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?

Yes we are in favour of the Bill. It builds on the experience to date of the interim scheme and provides the legal underpinning to ensure the continuation of the scheme. The Bill itself provides the legal framework to achieve the Scottish Government’s aim, however key to success will be in the administration of the scheme and guidance for local authorities to follow.

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?

While there hasn’t quite been two years of experience of running the scheme in its current format, changes have been made to the guidance relatively soon after the scheme commenced following feedback from practitioners around issues of concern (eg in relation to issues around qualifying benefits). There have been a number of practitioner events and opportunities to feedback over time which highlights the process has been responsive to thoughts, comments and needs of the fund administrators. Therefore we do feel that the learning has been reflected over this time.

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

The explanatory notes highlight the needs of families however this is not reflected in the Bill and regulations with the focus much more on the qualifying individual. Therefore within the definition of a qualifying individual we feel there is a need to take families needs into account.

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

The Bill will impact positively on all equalities groups – particularly those with low socio-economic status. In May 2014 statistical monitoring reports from all Scottish Councils revealed that 50% of the SWF Funds spent in Scotland has been awarded to applicants living in the 20% most deprived areas in Scotland. This indicates funds are making it to those customers most in need.
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?

Generally we feel these options should be available if suitable for local circumstances however within Dundee we do not consider the outsourcing of the provision of the fund to a third party to be beneficial. Difficulties anticipated include the process of regularly reviewing priority levels, potential additional cost of fulfilment due to the inability to recover VAT, potential lack of bargaining power with suppliers in relation to fulfilment options and possible barriers to accessing the services of Social Enterprises in terms of fulfilment provision. With regards to jointly administering the fund with other local authorities we feel there would be benefits such as potential economies of scale and shared services with opportunities for reduced administration costs. Difficulties would include agreeing priority levels with neighbouring authorities who may have very different social and economic demographic challenges within their areas.

Review of decisions and the SPSO

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

We feel that the existing arrangements have worked well and we are pleased to see this reflected in the proposals. This arrangement provides the opportunity for a quick response to applicants particularly for those in a crisis situation.

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

The current process of 2nd tier reviews managed internally within the council works well with costs absorbed within the overall running costs of the organisation through a volunteer panel of employees. We do have concerns about the additional costs of running the SPSO which alternatively could be used to partly offset the administration costs shortfall experienced by many local authorities. We are also concerned with the potential further administrative burden on local authorities in providing information/representation to the SPSO.

However we do recognise there may be some benefits in the SPSO through potential achievement of consistency of decisions nationally which may also lead to clearer principles to be applied.
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?

We feel that some consideration around fraudulent claims or reference made to common law/other legislative powers in relation to fraud should be reflected on the face of the Bill, particularly around possible sanctions for those who carry out fraudulent activity. Currently this is an area where local authorities have little if no power to act upon even though they are fully aware that this happens regularly. While there is provision in the Bill at Section 5(2f) regarding circumstances in which amounts may require to be repaid or recovered in respect of assistance which has been provided, this should be more specific in relation to fraud. There does not appear to be any provision within the regulations for this.

We note that while the Bill specifically states under Section 4(3) that if dissatisfied with the outcome of a first review, the individual concerned may apply to the SPSO for a further review however no such provision is made within the Regulations or direction for local authorities to provide information or representation to the SPSO to assist the decision making process.

With regards to the limitation on award of crisis grants as outlined in Section 8 of the regulations we are unaware of any mechanism which would allow a local authority to know that a previous application had been made in another local authority area.

We note that Community Care Grants and Crisis Grants are not referred to in the Bill with reference made consistently to “welfare funds” however the distinction between these different grants is not noted. We are unclear if this is to provide flexibility for the future i.e. to reflect the Scottish Government’s aspiration to gradually reduce crisis interventions in place of longer term support.

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?

In relation to the operation of the fund, Dundee City Council has consistently highlighted that the administration costs incurred are considerably greater than the administration funding available.

Dundee City Council believes that providing the desired holistic approach comes with a cost and this should be reflected in the level of funding available. It is noted that the level of administration support grant for 2015/16 is yet to be confirmed – we believe this needs to at least reflect the historical baseline figure and should reasonably reflect the actual cost of administering the fund.
Estimated SPSO costs do not appear to be proportionate particularly based on the level of administration funding provided to each local authority to implement all functions of the Scottish Welfare Fund. Furthermore we would question why there is a potential need for additional estate costs considering the range of mobile and flexible working arrangements which are in place in many organisations, including local authorities and other public funded bodies.

It is difficult to predict at this stage what the future demand and spend for Crisis and Community Care Grants will be given the relatively low, (but rising) initial expenditure baseline position in 2013/14. This is dependent on a number of factors including inflation on the price of goods and services offered as fulfilment options but more significantly will be driven by individuals’ needs, particularly as other Welfare Reform changes such as Universal Credit and the move to PIP start to make an impact. It would be helpful that some estimate was made of the potential increased demand for Crisis and Community Care Grants over the medium term.

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

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