



**2024**  
MAPPING FUNDING  
FOR SOCIAL WELFARE  
ADVICE IN LONDON

**EXECUTIVE  
SUMMARY**

SUPPORTED BY  
**MAYOR OF LONDON**



# BACKGROUND

**Social welfare advice plays a critical role in creating a just, safe and healthy London. Each year thousands of Londoners are supported to address a range of financial, social and legal issues, often preventing problems reaching crisis point, and ensuring they can exercise their legal rights. Among London Funders' network of 170 funders, 46% report that they fund advice of some form.<sup>1</sup>**

This mapping, undertaken by London Funders in partnership with 360Giving and supported by the Greater London Authority, aims to increase our understanding about the funding of social welfare advice across London.

Recent research has consistently highlighted the high demand for advice across the capital in a context of increasing need and pressures in the funding environment, in part driven by reductions to Local Authority spending. While many funders continue to invest in advice, the funding context is increasingly challenging for frontline advice providers.<sup>2</sup>

This report aims to fill some of the gaps in knowledge by examining the current picture of funding going into advice from the perspective of funders currently active in this space. It aims to provide a platform for funders and the sector to consider how best to tackle the gap between demand, provision and future capacity.

<sup>1</sup> London Funders Member Audit, 2023

<sup>2</sup> <https://asa.uk.org.uk/wp-content/uploads/2020/07/Advising-Londoners-Report-30072020-1.pdf>



# KEY FINDINGS

This mapping involved three key stages:

- analysis of data shared by grantmakers who publish open data using the 360Giving Data Standard
- interviews with funders who are investing in London's advice sector
- a series of 'deep dives' to explore some of the issues identified through the interviews and data collection.

More information about the methodology can be found in the full report.

This latest data confirms London's advice sector a **diverse mix of organisations in terms of their size, scale and focus**. The 334 organisations included in the sample together had total turnover of £280m in 2022-23. The majority of these organisations (74%) have a turnover of under £1m. 58% operate in a single borough or multiple boroughs, 25% London-wide, and the remaining are multi-regional or national.

A significant proportion of current grant funding for advice organisations comes from **a relatively small pool of funders**: the 20 largest funders in the available data

**74%** of organisations providing advice in London have a turnover of less than 31m

**26%** of published grants for advice organisations are for over 1 year in duration

**77%** of known grant funding for advice organisations is provided by just 20 funders

are responsible for at least 77% of the amount of known grant funding received by advice charities in our cohort. It's also important to remember the proportion which comes from government sources: around 40% of income in the cohort is reported to have come from government sources, representing £42.7m in grants and £66.9m in contracts.

Funders acknowledge that the **rising demand for social welfare advice** – particularly in housing, immigration, benefits, and debt – is outstripping available funding. The cost-of-living crisis, coupled with long-term reductions in Local Authority budgets and cuts to legal aid, has exacerbated this. Public sector investment is seen as particularly precarious, and without certainty of multi-year funding settlements from national government, efforts to plan and fund strategically will be further undermined.

Several funders identified **significant gaps in specialist advice**. People present with complex issues that require in-depth knowledge, and growing demand places additional strain on already limited resources. Immigration and housing issues, in particular, were flagged as areas with prolonged casework demands that go underfunded, further straining the sector.



There is a **growing consensus that longer term funding is needed** to enable advice organisations to address the increasingly interconnected needs of those seeking help. Some current funding models are seen as too rigid and ill-suited to the real-world challenges of providing social welfare advice. The data reinforces this picture: only 26% of published grants in 2022-23 were recorded as being for over a year, and 25 organisations in our sample received 20 or more grants between 2020 and 2023, which is likely to create significant burden in terms of grant management. Several funders expressed appetite to accelerate the shift to more core funding, which would allow advice organisations to plan more strategically, invest in their workforce, and strengthen the local partnerships needed to deliver advice effectively. More proportionate reporting is also key.

Some funders are starting to shift their focus to **investing in services that challenge the system and advocate for change**. This shift reflects a recognition that short-term fixes are not enough to address the root causes of the issues driving demand for advice services. Funders are increasingly looking at how they can support advocacy and work to challenge these systemic issue – through investing in infrastructure, community movement building, and policy work at a national and local level.

**While many funders continue to invest in advice, the funding context is increasingly challenging for frontline advice providers.**

**Workforce issues remain a major challenge for the advice sector.** Short-term funding arrangements make it difficult for organisations to offer competitive salaries and job security. High turnover and burnout is taking a serious toll on staff well-being. Several funders felt that this area needs more investment, including better training, leadership support, and pathways for professional development. Without a stable, well-resourced workforce, the capacity of advice services will continue to be constrained.



The advice sector is evolving, with a growing focus on the role community-based organisations can play in widening access to advice. This **broader ecosystem of advice provision** must be considered in order to make more strategic decisions about funding allocations, particularly when viewing advice with a lens of place or particular communities of experience and/or identity.

Looking ahead, most funders indicated their intention to continue supporting advice services, but interviewees were realistic about the **pressures on their own funding and ability to meet demand**. Some are exploring how to align their advice funding with broader social justice or anti-poverty strategies, recognizing the cross-cutting impact of social welfare advice on areas such as housing, mental health, and social care. The report discusses the opportunities presented by more integrated approaches to social welfare, with a focus on the role of Integrated Care Boards (ICBs). All are keen to **build on the collaboration that exists**, with earlier, more intentional collaboration so we can act on learning being generated, and pool or align funds more effectively.

In light of ongoing reductions in local authority budgets, there is a **need for longer term, more sustainable financial settlements from government** for local authorities to meet growing demand. And in the short term, **current levels of investment need to be protected**. The London Advice Strategy brings an opportunity to renew bold commitments to how future pan-London investment plans can support this work, and help meet our shared ambition of challenging poverty in the capital.

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To access the full report, please visit [www.londonfunders.org.uk/resources-publications](http://www.londonfunders.org.uk/resources-publications)



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