

Event report

We've kept the safety net (for now and in part) – but what next for Local Welfare Provision?

27.05.15

An event held jointly with:



HOSTED BY



VENUE

CCLA
Senator House,
85 Queen Victoria Street,
London,
EC4V 4ET

This is a report on the meeting to discuss local welfare provision held with representatives of benevolent and grant making organisations, local authorities, and those who were involved with the Keep the Safety Net Campaign, on 27 May 2015. The meeting was organised by the Association of Charitable Organisations and London Funders and kindly hosted by CCLA.

Context

Since April 2013, the discretionary elements of the Social Fund, Community Care Grants and Crisis Loans have ceased to operate at a national level. Funding was devolved to a local level for each Local Authority to devise and implement a Local Welfare Assistance scheme.

The Association of Charitable Organisations, Child Poverty Action Group and London Funders have jointly organised a series of events, chaired by Patrick Butler, since before the funding was devolved:

- Social fund – delivering at a local level in June 2012
- The localisation of the Social Fund: countdown to change in Feb 2013
- The localisation of the Social Fund: the first six months in October 2013
- Local Welfare Provision: one year on and one year to go? In April 2014

The announcement was made in January 2014 that “from April 2015, local authorities will be able to offer this support from within the general fund.” This decision was made without a full assessment of the local schemes and without consultation with Local Authorities. In order for schemes to continue, Local Authorities would need to find funding from their ever diminishing budgets. So the ‘Keep the Safety Net’ campaign was launched. The Government agreed to hold a consultation on future funding and in January 2014 the Government announced an allocation of “an additional £74 million to upper-tier authorities, to assist them dealing with pressures on local welfare and health and social care” for 2015-16.

Whilst very welcome (and secured in large part because of the work done by the Keep The Safety Net Campaign) work needs to continue to ensure that local welfare schemes are making the most of the totality of resources available to them, that good practice, innovation and learning are shared across schemes and different stakeholders, and that evidence is collected to make the case for maintaining direct funding of local welfare provision. This joint ACO and London Funders event provided an opportunity for delegates to reflect on learning from local welfare schemes and consider strategies and tactics that could be employed to build on the campaign and ensure that there is growing body of evidence available to make the case for maintaining direct funding of local welfare provision.

Patrick Butler, The Guardian: Introduction

Patrick reflected on the context of the meeting, and the fear that there would be little or no local welfare provision left at this point. Although there are still resources available it is important to reflect on the experience of providing funds to date and consider what may happen in the future.

Work needs to continue to ensure that good practice, innovation and learning are shared, and that evidence is collected to make the case for maintaining direct funding of local welfare provision.

Julie Turner, London Borough of Sutton

Julie Turner, Sutton's Head of Revenues, Benefits, Insurance and Pensions spoke about Sutton's Crisis Loans and Grants scheme. Julie noted the main points of the scheme, key partners, the eligibility criteria and what the scheme would and would not cover. It is a cashless scheme, delivered within the Revenues and Benefits team, that enables a holistic view of the needs of the household and also signposts to other support and advice. It is also careful to not just help those out of work, but also those on low pay who need help. Even with good stakeholder engagement Julie noted that the scheme really does have to be advertised and promoted for residents to come forward to claim.

During the period of uncertainty about funding, Sutton considered a number of options, including the possibility of closing the scheme. The Council decided to continue to provide assistance, providing food vouchers and utility vouchers, re-used furniture and white goods, a grant limit of £350 with loan up to £1000 and including officer discretion for exceptional cases. An annual budget of £150,000 (a decrease from previous years' budgets, but comparable to previous years' spending) was agreed and any unspent funds are contained in an ear-marked reserve so expenditure is reactive to the need.

Helen Middleton, Furniture Reuse Network

Helen Middleton, the Market Development Manager of the Furniture Reuse Network (FRN) explained their mission is that "no one should be without a bed to sleep on, a cooker to cook on, or a sofa to sit on, wherever they live in the UK". FRN influences Government policy and provides practical support to over 350 re-use charities nationally, including working with local authorities. Helen noted some statistics from the sector. By intercepting reusable furniture, electrical appliances and other essential household goods from landfill, the sector is able to support over 950,000 low income households to establish secure and stable homes and lives. This supply of product saves the equivalent of £380 million per annum on the purchase of new goods, often financed through high interest retail stores, payday lenders and loan sharks.

Local welfare provision across England is patchy and depends heavily on contracts, service level agreements and pilot projects. There are many examples of where the relationship with the local authority is successful and Helen gave some details of schemes in areas such as Hounslow and Suffolk where FRN members are saving local authority money on welfare payments and on waste disposal costs. However, 60% of the Furniture Reuse Network's members are not working with local authorities; in many cases the local authority just signposts people in crisis to the charities, without any financial means to cover the cost of essential household goods. Demand is increasing and the local charities are under increased pressure. The sector as a whole has been forced to expand its work into other areas such as the supply of food parcels and clothing, providing debt advice etc. FRN is supporting them by providing business development to reduce their reliance on grant funding and to improve their financial sustainability and support partnership work. FRN are also looking to gather evidence of the impact of local authority cuts on its members, the patchy nature of LWAF funding and to gain an understanding of the true level of poverty in the UK as experienced by its member charities working on the front line of crisis support.

LB Sutton scheme is delivered within the Revenues and Benefits team enabling a holistic view of the needs of the household and also signposts to other support and advice

Local Welfare provision across England is patchy

60% of the Furniture Reuse Network's members are not working with local authorities

FRN would welcome the opportunity to talk with any local authority that may be looking to provide low cost crisis support.

Megan Jarvie, Child Poverty Action Group (CPAG)

Megan Jarvie is the London Campaign Coordinator at CPAG and reflected on the need for local welfare provision, where we are now and what we should expect for the future. Megan commented that while we all experience some one-off or emergency costs at some point, low incomes don't allow households to build up the resources to cover these. Failing to help with these costs can lead to bigger crises which are more costly to the state (e.g. children in care, homelessness, domestic fire, NHS or social care, reoffending rates).

On considering the story so far and the current situation, Megan noted that the current allocation to local governments is based on a percentage of the council's general grant and the amount is very open to interpretation. In addition, with no ring fenced budget, it is very reliant on local decision making with little guidance, steer or monitoring alongside heavy cuts to the budget. However, where Councils have an underspend from previous years this can be used to keep the schemes going. Where there is local accountability this could be an opportunity for local campaigning.

Emerging picture for 2015/16

There has been an average of 50% drop in budget and, to date, a handful have closed down completely. Megan noted some of the calls from CPAG:

- For funding to be restored to 2013/14 levels
- To be funded by a DWP grant to recognise the role of schemes as part of the social security system
- Fund to be ring fenced
- Minimum monitoring standards – increased accountability
- Clarity on how ongoing funding decisions will be made

Megan asked the group to consider what we can do collectively and separately to safeguard Local Welfare Provision, to demonstrate the impact and maintain and increase the capital built up during the 'Keep the Safety Net' campaign.

Discussion

Comments on the schemes

- There has been a lot of success in trying to prevent fraud e.g. vouchers instead of cash etc. Even if fraud exists, that need is there and the vast majority will be legitimate cases. There is a lot of work to try to ensure that help is going where there is genuine need. There is also an argument that we should argue for cash grants, to empower people to take responsibility
- Concern for those who move around a lot e.g. leaving gangs, rough sleepers, fleeing domestic violence. Where the support is local, there may be difficulty with a mobile population and ensuring those

Low incomes don't allow households to build up the resources to cover one off or emergency costs

With no ring fenced budget, it is very reliant on local decision making with little guidance, steer or monitoring alongside heavy cuts to the budget.

who need the support are included. Some schemes are careful to include provision for discretion in cases like this.

- Some local authorities who previously spent out now don't have the resources to balance their fund, whereas those who did not spend out can use the reserves to maintain the scheme. May be better not to have spent out?
- Need to consider the range of schemes running and what we think works best. Can central government provide more guidance on sharing best practice across local government and with other statutory and voluntary agencies locally?
- Is local welfare provision better off with local authorities?
- Some felt the schemes were not administered well under DWP and there was the potential for fraud. Schemes were passed to Local Authorities with this in mind, and initially cut out too many people. However the scheme can be more holistic and joined up now under Local Authorities – it has the potential to work well. It has taken time for Local Authorities to target people, and also difficult for Local Authorities to plan – they need a longer term funding agreement. LGA would like to continue the discussion with the groups involved in this conversation.
- Some argued that the scheme was previously easier to access and fairer under DWP/ DSS. It is now too bureaucratic with an administrative approach which will lead to fewer applications. This is opposed to payday loan companies such as Wonga where it is a very easy and quick process – it is possible that the commercial approach treats people with more dignity?

It's important to demonstrate the extent of the need and the increased demand.

Demonstrating the need through evidence

- The weakest part of the national argument is the Local Authority underspend. It's important to demonstrate the extent of the need and the increased demand. Also would be helpful to have an updated evidence base on Local Authority intentions to help us to make our case.
- The response to the consultation included a lot of very good evidence. If the schemes are to survive then they need long term support – the evidence is still held by those in the room and involved in this conversation. DWPs own report also included a lot of evidence.
- The National Audit Office is looking at this area and would value any evidence that could be supplied. The NAO website will have contact details and will remain in touch with attendees through ACO and London Funders.

The impact of cutting the schemes will increase Councils cost in the long term

Impact of cutting the schemes

- The impact of cutting the schemes will increase Councils costs in the long term. The business case needs to be costed up and made to LAs. It's difficult to make this case, as most evidence is individual case studies. The discussion has to be made in the context of the current climate and other cuts.

- Local Authorities are trying to use what funding there is by restricting it and targeting it to be most effective. Often more proactive and innovative spend than previously and some examples of really good work.

Next steps

Should this issue be linked to a wider campaign?

- It would be very difficult to get schemes back to previous levels due to other changes at a local level, therefore need to link to other schemes and update the campaign to reflect that. Possibility to link with bigger movement to fight cuts to welfare spending and services for vulnerable people
- As there is such a small Parliamentary majority, this government may respond to a concentrated campaign – a way forward could be a unique campaign to join together all smaller campaigns on key points.
- There should be champion in each area (thematic and geographical), but the campaign needs a national leader.
- However, separating this issue from overall government policy has had some effectiveness.

A need for combined evidence and business case

- It is challenging to encourage investment to the same approach in the long term when local authorities are under such pressure. We need evidence and a business case – someone needs to initiate and organise this. A role for LGA and third sector funders?
- The schemes also need a higher profile. A consultation on the awareness of schemes is required. We need to do more work and spread good practice. Where schemes have worked best there were partnerships and good communication in local government. However, an individual/ organisation needs to be appointed to collate this learning.
- There was some discussion about the relevance (or otherwise) of social impact bonds.
- Need to use the 'affordability' argument to support campaigns.

Other considerations in the next steps

- Simple, clear, positive messaging which is backed by evidence
- Funding a PA agency to coordinate work was very useful in the previous campaign
- We need allies in the civil service and parliament.
- Target new MPs – invite them to see the scheme and discuss impact
- Need to quickly think about next steps.

We need evidence and a business case

Need to spread good practice.

Next steps:

London Funders and ACO will take the debate to key partners to look at what we do next on the safety net campaign. They will engage London Councils and LGA in the conversation and will aim to include other key partners, where suggested by the group. The comments made during this meeting, and in the break out groups will be fed into these conversations.

Participants

Wesley	Harcourt	Advice UK
Jonathan	Beckerlegge	Association Of Charitable Organisations
Dominic	Fox	Association Of Charitable Organisations
Geri	McAndrew	Buttle UK
Damon	Gibbons	Centre For Responsible Credit
Allyson	Broadhurst	Charis
Judith	Smith	Charity For Civil Servants
Megan	Jarvie	Child Poverty Action Group
Robbie	Spence	Child Poverty Action Group
Kristina	Glenn	Cripplegate Foundation
Rob	Hull	Cripplegate Foundation
Paul	Rickard	Cripplegate Foundation
Sarah	McFadyen	Crisis
Alan	Moran	CSL
James	Mitchell	Family Action
Stacey	Samuels	Family Action
Jill	Wheeler	Family Fund
Helen	Middleton	Furniture Reuse Network
Helen	Butler	Glasspool Charity Trust
Lesley	Hart	Glasspool Charity Trust
Stuart	Moon	Glasspool Charity Trust
Naomi	Ridley	Hastings Furniture Service
Paul	Anderson	Homeless Link
Kate	Moralee	Homeless Link
Gerard	Omasta-	Islington People's Rights
Terry	Stokes	LASA
Steve	Hynes	Legal Action Group
David	Lock	Local Government Association
Monica	Needs	London Borough of Barking and Dagenham
Ruth	Craven	London Borough of Camden
Julie	Turner	London Borough of Sutton
Keith	Paulin	London Borough of Tower Hamlets
Dan	Drillsma-Milgrom	London Councils
Becky	Green	London Funders
David	Warner	London Funders
Sara	Wickert	Migrants Resource Centre
Judith	Sharples	National Audit Office
David	Vincent	Richard Cloudesley's Charity

Rona	Blackwood	Save the Children
Kevin	Garvey	Shelter
Liz	Rutherford	SHP
Beatrice	Orchard	St Mungo's Broadway
Lucy	Capron	The Children's Society
Patrick	Butler	The Guardian
Steven	Valens	The Skinners' Company
Penny	Jerrum	Turn2Us
Alison	Taylor	Turn2Us
Liz	Abbott	Walthamstow And Chingford Almshouse Charity
Marc	Francis	Zacchaeus 2000

In attendance

Becky	Green	London Funders
David	Warner	London Funders

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