

Committee Name and Date of Committee Meeting

Cabinet – 19 September 2022

Report Title

Household Support Fund October 2022 – March 2023

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

Yes

Strategic Director Approving Submission of the Report

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Ward(s) Affected

Borough-Wide

Report Summary

The Household Support Fund (HSF), first introduced in 2021/22 and extended into the first half of 2022/23, has been extended again to the end of March 2023 following a government announcement made in the Summer.

Draft grant guidance has now been provided but no details of grant amount are yet available. However, based on the method for calculation of the grant by population weighted by a function of the English Index of Multiple Deprivation, a best estimate suggests that Rotherham will be allocated £2.489m, being the same as provided for the first half of the year.

This report provides an overview of the eligible uses, together with recommendations for a proposed allocation of the estimated grant. Any variations arising from details of the final grant guidance or final grant allocation are proposed to be managed through adjusting the allocation made towards the Energy Crisis Support Scheme.

Recommendations

1. That subject to the receipt of final grant guidance and allocation of grant, that provisional allocations of the Household Support Fund Grant of £2.489m be made as follows:
 - a) £899k for food vouchers to children eligible for free school meals for school holidays up to and including Easter 2023.
 - b) £1.4m to support applications from households for assistance with cost-of-living increases through the Council's Energy Crisis Support Scheme.
 - c) £45k 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.
 - d) £30k to support local VCS organisations to support vulnerable households over Christmas / New year through a supplement to the Crisis Support service level agreement.
 - e) £90k to provide additional tinned food to supplement that available for crisis food parcels provided by local food banks and Community Food Members alongside assisting with supplies to social supermarkets, a supplement to the Crisis Support service level agreement.
 - f) £25k to provide additional non-food products for inclusion in crisis food parcels covering personal hygiene, sanitary and household products.

2. Unless the final grant is substantially different from the estimate, to delegate authority to the Assistant Chief Executive in consultation with the Cabinet Member for Social Inclusion, to determine revised and final allocations for the Household Support Grant to include provision for other eligible actions within the use of Household Support Fund should it not be possible to achieve full spend of the grant through the approved options.

List of Appendices Included

- Appendix 1 Equality screening
Appendix 2 Climate impact assessment

Background Papers

Household Support Fund (1 October 2022 – 31 March 2023): – DRAFT Guidance for County Councils and Unitary Authorities in England – Department for Work and Pensions

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Household Support Fund October 2022 – March 2023

1. Background

- 1.1 The Household Support Fund (HSF), first introduced in 2021/22 and extended into the first half of 2022/23, has been extended again to the end of March 2023 following a government announcement made in the Summer.
- 1.2 The grant is to be made available again to County Councils and Unitary Authorities in England to support those most in need and struggling with the cost of living. It is expected that the same allocation will be made for the second half of 2022/23 as was received in the first, which for Rotherham would be £2.489m. This was calculated based on the population of each authority weighted by a function of the English Index of Multiple Deprivation. However, the allocation has not yet been notified, with DWP stating that they are still awaiting formal Treasury approval. They also state that Authorities are able to add their own funding or partner contributions from local organisations on top of the grant, including seeking match funding from local community foundations.
- 1.3 Draft guidance has now been received from Government setting out the permitted uses of the grant and eligibility criteria. This report makes recommendations ahead of an allocation being made and final grant guidance being issued on the basis of best intelligence available. This will enable provisional decisions that can be confirmed and brought into effect once the final details are provided.

2. Key Issues

- 2.1 The Household Support Fund was made available by the Department of Work and Pensions (DWP) to County Councils and Unitary Authorities in England to support those most in need. This funding initially covered the period October 2021 to the end of March 2022 and was then extended to the end of September 2022. Local Authorities were given discretion about exactly how this funding was used within the scope set out in guidance. The expectation was that it should primarily be used to support households in the most need with food, energy and water bills. It could also be used to support households with essential costs related to those items and with wider essential costs. In exceptional cases of genuine emergency, it could additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.
- 2.2 For the period October 2022 to March 2023, the ring fencing of allocation to benefit specific age groups has been removed. New criteria for the grant sets out in particular that:
 - Authorities have the flexibility within the Fund to identify which vulnerable households are in most need of support and apply their own discretion when identifying eligibility. Authorities should ensure that they consider the needs of various households including families with

children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.

- Authorities must operate an application-based service for support to ensure those in need have a route to emergency support. This can be delivered directly by the Local Authority or by a third party on their behalf. Authorities should establish eligibility criteria for their application service and should communicate with residents to ensure that their scheme and the mechanism for applying is clear and accessible. Note this does not have to be used for the whole scheme.
- Authorities can also proactively identify households who will benefit from support. Where this is the case, Authorities should consider how they can ensure that they are focusing on those in the most need to prevent escalation of problems.

2.3 The recommended provision through the Council's Energy Crisis Support Scheme will meet the condition to operate an application-based service, whilst other support including providing vouchers to children eligible for free school meals to cover school holidays is compliant with the condition covering proactively identifying households who will benefit from support.

2.4 For the period October 2022 to March 2023, HSF can provide support as follows:

- 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:
 - o Advice services including debt advice.
 - o Mortgage costs.

2.5 Subject to the draft grant guidance being confirmed and grant allocation being provided as projected, the recommendations in this report can be implemented. Should the grant conditions change to exclude any proposed use, or the grant allocation be different, any impact on the recommended uses can be addressed through the recommended delegated decision in consultation with the Cabinet member.

3. Options considered and recommended proposal

3.1 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. The proposed allocations are based on the level of funding being maintained at the level received for the period April to September 2022

and previous experience of 'what works' in distributing these funds. All of the options are eligible spend under the draft HSF grant guidance. Specific groups of people identified in the guidance as priority households can be targeted through the applications for support options.

3.2 Food vouchers for school holidays

- 3.2.1 Continuing to provide vouchers to children eligible for free school meals to cover school holidays will carry forward support to low-income families in a manner that has proved effective. Assuming use of HSF will cover the Easter holidays in April 2023, this approach would fund five weeks of school holidays from Christmas / New Year. The October half term is already funded from the first half year HSF grant.

On the basis of the current eligible numbers of children being 11,986 at a voucher value of £15 per week, the HSF allocation would be £899k.

3.3 Boosting the Council's Energy Crisis Support Scheme

- 3.3.1 This takes forward the practice in the current scheme arrangements where the Council receives applications for energy crisis support by extending HSF provision to all households, not only pensioners, following removal of the age threshold that applies to the April to September 2022 allocation. Currently applicants receive £250 towards their energy bill, with pensioners receiving a further £150 towards cost of living. The proposed change would provide for all successful applications to receive up to £400 as a one-off grant in support of meeting the cost of energy bills and wider cost of living. Taking account of allocations to other recommended options, this would provide £1.4m, providing at least 3,500 grants at the full £400.

- 3.3.2 The provision of these one-off grants covers the period October 2022 to March 2023. Households that received a grant between April and September 2022 will be eligible to apply again for the coming period.

3.4 Support for care leavers

- 3.4.1 The first half year of HSF for April to September includes a £45k allocation to CYPS to support young people leaving care with cost-of-living pressures. This would be extended to cover October to March at the same level of funding.

3.5 VCS support to vulnerable families over Christmas / New Year / Winter

- 3.5.1 HSF, and the Covid Winter Grant before it, has provided support to local VCS organisations to provide additional support to vulnerable families that they work with over the last two years. This has primarily involved the provision of food hampers over Christmas / New Year. Small grants to organisations have been administered by VAR and have supported in excess of 300 families in both years. This would be facilitated through a supplement to the Crisis Support SLA and be provided again at the same sum of £30k.

3.6 Extra provision of food

3.6.1 The provision of crisis food to local food banks is covered in the Crisis Support SLA. The food received is food industry surplus and provided at no cost. The costs in the SLA only relate to warehousing and distribution. Demand for crisis food remains high following the COVID pandemic. Whilst adequate tonnages of food continue to be provided through the food industry, the nature of what is being declared surplus has changed in recent months with tinned food, especially meat, fish, vegetables and fruit becoming increasingly short in supply. This then impacts on the range of produce that can be included in food parcels. Rotherham's social supermarkets and food pantries are also reporting a reduction in the access to tinned food, with less donations being received.

3.6.2 There is an option to purchase tinned stock to be added to the surplus stock received from the food industry. This would be facilitated through a supplement to the Crisis Support SLA to be integral to the supply of food banks and use the purchasing, warehousing and distribution arrangements already in place. An enquiry has produced wholesale prices and estimated volume requirements on the basis of current crisis demand. The volume is calculated at 79,800 units with a cost of £90k. The use of HSF to support tinned food provision to social supermarkets is complementary to the broader support for their development, assisting through the cost-of-living crisis. It will support the Council's development work by providing tinned food until April 2023, whilst the development work covers broader functions and sustainability over the longer term, including food provision from April 2023.

3.7 Provision of non-food stock for crisis food parcels and social supermarkets

3.7.1 During the COVID pandemic additional resources were used to purchase supplementary non-food stock included with crisis food provision. The stock was purchased on the basis that it would be used until depleted. There is an opportunity to purchase, through the provisions of the Crisis Support SLA, an amount of non-food stock to supplement the food provision over the winter until March 2023. £25k is recommended.

3.8 Balance of spend

3.8.1 It is likely that actual spend will vary from that allocated to specific uses dependant on demand. It is proposed that to ensure full spend at year end, any balancing sums be applied through the Energy Crisis Support Scheme.

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 given.

6. Financial and Procurement Advice and Implications

- 6.1 Whilst no allocation has been made pending Treasury approval, the report assumes grant of £2.489m, being the same sum provided for October 2021 to March 2022 and April 2022 to September 2022, will be provided by the Department for Work and Pensions (DWP). The proposed spend is in accordance with the grant conditions, though progress on spend will need to be monitored to ensure that Government requirements and timeframes are adhered to.
- 6.2 Scheme spend will be reviewed as part of management of the grant with final allocations being determined once the final cost of holiday food vouchers and demand against the other allocation is confirmed. This aims to ensure that the grant is utilised or committed before 31st March 2023. This includes provision to fund food vouchers for the Easter school holidays in 2023.
- 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). Recommendations for grant assistance support through VCS partners will be facilitated through existing service level agreements.

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 The recommended use of Household Support Fund includes issuing vouchers in lieu of free school meals eligible children for school holidays through to Easter 2023.

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 along with direct support to vulnerable households and those struggling through the cost-of-living crisis.

13. Risks and Mitigation

- 13.1 Risk is primarily centred around achieving, whilst not exceeding spend of the grant.
- 13.2 The grant conditions are current in draft form and could change for the approved version. Should changes result in any recommended actions becoming ineligible, and free grant budget would be allocated to the Energy Crisis Support Scheme. Owing to the grant allocation not being advised, the result of any change from the estimate used in the report could be addressed through Energy Crisis Support Scheme allocation. To address this, the recommendations provide for a delegated decision, that unless the final grant is substantially different from the estimate, to delegate authority to the Assistant Chief Executive in consultation with the Cabinet Member for Social Inclusion, to determine revised and final allocations for the Household Support Grant to include provision for other eligible actions within the use of Household Support Fund should it not be possible to achieve full spend of the grant through the approved options.

14. Accountable Officers

Steve Eling
Policy and Equalities Manager
Assistant Chief Executives Directorate.

Approvals obtained on behalf of Statutory Officers: -

	Named Officer	Date
Chief Executive	Sharon Kemp	05/09/22
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	01/09/22
Head of Legal Services (Monitoring Officer)	Bal Nahal	01/09/22

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