

Body: Cabinet

Date: 10 July 2013

Subject: Welfare Reform Initiatives

Report of: Senior Head of Community

Ward(s) All

Purpose To request support to take forward a joint project with Lewes District Council to develop initiatives that mitigate the impact of Welfare Reform changes.

Decision Type: None key

Recommendation: a) To note the project development; and
b) To provide funding of £20K to deliver the specific projects as contained within the Report.

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1.0 Background/Introduction

- 1.1 Lewes District Council commissioned FutureGov, a specialist consultancy, to undertake a project in Autumn 2012 to work with local residents and stakeholders to build a picture of how people are coping financially. From that research, FutureGov has identified a number of projects Lewes District Council could deliver, either on their own or with partners, to help residents during a time of financial pressure. Lewes District Council has offered Eastbourne and East Sussex Councils the opportunity to participate in future project developments.
- 1.2 The research showed that Welfare Reform changes, coupled with bleak economic outlook, may increase the vulnerability of a number of low income households, who until now, have been just about coping and low income families likely to be hit further by changes to the benefit system.
- 1.3 As an example, in East Sussex, the move from Incapacity Benefit to Employment Support Allowance is likely to result in an estimated 4000 people being assessed as fit for work resulting in a reduction in benefit for households of an estimated £5.5million.

Housing Benefit and Local Housing Allowance changes are estimated to have an impact on 15,000 households, reductions range from small amounts to £50+ per week. Changes to Tax Credits will impact on an

estimated 1,640 people across the county on low incomes with potential consequences in terms of debt and pressing need to reduce household expenditure.

2.0 Project Proposals

2.1 FutureGov has proposed that a series of projects are developed and include:

2.2 (a) Popcash

Working with East Sussex Credit Union, Popcash will focus on providing an easy to access, modern mobile app to challenge other payday loan options and make it as easy to borrow from (and save with) credit unions as with other payday lenders at regulated, low interest rates. This will be coupled with an aggressive campaign to compete with other lenders' advertising.

(b) WeightWatchers for Money Management

With a technology solution at the core (much like weightwatchers itself) develop a peer support programme of money management that mirrors the WeightWatchers ethos of pledging to a group that helps people meet targets, and in return receiving the support of your peers in order to do so.

(c) Super-charging an army of CAB volunteer advisors

The CAB has many local residents who volunteer as advisors, but do not have the funding to train these to the level required quickly. This project develops a service (using new and existing technology such as instant messenger advisor or Skype) to super-charge existing (bottlenecked) CAB services by developing an army of community micro-volunteering to provide soft (and early) support to those who need advice on a range of subjects.

2.3 Future Gov would also provide additional resource to drive forward a number of additional projects, through supporting the design and development process. These projects are:

(a) Landshare and District of Farmers

Freeing up Town Council / District Council owned land for food growing as well as free farmland, potentially facilitated through an app such as <http://www.landshare.net/>

(b) Car Sharing

FutureGov will provide a website for a six month trial, using it to understand additional development opportunities through the pilot including ideas such as peer to peer investment and using volunteering to build experience on a person's CV through rich profile pages.

3.0 Consultation

- 3.1 Local consultation has not taken place as the initiative has been developed in the Lewes area, however, if approved, local stakeholders would be involved in the project initiation and development.

4.0 Resource Implications

4.1 Financial

FutureGov has already secured £50K funding to run one project (Popcash) and a further £60K match funding to run the other projects as listed above. Lewes District Council has agreed to fund £20k and Eastbourne and ESCC have been offered the opportunity to participate on the basis that each contribute £20k. Other organisations such as CAB and Brighton Housing Trust will not be asked for funding as they are charitable organisations, but will be contributing officer time.

4.2 Staffing

There are no staffing implications.

5.0 Other Implications

- 5.1 These initiatives will assist in reducing the negative impact of changes to the welfare system.

6.0 Conclusion

- 6.1 a) To note the project development; and
b) To provide funding of £20K to deliver the specific projects as contained within the Report.

lead officer name: Ian Fitzpatrick
job title: Senior Head of Community

Background Papers:

The Background Papers used in compiling this report were as follows:

Lewes District Council Cabinet Report 13 June 2013

To inspect or obtain copies of background papers please refer to the contact officer listed above.