



CABINET – 25 OCTOBER 2022

HOUSEHOLD SUPPORT FUND

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

PART A

Purpose of the Report

1. The purpose of this report is to advise the Cabinet with regard to the operation of the Household Support Fund (HSF) from April 2022 to September 2023 and to set out proposals for the administration of the Fund from October 2022.

Recommendations

2. It is recommended -
 - a) That the support for Leicestershire residents that has been provided through the Household Support Fund (HSF) from April 2022 to September 2022 is noted;
 - b) That the delivery approach of the HSF from October 2022 onwards as detailed in this report be approved;
 - c) That the Household Support Fund Policy attached to this report be approved;
 - d) That the Director of Corporate Resources, following consultation with the Cabinet Lead Member, be authorised to make minor amendments to the eligibility and payment values in the Household Support Fund Policy.

Reasons for Recommendation

3. Approval is needed to make changes to the administration of the Household Support Fund in light of changes in the grant terms from the Department for Work and Pensions (DWP).
4. Enabling the Director to make minor amendments to the agreed approach will allow the Council to respond promptly to changing demand in certain areas of the Fund.

Timetable for Decisions (including Scrutiny)

5. The Council's HSF delivery plan will be submitted to the DWP for approval at the end of October.

Policy Framework and Previous Decisions

6. This scheme is fully funded through a grant from DWP as part of the national Household Support Fund scheme.
7. The Cabinet on 23 September 2022 was advised that it had been confirmed the previous day that the Council had been allocated a £3.6m HSF grant for the period 1 October 2022 to 31 March 2023. It was noted that part of this would be used for provision of free school meal vouchers during the October half-term.

Resource Implications

8. There are no additional resources implications for the Council arising from accepting the HSF grant.
9. Final spend amounts from the Household Support Fund for the period from April to September 2022 are still to be confirmed and audited, but the table below gives the Cabinet a broad indication of where the funding was spent.

Category	Spend (000s)
Support for Third Party Organisations	£202
Referrals for support with food and fuel vouchers	£458
Food vouchers for eligible children in receipt of free school meals	£1,700
Support for pensioners in receipt of pension credit	£1,058
Support packs for pensioners to help with heating	£88
Administration costs	£114
Total	£3,620

10. The funding from DWP for the period from 1 October 2022 to 31 March 2023 totals £3.62m. The Council expects the spend to be contained within this grant. Details of the proposed funding allocation is provided in Part B of this report below.

Circulation under the Local Issues Alert Procedure

11. None.

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PART B

Background

12. The Household Support Fund is a new variant of existing support offered from DWP to local authorities to support residents with the cost of living. The scheme was originally conceived as Covid Winter Grants and since October 2021 has been named Household Support Fund.
13. On 26 May 2022 the Government announced, as part of a number of measures to provide help with global inflationary challenges and the significantly rising cost of living, that the HSF (totalling £421m) would be extended from 1 October 2022 to 31 March 2023. As has been done for previous schemes, the fund will be made available to County Councils and Unitary Authorities in England to support those most in need.
14. Guidance for Councils indicates that authorities should prioritise supporting households with the cost of energy. The Fund can also be used to provide support with food, essentials linked to energy and water, and wider essentials. It can also be used to support housing costs in exceptional cases of genuine emergency.
15. Previous iterations of the HSF had strict ringfences which dictated where money must be spent. However from 1 October 2022 Councils have considerable discretion in how they choose to allocate funding, so long as it meets local need.
16. The grant for Leicestershire County Council is £3,620,038.89.

Review of Household Support Fund April 2022-September 2022

17. The table in Part A of this report gives a broad indication of where the HSF money was spent between April 2022 and September 2022.
18. Third party organisations supported included local foodbanks, which were helped with the purchase of food, and the Leicestershire and Rutland Re-use Network and Charity Link which was assisted with the purchase of energy efficient white goods to help households in need.
19. Referrals for support with food and fuel vouchers came to the Council from local district councils, schools, faith-based organisations and charities. Trusted professionals could put forward clients for support from the HSF. Referrals were administered by First Contact+ within the Council's Public Health Department, enabling officers to ascertain if the household in question was in need of any additional support or referral into other Council services, such as the Warm Homes Service. The Council saw significant spikes in referrals into the scheme after the announcement of the increase to the energy price cap and the budget was overspent very slightly (managed through underspends elsewhere in the Fund), indicating the scale of demand for support.

20. The Council continued to offer food vouchers to the value of £15 per week to the families of children eligible for free school meals, or accessing their 2-year-old Free Early Education (FEEE) or Early Years Pupil Premium (EYPP) for the school holidays. This was a total of seven weeks of support, totalling £105 per child. This element of the scheme overspent, due to rising numbers of free school meals needed by children in the County.
21. The first iteration of the Household Support Fund had, as a grant condition, the requirement that 50% of funding was ringfenced for households with children. In the HSF from April to October 2022, the ringfences were adjusted, to require a third of the funding to be used for households with children and a third for households with pensioners. In order to accommodate this new requirement, the Council made a £100 direct payment via Paypoint voucher to all pensioners in the County who are in receipt of Pension Credit. This payment was made in September 2022 and over 60% of vouchers have been redeemed so far.
22. Further support for households with pensioners is provided through the creation of packs of essential supplies to help with emergency heating during the winter months. This is being coordinated by the Warm Homes Service in the Public Health Department.
23. Finally, a small amount of the HSF is available to cover administration of the scheme.

Proposed delivery of the HSF from October 2022

24. The amount of funding for the scheme from October 2022 to March 2023 in Leicestershire remains, as in previous rounds, a total of £3,620,038.89.
25. There have been a number of changes to the guidance issued by the DWP compared with previous iterations of the HSF -
 - i. There will be no ringfence of any proportion of funding for any particular cohort of people.
 - ii. All Authorities must operate at least part of their scheme on an application basis. This means residents should have the opportunity to come forward to ask for support.
 - iii. There is an expectation that Authorities will particularly consider those groups who may not have benefitted from any of the recent cost of living support. For example, there is a cohort of individuals who are currently in receipt of Housing Benefit, but not Universal Credit, who fall into this category.
26. The proposed spend is as below:

Category	Spend (000s)
Support for Third Party Organisations	£200
Referrals for support with food and fuel vouchers	£1,500
Food vouchers for eligible children in receipt of free school meals	£1,750
Administration costs	£170
Total	£3,620

27. The Council will be retaining support for families on free school meals in the holidays and also its contribution to third party organisations, such as foodbanks.
28. The changes in ringfences will enable the Council to remove direct payment to pensioners and greatly expand the proportion of the Fund for provision of fuel and food vouchers from referring bodies to £1.5m. This will help ensure that the funds are going to households most in need of support. Pensioners who received the support previously will still be able to access support through a referring body and will be directed towards suitable bodies, such as the Warm Home Service for further support.
29. This £1.5m pot will cover food and fuel vouchers. This element will be split in half; the first running from October until it is exhausted and the second starting in January until exhausted. One application will be allowed per household in each half of the funding period. This funding will also be used to provide emergency food parcels for people in crisis.
30. If it looks likely that there will be an underspend then funding will be directed to third party organisations, such as foodbanks, with suitable cost of living schemes.
31. The Council will proactively contact residents who are in receipt of Housing Benefit and Pension Credit to direct them to bodies who can refer them to the scheme.
32. The Council aims to keep administration costs of the HSF as low as possible, but greater use of application-based processes for food and fuel will necessitate some extra spend in this area. It is anticipated that administration costs will increase to £170,000 (still just 5% of the total grant).
33. The detail of the administration of the HSF is contained within the Household Support Fund policy, appended. This sets out more detailed criteria for who can receive support, as well as payment levels.

Conclusion

34. The HSF has been a successful part of the Council's response to the cost living pressures facing residents. Further detail on the support offered can be found at -
<https://www.leicestershire.gov.uk/leisure-and-community/find-help-with-cost-of-living>.

Equality and Human Rights Implications

35. An Equality and Human Rights Impact Screening Assessment has been carried out in respect of the proposed delivery approach to the HSF. This found that the overall effects of changing the policy were neutral as although the policy could have a different affect or possibly an adverse impact on one section of the community (older people), this was mitigated by ensuring that they were aware of the new scheme and how to apply for it. The proposed approach also enabled more and different groups of people to access support than was possible previously.

Background Papers

Previous Household Support Fund policy
<https://bit.ly/3yCwQOt>

Report on Household Support Fund October 2021-March 2022
<https://bit.ly/3yBMmKI>

Report to the Cabinet on 23 September 2022 "Medium Term Financial Strategy - Latest Position" and minutes of that meeting
<https://politics.leics.gov.uk/ieListDocuments.aspx?CIId=135&MIId=6776&Ver=4>

Appendix

Household Support Fund Policy October 2022.

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