

Integrated Impact Assessment (IIA)

Informing our approach to fairness

Name of proposal	Supporting Independence Scheme
Date of assessment	October 2018
Lead officer	Neil Munslow
Assessment team	David Rumney
Planned review date	June 2019

Version control

Version	2
Date	February 2019
Replaces version	1

This is our assessment of the potential equality and other impacts of this 2019-20 proposal, based on the available evidence. We reviewed this assessment following consultation to consider comments and information from all stakeholders, research or new and emerging policy or announcements.

This is the ninth year of austerity and Government-imposed funding cuts. Coupled with unfunded cost pressures, like increasing demand for services and inflation, this has resulted in us needing to achieve savings of £267 million over the last eight years.

Our financial position remains challenging and we need to save a further £16.9 million in 2019-20.

The following proposal is put forward within this context and should be read in conjunction with 'Shaping our future together: Our medium-term plan 2019-20 to 2021-22'. This explains how we are responding to the continuing financial challenge, setting out our plans for the three years.

Section A: Current service

1. What does the service / function / policy do?

The Supporting Independence Scheme (SIS) replaced the Community Care Grant element of the Department for Work and Pension's 'Social Fund' from 1 April 2013. This funding is generally referred to as Local Welfare Assistance and is mainly used to provide furniture and essential items to residents experiencing a financial crisis or who have no means of funding the purchase of essential household items. This more adversely affects residents without strong family networks. In 2017/18 the scheme awarded support 670 households, at a cost of £543,653.

The SIS is managed by our Active Inclusion Newcastle (AIN) Unit to prevent the risk of homelessness of residents with no alternative access to funding to:

- resettle in the community following homelessness or a stay in an institution
- remain in the community rather than enter an institution
- set up home in the community, as part of a planned resettlement programme, following an unsettled way of life
- maintain independence and ease exceptional pressures on families and vulnerable residents
- reduce their expenditure (rental and loan packages) on furniture to allow them to better afford to pay their rent following welfare reform cuts

It provides essential household items to residents on low incomes with the aim of helping them resettle or sustain independence, where they have no alternative access to these items. Essential household items may include, for example, beds, cookers or fridges. A full list of items that are available through the SIS is available at www.newcastle.gov.uk/sis. The scheme doesn't provide cash payments but arranges for the provision of these items or for vouchers towards these items.

Applications are made through a designated support agency, who apply via the Newcastle Gateway. The Newcastle Gateway is a secure, web-based, single access point for not only the SIS, but also for referrals to all housing-related support services in Newcastle, as well as referrals to employment, debt and budgeting, and benefits services. This maximises the chances of applications to the SIS being part of a wider support offer which increases the likelihood of independence being sustained. Designated support agencies who can make applications include:

- Active Inclusion Services – particularly in response to the risk of homelessness, the welfare reform cuts, and related problems residents face of unaffordable housing costs

- Your Homes Newcastle
- Council-funded accommodation and floating support providers
- Adult Social Care (including hospital social workers and specialist services)
- Children's Social Care (including 16+ Team, Youth Offending Team)
- Community Mental Health Teams
- Probation
- Other teams identified as providing appropriate resettlement or sustainment support

Awards are made to reduce the risk of homelessness and take into account the residents' care and support needs and their financial situation.

2. Who do you deliver this service for?

In 2017/18 the scheme awarded support to 670 households, at a total cost of £543,653. The SIS is for residents of Newcastle who are at risk of homelessness or at risk of losing independence and are working with support providers and statutory agencies and are in the following circumstances:

- moving from an 'institution' as part of a planned programme of resettlement support. Some examples of institutions include hostels and short term supported accommodation, hospitals, chronic care facilities, refuges, prisons or approved premises, care leavers or offenders on release on temporary license
- require financial help to remain in the community and avoid becoming homeless and be in receipt of a programme of sustainment support. The SIS provides the financial help to facilitate the transition to reduced benefit levels
- require help to set up home in the community following an unsettled way of life and are being resettled as part of a programme of resettlement support
- families who requires help to maintain their independence and are in receipt of designated support as part of a programme of support

In addition to the criteria above, SIS referral agencies provide information on clients' circumstances 3 months after receiving award to help understand the effectiveness of the help. Demand for the SIS has grown as the welfare reforms have reduced incomes and charitable sources have been exhausted due to increased demand.

Financial criteria

The scheme is intended for those on low incomes who would otherwise not be able to obtain these items. This includes people who are in receipt of one of more of the following qualifying benefits:

- Universal Credit \ Income Support
- Income related Employment and Support Allowance
- Income based Jobseekers Allowance
- Pension Credit
- Child Tax Credit at a rate higher than the family element
- Universal Credit (where income from employment is low enough to qualify the household for help with health costs)

and

- Do not have savings or investments of more than £500 if aged under 60, and £1,000 if aged over 60.

Exclusions

- People who do not meet the eligibility criteria and financial criteria as set out above
- People involved in a trade dispute
- People subject to immigration control
- People who require an item less than the value of £50 (our intention is to minimise transaction costs through the provision of repeated small awards)
- People who have made an application to the Supporting Independence Scheme within the last 12 months and whose circumstances have not significantly changed since that application

3. Do you have any statutory requirements?

The SIS is an integral part of the part of the council's statutory duty to prevent homelessness. The law does not specify how a council should prevent homeless. Without the SIS the council will face more statutory homelessness applications as it one of the few schemes that provide practical help rather than advice to help the resident change to become 'self-sufficient'.

4. How much do you spend on this service?

Gross expenditure	Gross income	Net budget	Capital projects
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The budget information provided below relates to 2017/18 and the budget and expenditure for items delivered by the SIS. It does not include expenditure on the administration of the SIS.

£543,653

Nil

£481,450

Not applicable

5. What workforce delivers this service?

Posts

FTEs

Comments

The SIS is administered by staff in the Active Inclusion Newcastle (AIN) Unit. The identification of need and delivery comes from the hundreds of advice and support workers in the city.

Section B: Change proposal

1. What is the proposal to change the service?

We will continue to provide the SIS within a reduced budget.

For the SIS to continue to operate within a reduced budget, we will cease the routine provision of lower priority household items, such as rugs, microwaves, toasters, dining sets.

This proposal will cut the SIS budget by 5%, £24,073. Due to demand for the SIS the actual cut felt by residents will be higher as in 2017-18 the SIS budget overspent by £62,203.

The current eligibility and financial criteria will be maintained.

2. What evidence has informed this proposal?

Information source	What has this told you?
<p>Help to move or furnish your home (Supporting Independence Scheme)</p> <p>https://www.newcastle.gov.uk/housing/housing-advice-and-homelessness/help-to-move-or-furnish-your-home-supporting-independence-scheme-</p>	<p>Information on current eligibility and financial criteria.</p>
<p>Information held by AINU on utilisation of the SIS (cost and volume of items purchased)</p>	<p>Ceasing to provide lower priority items will achieve savings in overall spend; the SIS will continue but within a reduced budget.</p>
<p>Five years on – a review of the impact of and Newcastle’s responses to the government’s welfare reforms</p> <p>https://democracy.newcastle.gov.uk/documents/s127949/Five%20years%20on%20a%20review%20of%20the%20impact%20of%20and%20Newcastles%20responses%20to%20the%20governments%20welfare%20reform.pdf</p>	<p>The welfare reforms will reduce income arising from working age benefits in Newcastle by over £129m a year by 2022-23 and make access to some benefits conditional upon undertaking increased work-related activity.</p> <p>Benefit cap</p> <p>In the Summer Budget 2015 the government announced a change to the benefit cap that was introduced in April 2013, lowering the cap on the maximum amount of out-of-work benefits working-age families can receive from £26,000 to £20,000 per year (£13,400 for single adults with no children), except in London where higher rents are recognised through a £23,000 cap for families.</p> <p>Removal of the spare room subsidy, referred to as the “bedroom tax”</p> <p>The “bedroom tax” was introduced for residents of working age from 1 April 2013, reducing the amount of Housing Benefit (or housing costs in Universal Credit) that residents receive if they are deemed by the government to have a spare bedroom in their council or housing association home. Newcastle’s large social housing sector means that the “bedroom tax” has particularly impacted on our residents, originally affecting 7,109 households in 2013. This reduced to 5,237 households by March 2014, but this reduction has steadied in recent years and there were still 3,461 households affected at 31 January 2018, losing an average of £14 a week for having a ‘spare’ bedroom in their home.</p>

	<p>Universal credit</p> <p>The Universal Credit ‘full service’ was introduced at Newcastle City Jobcentre on 25 May 2016, Newcastle East Jobcentre on 8 February 2017 and Newcastle West Jobcentre on 15 March 2017 for all new claims to the six ‘legacy’ benefits that Universal Credit is replacing.</p> <p>At 11 January 2018 the DWP’s statistics show that there were 13,324 people on Universal Credit in Newcastle. This is more than double the 6,441 people who were on Universal Credit in Newcastle in April 2017, which shows the significance of changes in circumstances in residents’ lives as they will be contributing to the higher than expected increase in cases.</p> <p>Our experiences with Universal Credit so far can be themed as increased financial pressure on residents and increased likelihood of residents falling in the gaps between services.</p>
<p>Consultation - used Items</p>	<p>The use of used items for childless households is, where available, an integral element of the core provision of the SIS. Used items can only provide a saving when they are available from the current provider and must all pass council standards for safety and offer a 28 day warranty in the event of failure.</p>
<p>Consultation – less essential items</p>	<p>In order to support as many vulnerable households, it is proposed to provide less i.e. not the routine provision of lower priority household items, such as rugs, microwaves, toasters, dining sets. It is accepted that this will adversely affect vulnerable residents.</p>
<p>Maintain support for the most vulnerable</p> <p>https://www.greggsfoundation.org.uk/grants/hardship-fund</p>	<p>The application can only be submitted by a support worker for the household to ensure that the most accurate circumstances are addressed for the vulnerable households. The worker must state whether they have tried alternative sources for support and if they have not they should give reasons as to why not. The SIS currently does not limit the value of an award to the applicant but other funds are capped (i.e. Greggs Foundation Hardship Fund is capped at £150) and being exhausted as there is greater demand for charitable support.</p>

In 2017-18 the SIS fund supported 331 families containing 607 children and 40 pregnant women, to remain in or return to our communities. These families needed an average award of £1,069.99 in order to do this and caps to alternative schemes means that without SIS, this support would not be available.

3. How much will you spend on this service?

	Gross expenditure	Gross income	Net budget	Capital projects
2019-20	£457,377	Nil	£457,377	Not applicable

4. What will the net savings be of this proposal?

	Gross Saving	Implementation Cost	Net Saving
2019-20	£24,073	Nil	£24,073

5. What impact will this have on the workforce?

	No. FTEs	% workforce	Not applicable
2019-20	Not applicable		

6. Who have you engaged with about this proposal?			
Date	Who	No. of people	Main issues raised
			We will conduct a survey of the agencies that use the SIS by the end of October 2018
13/12/2018	SIS0005	1	Providing good quality second hand items
30/11/2018	SIS0003	1	Provision of "less essential" items
7. What are the potential impacts of the proposal?			
Specific group / subject	Impact (actual / potential disadvantage, beneficial outcome or none)	Detail of impact	How will you address or mitigate disadvantage?
People with protected characteristics			
Age	Potential disadvantage	Current awards are concentrated on working-age recipients with only 10 lead applicants aged 16-17 and 28 aged 60+ in 2017/18. A reduction in provision could however disadvantage young people (161 awards were to households with lead applicant aged under 25) or older people (100 awards were to households where the lead applicant was aged over 50).	Regularly review awards to ensure the SIS is targeting the most vulnerable to maintain independence. Review post-award data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Disability	Potential disadvantage	A reduction in provision could impact on the ability of people with physical health needs (82 awards in 17/18) and mental health needs (173 awards	Regularly review awards to ensure the SIS is targeting the most vulnerable to maintain independence. Review post-award

		in 17/18) maintain accommodation in the community. If accommodation is not sustained, there is potentially increased pressure on crisis and residential support services to meet their needs.	data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Sex		Currently, 58% of awards are made to households with a female lead applicant, which reflects the high usage of the scheme by low income families (see below), some of whom require support due to fleeing violence. A reduction in provision could reduce the support for women to re-establish independence following violent relationship breakdown.	Regularly review awards to ensure the SIS is targeting the most vulnerable to maintain independence. Review post-award data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Marriage and civil partnership	Potential disadvantage	This could lead to low-income couples being further disadvantaged; in 2017/18 there were 75 two parent households supported A reduction in provision could reduce the number of newly formed households or families to move to independence.	Regularly review awards to ensure the SIS is targeting the most vulnerable to maintain independence. Review post-award data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Pregnancy and maternity	Potential disadvantage	This could lead to low income families or pregnant women being further	Regularly review awards to ensure the SIS is targeting the most

		disadvantaged. 289 families with 603 children were supported in 2017/18, as well as 40 expectant mothers (17 of which had no other children).	vulnerable to maintain independence. Review post-award data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Race and ethnicity	Potential disadvantage	Potential impact on households and individuals new to the UK, either as a migrant (31 awards in 17/18) or refugee (108 awards in 17/18).	Regularly review awards to ensure the SIS is targeting the most vulnerable to maintain independence. Review post-award data (3 months following award) to confirm that our support helps households to remain independent. Work with charities to seek access to other funds – however this will increase transaction costs.
Religion and belief	None	None; current awards do not favour or penalise any religious group.	N/A
Sexual orientation	None	None; current awards do not favour or penalise people of any sexual orientation. However, the risk of homelessness disproportionately affects LGB people as they are more likely to have less family networks. 25% of young homeless people are estimated to be LGB	N/A

Gender reassignment	None	None; current award does not favour or penalise people who have been through or are undergoing gender reassignment.	N/A
Other potential impacts			
People vulnerable to socio-economic impacts	Potential disadvantage	This could lead to people on low incomes being further disadvantaged	Work with charities to seek access to other funds – however this will increase transaction costs
Businesses	Potential disadvantage	Reduction in purchase of goods	Work with charities to seek access to other funds – however this will increase transaction costs
Geography	Potential disadvantage	The residents receiving SIS awards tend to be concentrated in area experiencing disadvantage, these cuts contribute to compounding that disadvantaged	Work with charities to seek access to other funds – however this will increase transaction costs
Community cohesion	Potential disadvantage	The cut may increase the stigma felt by residents experiencing poverty eg on those without family networks who maybe able to provide alternatives	Work with charities to seek access to other funds – however this will increase transaction costs
Community safety	Potential disadvantage	Possibility that residents will look to other means to survive	Work with charities to seek access to other funds – however this will increase transaction costs
Environment and air quality	Potential disadvantage	The goods provided by the SIS are tested for compliance there is a risk of less effective goods being used	Work with charities to seek access to other funds – however this will increase transaction costs