

**Committee Name and Date of Committee Meeting**

Cabinet – 11 July 2022

**Report Title**

Household Support Fund

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Jo Brown, Assistant Chief Executive

**Report Author(s)**

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**Ward(s) Affected**

Borough-Wide

**Report Summary**

Cabinet received a report in May 2022 covering the extension of the Household Support Fund (HSF) for the period March to September 2022. The report provided for provisional allocation with some of the grant to be held in reserve for a further decision.

This report makes recommendations for use of the current reserved fund along with some allocations and direction for the second half of the year.

The Government has now announced a further extension of HSF covering October 2022 to March 2023. Final allocations and grant conditions have not yet been received. A further report will be presented when these provisions are known.

**Recommendations**

1. That the allocation of Household Support Fund grant of £2,489,030 for the first half of 2022/2023 be updated as follows:
  - a) Food vouchers for children eligible for free school meals be increased to £1,433,775.

- b) £45,000 allocation to support care leavers, being young people leaving foster or local authority care and living independently in their own accommodation who are responsible for paying their own utility bills, providing additional financial support through the cost of living increases.
  - c) That the £250,000 for pensioner households to apply for support with rising household living costs be maintained at the level set in May Cabinet report.
  - d) That the remaining funding is distributed equally across pensioners in receipt of Council Tax Support as at 31st August 2022.
2. Subject to further announcement and receipt of allocations and grant conditions for HSF covering the period October 2022 to March 2023, a further report be presented to Cabinet in the Autumn to assess progress made and make allocations.

### **List of Appendices Included**

Appendix 1 Equalities screening (Form A)  
Appendix 2 Carbon Impact Assessment

### **Background Papers**

Department for Work and Pensions, Household Support Fund Grant Determination 2022 No 31

[Cabinet - 16 May - Household Support Fund](#)

### **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

None

### **Council Approval Required**

No

### **Exempt from the Press and Public**

No

## Household Support FundHousehold Support Fund

### 1. Background

- 1.1 Cabinet received a report in May 2022 covering the extension of the Household Support Fund (HSF) for the period March to September 2022. The report provided for provisional allocations with some of the grant to be held in reserve for a further decision.
- 1.2 The Government has now announced a further extension of HSF covering October 2022 to March 2023. Allocations and grant conditions have not yet been received. A further report will be presented to make allocations of the fund in the autumn.

### 2. Key Issues

- 2.1 The Government announced in the Spring Statement 2020 an allocation of £500 million additional funding for the Household Support Fund for the period April to September 2022. This resulted in an allocation for Rotherham of £2,489,030 for that period. All funding must be spent or committed by the end of September. This includes provision to fund food vouchers for the October half term school holidays.
- 2.2 The purpose of the grant is to provide support to households, particularly those including children and pensioners, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) to help them with significantly rising living costs.
- 2.3 The grant conditions for the period March to September 2022 set out that:
  - At least 33.33% of the grant is allocated to support households that include:
    - a person who will be under the age of 19 as at 30<sup>th</sup> September 2022, or
    - a person aged 19 or over in respect of whom a child-related benefit is paid or free school meals are provided during the Grant Period.
  - At least 33.33% of the grant is allocated to support households that include a person who has reached state pension age by 30<sup>th</sup> September 2022.
  - Up to 33.33% of the grant is used to assist other households.
  - Authorities are to ensure that the grant is primarily allocated to support with the costs of food, energy (for heating, lighting and cooking), water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance.

- In exceptional circumstances of genuine emergency, the Authority may allocate grant funds to support with housing costs as set out in the Scheme guidance.
- Eligible spend does not include:
  - Advice services including debt advice.
  - Mortgage costs.

2.4 At its meeting in May, Cabinet resolved to allocate funding of £1,421,400 for food vouchers to children eligible for free school meals for school holidays through to October half term 2022 and £250,000 to enable applications from pensioner households for assistance with cost-of-living increase hardship, to be provided alongside the Council's Covid Recovery Fund supporting households with increasing energy costs.

2.5 £817,630 has been held in reserve, to allow the Council to assess progress with the above schemes and make further allocations in accordance with the grant conditions.

2.6 As part of addressing the cost of living crisis, the government has announced a further £500 million allocation of HSF to provide for the period October 2022 to March 2023. The allocations and grant conditions have not yet been received but it is expected that current use of HSF in Rotherham will continue to be supported going forward. The grant allocation is expected to be the same at £2,489,030.

## 2.7 Progress to date

2.7.1 The Council's energy support and HSF hardship application process is now open to applications. Detailed figures on applications received and grants awarded will be available at the Cabinet meeting. Work to ensure that pensioner households are aware of the support available is being taken forward through advice agencies and organisations providing services to older people. Information has also been provided to the media and being promoted through the Council's website to give maximum coverage.

2.7.2 Food vouchers to children eligible for free school meals for school holidays have been provided for the Spring half term. 11,912 children were supported. This is a slight increase on the 11,845 children identified in April as eligible. Assuming the same eligible numbers through to October half term, this would increase the allocation required to £1,433,775.

## 3. **Options considered and recommended proposal**

3.1 The options to be considered include both the use of the reserve fund following the decision of Cabinet in May, and the additional allocation of HSF, subject to final allocation and grant conditions, covering the period from October 2022 to March 2023. Options have been considered with engagement with service providers and partners. The options have been assessed to meet the criteria of the grant funding streams aligned with the other actions being taken by the Council to support people in need.

- 3.2 The options are based on a remaining fund of £805,305, taking account of increased numbers of children eligible for free school meals.
- 3.3 Support for care leavers
- 3.3.1 A £45,000 fund allocation is requested to support care leavers. This would be utilised to provide additional financial support through the cost of living increases. Care Leavers are defined as young people living independently in their own accommodation within the borough who are responsible for paying their own utility bills. The Council has a responsibility to provide support for those leaving foster or local authority care up to the age of 21 or 25 if required.
- 3.3.2 The aim of this additional support is to relieve pressure on young people who are facing the financial challenge of rising cost of living. It can be used to make payments towards utility costs, food and other household items.
- 3.3.3 Funding would be made available covering eligible costs for the period April to September 2022 to comply with the requirements of the Household Grant. It is expected that circa 120 young people will be targeted with this support, however this could rise to 150.
- 3.3.4 The support would be provided as financial assistance in the form of vouchers or purchase card payment, or in some circumstances payments by BACS to be utilised in making payments towards utility and other costs.
- 3.3.5 Payments would be made in 2 phases to reduce administration and support costs. The first payment to be made by the end of June (assessing need in the period April to June), with the 2<sup>nd</sup> payment in early September (covering need July to September). Payments would be dependent on individual need, but typically averaging £10 to £15 per week. Total support provided would be in the region of £250 to £300 per care leaver supported.
- 3.3.6 Wherever possible, vouchers or purchase card would be used to facilitate payments from this fund. The potential to make direct payments to utility suppliers is also being explored and in addition wherever possible food vouchers would be utilised to ensure targeting of support.
- 3.3.7 September payments would only be made once June payment usage has been monitored and the support team satisfied that further payment is required and appropriate. Any risks identified with any BACS payments in the first phase will prevent further BACS payment method and if further assistance is required subsequent payments will be made by alternative method.
- 3.4 Provision of additional support to pensioner households in receipt of Council Tax Support
- 3.4.1 Additional support to people in receipt of Council Tax Support has previously been provided using hardship funding streams to working age households. In 2022/2023, the Council is providing additional support to working age

households through general fund budget provisions, reducing Council Tax payments for many to nil.

3.4.2 The remaining balance of Household Support Fund is estimated to be £750,255, following the free school meals vouchers, support for care leavers and estimated support for household living costs. This report proposes to use the remaining balance to provide additional help to pensioner households in receipt of Council Tax Support. The equal distribution of the remaining balance would benefit around 8,765 households, based on current numbers and provide a payment expected to be around £85. The actual figure and payments will be determined in September when spend under the other Household Support Fund funding streams is known. The pensioner households will receive this payment without the need to make any application.

3.4.3 That in implementing the proposed additional support, qualifying pensioner households will be those in receipt of Council Tax Support on 31st August 2022 with payments to be made in September 2022.

### 3.5 Overall use of grant

3.5.1 A report on use of the remaining fund once confirmation is received will be presented in the Autumn when further information is available on take up of hardship grants to pensioners, along with impacts of the cost of living crisis and final government grant conditions.

## 4. **Consultation on proposal**

4.1 Officers in relevant Council services along with VCS partners have been engaged in producing the recommended options.

## 5. **Timetable and Accountability for Implementing this Decision**

5.1 Arrangements are in place to commence the range of support measure as soon as approval is in place.

## 6. **Financial and Procurement Advice and Implications**

6.1 A grant of £2,489,029.87 has been provided by the Department for Work and Pensions (DWP) covering the period March to September 2022. The proposed spend is in accordance with the grant conditions, though progress on spend will need to be tightly monitored to ensure that the ratios of grant spend to households with children and pensioners are adhered to.

6.2 A further grant, expected to be £2,489,029.87 has been announced by the government. Whilst final grant conditions have not yet been provided, the proposed spend is in accordance with the existing grant conditions.

6.3 There are no direct procurement implications arising from the recommendations detailed in the report. If there is a need to procure goods and services in the delivery of this support, this must be undertaken in line with

both the Council's own Financial and Procurement Procedure Rules (FPPR's) and the Public Contracts Regulations 2015 (as amended).

## **7. Legal Advice and Implications**

7.1 The recommended proposals are in accordance with the conditions of use of the grant. Further, the scheme is consistent with relevant public law principles, in particular it is lawful, fair and rational.

7.2 The Council can support this type of local welfare provision under the "Local authority's general power of competence", as set out in S.1 of the Localism Act 2011 (c. 20). Further Local authorities' have the ability to act in this area under powers contained in other legislation, for example, section 2 of the Local Government Act 2000 enables local authorities to provide financial assistance to any individual.

## **8. Human Resources Advice and Implications**

8.1 There are no Human Resources implications associated with this report.

## **9. Implications for Children and Young People and Vulnerable Adults**

9.1 At least 33.3% of households supported through the Household Support Fund will be families with children.

9.2 The allocation of funding to support living costs of care leavers at a time of cost of living increases will provide protection for vulnerable young people.

## **10. Equalities and Human Rights Advice and Implications**

10.1 The objectives of the use of the grants and targeting towards vulnerable households including families with children will contribute to addressing economic and social inequalities. It will have a positive equalities impact.

10.2 Equalities data will be collected as part of administering the programme of support.

## **11. Implications for CO2 Emissions and Climate Change**

11.1 There are no implications for CO2 emissions of climate change.

## **12. Implications for Partners**

12.1. Partner organisation will be engaged in making referrals to support provided under the grant.

## **13. Risks and Mitigation**

13.1 Risk is primarily centred around achieving, whilst not exceeding spend of the grant.

**14. Accountable Officers**

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Approvals obtained on behalf of Statutory Officers: -

|   | <b>Named Officer</b> | <b>Date</b> |
|---|----------------------|-------------|
| Chief Executive   | Sharon Kemp          | 27/06/22    |
| Strategic Director of Finance & Customer Services (S.151 Officer) | Judith Badger        | 23/06/22    |
| Assistant Director, Legal Services (Monitoring Officer)           | Phillip Horsfield    | 23/06/22    |

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