

Local Welfare Assistance

Supplement to the
LGA's Autumn Statement
2014 submission

October 2014

www.local.gov.uk

The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government.

We are a politically-led, cross party organisation which works on behalf of councils to ensure local government has a strong, credible voice with national government. We aim to influence and set the political agenda on the issues that matter to councils so they are able to deliver local solutions to national problems.

Local welfare assistance

We call on the Government to reverse its decision to withdraw the separate grant element of local welfare assistance funding.

The crisis loans and community support elements of the Social Fund were localised in 2013/14 in recognition of the poor targeting and abuse that characterised the nationally administered scheme. This came as the welfare reforms were being implemented ahead of the roll out of Universal Credit. These included changes to housing benefit, the benefit cap and removal of the spare room subsidy which were beginning to have significant impacts for some residents implying increased need for local safety net funding.

The transfer of funding for local welfare recognised that councils were well placed to design schemes responding to their local needs. This saw the bringing together of financial and non-financial forms of support to better address underlying problems and reduce the number of repeat applications for support.

Councils have responded to localisation by setting up schemes that have successfully and innovatively addressed local needs. Local schemes have successfully managed demand through establishing clear and robust eligibility requirements contributing to a reduction in the scope for abuse while increasing the cost effectiveness of the funding. In many cases councils have developed local delivery partnerships with local voluntary and community sector organisations and neighbouring councils. In particular, councils have sought to move resources into preventative work designed to meet the underlying needs of applicants to prevent longer-term problems rather than simply meeting crisis needs.

The reduction in core grant in 2015/16 and withdrawal of local welfare funding as a distinct grant will have a significant impact on local provision. A recent LGA survey demonstrates that nearly three quarters of councils would have to scale back their schemes with 15 per cent expecting to scrap provision completely¹. This will impact directly on vulnerable residents, many of whom are still managing the ongoing impact of changes to their welfare eligibility.

Considering the impact this will have on vulnerable residents in most need the Government is asked to provide separately identifiable funding in addition to core grant in 2015/16.

¹ LGA survey of upper tier councils in September 2014
http://www.local.gov.uk/web/guest/media-releases/-/journal_content/56/10180/6583322/NEWS



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