

Date: 16 April 2013
Consultation: Provision of Discretionary Support 2013

Introduction

The Northern Ireland Federation of Housing Associations (NIFHA) represents registered and non-registered housing associations in Northern Ireland. Collectively, our members provide around 38,000 good quality, affordable homes for renting or equity sharing. Further information is available at www.nifha.org

General Comments

Specific Comments

1. Do you agree with the 6 design principles for the replacement provision?

NIFHA broadly agrees with the 6 design principles. We recognise that there are times in people's lives when they are in crisis situations and they may need monetary assistance. The proposal to offer grants and loans is accepted and we agree that eligibility should be means tested on income.

2. Are there any areas that you think we should include in the design principles or any areas that you do not think should be included?

We agree that the new system should be underpinned by the overall ethos of the current Social Fund and that it should provide assistance to people in urgent financial need.

3. Bearing in mind that our intention to test providing goods directly to customers, for example white goods and furniture, is to ensure that we get the maximum benefit from the available funding and that our customers' needs are met, do you agree with this proposal?

NIFHA agrees that the Social Security Agency (SSA) would have the capacity to procure white goods and furniture on a large scale and they would therefore benefit from greater economies of scale because of their bulk purchasing power. However the mechanism for supplying goods of this type could be enhanced by encouraging the development of social enterprises such as the

Northern Housing Consortium's, Smarterbuys Service, which operates in Great Britain.

4. **We intend to test providing goods (e.g. washing machines or furniture) for a short period in a small number of offices. Please give us your ideas on how we should do this (for example, direct supply of goods, vouchers, charged cards for retail outlets).**

Care would be needed to prevent stigmatisation for people receiving goods directly supplied by SSA, for example ensuring that delivery vans are not identifiable as belonging to Social Security or charities agencies. Issuing charge cards for retail outlets would be an efficient way to enable people to purchase goods without identifying that the money has been provided by the SSA.

5. **Do you agree that the maximum debt that a customer can have under the new Discretionary Support provision will be £1,000?**

NIFHA agrees that the maximum debt that a customer can have should be £1,000 as we do not want to significantly increase the amount of debt that people already have. However, each application for a loan should be evaluated according to the circumstances prevailing at the time and should not be refused only because the customer has reached the £1,000 limit. People may have additional crisis events in their lives whether or not they already have an existing loan.

There should also be a transitional period to enable people who currently have loans under the existing Social Fund of over £1,000 to still have access to loans of this kind under certain crisis circumstances.

6. **If not, please give us your views about what the maximum debt level should be under the new provision?**
7. **Do you agree that Social Fund debt (and other debt under Universal Credit when introduced) that customers may already have should be taken into account in deciding to make a loan award under the new provision?**

There should be a transitional period that enables people under certain crisis circumstances to have additional loans even though they have existing Social Fund debt.

- 8. Please let us know your views about use of the National Minimum Wage as an income threshold which will ensure that the Discretionary Support is open to those on low incomes.**

The use of the National Minimum Wage as an income threshold would provide a sound, equitable basis to ensure that access to the service is targeted to those people who need it most.

- 9. Are there any types of income that you think should not be taken into account when deciding income level? For example, a benefit or earnings from other people living in the household.**

The provision of Discretionary Support should be means tested on the basis of household income as the service should benefit the household as a whole. Members of household who have an income would be expected to make a contribution to their household and therefore their income should be assessed prior to making awards.

- 10. Please give us your views about the proposed benefits which will be disregarded when assessing income?**

NIFHA understands the rationale behind disregarding the proposed benefits.

- 11. Do you feel that the proposals above for the review of applications are appropriate?**

NIFHA agrees that there should be a review / appeals mechanism in place for customers who disagree with the outcome of their application for assistance. The system proposed in the consultation documents seems to be appropriate.

- 12. Please let us know if you have any suggestions or concerns relating to the review process.**

- 13. Do you agree that applicants to Discretionary Support should be offered assistance in the form of a benefit entitlement review and / or specialist advice from another government body, voluntary or community organisation?**

NIFHA welcomes the proposal that applicants to Discretionary Support should be given a review of their benefits or specialist advice especially where the advice includes assistance with budgeting and money management.

14. Please give us any further comments you have about this proposal.

15. Do you agree that our funding should be restricted for residents of Northern Ireland?

NIFHA agrees that the services should be restricted for residents of Northern Ireland. People who are not residents of Northern Ireland have other sources of funding that they can avail of or have access to.

16. What are your thoughts on the proposal to deliver services:
a) face to face?
b) by telephone?
c) by post?

NIFHA suggests that the services should initially be delivered through all 3 mechanisms and evaluated after a period of time to determine the effectiveness of each contact method. It is important to ensure that access to the service is equitable, especially to vulnerable people who often have high levels of need and support.

17. Do you agree with the eligibility criteria and conditions for loan applications to the new service?

NIFHA agrees with the eligibility criteria for the new service but as we stated previously each application for a loan should be evaluated on its own merit as an applicant may have more than one crisis over a period of time which may place their loan liability over the maximum loan threshold of £1,000.

18. Are there any additional criteria or conditions we should include or any part that you do not think should be part of the provision?

NIFHA has concerns that if the £1,000 threshold is applied too rigidly then people may not be able to avail of much needed funds when they are in crisis situations.

19. Do you agree with the eligibility criteria and conditions for grant applications to the new service?

NIFHA is broadly in agreement with the eligibility criteria and conditions for grant applications.

20. Are there any additional criteria or conditions we should include or any part that you do not think should be part of the provision?

None

21. Do you agree with the approach to evaluating the new discretionary support?

The assessment and evaluation of the new scheme seems to be comprehensive.

22. Please let us know if there are other aspects you think could be evaluated.

As indicated previously, NIFHA suggests that access to the services should initially be delivered through a number of mechanisms i.e. face to face, by telephone or by post and these should be evaluated after a period of time to determine the effectiveness of each contact method.

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