

From the Chairman of the Association
Cllr Sir Merrick Cockell

Steve Webb MP
Minister of State for Pensions
Department for Work & Pensions
Caxton House
Tothill Street
London SW1H 9NA

05 March 2013



LOCAL WELFARE ASSISTANCE & LOCAL AUTHORITY MONITORING

I am writing to express the Local Government Association concerns at your proposal to deliver councils' resources for local welfare support in 2014/15 in quarterly instalments; and to seek assurances that your intention to monitor spending will not create additional administrative burdens.

The decision appears to be predicated on a view that councils are not spending the money effectively. I would like to offer you an alternative perspective.

Firstly, having spoken to councils, we are confident that a review of local government's brief stewardship of this funding will show that when the majority of councils took a pot of money that was reactive and open to abuse when it was administered nationally, they began to use the funds efficiently, proactively and imaginatively to support some of their most vulnerable and disadvantaged residents.

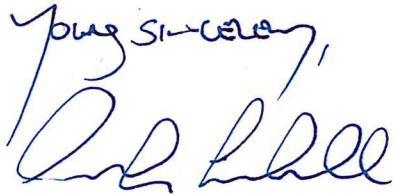
In some cases councils have chosen to make a significant shift away from the conventions of the Social Fund to design a fit-for-purpose local scheme. The simultaneous introduction of a number of other welfare reforms, some of which had the potential to significantly reduce household incomes, means that councils have necessarily been cautious in managing expectations and demand for support. Identifying and prioritising need and weeding out abuse takes time and it is right that councils have taken a measured and considered approach.

Secondly, the proposal to monitor and adjust 2014/15 funding quarterly destabilises the central premises of the Government's commitment to Localism, in particular the promise to remove unnecessary administrative burdens, and interferes with councils' ability to manage and profile spending over the financial year.

Careful and conscientious spending against the excessive baseline set by the Social Fund is something to be incentivised. It is not good management of public funds to encourage councils to spend up to historic levels, or to assume that more efficient use of the fund by councils means that removing it in its entirety will be without consequence.

The LGA will be conducting research into councils' use of the fund in 2013/14, which we hope will assist Ministers in making further considerations of what might be appropriate in the future. Councils have been given the freedom to use the funding flexibly to respond to local circumstances, and it is right that any review should be outcome focused, open-minded and designed to identify learning and innovation that can be shared across the sector.

I hope that you would involve LGA colleagues in further discussions at the earliest opportunity. Should you wish to discuss this matter with me directly, I would of course welcome the opportunity to meet in the coming weeks.

A handwritten signature in blue ink, appearing to read 'Merrick Cockell', written over a faint, larger signature that is partially obscured.

Councillor Sir Merrick Cockell