

Independent Living Fund priority applications and threshold sum – changes to take effect from 1 May 2010

Equality Impact Assessment

1. Introduction

Independent Living Fund (2006) (ILF) is a national resource providing financial support to enable disabled people to live independently. It is managed by a Board of Trustees and is allocated Public Funds by grant from the Secretary of State for Work and Pensions.

ILF is a discretionary trust and the powers, duties and responsibilities of ILF trustees are contained within the:

1. ILF Trust Deed and
2. Conditions of Grant Agreement (COGA) made between the Trustees and the Secretary of State.

ILF works in partnership with Local Authorities and in order to be eligible for an ILF award a candidate must be receiving from their Local Authority a minimum level of services per week known as the Threshold Sum. Consequently ILF does not typically receive new applications from candidates, rather from Local Authorities who have the primary responsibility for meeting the needs of disabled people in their areas.

Therefore a change in the ability of ILF to accept applications does not impact directly on candidates, rather on Local Authorities which may or may not alleviate the position through their own decisions.

The funding for personal care allocated to the ILF augments funding for personal care provided by Local Authorities, and the default responsibility remains with Local Authorities. The impact of any change to available funding to the ILF automatically impacts on Local Authorities. The ability of the ILF Trustees to influence impact on different equality groups is strictly limited in that Government determines the precise split of budget between Local Authorities and the ILF, and Local Authorities decide how to spend between groups in the light of ILF decisions rather than vice versa.

2. Proposal for change

ILF Trustees have determined that from 1 May 2010:

- ILF will only accept new applications from candidates in paid work of at least 16 hours a week. No applications from other candidates will be accepted
- the Threshold Sum for new applications and for increased awards based on increased need will increase from £320 to £340 per week

3. Aims and objectives

To ensure that ILF Trustees are able to ensure that expenditure in the financial year 2010/11 does not exceed allocated Public Funds as required by clause 8 of the ILF Trust Deed

To ensure that ILF Trustees comply with their obligations under clause 3 and the Third Schedule of the ILF Trust Deed to give priority firstly to existing users and secondly to candidates in paid work of at least 16 hours per week.

4. Trustees duties

ILF Trustees have a duty to take reasonable steps to ensure that expenditure does not exceed the amount of Public Funds provided by the Secretary of State for Work and Pensions by way of grant. They may incur personal liability if they fail to do so.

ILF Trustees must only make payments from the Fund in accordance with the powers and obligations conferred by the ILF Trust Deed. The Third Schedule to the Deed requires trustees, when exercising their powers to make payments, to give priority firstly to existing beneficiaries of financial assistance from the Fund and secondly to candidates in remunerative work of at least 16 hours per week.

5. Information and/or data taken into account

The ILF budget for the financial year 2010/11 has been set at £359.2 million for the whole of the UK, made up of £348 million for Great Britain and £11.2 million for Northern Ireland.

6. Equality Impact of the change

Giving priority to people who are in paid employment of at least 16 hours a week has the potential to adversely affect people in terms of race, gender and age. Disabled people who are from ethnic minority communities, women and young are less likely to be in paid employment. People with learning disabilities are also less likely to be in paid employment.

By giving priority to people who are in paid employment ILF will no longer normally accept applications from people in receipt of Income Support and similar benefits. Therefore the change is also likely to adversely affect people who are at a socio-economic disadvantage.

ILF is aware from the consultation exercises that it holds with its users that black and minority ethnic groups have difficulty getting appropriate services from local authorities and may therefore be less likely to qualify for ILF support because their local authority support does not meet the Threshold

Sum. Any increase in the Threshold Sum may, therefore, have an adverse impact upon this group.

7. Mitigation

Until 2008 ILF was able to accept all applications that it received. In 2008 prioritisation measures had to be introduced. In 2009 ILF available resources meant that ILF was able to accept more applications than in the previous year and accordingly restrictions were relaxed based upon feedback that ILF had received from interested parties such as local authorities.

By prioritising new applications only from candidates who are in paid employment of more than 16 hours per week, ILF is unlikely to achieve the take up level that funding for the year would permit. All applicants to ILF are, by definition, severely disabled. Otherwise they would not meet the ILF eligibility criteria. Currently ILF has no satisfactory method of distinguishing between applications according to merit.

In order to ensure that available resources are focussed where they are most needed, Trustees intend to consult with local authorities and disabled people's organisations as soon as possible on the options for accepting applications from other candidates.

8. Conclusion

ILF Trustees recognise that the changes that they have decided to introduce from 1 May 2010 are likely to have an adverse effect on certain groups of potential candidates for ILF funding.

However Trustees have an overriding legal responsibility to take reasonable steps to ensure that they do not spend more than the amount of public funds allocated. In addition they have a duty to allocate funds in accordance within the priorities specified within the ILF Trust deed.

Therefore Trustees have decided that they are only sufficient resources available to fulfil the two priorities specified in the Trust deed. It is likely that this will leave some limited funding available to meet the cost of additional applications and to that end Trustees will consult with interested parties as soon as possible on the most appropriate allocation of any additional resources.

Independent Living Fund

March 2010