# Equality Impact Assessment - Results

<table>
<thead>
<tr>
<th>Title of Policy</th>
<th>Welfare Funds (Scotland) Bill - Community Care Grants and Crisis Grants</th>
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<tbody>
<tr>
<td>Summary of aims and desired outcomes of Policy</td>
<td>The UK Government’s Welfare Reform Act 2012 abolished the discretionary Social Fund. The Department for Work and Pensions (DWP) transferred the money spent on two elements of this Fund, namely Community Care Grants (CCGs) and Crisis Loans (CLs) for living expenses, to the Scottish Government from April 2013. The Scottish Government, working with Local Authorities (LAs) and others, set up the interim Scottish Welfare Fund (SWF) to meet the same needs as CCGs and CLs. The objectives of the SWF are to:</td>
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- help people, without other resources, who are in crisis because of a disaster or an emergency. A disaster is something like a fire or a flood. An emergency might be needing to travel to visit a sick child or when money has been stolen. |
- help people on low |
incomes to set up home or to remain in a safe and secure home in the community. This includes people who may have to go into care unless they get some support to stay at home, people who are leaving any form of care, to set-up in their own home or families who are faced with an exceptional pressure and do not have the resources required to cover associated costs.

The Welfare Funds (Scotland) Bill puts the interim SWF on a statutory footing.

The only substantive difference between the interim SWF and the permanent Funds to be created by the Bill is in the arrangements for independent review of decisions by LAs. Under the interim SWF, LAs convened impartial review panels for this purpose. Under the permanent Funds, it is envisaged that independent reviews will be carried out by the Scottish Public Services Ombudsman (SPSO).

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<th>Directorate: Division: team</th>
<th>Housing, Regeneration and Welfare, Welfare Division, Scottish Welfare Fund Team</th>
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Executive summary

The Scottish Government is introducing a Bill to put the interim SWF on a statutory footing. This Equality Impact Assessment (EQIA) considers how the SWF has developed in its first year of operation and how experience to date can inform the permanent Funds. Analysis of equalities impacts has already had a positive impact on the operation of the SWF, in the way the monitoring framework and guidance were designed and the influence that this has had on decision making. The monitoring framework put in place for the interim SWF provides a good basis for understanding and developing the Funds in future, but some work is needed to improve the quality of the data in order to achieve this.

Background

The Scottish Government undertook an EQIA as part of the process of developing the interim SWF. That EQIA considered how the abolition of CCGs and CLs for living expenses and the set-up of the SWF would impact, either positively or negatively, on groups with protected characteristics and how the SWF should be designed as a result. A summary can be found at www.scotland.gov.uk/Topics/People/welfarereform/socialfund/EQIAsummary

The Welfare Funds (Scotland) Bill puts the interim SWF on a statutory footing. It will:

- require LAs to maintain a welfare fund;
- set out the circumstances in which a LA can use its welfare fund;
- establish arrangements for review of decisions made by LAs in relation to their welfare funds. The SPSO will be empowered to carry out an independent review of SWF decisions;
enable LAs to make arrangements for other persons to administer welfare funds, or to jointly administer welfare funds with other LAs;
•      give the Scottish Ministers the power to make regulations regarding the working of welfare funds and LAs' functions in relation to them;
•      require LAs to have regard to guidance issued by the Scottish Ministers in relation to the funds;
•      require the Scottish Ministers to consult appropriately before issuing guidance in relation to the funds.

The permanent SWF is a progression of the interim SWF, an outline of which is at Annex A.

The Scope of the EQIA

This EQIA considers how the SWF has developed already and what the early information available from monitoring of the SWF can tell us about equalities impacts. The EQIA also considers the only substantive difference between the interim and permanent SWF which is the proposed introduction of a national independent review of LA decisions, led by the SPSO.

The characteristics under consideration are age, disability, gender re-assignment, sexual orientation, gender including pregnancy and maternity, race and religion and belief. LAs are required to meet the public sector equality duty in their planning and implementation of the SWF and we will share this EQIA with them to help inform their operations. A copy of the full EQIA which includes data on each of the protected characteristics is at: www.scotland.gov.uk/Topics/People/welfarereform/scottishwelfarefund/welfarefundsbill.
Key Findings

How equalities are mainstreamed in the SWF:

The guidance on the Fund influences who is successful by specifying eligibility criteria which eliminate some applicants, for example by setting a savings threshold. It also sets out a process of prioritising applications according to the vulnerability of the applicant. While the fund is discretionary, some suggested vulnerabilities are outlined in the guidance to illustrate the sorts of circumstances, impairments and risk factors that should be considered by decision makers in prioritising awards. Some of these vulnerabilities overlap with protected characteristics, for example older people and children are given priority. Some are more commonly displayed by people with protected characteristics, for example, lone parents are more commonly women. There are several vulnerabilities which link to disability or impairments. The full list, extracted from the SWF Guidance, can be found at Annex B. We also ask LAs to record the vulnerabilities identified for each case which, alongside the equalities monitoring data and information on the reason for applications, will give Scottish Government and LAs a picture of who is applying and why. The data for the first three quarters of operation is still experimental. However, the higher quality data on equalities (age, gender, pregnancy and maternity) show patterns that suggest that LAs are applying the guidance, with the result that these equalities groups are advantaged in decision making.

After 6 months of operation, eligibility criteria for the SWF were broadened because of low application and spend levels and to take account of feedback from decision makers and the 3rd sector during early operation of the Fund. This gave us the opportunity to reverse previously identified negative impacts on equalities groups e.g. restricting awards for exceptional pressure to families with children had excluded some families which included disabled adults - those families are no longer excluded.

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As part of the development of the permanent funds, we will reconsider our guidance to LAs on vulnerabilities which gives us the opportunity to consider issues experienced by groups who share protected characteristics.

Data and Data Quality:

We have an effective framework in place for monitoring equalities impacts and a large amount of data on who is applying to the Fund and what is being awarded. However, variations in the configuration of IT systems and the way that LAs are recording data mean that some data is not yet of sufficiently robust to draw conclusions.

Impacts on Groups who Share Protected Characteristics:

The statistics for the operation of the interim SWF from April 2013 to December 2013 indicate that:

- Older people and very young people have a better chance of being awarded a CCG than other applicants, but the application levels for these groups are low. Older people have lower average awards for CGs, perhaps due to smaller households.
- People who have a disability are well represented in SWF applicants (around half of applicants show an indicator of a disability by comparison with 20% of the wider population) and are more likely to receive an award than people who do not. However, average CCG awards for people who have a disability are lower than for those who do not.
- Women are more likely to apply for CCGs, more likely to be successful than men and more likely to receive a higher award. Men are more likely to apply for a CG but women still have higher success rates and average awards.
- 13% of CCG applications and 10% or CG applications came from women who were pregnant or with a child under 1. These
women have a higher success rate and average award rate than other applicants.

- The data quality for race is estimated to be low. However, we think that application levels from ethnic groups are lower than might be expected. Application and success rates for applicants from different ethnic groups vary significantly.
- The data quality for religion and belief is estimated to be low. Application and success rates for applicants of different religions and beliefs vary significantly.

The independent evaluation of the SWF by Heriot Watt University found some areas for improvement in relation to tailoring the service, particularly for people with disabilities or impairments. The study is available at: www.scotland.gov.uk/Publications/2014/05/8469.

Introduction of Second Tier Review by the Scottish Public Services Ombudsman:

This will be a new service and we do not have data yet on equality impacts. However, we do not anticipate any adverse impacts on groups who share protected characteristics. This is because the SPSO is bound by equalities legislation and has an established approach in place to meeting its duty, including monitoring data on people who make complaints and improving the accessibility of its services. The accessibility of the service for vulnerable people was taken into account in identifying the SPSO as the preferred option for second tier review, as was the positive impact of a national independent review function on the operation of the permanent funds. The Scottish Government will be engaging with the SPSO on the design of its review function to share the lessons learned from the interim SWF.
Recommendations and Conclusion

Analysis of equalities impacts has already had a positive impact on the operation of the SWF, in the way the guidance was designed and the influence that this has had on decision making. The monitoring framework put in place for the interim SWF provides a good basis for understanding and developing the Fund in future but some work is needed to improve the quality of the data in order to achieve this. As a result of the EQIA process, action is planned under the following areas:

Data Quality:

The data for equalities monitoring is experimental and has known problems. We will undertake a programme of work to improve it. The first three quarters of statistics have identified some key areas to focus attention in improving recording:

- It would appear that some LAs do not have access to or are not completing the equalities monitoring section of the application form.
- It would appear that some systems are recording default responses rather than real responses or that they offer limited options for recording, due to the design or configuration of the software.
- “Other” is appearing as a common option, which may suggest that the options given are not the most common ones presenting and that there are opportunities to refine responses.
- Discussions with LAs suggest that there is also some variability in recording practices.

We have recruited a permanent quality improvement officer, part of whose role will be to work with LAs to identify trends in the statistics and areas where action is needed to improve their quality.

Ongoing Monitoring and further EQIA:

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We will also continue to monitor to see if trends continue. In practice, it will be the regulations and guidance for the permanent arrangements which will have most impact on the interests of equalities groups as these steer decision making and delivery. We will review the vulnerabilities listed as examples in the guidance to make sure that the vulnerabilities being highlighted to LA decision makers are consistent with wider Scottish Government policy.

We will review the equalities monitoring information as part of the development of regulations and statutory guidance under the permanent Funds. We will publish a further EQIA as a result of this process before the permanent SWF comes into operation.

Working with LAs:

We will continue to work with LAs to promote good practice during the operation of the interim SWF. We will promote this EQIA to LAs to:

- Allow them to compare their local data with national trends
- Highlight the importance of better recording
- Allow them to consider whether their model for service delivery or decision making processes may be having any unintended consequences, for example creating barriers for certain groups
- Highlight need for further promotion with under-represented groups.

We will also promote the evaluation of the SWF to LAs and work with them on the recommendations it makes. Heriot Watt will be invited to speak to the SWF LA Practitioners Forum to discuss their findings. Some work is planned which fits well with their recommendations:

- The production of case-study examples from LAs of effective engagement protocols from within SWF or from
organisations representing disabled people and minority ethnic groups

- Work in co-production with Inclusion Scotland to develop materials for people with learning disabilities to help them engage with the Fund.
- On-going data monitoring

Working with the SPSO:

We will engage with the SPSO and share information that we have from the running of the interim SWF to inform the set up of their new independent review function. We will also draw on any patterns that emerge from SPSO independent reviews in future to identify areas for improvement in guidance on the SWF.

Promoting the Fund to under-represented groups:

Looking at the data we have to date, the profile of applications to the SWF does not appear to follow the pattern of need for some groups. We will take the following actions under the interim scheme:

- Older people have higher success rates in the Fund but applications are very low. Older households generally have greater resources but we think that lower awareness of the SWF among older people alongside physical and cultural barriers to application are also likely to be having an effect. We will therefore work with relevant third sector organisations and LAs to promote the SWF to older people and their carers.

- Women are advantaged in the SWF in terms of the success rates of their applications and the value of the awards made. There are, however, far fewer single women applying to the Fund than single men. We will monitor this and explore with third sector groups working with women why this is the case, taking remedial action if required.
• While disabled people are well represented in applications and have a higher success rate than other applicants, the average award for disabled people is lower than for people who do not have a disability. We will monitor this and seek to understand what the reasons are, taking remedial action if required.

• Fewer people from a minority ethnic background appear to be applying to the Fund than we would have expected. We will therefore work with relevant third sector organisations and LAs to promote the SWF to people from minority ethnic backgrounds.
ANNEX A

Summary of Arrangements for the Scottish Welfare Fund

A national scheme delivered through Local Authorities

The successor arrangements to Crisis Loans for Living Expenses and Community Care Grants will be a national scheme delivered through Local Authorities called the Scottish Welfare Fund (SWF). The SWF will run for a period of around 2 years from April 2013. A longer term arrangement will be informed by a review of the interim arrangements. The intention is to set out the permanent scheme in legislation.

The scheme aims to achieve the advantages of local delivery while maintaining a national character.

- The Scottish Government has provided Ministerial guidance under Section 21 of the Local Government Act 2003 - the Power to Advance Wellbeing. This guidance has been developed in collaboration with COSLA, Local Authorities and the Third Sector. You can find the guidance in full from this link: scotland.gov.uk/Topics/People/welfarereform/scottishwelfarefund/scottishwelfarefundguidance

- Local Authorities administer the fund, making the most of opportunities to link the new service to the network of local service provision, providing better support for the end user.
- In addition to comprehensive guidance, the Scottish Government has provided a standard application form, a guide for decision makers and model documentation, a national training programme, funding for a dedicated Development Officer in order to promote consistency and support implementation. The Scottish Government has also provided posters and leaflets for Local Authorities to publicise the Fund.
During the implementation of the interim arrangements, the Scottish Government will be collecting monitoring information, providing a quality assurance function and developing materials to promote good decision making.

Managing the Fund

- The national budget will be split amongst Local Authorities according to an agreed funding formula. This has been developed in discussion with the joint Design and Implementation Group (DIG) which oversaw development of the SWF, and agreed by the joint COSLA and Scottish Government Settlement and Distribution Group.
- The fund will be split between Community Care and CGs, with some flexibility in how the funding is allocated.
- The guidance sets out a framework for prioritising applications for awards.
- Local Authorities will manage the grant funding over the financial year according to the guidance.

Aim of the Fund

The SWF is intended to:

- provide a safety net in an emergency when there is an immediate threat to health and safety (CGs)
- enable independent living or continued independent living, preventing the need for institutional care (Community Care Grants).

A grant can be awarded in case of crisis to meet expenses that have arisen as a result of an emergency or disaster in order to avoid serious damage or serious risk to the health or safety of the applicant or their family.

Or in support of independent living to:
• help people establish themselves in the community following a period of care where circumstances indicate that there is an identifiable risk of the person not being able to live independently without this help
• help people remain in the community rather than going into care where circumstances indicate that there is an identifiable risk of the person not being able to live independently without this help
• help people set up home in the community, as part of a planned resettlement programme, following an unsettled way of life
• help families facing exceptional pressures and who lack the resources to meet irregular costs to provide a safe and secure home environment
• help people to care for a prisoner or young offender on release on temporary licence.

Local provision of CGs and Community Care Grants will allow for a more holistic approach than was possible with national call centre provision, for example linking to services which may build capacity, such as offering budgeting or other money advice, or encouraging saving. The aim is to support individuals, families and communities to manage better in the longer term and promote resilience. Community Care Grants align well with the overall approach of early intervention, through targeting transitions which increase risks of adverse outcomes, such as leaving prison, moving out of care, or taking on a tenancy. They also support specific Scottish Government polices such as care in the community, tackling child poverty and reducing homelessness. CGs do not fit the early intervention approach but have a role in preventing further harm, reducing the longer term impact on other services.

In designing the new scheme, the Scottish Government has had the opportunity to improve the service to applicants and learn lessons from the Department for Work and Pensions (DWP).
approach to monitoring, quality assurance and evaluation will allow us to continue to learn lessons during the operation of the interim arrangements.

Likely users of the Fund

We anticipate that likely users of the scheme (though not an exhaustive list) will be:

- disabled people
- lone parents
- unemployed people
- older people
- care leavers
- homeless people
- ex offenders
- carers.

Key features of the SWF

- Local Authorities have discretion on where in their organisation they process applications and how they link the scheme to existing services although some guidance has been provided on good practice.
- The scheme will pay out grants or assistance in kind (cash, fuel cards, food vouchers, travel warrants, loaded store card for e.g. white goods/furniture). Local Authorities will have discretion over the type of support offered i.e. Local Authorities can offer assistance in kind rather than cash in order to meet the needs of the applicant and gain economies of scale from bulk purchasing or re-use schemes.
- The SWF does not offer loans.
- Eligibility for the scheme takes the existing Social Fund rules as a starting point, but there are important differences to reflect feedback from stakeholders, the experience of DWP in delivering Community Care Grants and Crisis Loans and the new delivery arrangements. A key difference is that applicants do
not have to be on a qualifying benefit to receive a CCG. Travel expenses no longer appear as a separate reason for application.

- There is a standard national application form, tailored to the needs of individual Local Authorities. Applications may be made face to face, on the phone, via on-line applications or by downloading and posting a form, subject to the Local Authority’s ability to provide these options.

- Local Authorities will have the required access to DWP data to check information provided by applicants.

- Where possible, Local Authorities will work with applicants to identify any other support they may need or be entitled to and refer them to relevant services to help tackle underlying problems. This may include money advice, debt advice, welfare rights, social work or any other relevant services. Local Authorities are working with DWP to achieve continuity with other welfare provision.

- The guidance includes a 2 stage process for Local Authorities to review applications where the applicant does not agree with the decision made.

The decision making process will involve

- Eligibility checks to find out whether the applicant is eligible for a grant. These include identity and residence checks, a check against a savings threshold and the limit for repeat applications.

- Checking that the applicant’s personal circumstances meet the conditions set out for the grants.

- Checking the applicant’s needs are of sufficient priority to warrant a payment from limited funds by assessing them as high, medium or low priority.

- Whether there is sufficient money available in the budget to pay a grant.

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ANNEX B

FACTORS THAT MIGHT INCREASE THE VULNERABILITY OF AN APPLICANT

• Some examples of vulnerabilities which would give an application higher priority are set out below. This is not an exhaustive list and should not be used rigidly as a prioritisation list.
  • frailty or old age, particularly restricted mobility or difficulty performing personal care tasks.
  • learning difficulties
  • mental health impairments
  • physical impairment or disability, including sensory impairments
  • chronic illnesses
  • terminal illnesses
  • addictions or misuse of alcohol, drugs or other substances
  • being an ex-offender
  • people fleeing domestic violence
  • being a young person leaving Local Authority care or a special residential schools
  • being a young person who does not have parents or is unable to live with their parents because it would put them in danger or they have become estranged
  • looking after children for a relative or friend as a kinship carer
  • being a lone parent
  • children living with young parents aged under 25
  • children living with a disabled adult
  • children living in a large family with three or more children
  • experiencing family breakdown
  • being pregnant, recent childbirth or adopting a child
  • having responsibility as a main care giver
  • homelessness or an unsettled way of life
  • experiencing eviction or re-possession
  • experiencing redundancy
  • leaving the armed forces
• setting up an independent home for the first time
• a history of seasonal temporary or insecure work