

Conservative-led councils in England more likely to slash financial support for people on low incomes, study shows

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Giving councils in England a greater say over how benefits are allocated has led to substantial cuts and a patchwork of welfare support, research finds.

The study, by Dr. Rod Hick of Cardiff University, analyzed data on three local security schemes which were transferred or enhanced following The Welfare Reform Act 2012. From April 2013, Local Welfare Assistance, Council Tax Support schemes and Discretionary Housing Payments (DHPs) were intended to enable local authorities to meet need, offset austerity being imposed elsewhere by government, and to harness the efficiencies of local government.

But the study, published in *Sociological Research Online*, reveals 80% of Local Welfare Assistance schemes, a replacement for Discretionary Social Fund payments, have experienced [budget cuts](#) of more than half since they were introduced.

More than 80% of councils have imposed a minimum [payment](#) on working-age residents in receipt of Council Tax Support, which replaced the centrally-managed Council Tax Benefit, with these minimum payments ratcheting upwards over time. Previously, eligible households could have their entire bill waived.

Even though the study found the proportion of councils' DHP allocations have been more stable, the overall budgets from central government have declined, meaning there have still been considerable reductions.

While councils of all political makeups have made significant cuts to their schemes, the analysis reveals councils led by the Conservatives were more likely than those led by the Labour Party to make cutbacks on all three types of benefit, even after other factors were taken into consideration.

Dr. Hick, based at Cardiff University's School of Social Sciences, said: "These three [welfare](#) schemes were argued by government to soften the edges of cuts made to national social security payments. But this research shows the localisation of these payments, which are often relied

upon by citizens on the lowest incomes, has proved to be a rather successful mechanism for implementing austerity.

"The cutbacks have largely been shielded from public view, with limited reporting requirements placed on authorities in relation to the design of their Local Welfare Assistance and Council Tax Support schemes. Information on these important schemes needs to be made public, as standard. Our findings call into question assumptions that localized provision will be more responsive and efficient, especially when working within a context of substantial cuts to local government budgets."

The results of the study show local authorities with higher levels of deprivation were likely to make larger cuts to the budgets of their Local Welfare Assistance schemes and introduce higher minimum payments in respect of their Council Tax Support schemes.

Areas with higher age dependency ratios were also associated with Councils making bigger cuts to their Local Welfare Assistance scheme budgets and spending lower proportions of their DHP awards for that purpose, which was consistent with the hypothesis that these councils, with higher requirements for social care, would be more likely to cut these working-age schemes.

Dr. Hick, said: "Faced with reduced budgets from central government, [local authorities](#) have had to make harsh choices about how they allocate those funds. Our research shows how local social security provision varies in important ways by the political makeup of local government and by the demographic and economic challenges faced by these administrations. The varying approaches between councils shows politics remains possible even in the harshest of policy environments."

The analysis, which combines figures from 322 councils, is based on a new dataset, which consists of the results of Freedom of Information

requests made by Church Action on Poverty and the New Policy Institute, as well as publicly available data on Discretionary Housing Payments and local authority characteristics.

Local Welfare Assistance schemes provide payments to residents living on low incomes who face emergency short-term needs—for example, to replace an essential appliance that has broken.

Council Tax Support schemes provide waivers on Council Tax payments for some residents who live on low incomes.

DHP payments are local authority-provided payments made to recipients of Housing Benefit, to enable them to make rent payments. They are regular, rather than one-off, payments, though they are typically time-limited.

More information: Rod Hick. Austerity, Localism, and the Possibility of Politics: Explaining Variation in Three Local Social Security Schemes Between Elected Councils in England, *Sociological Research Online* (2021). [DOI: 10.1177/1360780421990668](https://doi.org/10.1177/1360780421990668)

Provided by Cardiff University

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