Submission from Clackmannanshire Council

As part of our scrutiny of local government budgets the Local Government and Regeneration Committee is seeking the following information from your council on the financial and resource impact of UK Government welfare reforms, for the period 2012/13 to 2014/15—

Q1 – In what areas of (a) work and (b) costs and resources has the ongoing programme of UK welfare reforms affected your council?

For Clackmannanshire Council, the following changes have had a direct impact as follows:-

1. Administration of Discretionary Housing Payments (DHP). Costs of increased administration are approximately £60,000 with no additional funding in 2013-14 provided. In additional, the DWP funding for benefits administration is to reduce £100,000 in 2014-15.

2. Administration of Scottish Welfare fund (SWF). Costs of increased administration are approximately £65,000, of which funding of £60,000 was received from Scottish Government for 2013-14. This funding is to remain consistent for 2014-15.

3. Administration and recovery of Underoccupation reduction (UR). Costs of increased administration are approximately £150,000 with no additional funding in 2013-14 provided.

Q2 – What was the level of actual or budgeted crisis grants made by your council in the period 2012/13 to 2014/15? What percentage increase/decrease did this represent over the previous three financial years?

For the financial year 2013/2014, we have spent £37,671.00 on Crisis Grants and also have £4,846.50 to be accrued for the same year. This totals £42,517.50. This is against our allocation for the year of £129,545.

As Crisis Loans were administered by the Department of Work and Pensions prior to April 2013, we do not hold statistics on the amounts spent.

Q3 – What has been the financial and resource implication of the welfare reforms for your social work and housing services in the period 2013/14 to 2014/15? What has been the level of emergency housing applications your council has dealt with in 2013/14? What level do you expect to deal with in 2014/15?

Clackmannanshire experienced an 8% overall reduction in homeless presentation in the year 2013/14 (479 applications) and it therefore cannot be concluded that welfare reform has had any impact upon the need for emergency accommodation. It is unclear to what extent the availability of additional discretionary housing payments has had upon this demand. Although the overall trend is down there has been a 29% increase in homeless presentations in the final quarter of 2013/14,
when compared to the same period in 2012/13, which makes predicting applications in 2014/15 very difficult.

Our projections for 2014/15 however have assumed a static presentation rate of 480.

- Q4 – What actions has your council taken to coordinate its efforts and responses to the welfare reform changes to ensure the most needy/vulnerable people in you council area receive the support and assistance they require?
  - The Council has a cross Council and Partner Welfare Reform Working Group that meets regularly to consider the impact of welfare reform across Clackmannanshire, and agree actions to mitigate the effects. This has included the securing of Support and Connect Funding from the Lottery and additional DHP funding from DWP.
  - The Council is also undertaking a corporate business transformation programme, Making Clackmannanshire Better to target early prevention and intervention.
  - The Council has been successful in securing Lottery Funding of £131,000 for two years to cover a contract with Grand Central Savings which will provide bank accounts to homeless and vulnerable families.
  - The Council were successful in securing £80,000 additional DHP funding from DWP in March 2014.