

SHORT READ VERSION

Basic Income Month

**The impact of London Solidarity Funds
and the case for local basic income
schemes**



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About the authors and collaborators

Cleo Goodman is the Co Founder and Project Director of the Basic Income Conversation.

Lewis Small has an MA in Anthropology and is currently conducting a PhD on basic income and the value of work in the context of automation, precarious work and the COVID 19 pandemic.

The [London Federation of Solidarity Funds](#) are a group of funds providing cash grants to people in their local communities. We collaborated with [SE15 Community Fund](#), [SE16 Community Fund](#), [Brent Solidarity Fund](#) and [Newham Solidarity Fund](#) on this project. A particular thanks to Rebecca, Alex, Jess, Katherine, Hannah and Andreea for all their work, both on this project and with the solidarity funds.

The research covered by this report is based on the information and insights shared with us by expensers of the solidarity funds we worked with. Thanks to Farrah and everyone else that gave us their time but preferred to remain nameless.



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www.basicincomeconversation.org

About the Basic Income Conversation

The Basic Income Conversation is an initiative, powered by Compass, to promote the idea of a universal basic income in the UK. We work with people across civil society to understand the opportunities, questions and concerns around basic income. We help organisations decide if they should add basic income to their policy toolkit and look at how it fits alongside other big policy reforms. We work with researchers to ensure the basic income debate is informed by research. We help coordinate a growing network of cross party politicians and activists to put basic income at the top of the political agenda.

This is a short read version of the report.

Find the full version here:

[Basic Income Month full report](#)

Introduction

This report outlines research into the impact of the London Solidarity Funds and the crowdfunded Basic Income Month that was run in December 2021.

The London Solidarity Funds issue monthly £50 payments to people in their local area on a postcode basis. These funds were set up by mutual aid groups who were responding to the COVID crisis and realised that there was a need for financial as well as practical support.

The Basic Income Conversation ran a crowdfunding campaign that paid for 71 people's payments from the fund in December 2021. We did an impact assessment of the solidarity funds through the lens of basic income to understand the similarities and differences in both methodology and impact.

The Basic Income Conversation and London Solidarity Funds developed this project because we saw it as an opportunity to learn more about basic income. The Basic Income Conversation also feel that it is crucial that the basic income movement has a real world impact while advocating for the policy. We wanted to contribute to the London Solidarity Funds that are delivering much needed financial support in a way that aligns with the principles of a basic income.

The London Federation of Solidarity Funds

The London Federation of Solidarity Funds is a community of financial support groups operating independently but cooperatively in London. The solidarity funds were set up during the COVID-19 pandemic to provide financial support to people as a component of mutual aid efforts.

“The fund was created out of a local Peckham-based mutual aid group when it became apparent that people needed help paying for their groceries as well as fetching them.”

The solidarity funds were set up by people who, largely through their work with mutual aid groups, saw the difference no strings attached grants would make for people. People who had been left without the cash they needed for food, topping up metres, mobile phone credit - hundreds of issues that could be solved with access to a bit of extra cash. The solidarity funds were set up as a single tool that could help with the hundreds of different problems people in the community were facing.

“We were increasingly finding within our mutual groups that we were doing a huge amount of advocacy and casework for people. We were finding that people who could access services were kind of set up with services. What was coming to us was people who just needed cash.”

These funds were not set up as charity. The payments are a display of solidarity, the acknowledgement that anyone can be left short and that there is no shame in looking to your community for help. The solidarity funds can be used by anyone and the money can be spent on anything. They have emerged from the grassroots and continue to be led at this community level by local volunteers.

This is reflected in the language the funds use. The people who donate to and use the funds are referred to as “neighbours” or “expensers”. Using the fund does not make you a “beneficiary” as with charities that provide similar grants or Universal Credit’s “claimants”. “Expensers” indicates that the process of using the solidarity fund is simply a transaction that they have every right to make.

“We are not a charity - and it is important to us that we are not. We work from principles of solidarity inviting neighbours to give what they can and take what they need.”

The Goose Green Solidarity fund was the first to be established as an emergency COVID response. They began working with the Social Change Agency, who acted as the fiscal host for the solidarity fund and provided the [Open Collective](#) system for donations and expenses from the fund. As the fiscal host the Social Change Agency manage the money that the funds raise and distribute. This means the volunteers who run the funds don’t need to use personal bank accounts or go through the complex process of setting up a bank account.

Once one solidarity fund was established others took inspiration. The Open Collective platform and the lessons learned made the process of setting up the solidarity funds that followed a little easier. This process went on as the new solidarity funds continued to help others set up.

“We had heard about the SE15 Solidarity Fund so we asked them to come speak to us about how to set up a solidarity fund.”

The solidarity funds across London shared their processes and advice and this led to a cluster of solidarity funds serving the capital. Open Collective hosts funds around England, including in Cambridge, Arthur’s Hill, Elswick and Birmingham.

For the Basic Income Month project we worked with:

- [SE15 Community Fund](#)
- [SE16 Community Fund](#)
- [Brent Solidarity Fund](#)
- [Newham Solidarity Fund](#)

When we refer to the London Solidarity Funds throughout this report, it is this group of solidarity funds we are referring to.

We acknowledge that London could be considered a poor choice for the focus of this work due to the wealth of the city. However, it is also a city of great inequality. Like many parts of London, the inequalities in Peckham, the area covered by the SE15 Community Fund are stark. 44.4% of children are growing up in poverty in Peckham ward¹.

Newham has the highest number of households in temporary accommodation in London and half of children are judged to be in households in poverty^{1,2}. In the first national lockdown, Newham had the worst mortality rate in England and Wales³. The solidarity funds are a grassroots response that provides financial support to the people who are living at the sharp end of these statistics.

“Newham has experienced significant financial and social impact as a result of the pandemic - the lines for food banks are hours long and many residents have been unable to access financial support.”

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1. End Child Poverty (2021), “Local indicators of child poverty after housing costs, 2019/20” Available at: http://www.endchildpoverty.org.uk/wp-content/uploads/2021/05/Local-child-poverty-indicators-report-MAY-2021_FINAL-1.pdf
 2. Trust for London (2021), “Proportion of households in temporary accommodation in London boroughs (Q1)” Available at: <https://www.trustforlondon.org.uk/data/temporary-accommodation-borough/>
 3. ONS (2020), “Deaths involving COVID-19 by local area and socioeconomic deprivation: deaths occurring between 1 March and 17 April 2020” Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/deaths/bulletins/deaths-involving-covid-19-by-local-areas-and-deprivation/deaths-occurring-between-1-march-and-17-april>

The Basic Income Conversation is also a small organisation with limited resources. We were put in touch with these solidarity funds directly. They were generous enough to agree to work with us on this project so we took this unique opportunity to make the case for a basic income.

The solidarity funds operate on a geographic basis. Anyone who lives in the area the solidarity fund covers can apply for payments. The Brent Solidarity Fund required a referral from a Brent Mutual Aid Group, the other funds can be applied to directly through Open Collective. Mostly the funds offer a monthly £50 payment.

The solidarity funds raise money in a variety of different ways including donations from the public, crowdfunding campaigns, fundraising events, business sponsorship and grants.

As of April 2022, the 4 London Solidarity Funds we worked with have disbursed a total of £107,066.54⁴. This would average out as over 2140 £50 payments.

*The four London Solidarity Funds have disbursed a total of **£107,066.54***

Part of this project was an impact assessment that would indicate some of the impact that this distribution of unconditional cash has made.

The solidarity funds face many challenges. As with any volunteer led project there is an enormous amount of unpaid work that goes into raising funds and administrating the payments. Some of the solidarity funds have not been able to sustain the work required to keep running, Brent Solidarity Fund are currently not operating due to a lack of capacity.

Raising the money that meets the demand for the solidarity funds is another big challenge. Most of the funds have had to close for periods of time to raise funds, impressively SE15 have managed to stay open since they first began. Unfortunately, the Goose Green Solidarity Fund closed due to funding challenges in December 2021.

The constant challenge that fundraising poses dictates how many people can receive payments each month and has meant the solidarity funds have developed policies on how they decide who will receive the payments. They have kept the payments as unconditional as possible and the policies on how payments are allocated are developed transparently and in consultation with the community.

4. This was the total of the “Total disbursed” through the Open Collective pages of the four London Solidarity Funds on Friday 15 April 2022. Available at: <https://opencollective.com/>

Raising funds and making payments at a grassroots level is incredibly difficult and unfortunately absolutely necessary. We have so much respect for what solidarity funds have achieved in the UK. And we are inspired. Inspired to do more that makes the case for a basic income and has a real world impact.

A basic income for all in the UK should reduce the need for this kind of grassroots action. But for now we are pleased to have made a small contribution to such important work.

This project

The Basic Income Month project was a crowdfunding campaign run by the Basic Income Conversation and London Solidarity Funds. 182 people made donations to the crowdfunder, these were then split between the four solidarity funds and distributed through the usual process in December 2021.

To understand the impact of the solidarity fund payments and the similarities and differences to a basic income we did an impact assessment. This consisted of a survey and 2 focus groups with people who had expensed one of the 4 solidarity funds. There were 28 survey responses and 6 focus group participants.

We also surveyed the people who donated to the crowdfunding campaign. There were 70 responses to the survey.

The full report [which can be accessed here](#) outlines:

- The impact of the funds based on this impact assessment
- Our analysis of the similarities and differences of the solidarity fund payments and a basic income
- An exploration of basic income data gathering exercises and studies
- A comparison of the solidarity fund impacts to the evidence on basic income
- A consideration of locally run basic income schemes
- An overview of how to set up a solidarity fund

Executive summary

The impact of the funds

Food	<ul style="list-style-type: none"> ● 96% of expensers spent some of the money on food. ● Cash was needed over food banks because: <ul style="list-style-type: none"> ○ People and their children have specific dietary requirements. ○ People are unable to eat the food the food banks supply. ● The solidarity fund payments have motivated people to volunteer at the food banks. <p><i>“My youngest is autistic and he only eats specific food, stuff that does not come in the food bag that the mutual aid group sends.”</i></p>
No recourse to public funds	<ul style="list-style-type: none"> ● The solidarity funds have disproportionately benefit people with no recourse to public funds due to their residency status. ● They have topped up the inadequate levels of financial support provided to people with no recourse to public funds. ● A basic income must carefully consider issues around citizenship and immigration to avoid similar downfalls. <p><i>“The payment that comes from local authorities is not enough... So when we get this money, at least we can feed ourselves and we can feed our babies as well.”</i></p>
Motherhood	<ul style="list-style-type: none"> ● The solidarity funds disproportionately benefit mothers. <p><i>“I’ve been offered jobs that I can’t take because I’d be paying a huge chunk of my money to someone else to look after my children.”</i></p>

<p>Dignity and trust</p>	<ul style="list-style-type: none"> ● 96% of expensers said it was somewhat true (25%) or true (71%) that the solidarity fund made them feel “Connected to my community”. ● There was a high level of appreciation for the solidarity funds due to both: <ul style="list-style-type: none"> ○ The financial support. ○ The way the system operates. ● This appreciation was not extended to the existing social security system. ● 93% of expensers said it was somewhat true (39%) or true (54%) that the solidarity fund made them feel “Able to deal with challenges I was facing in my life”. <p><i>“It's nice. It's respectful as well as very useful.”</i></p>
<p>Crisis point</p>	<ul style="list-style-type: none"> ● Responses from expensers gave an impression of people close to or at crisis point. ● 96% of expensers who responded to the survey said it was somewhat true (25%) or true (71%) that the solidarity fund made them feel “Less stressed”. ● 89% of expensers said it was somewhat true (46%) or true (42%) that the solidarity fund made them feel “Financially secure”. ● 96% of respondents said it was somewhat true (21%) or true (75%) that “The solidarity fund offered me funding when I wasn't able to access it elsewhere”. ● The experiences of the people expensing the solidarity funds suggests that unconditional cash payments like a basic income have the potential to meet people’s needs. ● The most robust conclusion that we can draw from the information expensers shared with us is that people are currently being failed by our social security system. <p><i>“I would have resort to begging strangers on the road for money”</i></p>

Is this a basic income?

	<p>The payments made through the Solidarity Funds share some of the characteristics of a basic income, but not all of them. The London Solidarity Fund payments are an example of unconditional cash payments, not a true basic income.</p> <p>However, the principles of the solidarity funds and the nuances of their design bring them closer to a basic income.</p>
Cash	<ul style="list-style-type: none"> • The London Solidarity Fund payments are cash. • Cash was a solution to a wide range of problems that services were currently not solving. • Investment in services is essential, but in the short term cash is a way to provide emergency solutions.
Unconditional	<ul style="list-style-type: none"> • The London Solidarity Fund payments are unconditional. • This was our initial assessment and it was validated by the research. • 96% of expensers said it was true (78%) or somewhat true (18%) that “The criteria for applying were simple and easy to meet” • 96% of expensers said it was true (82%) or somewhat true (14%) that “I felt like I wasn't judged during the process” <p><i>“So I personally felt that it was unconditional. There were no questions asked, there was no judgement made.”</i></p>
Periodic	<ul style="list-style-type: none"> • Some people receive the London Solidarity Fund payments periodically.

	<ul style="list-style-type: none"> ● The need to apply each month and the fact that not everyone receives the payment each month means they cannot be considered periodic. ● The payments are experienced as repeatedly available, which is closer to periodic than a one off grant: <ul style="list-style-type: none"> ○ 93% of expensers answered yes to “Do you feel like you could claim from the solidarity fund again if you needed it?” the other 7% answered not sure.
Universal	<ul style="list-style-type: none"> ● The London Solidarity Fund payments are not universal. <ul style="list-style-type: none"> ○ They do not have the scope or the resource to make the payments to everyone in the areas they cover. ● They do operate on a postcode basis and, in theory, are universally available to everyone within that area who might choose to apply. ● The London Solidarity Fund payments are potentially more universally available than existing financial support: <ul style="list-style-type: none"> ○ 96% of expensers selected true (75%) or somewhat true (21%) for the statement “The solidarity fund offered me funding when I wasn't able to access it elsewhere” ● Awareness of the fund is a significant barrier to it being considered universal: <ul style="list-style-type: none"> ○ 22% of expensers selected false (11%) or somewhat false (11%) for the statement “I found out about the solidarity fund easily”
Individual	<ul style="list-style-type: none"> ● The London Solidarity Fund payments were not individual.

Is this a basic income pilot?

	<p>This project is an impact assessment of a relevant intervention rather than a time limited basic income pilot.</p> <p>This is more similar to studies of the Alaska Permanent Fund than pilots like the one in Finland.</p>
<p>Comparison to pilots and studies</p>	<ul style="list-style-type: none"> ● Finland: <ul style="list-style-type: none"> ○ The Finnish pilot used a payment similar to a basic income rather than a true basic income, like the solidarity fund payments. ○ 71% of expensers said they do not do any paid work, so this somewhat makes our research more comparable to the Finnish pilot which was targeted at unemployed people. ○ The Finnish pilot participants reported a higher level of trust in institutions, this is comparable to the increased appreciation for the solidarity funds in comparison to the existing system. ● Stockton Economic Empowerment Demonstration: <ul style="list-style-type: none"> ○ The community led nature of both projects is the key similarity between the Stockton Demonstration and London Solidarity Fund payments. ● Alaska Permanent Fund: <ul style="list-style-type: none"> ○ Our project used research into an existing intervention. This is similar to studies of the Alaska Permanent Fund dividend that was not intentionally implemented as a basic income, but is a true, permanent basic income that can be used to understand the potential impacts if the policy. ○ The size of the Alaska Permanent Fund dividends are dependent on the revenue generated by oil reserves. This is comparable to the London Solidarity Fund payments being dependent on funds raised. ○ A key difference between our project and the other pilots and studies listed is the limited extent of the evaluation.

Local basic income schemes

A national basic income

- The lessons for a national basic income that we can learn from this project with the London Solidarity Funds are:
 - A basic income should carefully consider issues around citizenship and immigration so it can become a solution to the financial insecurity experienced by people with no recourse to public funds.
 - Access to bank accounts would need to be addressed in the roll out of a basic income.
 - The inadequacy of Universal Credit was only in part because of its conditionality. A low level basic income wouldn't necessarily avoid all of the shortcomings of the current system if there is still no way for people to access an adequate income.
 - For a basic income administered on a local level raising awareness of the existence of the scheme would be key.
- **97% of donors** were supportive of a national basic income implemented by the UK government.
- **70% of donors** thought a basic income should be funded through progressive taxation.
- **0% of donors** supported funding and allocating a basic income via an opt in system or cuts to other public services and benefits.

Local basic income schemes

- The London Solidarity Funds show us that it is possible to set up systems that are comparable to a basic income at a grassroots level.
- The challenges they face with funding and overwhelming demand show that this is no simple task.
- This approach could be a way of making a real world impact while also making the political case for a national basic income.

	<ul style="list-style-type: none"> ● Focus group participants were generally supportive of a basic income scheme similar to the London Solidarity Funds in their postcode area, some thought it should remain an opt in system. ● There is less support for local basic income schemes than national ones: <ul style="list-style-type: none"> ○ 74% of donors were supportive of a basic income set up at a local level (city/local authority/postcode) by local government. ○ 57% of donors were supportive of a basic income set up at a local level (street/city/postcode) by a community. ● However, the level of support for local schemes indicates that they could be adopted by the basic income movement as part of the campaign in the UK.
<p>A crowdfunded basic income</p>	<ul style="list-style-type: none"> ● There was little support for a crowdfunded basic income scheme. ● 36% of donors supported funding research into basic income, including pilots, through crowdfunding. ● The main motivations of donors were: <ul style="list-style-type: none"> ○ Demonstrate the impact of unconditional cash - 81% ○ Support the work of the Basic Income Conversation - 77% ○ Be involved with a basic income pilot - 52% ○ Provide people in need with cash - 29% ● This suggests that people can be motivated to support a crowdfunded basic income scheme through their support of a basic income and organisations working to secure one.

How to set up a fund

Things to consider when setting up a solidarity fund

- Admin team - the people that will help you set up and run the solidarity fund.
- Fiscal host - an organisational partner that has the infrastructure required to manage the finance side of the fund.
- Admin system - the platform you'll use to manage donations and make payments, Open Collective is built for this.
- Money - the fundraising activities you will do to secure the money for paying expensers.
- Finding expensers - how you will raise awareness of the solidarity fund so people who need it can access it.

Supporting solidarity funds

- You can support a solidarity fund by:
 - Making a donation
 - Getting in touch about volunteering your time
- You can find more information about the [London Solidarity Funds here](#).
- Search [Open Collective](#) or get in touch with local mutual aid groups to find out if there's a fund you can support in your area.

Conclusion

The impact assessment of the London Solidarity Funds showed they are providing much needed financial support to people. Speaking to the expensers showed the extent of the cost of living crisis and how unconditional cash can alleviate the challenges this poses to some degree. This indicates that a national basic income would provide many people with an increased degree of financial security.

We found that the solidarity fund payments were often used for food. That they disproportionately benefited mothers and people with no recourse to public funds. The payments made people feel less stressed, more financially secure and more connected to their community.

We found that the solidarity fund payments differed from a basic income in several ways. The payments did not fulfil all of the characteristics of a basic income and the precarity of a community led model is quite far from the national policies we usually propose as a basic income model. But the principles of the solidarity funds somewhat make up for these differences. They are a grassroots solution to the same problems a basic income aims to solve - providing access to unconditional cash to give people with a guaranteed level of financial security.

We explored the similarities between this project and other basic income pilots and studies. Drawing comparisons to the Finnish pilot, the Stockton demonstration and Alaska Permanent Fund. We suggested that the examination of existing interventions in the UK that are somewhat similar to a basic income could be a useful source of evidence that is less complicated to generate than a pilot, and potentially more relevant.

We looked at the idea of local basic income schemes, what we can learn from the London Solidarity Funds and how they could be adapted to be more like a local basic income. We found that donors to the Basic Income Month were less supportive of local schemes than they were national basic income policies but that there was still a sufficient level of support to consider local basic income schemes a viable campaigning tool for the basic income movement.

We provided some insights into how to set up a solidarity fund and ways that you can support existing funds. The work of solidarity funds in the UK will only get more crucial as we move deeper into the cost of living crisis.

This project has provided us with some valuable challenges to the campaign for a basic income in the UK. It has compelled us to think more carefully about how we can make the case for a basic income for all, while having a positive impact on people in the short term.

Join the Basic Income Conversation

A basic income goes to everyone so it should be built by everyone. Join the Conversation and have your say.

DOWNLOAD THE TOOLKIT

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