Aberdeenshire Council thanks the Committee for the opportunity to put forward a submission on the Scottish Government’s Welfare Funds (Scotland) Bill and has responded as detailed below to the questions asked.

General

1. Are you in favour of the Bill and its provisions? Do you think the Bill fully achieves the Scottish Government’s aim of providing assistance for short term need and community care?

Aberdeenshire Council is broadly in favour of the Bill and its provision. However it is noted that whilst paragraph 1 of the Bill imposes a duty on local authorities to maintain a “welfare fund”, the use of the word “may” in paragraph 2 (1) does not impose an absolute duty on local authorities to use the fund for the purposes stated thereafter.

Aberdeenshire Council is of the view that the wording in paragraph 2 (1) should be as follows:

A local authority shall use its welfare fund only in order…..

2. The interim SWF scheme has already been running for two years. Do you feel that the Bill has suitably taken on the learning from this time?

The Bill does appear to have taken on the learning from the interim scheme for example it recognises that individuals as well as families can be subject to exceptional circumstances.

3. Is there anything else that you feel should be included in the Bill?

It would be helpful from the point of view of access to administrative justice if the bill or the regulations arising from the Bill were to contain details of the minimum information to be included in the decision letters.

4. Will the Bill and its provisions have a particular impact on equalities groups?

Aberdeenshire Council is not aware of any particular group who will be advantaged or disadvantaged by the provisions of the Bill.
Administration of Welfare Funds

5. Do you agree with the proposal that local authorities have the option to outsource the provision of the fund to a third party or jointly administer the fund across local authority boundaries? What are the benefits or drawbacks to this approach?

Aberdeenshire Council is of the view that there should be provision for local authorities to work across boundaries as this would provide economies of scale and reduce software costs.

There are however some risks in relation to outsourcing, in particular the possible loss of the ability to take into account local needs and conditions. There would also be costs associated with procuring and monitoring such contracts.

Review of decisions and the SPSO

6. What are your views on the proposed internal local authority review process?

Aberdeenshire Council shares COSLA’s view that the SPSO review option provides the majority of characteristics of an independent review. The concern is that the transfer of responsibility for 2nd tier review will also see SPSO decisions binding on local authorities, which if the volume of reviews increases may cause potential difficulties in managing SWF budgets in year. How this works in practice needs careful consideration to ensure budget management is not compromised.

7. Do you agree that the SPSO is the appropriate body to conduct secondary reviews?

In terms of fulfilling the Scottish Government’s objective of having an independent review process the SPSO is an appropriate body to conduct such reviews. However there will need to be detailed discussions between local authorities and the SPSO on the processes involved and the liaison arrangements in order to ensure that the review process is as accessible as possible for applicants.

Further provision – regulations

8. What are your views on the level of detail that will be contained within the regulations? Is there any aspect which you feel would benefit from being on the face of the Bill?

The level of detail that will be contained within the Regulations is reasonable however it would be helpful from the applicants’ perspective for either the Bill or the Regulations to specify the minimum amount of information required for the decision letters.

Financial Memorandum

9. Do you think that the costs attributed to the running of the fund and the set-up of the SPSO to administer secondary reviews are realistic and proportionate?
Although the Financial Memorandum (FM) reflects that provision has been made for the administration funding for local authorities for 2015/16 the FM assumes that the Bill will result in no additional costs for local authorities. It would perhaps have been useful to include local authority data on the costs of administering the existing scheme.

The savings referred to in the FM may not be capable of being realised if the number of applications to the Fund increase as this would result in additional administration costs for local authorities. For example based on the number of crisis grant and community care grant applications received in the first quarter of 2014/15, Aberdeenshire’s crisis grant applications are forecast to increase by 10% on the previous year and the community care grant applications by 22%.

It also does not seem appropriate to expect savings in administration costs from the removal of the second tier review function as this has been a very small part of the Scottish Welfare Fund workload to date.

Other provisions

10. Do you have any comments on any other provisions contained in the Bill that you wish to raise with the Committee?

No

Alan Wood
Head of Finance
Aberdeenshire Council
28 August 2014