

# Consultation Response

## Local Government Finance Settlement 2015-16: Consultation

### Response by London Councils

London Councils represents London's 32 borough councils and the City of London. It is a cross party organisation that works on behalf of all its member authorities regardless of political persuasion.

#### Introduction

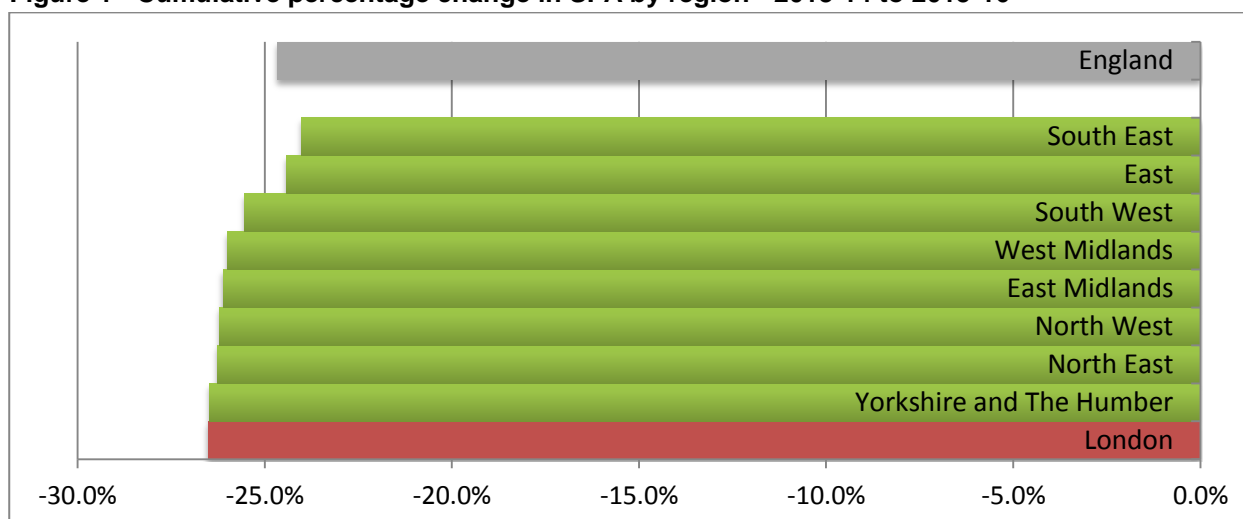
1. London Councils welcomes the opportunity to comment on the provisional Local Government Finance Settlement (LGFS) 2015-16.
2. This settlement raises significant concerns about the transparency, and long-term sustainability of the local government finance system, namely:
  - The disproportionate impact of public spending cuts on London local government,
  - The cut to Local Welfare Provision funding;
  - The lack of transparency within the proposals;
  - The misleading nature of the Revenue Spending Power calculation;
  - On-going concerns about the business rates retention system.
3. London Councils would again like to raise concerns about the timing of the local government finance settlement. For the last three years, the settlement has been announced extremely late. While there may be a number of reasons for this, and it may be helpful for Central Government, it does little to provide local authorities with the level of certainty and funding assurance needed when formulating their budgets, and setting council tax levels, for the following financial year. It is absolutely imperative that local authorities have confirmation of their funding allocations as early as possible so that robust and sound business plans can be formulated and implemented. This is particularly important at a time of rapidly reducing resources.
4. This response first sets out some general comments about the consultation followed by more detailed responses to the specific consultation questions.

## General comments

### London local government faces a disproportionate level of cuts

5. Between 2010-11 and 2015-16, London local government will have seen a real terms reduction in core funding<sup>1</sup> of 45 per cent (compared with 44 per cent for England overall). This compares with just 1.4 per cent for total public spending over the same period. Local government's level of contribution to the Government's deficit reduction programme far outstrips that required of the vast majority of other Whitehall departments.
6. The overall spending plans set out by the Government at Autumn Statement 2014 suggest that the severity of cuts to local government spending is likely to continue over the next parliament. Latest estimates suggest that between 2010-11 and 2019-20, London local government could see a real terms reduction in core funding of almost 70 per cent. The scale of this reduction is significant and without fundamental public service reform, it undermines the ability of local authorities to continue to provide front-line services. If these levels of annual reductions are maintained, it is likely that only the most essential services will be viable with little remaining for valued non-statutory services.
7. At the same time, growing demand on services in London is contributing to a potential funding pressure of £3.4 billion by 2019-20. By then, the principal statutory responsibilities of local government in London – namely social care and waste – could require around 67 per cent of all available resources, meaning non-statutory services would need to be squeezed by around 50 per cent for London local government to fit within its projected funding envelope.
8. London Councils remains concerned about the continued protections for rolled-in grants within Revenue Support Grant, in contrast to much larger proportionate cuts for upper and lower tier funding. The rationale for treating many of these grants in this way has not been provided. A consequence of this decision is that there is a clear correlation between those authorities assessed to suffer from higher levels of deprivation and their levels of funding reductions. In 2015-16, London local authorities will again be required to deliver a proportionately larger share of the overall reduction to local government than elsewhere in the country. Figure 1 below shows that, since 2013-14, London boroughs have the largest proportionate cuts to Settlement Funding Assessment of any region in the country (27 per cent real terms reduction compared with 25 per cent for England overall).

**Figure 1 - Cumulative percentage change in SFA by region - 2013-14 to 2015-16**



Source: DLG, Local Government Finance Settlements 2014-15 & 2015-16

Notes: Regional figures are for councils only (exclude Fire Authorities and the GLA)

<sup>1</sup> Core funding refers to formula grant until 2012-13 and Settlement Funding Assessment thereafter.

9. If these protections continue, London will lose out on over £200 million a year by 2020, compared to their position if the average percentage cut was applied across England. The cumulative loss over the period 2013-14 to 2019-20 could be as much as £850 million.
10. London Councils believes the protections for rolled-in grants should be reviewed with consideration of an alternative approach to apportioning the funding reductions.

## **Local Welfare Provision funding**

11. London Councils is frustrated that, despite the opportunity to reconsider the funding of local welfare provision, and despite evidence of a clear and growing need, the Government has chosen to continue with the decision to cut funding.
12. The move away from a national system has allowed a more local and targeted approach. Boroughs have linked local welfare assistance with their wider services and interventions to create a more holistic support offer to local residents. Local authorities have developed positive arrangements delivering services in partnership with the voluntary and community sectors. Some have established some type of contracted provision to administer the funds on their behalf, or alternatively to provide goods or services as part of a supply chain. The use of pre-paid cards, vouchers and payments-in-kind have contributed to increased levels of effectiveness and greater value-for-money with wider savings accruing to central government. More information is provided in Annex A.
13. The decision to apportion a notional part of upper tier funding within RSG for local welfare provision funding is misleading and risks confusing local government members, officers and local residents. This option provides no additional funding while local government is still expected to continue to be responsible for delivering local welfare provision.
14. The devolution of the local welfare provision grant to local government followed almost immediately by cessation of that funding places further financial pressure onto local government and goes against the New Burdens doctrine. Once again, local government is being asked to deliver savings on behalf of a central government department. Given the extremely challenging financial climate for local government, London Councils believes that this funding decision raises significant questions about the ability of local authorities to continue to provide local welfare provision through general resources. It is likely that this will only be possible in the short term and even then, only if boroughs implement significantly less generous local schemes.
15. London Councils would like to see the Government to reconsider its decision and for a requisite transfer of funding to take place between the Department of Work and Pensions Resource DEL and the Local Government Resource DEL (LG RDEL) in order to fund local welfare provision. This would be consistent with the funding of Council Tax Support and other grants that were rolled into SFA in 2013-14.

## **A lack of transparency**

### *The Local Government Resource DEL*

16. The example of local welfare provision is a powerful illustration of why the Government should publish a full breakdown of the local government resource DEL alongside the settlement. This would provide greater clarity and understanding of each element of local government funding, allowing authorities to budget with greater certainty.
17. London Councils reiterates its call for transparency in the calculation of Revenue Support Grant, which should include:

- a full breakdown of the Local Government Resource DEL (LG RDEL) including not just SFA but all funding streams that will go to local government;
  - a reconciliation of SFA (including its individual elements) with last year's illustrative settlement;
  - an explanation of how the central share of business rates is funding local government grants; and
  - greater visibility of the process for calculating funding cuts.
18. The fact that DLGG does not publish a full breakdown of the LG RDEL alongside the settlement makes it difficult to robustly assess the financial impact of new Government policy and spending decisions (such as the decision to end the Local Welfare Provision funding). The sector needs more information and clarity about exactly what funding is being awarded to local government and the sources of that funding.
19. This issue further highlights the lack of transparency in the local government finance system which enables funding streams to be “rolled in” to core funding without clear visibility or a full assessment of the size of the burden being placed on local authorities. The rolling-in of council tax support funding to the tier funding components of RSG is an example. This practice undermines trust between local and central government, undermines the New Burdens doctrine, creates further complexity for elected members, officers and local residents and increases financial uncertainty for local authorities.
20. Future settlements should include a detailed breakdown of the local government Resource DEL and any other departmental resource DEL that provides funding to local government.

#### *Reporting of Local Government Expenditure*

21. London Councils would also question the statement within the settlement announcement that local government represents “a quarter of all public expenditure”<sup>2</sup>. This is often used to explain the disproportionate level of cuts faced by local government compared to other parts of the public sector. London Councils is concerned that this statement has the capacity to mislead as it overestimates the level of resource and spending control of local government.
22. This statement is based on a flawed calculation that seeks to capture all forms of local government income, including central government grant (revenue and capital), capital receipts, fees and charges, social housing rents and council tax – i.e. funding from HM Treasury as well as directly and indirectly raised income from local residents, tenants and businesses. This method of accounting is not used for central government accounts and other Whitehall departments are not required to report other funding streams within Total Managed Expenditure (TME). The calculation also includes funding streams that pursue central government rather than local authority policy. For example, education funding is ring-fenced and must be passported directly to schools. It also includes transfer payments – expenditure that is passed through local authority accounts from central government to individuals (such as housing benefits) and over which local authorities have no control.
23. Based on the above, London Councils analysis suggests that close to £105 billion should be removed from the original local government figure of £154 billion (based on 2012-13 data – the latest available<sup>3</sup>) in order to compare meaningfully against HM Treasury's TME. This would suggest that a more reflective figure for local government's share of public spending is in the region of between 4-7 per cent rather than the 25 per cent often quoted.

<sup>2</sup> <https://www.gov.uk/government/speeches/provisional-local-government-finance-settlement-2015-to-2016>

<sup>3</sup> <https://www.gov.uk/government/statistics/local-government-financial-statistics-england-2014>

## The misleading nature of Revenue Spending Power

24. Revenue Spending Power (RSP) continues to be a misleading measure of funding available to local government. The composition of this measure has been revised each year to reflect changes to the system, preventing a common and shared understanding of the full impact of central government spending decisions on local government.
25. London Councils understood that the underlying objective of the revenue spending power definition was to capture the full resources under the direct control of a local authority. However, as currently constructed, the calculation includes funding that is largely, or entirely, beyond the direct control of a local authority and is based upon a number of assumptions made by Government for which there has been little or no supporting evidence.
26. London Councils has a number of technical concerns around how RSP is calculated and presented, which prevents an understanding of the full extent of the funding cuts to local government.
27. Firstly, London Councils does not think it is appropriate to include ring-fenced funding within RSP. Two clear examples of this are the Public Health Grant (PHG) and the Better Care Fund (BCF). The PHG covers the specific duty that was transferred to local government in 2013-14. It can only be spent on public health activities. Including this distorts the true picture of the available resources to deliver the existing services within local government, thereby artificially reducing the size of the cut.
28. The BCF is a pooled budget, for which spending plans must be agreed locally through Health and Wellbeing Boards. It will not be known until after 2015-16 how much of each local area's BCF funding was actually spent on local government services on a comparable basis to 2014-15: for consistency and accuracy, BCF allocations should not be included within RSP.
29. Secondly, RSP could overestimate the amount of income authorities will raise through council tax, as it is based on an assumption that the historic growth rates in local authority tax bases continue and that there are no increases in council tax rates. It is not entirely clear how these figures have been arrived at. It is arguable that previous growth in the tax base is no guide to future movements. Furthermore, it is not clear to which time period the historic trend relates. The introduction of local council tax support schemes and the reduced funding for their operation will impact on future levels of council tax income, which raises further questions about the assumptions underlying this calculation. The Government should publish full supporting evidence behind these figures.
30. Thirdly, the calculations assume 100 per cent of authorities will take up the council tax freeze grant. In 2014-15, only 59 per cent of all eligible authorities took up the grant.
31. Finally, the figures include the full New Home Bonus allocations for London which do not reflect the requirement for London boroughs to pool a proportion of their 2015-16 allocation with the London Local Enterprise Panel. For a consistent comparison with other parts of the country, the £70 million should be removed from the figures in London.
32. London Councils would like to see a fixed definition of Revenue Spending Power agreed between local and central government to provide consistency from year to year and avoid potential confusion and inaccurate reporting of funding reductions. London Councils suggests that a definition is shared with local government in advance of the next local government finance settlement for review and discussion.

## On-going concerns about the business rates retention system

33. London Councils continues to disagree with the principal of the safety net hold back. This penalises local authorities through no fault of their own because of the complex system the Government has established. The

main reason for the safety net holdback is because of lower than expected business rates yield as forecast by local authorities. A significant contributing factor to these low forecasts is the effect of outstanding and future ratings appeals. Local authorities should not be financially penalised, via what is effectively a cut to RSG, for the increase in the safety net holdback because not enough assurance has been built into the system around the effect of appeals – which are entirely outside the control of local government.

34. London Councils continues to believe that the overall safety net should be allowed to remain in surplus or deficit and that it is not unreasonable for central government to support a one-off deficit, particularly when the system is in its infancy. It is also our expectation that in future years, the safety net holdback will no longer be required as all safety net payments will be fully funded from the levy pot, as proposed in the initial design of the scheme.
35. More broadly, London Councils is disappointed by the continued lack of direct financial incentive within the current business rates retention system. The fact that the Government is retaining half of the business rates; that local government is bearing the cost of the RPI inflationary increase on the funding baselines; that any growth could potentially be removed after 7 years at a reset; and that the definition of growth only applies to physical growth (not revaluation growth), all mean that the direct, financial incentive for local authorities to grow their local business rates remains weak.
36. At the same time, local authorities in London remain exposed to the risk of successful rating appeals. This has a particularly disproportionate impact on London boroughs which have 30 per cent of all unresolved appeals in England<sup>4</sup>, despite having only 16 per cent of all hereditaments<sup>5</sup>. The Valuation Office Agency generally takes longer to clear appeals in London than other regions in England (with a median time of 400 days compared to 360 for England as a whole)<sup>6</sup>. This is something over which local authorities have no control and has created significant challenges for London's local authorities in accurately forecasting their business rates. Based on their latest forecasts, London billing authorities are expecting to make provisions for in-year and backdated appeals of £772 million over 2013-14 and 2014-15. London boroughs' exposure to this risk will therefore total £232 million of funding over 2 years, based on their retained share of 30 per cent.
37. London Councils is supportive of recent attempts to ease the financial burden on businesses through the use of the business rates system. That said; the Government should be mindful of the growing number and complexity of the reliefs system and the impact that this could have on local government and the business rates retention system. Further consideration should be given to the system of reliefs and wider issues such as business rates avoidance, particularly, the abuse of charitable and empty property reliefs, which have a significant impact on some local authorities. Over time, London Councils believes that all property taxes, including the freedom to set reliefs, discounts and exemptions, should be devolved to London government.
38. Finally, London Councils believes the local share of business rates should be increased to give local authorities greater control over their own funding. Ultimately this should be fully devolved to local government, but an interim measure could be to gradually increase the retained share of business rates from the current 50 per cent to 100 per cent. This would also ensure greater transparency and visibility within the system and increase the growth incentive within the scheme.

## **London Councils**

### **January 2015**

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<sup>4</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/388751/NDR\\_TableA\\_All\\_2010\\_November2014.xls](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388751/NDR_TableA_All_2010_November2014.xls)

<sup>5</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/387452/141211\\_Publication\\_All\\_Tables.xls](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/387452/141211_Publication_All_Tables.xls)

<sup>6</sup> Figures come from Parliament.gov.uk - Daily Hansard Written Answers, 28 Apr 2014: Column 546W  
<http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140428/text/140428w0005.htm>

## Consultation Questions

**Question 1: Do you agree with the Government's proposal that local welfare provision funding of £129.6m should be identified within the settlement by creating a new element distributed in line with local welfare provision funding in 2014-15?**

39. London Councils firmly opposes this proposal. As mentioned above, the creation of a notional element within RSG worth £129.6 million only risks misleading local government members, officers and local residents. No additional funding has been provided. If authorities are to continue to deliver this service, they will have to identify funding from within their existing resources. London Councils believes that the presentation of a notional amount is unhelpful and misleading.
40. The decision to end this grant undermines the significant efforts and resources committed by local authorities to set up local schemes following the abolition of crisis loans and community care grants as Government controlled schemes in April 2013. Last year, London boroughs spent more than £14 million via local welfare assistance schemes and are predicting a 40 per cent increase in expenditure this year. This is evidence of real and growing demand for such assistance. More information is provided in Annex A.
41. While official data may suggest that borough expenditure may be less than the funding available, this is likely to be due to a range of reasons, including:
- caution in scheme design resulting from concern about potential funding withdrawal – a fear that has been fully realised;
  - boroughs simply being more effective in targeting their local schemes;
  - lower initial awareness of local schemes and available funding, and
  - the removal of straight cash awards in favour of awards being made 'in-kind' or through vouchers/store cards/refurbished goods leading to a lower demand than initially anticipated.

**Question 2: Do you agree with the Government's proposal that the funding for the Improvement and Development Agency for Local Government for services to local government should be £23.4 million in 2015-16?**

42. London Councils has no comment.

**Question 3: Do you agree with the Government's proposal to reduce the New Homes Bonus holdback from £1bn to £950m?**

43. London Councils broadly agrees with this proposal. The NHB holdback is deducted from tier funding prior to distribution, therefore it makes sense that if the holdback is reduced by £50 million it should be added back to tier funding prior to distribution.
44. However, the consultation also confirms that "any surplus will be returned to local authorities through a section 31 grant, in proportion to their adjusted 2014-15 Settlement Funding Assessments". London Councils would reiterate the principle that any topslice or "holdback" should be returned to authorities in proportion to how it was deducted in the first place. The Government has not provided any explanation of why adjusted 2014-15 SFA will be used instead of tier funding to redistribute the NHB surplus.

**Question 4 Do you agree with the Government's proposal to increase the rural funding element from £11.5m, as previously proposed, to £15.5m?**

45. London Councils requests further information on how this additional £4 million is being funded. If this is a "new" funding stream coming from within LG RDEL, the de facto assumption is that there has been a requisite cut to Revenue Support Grant to fund it.



46. The existence of this funding stream raises questions about the funding of urban areas, particularly as historic funding has failed to reflect fully the pressures on London, most notably in terms of its underestimated population and the failure to properly recognise the impact of daytime visitors.
47. Data from Census 2011 confirmed previous analysis by London Councils and our members that London's population has been consistently undercounted over the last decade. Analysis has been undertaken of population projections based on the Census 2011 figures and how they compared to the population projections used within the 2011-12 and 2012-13 local government finance settlements. The modelling suggests that London's population was undercounted by close to 375,000 as a result of using the projections based on the older census figures.
48. This has meant that London local government has received less funding than it should have done. London Councils analysis suggests that in 2012/13, the loss of funding through under-counting was approximately £580 per person in formula grant before damping. It follows therefore, that authorities lost £580,000 for every 1,000 of uncounted population through this grant stream alone.
49. Current funding allocations also fail to reflect the full impact of daytime visitors in London. Analysis suggests that London's daytime population rises to close to 10.8 million – an increase of 2.5 million or 30 per cent from its usual resident population. This significant level of growth places increased pressure on local authority services and infrastructure.
50. London Councils believes that if the Government is minded to further recognise some of the financial pressure on rural authorities, it is not unreasonable to expect further consideration to be given to the unique pressures faced by urban authorities, and particularly those that pertain in London.

**Question 5: Do you agree with the Government's proposal to reduce the fire funding element of Revenue Support Grant for each fire and rescue authority, by an amount equal to 0.24% of the total pensionable pay for that authority?**

51. London Councils has no comment.

**Question 6: Do you agree with the Government's proposal to compensate local authorities for the cap on the multiplier in 2015-16, calculated on the same basis as in 2014-15?**

52. London Councils broadly agrees with this proposal and is supportive of recent attempts to ease the financial burden on businesses through the use of the business rates system. That said; the Government should be mindful of the growing number and complexity of the reliefs system and the impact that this could have on local government and the business rates retention system.
53. London Councils also believes that local government should not lose out financially on this issue, from a cashflow perspective. It is inconvenient that because of the complex nature of the retention system, authorities must wait until September 2015 for a full reconciliation to see if they have been awarded the correct level of grant. The Government should bear any cashflow costs of incorrect grants, as the cap was a direct government decision to support businesses.

**Question 7: Do you have any comments on the impact of the 2015-16 settlement on persons who share a protected characteristic, and on the draft Equality Statement?**

54. London Councils refers to its general comments above.



## Annex A – Detailed response on funding of local welfare provision

London Councils has previously responded to the Government's consultation on funding for local welfare provision in 2015-16. Our response highlighted the real and growing demand for local assistance that boroughs were reporting and urged ministers to retain funding for such schemes, preferably at current levels, at least until 2016-17 when Universal Credit had been rolled out. At this point a fuller evaluation of the effectiveness of local welfare provision could be conducted.

This appendix contains a number of additional points and case studies following the announcement in the draft local government financial settlement that the government's current intention remains not to provide any dedicated funding for local welfare provision.

### **Councils were asked to deliver local welfare provision schemes because of the failure of the previous, centrally administered schemes**

The government took the decision to abolish Community Care Grants and Crisis Loans and transfer funding to councils following criticism of "the quality of decision-making and the poor targeting of support" of those schemes from both the National Audit Office and the Public Accounts Committee<sup>7</sup>.

More recently, the Department for Work & Pensions has described those centralised, remote schemes as "poorly targeted and failing to help those most in need"<sup>8</sup>.

Indeed, while official data may suggest borough expenditure has been less than the funding available, this should be seen as proof of the poor value-for-money that the previous centralised schemes provided compared to the targeted, effective borough schemes that have replaced them.

Despite this, there is clear evidence of real and growing demand for local schemes as outlined in our original consultation response<sup>9</sup>.

### **Government announced the withdrawal of funding just months after schemes went live – before awareness of local provision had become embedded in local communities**

This is despite the DWP giving an undertaking to conduct a detailed review of the first year's operation of the schemes in order to determine the funding profile for future years.

As well as stymying the development of innovative practice, it also had the effect of forcing boroughs to be even more prudent in the use of the funding that had been allocated

### **The approach proposed in the settlement is unfair and misleading**

Some form of discretionary, 'one-off' welfare provision over and above the on-going assessment of income need has existed for decades – most recently in the form of the discretionary elements of the Social Fund, but also through monies awarded from separate budgets managed by the national assistance board, the DHSS, the DSS or DWP. There is no question that Government recognises the continuing need for such provision. It is simply unwilling to fund it.

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<sup>7</sup> ['Local support to replace Community Care Grants and Crisis Loans for living expenses – A call for evidence', DWP, February 2011](#)

<sup>8</sup> <http://www.lgcplus.com/briefings/corporate-core/finance/crisis-loans-funding-axed/5066719.article>

<sup>9</sup> [https://www.google.com/url?q=http://www.londoncouncils.gov.uk/London%2520Councils/LondonCouncilsLocalWelfareProvisi%2520onconsultatio%2520\(2\).pdf&sa=U&ei=stOzVJfZloeiyAT734HwBw&ved=0CA4QFjAE&client=internal-uds-cse&usg=AFQjCNGHdXyJ7T65aPLnOgBuoypf4m-uq](https://www.google.com/url?q=http://www.londoncouncils.gov.uk/London%2520Councils/LondonCouncilsLocalWelfareProvisi%2520onconsultatio%2520(2).pdf&sa=U&ei=stOzVJfZloeiyAT734HwBw&ved=0CA4QFjAE&client=internal-uds-cse&usg=AFQjCNGHdXyJ7T65aPLnOgBuoypf4m-uq)

The rationale for abolishing CCGs and Crisis Loans and passing funding to local authorities was that councils could better and more effectively target funding at those who need it – it was not that this form of provision should be funded by local authorities.

The DWP's original consultation on replacing Community Care Grants and Crisis Loans with local support said: "We recognise that the design, set up and delivery of the new assistance will place an additional burden on local authorities and we are committed to ensuring that this is funded in full by central government."

By withdrawing funding for local schemes, the government is asking local government to find the money to pay for a vital element of the welfare system. As the main body of this consultation response makes clear, cuts to council grants mean they simply don't have the money to do this on an on-going basis.

### **Investment in local welfare schemes is saving money/reducing demand on other public sector bodies, not just other areas of council expenditure**

The removal of funding for local schemes has come about too soon after their implementation to allow any kind of systematic, rigorous evaluation of their effectiveness to have taken place.

However, London Councils has collected a number of case studies from London boroughs that demonstrate how awards made by local schemes have reduced demand and ultimately saved money for other central government-funded bodies or services. These are outlined below.

#### Freeing up beds and relieving pressure on the NHS

- Patient undergoing cancer treatment in hospital unable to return home as unable to pay for food or heating. Doctors reluctant to discharge due to concerns over her health and safety as a result of her financial situation so she remained in the care of hospital occupying a bed. Patient was encouraged to apply to LWP and she was awarded an emergency package of food and fuel vouchers. Quick turnaround of local scheme meant she was able to be discharged within two days of applying. Alternative route of applying for Employment & Support Allowance and a subsequent Short Term Benefit Advance and waiting for these to come into payment which could have taken up to two weeks. A modest payment of £75 from the local scheme saved the NHS the £273 per day cost of occupying a bed; potentially £3276 in this case. [Lambeth]
- Short-sentence prison leaver suffering from a number of health conditions released to flat that had been cleared of all furniture while rent and utility arrears had built up. Admitted to hospital after accident. Hospital reluctant to release him home without a proper bed to sleep on, so discharge delayed. Local scheme awarded a furniture package and clothing vouchers so he could be discharged, and linked him to debt advice. Again saving £273 per day. [Lambeth]
- Night shelter hosted by the Salvation Army furnished with vital equipment including camp beds, sleeping bags, blankets, cooking utensils and fridges thanks to funding from local welfare scheme. Team at shelter are able to work with other agencies to help users address homelessness, health and social care needs, thus reducing likelihood of requiring hospital treatment. In winter 2013/14, 61 individuals attended the night shelter and 37 so far this winter. No provision in other budgets for support of this kind. [Redbridge]

#### Preventing demand on police and criminal justice system

- Claimant from traveller background fled husband and family due to domestic violence, leaving clothing and possessions behind. Continues to suffer from threats and abuse from family. Offered a permanent home in a new area meaning that she is far away from the abuse she suffered and at less risk of domestic violence. Local welfare provision enabled new home to be furnished with essential appliances and a basic wardrobe to be bought. Claimant is now settled in her new home and not constantly making anxious calls to law enforcement agencies. [Lambeth]

## **Local schemes are going beyond what is possible under existing provision**

Boroughs have also produced case studies highlighting how investment in local welfare provision is allowing boroughs to address areas of need currently not addressed by statutory or other pre-existing provision.

### Support for single people

- One borough has done some basic profiling of LWP claimants and found that the majority – of both claimants and, especially, recipients – were single people. As many single people are unlikely to be in a priority need category for housing and social services, it is likely that LWP is bridging an important gap in the support available. Without this support it is likely that the number of single people presenting as homeless could rise. [Ealing]

### Adding to support for homeless households

- For many boroughs, LWP teams will work with homeless families, but in a different way to their housing teams. For example, one borough's housing team will source accommodation, but this tends to be unfurnished. Without LWP funding, it would not be possible to help homeless households settle into, what will be for many, their first home. In situations where benefits have stopped, LWP funding is able to help customers with gas and electricity bills. [Hounslow]
- Young mother served with eviction notice by landlord and given a week to move her belongings out. Offered emergency accommodation by borough (so not in receipt of benefit). Claimant unable to afford a removal van and family and friends could not help with large items such as bed and sofa so faced these items being thrown away. LWP was able to pay removal fees, for which no budget would otherwise exist. Meant that claimant did not need to seek budgeting loan from DWP. [Enfield]