

CABINET

DATE	5 April 2023
REPORT OF	Councillor Harness, Portfolio Holder for Finance, Resources and Assets
RESPONSIBLE OFFICER	Helen Isaacs, Assistant Chief Executive
SUBJECT	Household Support Fund Tranche 4
STATUS	Open
FORWARD PLAN REF NO.	GENERAL EXCEPTION - Not included on the Forward Plan therefore, to be considered under the General Exception provisions of the Constitution.

CONTRIBUTION TO OUR AIMS

The Household Support Fund is aimed at supporting low-income households with the rising cost of living by providing support for the cost of energy, food, essentials linked to energy and water, wider essentials and the provision of supplementary advice services linked to practical support.

EXECUTIVE SUMMARY

The Department for Work and Pensions (DWP) has awarded the Council just over £3m via the Household Support Fund for April 2023 to March 2024. This report outlines how the Council intends to use the grant in line with the eligibility guidance that has been shared by the Department for Work and Pensions.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Approve the high-level framework laid out in Appendix 1 of this report.
2. Delegates authority to the Assistant Chief Executive, in consultation with the Portfolio Holder for Finance, Resources and Assets to effectively govern and administer the fund based on the needs of our community over the coming financial year.

REASONS FOR DECISION

The Household Support Fund (2023 – 2024) is the latest in a line of welfare grants that have been awarded to the Council to support low-income households with the cost-of-living crisis. This is the fourth tranche of funding to be issued by the Department for Work and Pensions under the Household Support Fund, which began in October 2021, and we have taken the elements that have been most effective from those schemes to propose the approach for this fund.

1. BACKGROUND AND ISSUES

1.1 The government has awarded all Local Authorities an amount of funding to be used to support low-income households over the next financial year. The allocation to the Council is £3,119,329 which is to be used for food, utilities, essentials linked to energy and water, wider essentials and the provision of supplementary advice services linked to practical support. The Department for Work and Pensions has provided supporting guidance and we have developed a delivery framework based on that guidance taking in to account the needs of our community and lessons learned from previous iterations of the funding. Our proposed approach is to use the fund for the following:

- Vouchers for families in receipt of free school meals to support them with food costs during the 2023 summer school holiday.
- Other targeted support for children and young people in North East Lincolnshire, such as young carers and care leavers.
- Targeted grants to trusted frontline Voluntary and Community Sector (VCS) organisations to help them support households working with them who are facing financial hardship.
- The continuation of a grant application process, set up in an earlier tranche of HSF allocation, which allows trusted referral agencies and frontline public sector services such as social workers to enable households in need of support to receive a grant.
- Employment of one Project Co-ordinator employed by the Council to deliver the project and two debt advisors through VCS partners.

1.2 Previous Household Support Fund awards have been for six-month periods, but this latest round of funding is to cover 1 April 2023 to 31 March 2023. With this tranche being allocated for a twelve-month period, delivery plans must be flexible to account for changing priorities throughout the year so at this stage we can only put forward high level plans. The extended period of funding and allowance within the guidance for allocation of a proportion of the fund to cover administration costs will allow us to put in place the job roles mentioned above to ensure effective delivery and long-term benefits to those seeking support.

2. RISKS AND OPPORTUNITIES

As with previous grant schemes there is risk of fraud, which we will mitigate through the tested referral route administered by trusted partners and front-line service who work with households and know their personal circumstances. Data verified and supplied by the Department for Work and Pensions will also help to mitigate against the risk of fraudulent claims, ensuring targeted support goes to those who are genuinely in need.

3. OTHER OPTIONS CONSIDERED

3.1. We are limited by the DWP guidance criteria, but other options include:

3.2. **Not accepting the grant** – we could inform the DWP that we do not want to run the scheme on their behalf. This is not seen as a viable option, as this would deprive households that are in need and potentially place them in further difficulty.

- 3.3. **Allocate all funding to households eligible for free school meals** – this would disadvantage vulnerable residents and households who do not have children.
- 3.4. **Allocate all funding to the VCS** – the VCS have successfully delivered significant proportions of grants on our behalf in recent years, but this method of delivery is not without its challenges. We will liaise with the sector about their capacity to support us and offer a proportion of the grant to cover their administration costs, but it is recognised that the current challenging climate puts pressure on their services to an extent that may limit their involvement. We will, however, continue to engage with them on the distribution of the HSF throughout the year to ensure their valued insight into the needs of our community are taken in to account and to engage them as delivery partners whenever practicable.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

Previous tranches of the Household Support Fund have been well received by the community and the VCS. We have reports and case studies to show the difference this and similar schemes have made to many households and individuals in North East Lincolnshire. This new fund comes at a time when the rising cost of living and high fuel costs are continuing to exert pressure on many households in our community, and not just those who are out of work or have recourse to benefits. Limited funds that must take us through a full financial year must be carefully managed and targeted to only those most in need, whilst accounting for the uncertainties of the year to come. To manage reputational risk a communications plan will be developed to support the project and keep our community and VCS partners informed and engaged.

5. FINANCIAL CONSIDERATIONS

The grant is 100% funded by the DWP and ring fenced to the delivery of the Household Support Fund.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

Proposals for allocation of the grant will strongly support the welfare of children and young people living in households in need of financial support.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

Provision of energy efficiency measures in households across the borough will be of some benefit to the environment and contribute to the Council's commitment to reduce carbon emissions.

8. CONSULTATION WITH SCRUTINY

No consultation has been held with Scrutiny for this tranche of HSF to date, but updates on uptake of the scheme will be provided to Communities Scrutiny Panel.

9. FINANCIAL IMPLICATIONS

As outlined above, the proposed spend is to be 100% funded from external grant and this report outlines how the spend is to be prioritised in order to achieve the best outcomes for the community.

10. LEGAL IMPLICATIONS

- 10.1 Immediate legal implications arising will be around the terms and conditions of external grant funding and the completion of funding agreements and ancillary documentation. Legal Services will support this process, ensuring the interests of the Council are protected.
- 10.2 As individual projects arise throughout the delivery phase Legal Services will continue to support colleagues.
- 10.3 The delegations sought are appropriate to an exercise of this nature.

11. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications.

12. WARD IMPLICATIONS

Application to the fund is open to households in all wards.

13. BACKGROUND PAPERS

<https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/1-april-2023-to-31-march-2024-household-support-fund-guidance-for-county-councils-and-unitary-authorities-in-england>

14. CONTACT OFFICER(S)

Helen Isaacs, Assistant Chief Executive

Councillor Stephen Harness,

Portfolio Holder for Finance, Resources and Assets

Appendix 1 - Cabinet 5 April 2023: Housing Support Fund 4

Area of funding	Planned activities	Anticipated spend
Administration costs (inc. staffing)	<ul style="list-style-type: none"> • 1 Project Co-ordinator (NELC) • 2 Debt Advisors (VCS) • Marketing and VCS administration costs 	£309,329
Children's FSM vouchers for summer	We will provide £15 per week per child eligible for Free School Meals for the six-week summer school holiday period	£690,000
Children - other	Wider support for essentials for children and young people	£290,000
Council Tax Support households with pensioners	Support with energy costs during the winter months for pensioners who receive Council Tax Support	£250,000
Council Tax Support households with disabled persons	Support with energy costs during the winter months for those in receipt of qualifying disability benefits who receive Council Tax Support	£250,000
Application by referral	We will continue with our current referral process so that front line service delivery organisations in the public and voluntary sector can refer households in need for support with utility bills and, in exceptional circumstances, for housing costs	£200,000
Market voucher scheme	We will continue our current scheme to support those in need with food vouchers for local market stalls	£30,000
Energy related grants	We will provide grants to trusted partner organisations to offer support, within the eligibility criteria of the scheme, that improves the energy efficiency of homes and provides longer term solutions for high energy costs	£500,000
Foodbank support	We will support local food providers to continue to provide emergency food and wider household essentials for those in need	£100,000
Winter 2023/24 provision	To be allocated in September 2023 – details to be confirmed	£500,000
TOTAL:		£3,119,329