

From the Chairman of the Association
Baroness Eaton DBE DL

Steve Webb MP
Minister for Pensions
Caxton House
Tothill Street
London SW1H 9DA

28 March 2011

Dear Steve

LOCALISATION OF THE SOCIAL FUND

We met on 8 February to discuss LGA's concerns about the localisation of the Social Fund.

At the meeting, we agreed that the case for localisation would be stronger if it could be shown that the customers for community care grants and crisis loans were in touch with social services. That analysis has not been made available to us since the meeting.

We have also consulted more widely in the sector since that meeting and new concerns about the proposals have emerged which are set out in the note attached. A key concern is the funding available to meet the need, and the exposure to future increases in caseload resulting from either government policy decisions or the economic cycle.

I feel councils will need reassurance on each of these points if we are to persuade local government to support this proposal. It would of course make much more sense in a wider reform of the benefit delivery structures that gave local government a much bigger role.

I would be happy to meet again to talk this through if that would be helpful.

A copy of this letter goes to Andrew Stunell MP Parliamentary Under-Secretary of State at Communities and Local Government.

Yours sincerely,

Margaret

Baroness Eaton DBE DL