

Report to: Health and Wellbeing Committee, 22nd January 2024

Report of: Corporate Director - Operations, Homes and Communities

Subject: WORCESTER CITY DISCRETIONARY WELFARE ASSISTANCE SCHEME (DWAS)

1. Recommendation

That the Committee:

- 1.1 Note the contents of the report, and in particular the allocation of the DWAS budget and changes to the scheme following its review; and**
- 1.2 Delegate the Corporate Director (Operations, Homes and Communities), in consultation with the Chair and Vice-Chair of the Committee, to approve any scheme changes necessary to the scheme from April 2024, subject to funding announcements.**

2. Background

- 2.1 A report was presented to this Committee on 30th January 2023, providing an update on the delivery of the Worcester City Discretionary Welfare Assistance Scheme (DWAS) and recommending that a review of the scheme be undertaken to ensure that it continues to meet the needs of vulnerable households efficiently and effectively.
- 2.2 As part of this decision Committee also provided delegated authority to the Corporate Director (Operations, Homes and Communities) to make any changes to DWAS in consultation with the Chair and Vice-Chair of the Committee.
- 2.3 This report will provide an update on the scheme review and the resulting changes to the scheme, as well as an overview of demand and spend levels since the last Committee report.

3. Scheme Budget

- 3.1 DWAS has been funded from base revenue budgets since April 2017 following the cessation of government funding and the abolition of the Community Care Grant and Crisis Loan element of the Social Fund. The base budget allocation for 2023/24 is £129,490, £118,770 of which is available for grant payments.
- 3.2 Since November 2020, DWAS has been extended with grant funding from the Household Support Fund (HSF) directed to enhance the offer and increase the provision of welfare assistance in the City. Between November 2020 and March 2023, the additional allocation from the HSF was £200,000 with a further £95,000

committed for 2023/24. A further one-off £40,000 from the Child Poverty corporate funding was allocated to DWAS in 2023 for 'childhood essentials'.

- 3.3 The total budget for DWAS in 2023/24 including the base budget contribution, HSF grant allocation and child poverty corporate funding is £264,490.
- 3.4 In July 2023 Policy & Resources Committee received a report recommending a phased approach to grant giving across several services. In order to contribute towards managing the council's budget gap it approved that 25% of DWAS base budget (£129,490) should be funded from HSF, providing a saving to base budget of £29,690.
- 3.5 It was further agreed that this should be implemented from 2023/24 in order to realise this saving immediately and to inform the scope of the review of the scheme agreed by Health & Wellbeing Committee.
- 3.6 It is currently unknown whether HSF will continue beyond March 2024. However, it is proposed that a proportion of any future allocations of the HSF would be utilised to increase funding to DWAS and therefore further mitigate any impact on a reduction of base budget funding.
- 3.7 In addition, to ensure continuity of base budget for 2024/25, Health & Wellbeing Committee will consider at its January 2024 meeting a recommendation to use a proportion of United Kingdom Shared Prosperity Funding (UKSPF) targeted at 'Communities & Place'.

4. Scheme Performance Information

- 4.1 2022/23 is the last financial year for which full year data is available. However, following the review of the scheme during 2023/24, a new scheme was launched on 6th December 2023 and this section will therefore include 2023/24 data up to this date.
- 4.2 Tables 4.1 and 4.2 below show the number of awards made through the scheme during 2021/22, 2022/23 and 2023/24 (up to 6th December 2023) broken down by budget and by award type.

Table 4.1: DWAS awards by Budget & Type - Number

Award Type	2023/24*			2022/23			2021/22		
	Core	HSF	Total	Core	HSF	Total	Core	HSF	Total
Food Voucher	82	32	114	176	46	222	84	9	93
Energy Voucher	282	193	475	498	176	674	234	31	265
White Goods	218	131	349	214	174	388	238	182	420
Total	582	356	938	888	396	1284	556	222	778

*Up to 06/12/23

Table 4.2: DWAS awards by Budget & Type - Percentage

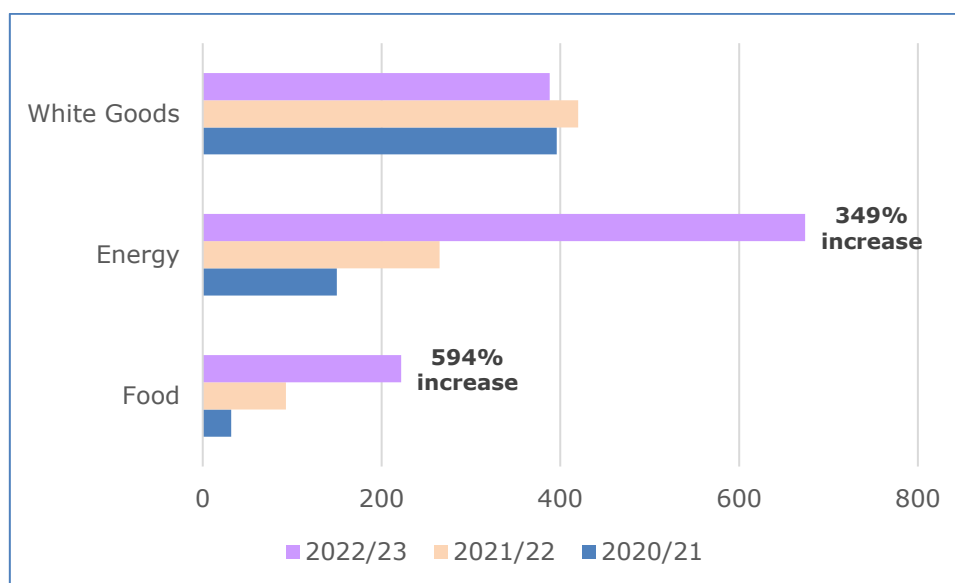
Award Type	2023/24*			2022/23			2021/22		
	Core	HSF	Total	Core	HSF	Total	Core	HSF	Total
Food Voucher	14%	9%	12%	20%	12%	17%	15%	4%	12%
Energy Voucher	48%	54%	51%	56%	44%	52%	42%	14%	34%
White Goods	37%	37%	37%	24%	44%	30%	43%	82%	54%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

*Up to 06/12/23

4.3 The data shows that demand for the scheme has grown significantly over this period. There have also been changes seen in the type of award being requested, with applications for crisis awards of food and energy vouchers growing significantly, in line with the increase in the price of food and energy due to the cost-of-living crisis.

4.4 Chart 4.1 below clearly shows this change when looking at scheme data between 2020/21 and 2022/23.

Chart 4.1: DWAS Demand by Award Type 20/21 - 22/23



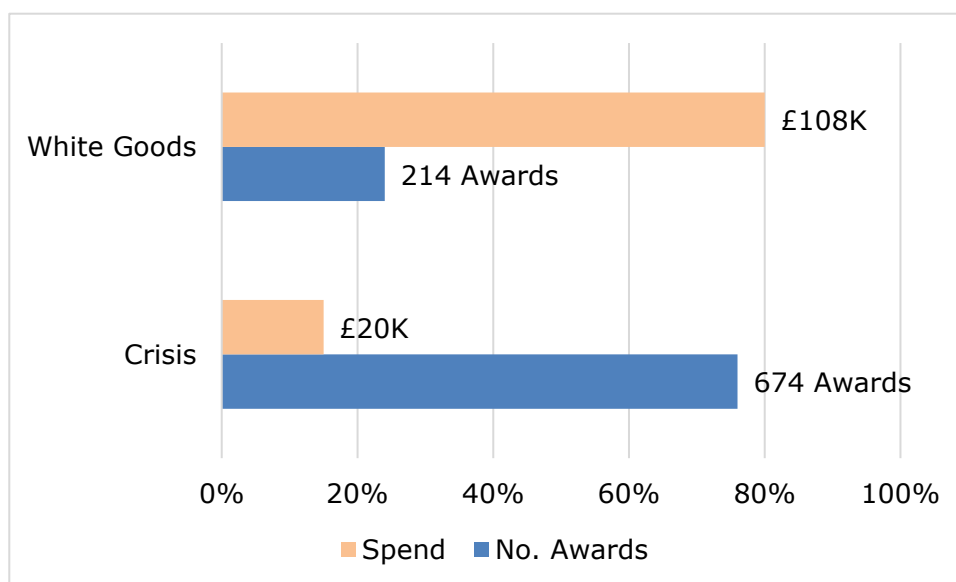
4.5 However, an examination of spend by award type for 2022/23 shows that, despite demand for crisis support increasing significantly while demand for white goods has remained consistent, the proportion of budget being spent on crisis support for food and energy is significantly lower than that being spent on white goods. Table 4.3 below shows that, for the core scheme, only 15% of the budget is spent on crisis awards, compared to 80% spent on white goods.

Table 4.3: Proportion of scheme awards vs budget spend 2022/23

2022/23		Food	Energy	WG	Essential Items	Grants	IT	Total
Core	Awards %	20%	56%	24%	N/A	N/A	N/A	100%
	Spend %	3%	12%	80%	N/A	N/A	6%	100%
HSF	Awards %	7%	28%	28%	5%	32%	N/A	100%
	Spend %	1%	7%	48%	7%	36%	1%	100%
Total (Core+HSF)	Awards %	15%	45%	26%	2%	13%	0%	100%
	Spend %	2%	10%	66%	3%	15%	4%	100%

4.6 This is more clearly illustrated in Chart 4.2 below, which highlights the stark disparity in the proportion of the budget spent on white goods when compared to that spent on crisis awards for food and energy vouchers, despite demand for crisis awards being significantly higher.

Chart 4.2: Proportion of spend vs Proportion of awards 2022/23



4.7 With demand for crisis assistance predicted to continue to grow, and with a 25% saving to be achieved, the scheme review therefore aimed to implement changes which would address this imbalance; ensuring that there was sufficient budget available to meet crisis demand, without compromising assistance for households with essential goods such as white goods, furniture and household items.

Child Poverty Funding

4.8 Since the allocation of a one-off sum of £40,000 for 'childhood essentials', a number of awards have been made to meet the specific needs of children through the scheme. Table 4.4 below shows how funding has been spent since April 2023.

Table 4.4: Child Poverty Funding Allocation

Type of Award	Spend
Beds & bedding	£1,010
Clothing & School Uniform	£1,366.23
Total	£2,376.23

4.9 Allocation of funding has been demand-led in response to applications for Essential Items through DWAS. In order to maximise the value of the available funding, the feasibility of developing a service for baby and child essentials similar to the foodbank model has been explored with some local agencies and work on this is ongoing.

5. Scheme Review

5.1 Consultation was undertaken in March and April 2023 with referring agencies, partner organisations and other stakeholders to seek their views on the delivery of the scheme and the support it should provide in the future. Feedback was gathered via an online survey, with some additional responses sent by email.

5.2 In total, 31 responses were received, 14 (45%) of which were from an individual and 17 (55%) were from a business or organisation. The survey asked for feedback on the existing scheme, as well as suggestions for improvements, with the majority of respondents indicating they are satisfied with the principles of the existing scheme. However, some improvements were also suggested, several of which have been adopted in the new scheme. Full details of the DWAS consultation survey responses can be found in **Appendix 1**.

5.3 A review of good practice in other schemes was also undertaken, with particular consideration given to the Local Government Association's (LGA) *Good practice guide: Delivering financial hardship support schemes* which was published in July 2020. This review identified that the Worcester City DWAS already applies many of the good practice recommendations and is among the most generous and 'light touch' schemes nationwide.

5.4 In addition, a mapping exercise was undertaken, which collected information on statutory, charitable and other sources of welfare assistance available both locally and nationwide, with the aim of ensuring that the DWAS did not duplicate support available elsewhere, but rather focussed resources on unmet needs.

5.5 Feedback from the online survey regarding the existing scheme was overwhelmingly positive in terms of the application process, eligibility criteria and support available. The scheme also met many of the good practice recommendations identified by the LGA in terms of providing a light-touch approach, flexibility around eligibility and support provided, offering a range of support, promotion of the scheme and monitoring its performance.

5.6 It was therefore not necessary to make any significant changes to the core principles of the scheme, but rather to enhance the support provided where increased demand was identified and to vary the offer for other support, ensuring that need can

continue to be met whilst supporting charitable organisations and the Council’s sustainability objectives by introducing some support in the form of good quality second-hand items.

5.7 Table 5.1 below summarises the key changes made to the scheme as a result of the scheme review and which were implemented from 6th December 2023.

Table 5.1: Summary of DWAS changes from December 2023

OLD SCHEME			FROM DEC 2023
Type of Support	Core Scheme	With HSF Funding	NEW
Food Vouchers	<ul style="list-style-type: none"> • Voucher value up to £30 depending upon household type and financial circumstances • 2 awards in a rolling 12 month period 	<ul style="list-style-type: none"> • Applicants can receive 4 awards in a rolling 12 month period. <p>NB: Applicants can receive a <u>total</u> of 4 vouchers in a 12 month period, e.g. 2 food and 2 energy or 1 food and 3 energy etc.</p>	<p>Dependent on household size:</p> <ul style="list-style-type: none"> • £20 for first adult in household • £10 per each additional household member • Up to maximum of £70 <p>3 awards in a rolling 12 month period</p>
Energy Vouchers	<ul style="list-style-type: none"> • A £20 Paypoint voucher to support households with pre-payment energy meters. • 2 awards in a rolling 12 month period 	<ul style="list-style-type: none"> • Applicants can receive 4 awards in a 12 month period (see above) • Value of the voucher increased from £20 to £49 in Sep 2022 in response to rising energy costs 	<ul style="list-style-type: none"> • £40 for singles/couples • £49 for families <p>3 awards in a rolling 12 month period</p>
White Goods	<p><u>Families:</u></p> <ul style="list-style-type: none"> • Electric Cooker • Fridge Freezer • Washing Machine <p><u>Singles/Couples:</u></p> <ul style="list-style-type: none"> • Electric Cooker • Fridge <p>1 award for the lifetime of the scheme</p>	<p>All household types can receive:</p> <ul style="list-style-type: none"> • Electric Cooker • Fridge Freezer • Washing Machine <p>Families are provided with a larger capacity fridge freezer.</p>	<p><u>Families:</u></p> <ul style="list-style-type: none"> • Electric Cooker* • Fridge Freezer • Washing Machine <p><u>Singles/Couples:</u></p> <ul style="list-style-type: none"> • Electric Cooker* • Fridge-Freezer <p>1 award for the lifetime of the scheme</p> <p>Applications for re-settlement support can only be made by an agency involved in the re-settlement of the</p>

OLD SCHEME			FROM DEC 2023
Type of Support	Core Scheme	With HSF Funding	NEW
			household into their new home.
Other Essential Items	Not available	New category of assistance introduced in November 2020. Provision of goods/vouchers for essential items. Flexible to meet the individual needs of the household	<ul style="list-style-type: none"> • Continuation of Essential Items category, with additional guidance provided. • Introduction of Charity Shop Gift Card

5.8 In addition to the above changes, applicants are now asked to provide additional supporting information on their financial circumstances in order to ensure that assistance is targeted at those who need it most.

Charity Shop Gift Card

5.9 Assistance with Essential Items such as clothing, furniture, household items etc. was previously met through the provision of vouchers for relevant retailers. However, research undertaken as part of the scheme review identified an alternative, more cost-effective option that would enable the scheme budget to assist more households, support local charities and help to achieve the Council's sustainability objectives by making use of good quality second-hand items and reducing landfill use.

5.10 The Charity Shop Gift Card (TCSGC) was launched in 2021 and works with charity retailers across the country to offer a gift card that can be used in all participating charity shops. It is a Social Enterprise and a minimum of 65% of their profits go towards funding charity gift cards for good causes to donate to the communities they support.

5.11 Initial discussions were held with TCSGC in spring 2023 and since then TCSGC has worked with local charity retailers in Worcester City to encourage them to join the scheme. In order for the vouchers to be a viable option for the provision of Essential

Items, it was necessary for the larger charity retailers in the city to participate and TCSGC were able to successfully add St Richards Hospice and Salvation Army to their scheme in the autumn. These charities have large retail premises in Worcester City selling a variety of items often requested through DWAS. In addition to these charities, Sense and Acorns Children's Hospice are also part of the scheme, with a number of other retailers joining in the coming months.

- 5.12 Worcester City Council is one of the first local authorities nationwide to launch the Charity Shop Gift Card as part of its local welfare provision, with only 3 others currently 'live' and other areas in the early stages of joining. This is an exciting opportunity for Worcester City to be an early adopter of an innovative solution to meeting local need and to offer even greater flexibility in its welfare assistance scheme. It will mean that the scheme can meet the increased demand for crisis support whilst providing a cost-effective method for continuing to support households with essential household items.

6. Household Support Funding

- 6.1 There has been no formal announcement on the future of Household Support Funding, with budget allocation only confirmed until 31st March 2024. If there is no further HSF allocation from April 2024, or a significantly reduced allocation, this will have an impact on the delivery of the DWAS and it will be necessary for changes to be made to the eligibility criteria for the scheme and the type of support available.
- 6.2 It is therefore recommended that Committee agree to delegate authority to the Corporate Director – Operations, Homes and Communities, in consultation with the Chair and Vice-Chair of the Committee, to approve any scheme changes necessary in the event that a significantly reduced level of or no HSF is allocated to the scheme from April 2024.

7. Implications

Financial and Budgetary Implications

- 7.1 The budget available for the Discretionary Welfare Assistance Scheme is in the Council's base budget and is an ongoing commitment, increasing by 2% inflation each year. The new scheme launched in December 2023 has been designed to maximise value for money whilst achieving the 25% saving agreed by Policy % Resources Committee in July 2023.
- 7.2 Any change to the allocation of Household Support Funding from April 2024 will have an impact on the overall budget available for the scheme and, without changes being made in a timely manner, there is a risk that the available budget will be exceeded and/or the scheme will have to temporarily cease once the 2024/25 budget has been spent. This risk will be offset subject to this Committee considering allocating UKSPF funding to top up the DWAS budget for 2024/25.

Legal and Governance Implications

- 7.3 There is no legal requirement for the Council to operate a welfare assistance scheme and awards are made on a discretionary basis only; there is no automatic entitlement to any award and availability of assistance is dependent on budget.

Risk Implications

- 7.4 Although there is no legal requirement for the Council to operate a welfare assistance scheme, it has done so for nearly 10 years and there would be potential for reputational risk to the Council if the scheme were to be withdrawn or significantly reduced at a time of rising cost of living pressures.

Corporate/Policy Implications

- 7.5 None identified

Equality Implications

- 7.6 The principle of DWAS is to assist households who are most vulnerable and experiencing financial hardship. If significant changes are necessary due to a reduction in HSF budget, an Equality Impact Assessment would need to be undertaken to assess the potential impact on customers, particularly the most vulnerable.

Human Resources Implications

- 7.7 None identified.

Health and Safety Implications

- 7.8 The provision of goods and services through the Worcester City Discretionary Welfare Assistance Scheme is intended to assist the city's most vulnerable residents in a time of crisis or to settle into a new home after a period of homelessness or unsettled accommodation where the health and safety of the household would be affected without assistance being provided. Any reduction in the effectiveness and efficiency of the service would potentially have an impact on the health and safety of these customers.

Social, Environmental and Economic Implications

- 7.9 In the context of an ongoing cost of living crisis, any changes to the scheme which are necessary due to a reduction in HSF allocation will have social, environmental and economic implications for the city's most vulnerable households. This should therefore be considered as part of any decision making on scheme changes, whilst acknowledging that there is no duty for the Council to operate a welfare assistance scheme.

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Background Papers: Worcester City Discretionary Welfare Assistance Scheme Guidance Document December 2023

Appendix 1 DWAS Review Consultation Summary



1.1 In total, 31 responses were received, 14 (45%) of which were from an individual and 17 (55%) were from a business or organisation. The organisations that responded are as follows:

- Home Group Limited
- Oasis Warndon Community Hub
- Citizens Advice Worcester and Herefordshire
- Age UK
- Worcester City Council
- Worcester Community Trust
- Worcester Municipal Charities
- Hereford & Worcester Fire and Rescue Service
- Worcester community trust
- Worcester County Council
- Worcester Community Trust
- Platform Housing
- YSS
- Headway Worcestershire
- CCP

1.2 The survey asked for feedback on the existing scheme, as well as suggestions for improvements, in the form of both fixed response and open-ended questions. Responses to fixed response questions are shown in the table below. Each of these included a free text follow up question for those who responded 'No' to these questions and these comments were included in a thematic analysis.

Question	Yes	No
Do you think the type of goods and services provided by the core scheme are appropriate? (i.e. white goods, food vouchers and energy vouchers)	87%	13%
Do you think the value of the food and energy vouchers provided by the core scheme are appropriate? (i.e. £20 energy voucher; variable value food voucher depending on circumstances up to a maximum of £30)	48%	52%
Do you think the number of awards provided by the core scheme is appropriate? (i.e. 2 food/energy vouchers in 12 months; 1 white goods award for lifetime of scheme)	48%	52%
Do you think the eligibility criteria for the scheme are appropriate?	84%	16%

Question	Yes	No
Are you satisfied with the application method for the core scheme (i.e. via the online form)?	94%	6%
Do you think the 'Other Essential Items scheme' should be made a permanent part of the core scheme, funding permitting?	97%	3%

- 1.3 These results indicate that the vast majority of respondents are satisfied with the principles of the existing scheme, but some improvements were also suggested in response to more open-ended questions. A thematic analysis was undertaken on these responses, which can be seen in the table below. Also included is a response to the themes raise, indicating whether or not a change has been made to the scheme in this regard.

Theme	No. Responses	WCC Response
Increase number of food & energy vouchers that can be awarded in 12 months	9	Adopted in new policy
Increase value of energy voucher	8	Adopted in new policy
Increase value of food vouchers	7	Adopted in new policy
Provide support with essential items such as beds	5	Provision already in place via Essential Items category
Vary food & energy voucher value according to household size	4	Adopted in new policy
Add support for non pre-payment energy costs	3	We have investigated the feasibility of this and, while there are methods available, they are cost prohibitive. In addition, Act on Energy receives a separate allocation of Household Support Funding to assist customers on billed energy payments. The utility companies also have their own charitable schemes to assist vulnerable households
Provide cheaper cooking appliances such as air fryer	3	This option was explored but the running cost savings would be minimal and we consider a standard cooker to be a better,

Theme	No. Responses	WCC Response
or microwave instead of standard cookers		more versatile option for all household types
Add a financial assessment to check for non-essential expenditure	3	Adopted in new policy
Allow white goods applications every 5 years	2	DWAS cannot be used for the replacement of broken or worn out white goods - these should be provided for resettlement purposes or in a crisis only
Assist households not in receipt of benefits	2	Discretion can be given to make an award to households awaiting benefit payments or in exceptional financial hardship but not in receipt of benefits. Allowing applications from non benefit recipients as standard would require significant staff resource to undertake financial assessments
Allow one award of each white good rather than one award in total	1	Discretion can be given to allow a further award of white goods where only one item was previously requested and in the majority of cases, these are granted
Add support with carpets	1	Household Support Funding has been used to provide carpets via Worcester Municipal Charities in 2022/23 and part of 2023/24. It is proposed to make a further award of 23/24 HSF should there be any underspend at the end of the year.
Add support with unsafe electrics	1	This type of issue is better addressed through the Council's Property Standards Team, who can work with landlords to rectify the issue or assist owner occupiers to access sources of assistance
Provide support for people whose living costs are higher due to a disability or medical condition	1	Personal Independence Payment (PIP) is intended to cover the additional costs incurred by individuals with a disability or medical condition. Discretion can be given to households who are awaiting the outcome of a PIP assessment and are experiencing financial hardship

Theme	No. Responses	WCC Response
Provide support with gym membership, extra-curricular activities, trips for low income families	1	There is unfortunately insufficient DWAS budget to cover these types of costs. However, there are other charitable schemes available which can assist families in need.

1.4 The response to the consultation on the DWAS was overwhelmingly positive and several respondents commented on the value and generosity of Worcester’s scheme:

"A great scheme that is not available in other areas. Worcester is showing that they care and support their vulnerable residents and the funding is both essential and appreciated".

"It's an invaluable scheme. As a generalist advisor with Citizens Advice, I'm often disappointed when I discover that a client lives outside the city boundary and does not qualify".

"This is a fantastic scheme for the benefit of our vulnerable clients".

"...the scheme is amazing!! and has helped one of my tenants when he needed it the most. Thank you".