

An Assessment of Local Social Security Provision in London

Summary

Carla Ayrton, Peter Kenway and Josh Holden

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Introduction

Like all English local authorities, London boroughs are now responsible not just for delivering certain elements of the social security system but for designing them too. This is a result of both the devolution of services that were once national to local authorities and of local authorities taking the initiative to fill gaps left by cuts in the national social security system.

Council tax support (CTS), discretionary housing payment (DHP) and local welfare assistance schemes (LWA) are all elements of the social security system which are now administered by the local authority. Each of these benefits has a different focus, but all are intended to prevent and alleviate hardship. Together, they are the major parts of what can be called the local social security safety net.

Previous studies have assessed individual parts of the local safety net, such as CTS in London,¹ the Independent Living Fund,² or that five London boroughs no longer offer an LWA scheme.³ But they have not been brought together before.

Research summary

There is now a great deal of variation across London in the level of provision for each scheme.

CTS provides help for people on low incomes with their council tax bill by reducing the amount of council tax they have to pay. Since their introduction in 2013/14 these schemes have, on average, become less generous every year.

Schemes range from having no minimum payment and staying fairly close to council tax benefit (CTB), to having a minimum payment of 30%. The number of residents affected by the changes to CTS varies between boroughs as does the average weekly cut in the amount of support: from £1.90 in Islington to £7.70 in Harrow.

The boroughs that have moved away from having no minimum payment can be divided into two groups: those for whom, because they have a small weekly minimum and/or a small number of residents affected, a return to no minimum payment is feasible; and those who would find this difficult. There are eight boroughs

¹ Ashton, S., Francis, M. and Woudhuysen, A. (2016) [Still too poor to pay: Three years of localised council tax support in London](#). Child Poverty Action Group and Z2K.

² Inclusion London (2016) [One year on: Evaluating the impact of the closure of the Independent Living Fund](#). Inclusion London.

³ Gibbons, D. (2017) [The decline of crisis and community care support in England: Why a new approach is needed](#). Centre for Responsible Credit.

that currently have no minimum payment, 14 boroughs who would find a return to no minimum payment feasible and 11 boroughs for whom this would be difficult.

The amount of funding available in London for DHPs has declined as a proportion of overall funding available to local authorities in England and Wales since 2013/14. Although boroughs can choose to top up DHPs up to two and a half times the original allocation, most boroughs follow the allocation from central government, regardless of need in their area, by spending close to the amount allocated to them. There were four notable exceptions who spend more than a third more: Westminster, Greenwich, Kensington and Chelsea, and Croydon. Four boroughs over-spent their allocation by between five and ten per cent while another 18 spent within 1.5% of their allocation. This means that provision across London is variable with the proportion of successful applications varying from 41% in Ealing to 90% in Croydon – where the council is using DHPs to help manage the problems caused by universal credit.

LWA provides emergency support to people in crisis or who need help to remain, or start, living independently. The national discretionary social fund was replaced in April 2013 by LWA schemes run by local authorities who up to 2015/16 were given ring-fenced funding for their schemes. After this the funding was rolled into their overall grant which has been shrinking.

Providing an LWA scheme is not a statutory requirement and five London boroughs do not have one in 2018/19. Eighteen boroughs are still providing a sizeable scheme whereas eight provide very small schemes which can reach only a small number of people. The number of applicants has fallen each year since the introduction of LWA, a fall that is not matched by a corresponding fall in need.

In response to these findings, there are actions which should be taken to improve the provision of local social security across London.

Council tax support:

1. Most London councils should return to offering full support (that is, a zero minimum payment), especially those which we find are in the 'feasible' group where the cost of returning to full benefit is likely to be small.
2. There should be a Greater London Authority (GLA)/London Councils (LC) led effort to understand and support those in the 'difficult' group – where the numbers needing support are highest and the support being provided is among the lowest: Enfield and Barking and Dagenham are at the top of this list.

Discretionary housing payments:

3. Councils across London should follow the practice of the most pro-active half dozen councils by assessing need independently of budget. The lessons from Croydon's DHP scheme connected with the rollout of universal credit need to be understood and promoted across London by the GLA/LC.

Local welfare assistance:

4. There should be a GLA/LC led effort to define a minimum standard and make sure that all London boroughs retain or reintroduce a significant scheme. This would ensure that all residents in need of support would have access to LWA whichever borough they live in.
5. This should be matched by a minimum budget which would be what boroughs would be expected to spend over the course of the year.