capital in the form of volunteering and campaigning activity.
- 9.2 An assessment of Social Value and Sustainability will form part of the Impact Appraisal.

## **10. Crime and Disorder Reduction Assessment**

- 10.1 An assessment of the relevance of LAN to Crime and Disorder reduction will form part of the Impact Appraisal.

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**Appendices** None

**Background papers:** None