

## **To Full Council**

### **Notice of Motion**

#### **Sustainable future funding for Local Welfare Assistance**

Until 2013, emergency financial assistance was principally provided by central government through the Discretionary Social Fund. From 2013, the government implemented wholesale reform of the Discretionary Social Fund. Some parts were kept, however, the government abolished Crisis Loans (other than Alignment Payments) and Community Care Grants.

Responsibility for emergency financial assistance was devolved to the local level and funding transferred to local authorities in England on a non-ring-fenced basis, with the intention that they establish their own Local Welfare Assistance (LWA) Schemes to support local people facing a crisis.

The Government then decided that from 2015/16 onwards there would be no separate LWA funding stream. Instead, it would become part of the general Revenue Support Grant that central government provides to councils to support their spending on any local services.

In the intervening years, with reduced overall funding for councils, a lack of guidance from central government, and the absence of a statutory requirement for local authorities to deliver emergency financial assistance, local authorities faced difficult decisions about funding and maintaining LWA schemes. In many areas local welfare provision was either significantly reduced or closed completely.

In 2020/21, in response to significant levels of need during the COVID-19 pandemic, Government provided additional funding to local authorities to deliver emergency financial assistance. £63million was provided through the Local Authority Emergency Assistance Grant for food and essential items, whilst a further £170million was provided through the COVID Winter Support Scheme.

As a result of the COVID-19 pandemic and its economic impacts, we can expect there to be significant ongoing need for emergency financial assistance, with many families in this country at some time facing a 'financial crisis' point – a financial problem which puts the immediate health and wellbeing of family members at risk.

If properly resourced, local authorities are uniquely placed to support residents facing financial crisis, with LWA schemes central to that support. Local schemes can be underpinned by the existing knowledge that councils have of need in their communities, alongside the relationships they hold with local voluntary and community sector partners.

Whilst local authorities have other mechanisms such as Discretionary Housing Payments and Local Council Tax Support Schemes to support low income households, Covid-19 has demonstrated how important it is for councils to have the capacity to deliver timely and discretionary emergency support to households reaching crisis point.

Central government should therefore provide sustainable, long-term funding for local welfare assistance- to give councils the confidence and certainty that they need to develop an effective local welfare offer.

**This Council therefore resolves that it should:**

1. To [establish/maintain] a Local Welfare Assistance Scheme to support residents facing financial crisis.
2. To campaign for a new funding allocation for councils from central government to provide Local Welfare Assistance schemes to be made available at the next comprehensive spending review and protected in real terms over the following years.
3. To write to the Chancellor, the Secretary of State for Housing, Communities and Local Government and Secretary of State for Work and Pensions to request that they make such a funding allocation available to local authorities.

**Proposed By:** Cllr Garston  
Cllr Cox

**Seconded By** Cllr Buck  
Cllr Bright  
Cllr Nelson  
Cllr Boyd  
Cllr Cox  
Cllr Burzotta  
Cllr Davidson  
Cllr Dear  
Cllr Evans  
Cllr Flewitt  
Cllr Folkard  
Cllr Garne  
Cllr Nelson  
Cllr Habermel  
Cllr Jarvis  
Cllr Bright  
Cllr McGlone  
Cllr Moring  
Cllr Salter  
Cllr Walker