

Written evidence submitted by The Children's society (BSW0050)

For children and young people living in families from low-income households, Covid-19 has added significant additional strain on pre-existing financial hardship. The virus has resulted in people losing their jobs or being furloughed, meaning that parents and carers have lost income and the ability to provide for their children.

It is during such times of financial crisis that support can be offered via the Discretionary Assistance Fund (DAF). This fund can provide vital support for children and young people and their families, who have lost their jobs, or who are waiting for their first benefits payment to reach them.

In response to the Covid-19 crisis, Welsh Government invested an additional £11 million into the DAF and made the eligibility criteria for accessing the support more flexible (one grant within a 28 day period, and three grant awards in a year). Data from Welsh Government show that between 18 March 2020 and 18 February 2021 there were 159,706 Covid-19 related Emergency Assistance Payments, with a total paid value of £10.56 million. Additionally, Covid-19-related reasons applicants are presenting include having to stop or reduce work, delays to a benefit claim, and increased energy and food costs due to the family being at home.

With social security remaining a non-devolved area, the DAF is a key lever at Welsh Government's disposal for supporting individuals and families who are facing or experiencing financial hardship or crisis.

Accessing emergency financial support can be challenging, with awareness of statutory and other forms of assistance varying, and provision itself patchy across Wales. Closer collaboration and communication between statutory and Voluntary, Community and Faith sector providers is necessary to facilitate equity of access to crisis support schemes.

The locally-led Coordinated Community Support (CCS) programme is being piloted in Swansea with the aim of improving coordination of support available to individuals and families facing financial crisis, and increasing referrals from emergency support providers to other forms of appropriate assistance. In the financial year 2020/21, between April and August a total of £504,531 in DAF payments were awarded in the Swansea local authority area. In helping to build financial resilience and prevent recurrent crises, it is hoped that applications for repeat support will be reduced.

Previously, there was a lack of join-up with LAs – specifically, there is no wider assessment for other support that service (DAF) user might require, such as council tax exemption. However, there have been recent developments to address this. Swansea Neath Port Talbot is one of five localities participating in the referrals pilot between the DAF and Citizens Advice Cymru. Prior to this year the DAF had not included any support to address applicants' underlying needs, such as council tax

exemption. Whilst very welcome, the partnership with Citizens Advice is limited. In Swansea Neath Port Talbot, Citizens Advice only had resource and capacity to accept 10 referrals from the DAF every week. Ongoing learning from the Swansea CCS pilot also enables comparison to be made with three pilot areas in England, where no centrally controlled emergency assistance fund exists.

It is crucial that investment in the DAF continues so as to ensure that service users are able to access this crucial support as the impact of the pandemic continues. This is particularly important given that the £20 uplift to Universal Credit is due to end in September 2021. Hardship faced and experienced by people in receipt of Universal Credit will not end when the timeframe of the uplift ends, so investment in a crucial form of support, in the form of the DAF, must continue so as to offset the impact of the end of the £20 uplift.

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