

# Cabinet

18 April 2023

## Household Support Fund Offer

### Recommendations

That Cabinet

- 1) Approves the proposed allocation of the £6.945m Household Support Fund (HSF) for use between April 2023 and March 2024 as set out in this report, and subject to approval of the delivery plan by the Department of Work and Pensions, authorises the Strategic Director for Resources to implement the Fund allocations; and
- 2) Should the Secretary of State for Work and Pensions (“the Secretary of State”), in exercise of the powers conferred by section 31 of the Local Government Act 2003, make any future determinations before 31 March 2024, delegates authority for the allocation of revised funding to the Strategic Director for Resources, in consultation with the Portfolio Holder for Environment, Climate & Culture.

### 1. Executive Summary

- 1.1 The objective of the national Household Support Fund (HSF) is to provide support to vulnerable households in most need of support to help with significantly rising living costs, specifically food, energy and water bills. The County Council has successfully delivered the Household Support Fund, and its predecessor schemes. The previous grant ran from 1 October to 31 March 2023 and Warwickshire’s allocation of £3.47million has been successfully distributed to vulnerable households through the existing Local Welfare Scheme.
- 1.2 The HSF should primarily be used to support households in most need with food, energy and water bills. Support for housing costs should only be provided in exceptional cases of genuine emergency. Authorities have been asked to prioritise supporting households with the cost of energy with the focus being on addressing the ‘immediate’ need.
- 1.3 The Autumn Statement on 17 November 2022 announced, that the Household Support Fund (HSF) would be extended from 1 April 2023 to 31 March 2024. As in previous funding rounds, the fund will be made available to County Councils and Unitary Authorities in England to support those most in need. Authorities in two tier areas must work together with District and

Borough Councils to ensure the funding meets its objectives by identifying those most in need. In Warwickshire this is done together with third sector and other partner organisations who come into contact with people in need to maximise the reach of the fund.

- 1.4 Household Support Fund 4 (HSF4) launches on the 1 April 2023 for a period of twelve months until 31 March 2024 and this report sets out proposals for operation of the Fund.

## **2. Criteria and Warwickshire's Allocation**

- 2.1 As per the guidance that was published 21 February 2023, the type of support at which HSF4 is targeted remains similar to previous rounds of the funding and is ringfenced to food, energy, essentials linked to energy and water, wider essentials. Housing costs may be supported in exceptional cases of genuine emergency once all other government support has been exhausted (including where the claimant is at statutory risk of homelessness and owed a duty of support through the Homelessness Prevention Grant).

In terms of type of support, energy bills may be of particular concern to low-income households during the period of the scheme, and Authorities have been asked to prioritise supporting households with the cost of energy, maintaining the focus on addressing the 'immediate' need.

However, there are some changes:

- Authorities must make sure that the mandatory element of application-based support delivered through the scheme is clearly advertised to residents and is available throughout the majority of the fund period, either continuously or in regular intervals over the course of the scheme, the Local Welfare Scheme already works on this basis with infrastructure and processes in place
- details of the scheme must also be publicised on a dedicated website page; and
- funding for supplementary advice services, including debt and benefit advice, is now considered eligible spend within the HSF scheme, as the primary focus of this grant is on practical support, expenditure on such services is expected to be limited and linked to the provision of practical support, this will be considered through the grant application process.

- 2.2 Warwickshire allocation for HSF4 is £6,945,994.

Officers have engaged with District and Borough Council colleagues who have supported the notion of continuing to distribute the funding via Warwickshire's Local Welfare Scheme (WLWS), which, over the last 12 months, successfully distributed £6.945m of funding to vulnerable residents as well as extending its general welfare offer to residents in crisis. The Local

Welfare Scheme has also recently awarded grants to the value of £250,086 to local food banks, Town Council, charities, and community groups to support local food and energy related projects.

Funds should be spent or committed before 31 March 2024 and cannot be held over for future usage.

We propose to use the funding in a similar way to previous rounds of funding, to provide short-term support through the Warwickshire Local Welfare Scheme to meet immediate needs and help those who are struggling to access the essentials, including food and fuel:

- food and fuel vouchers to families/carers with children eligible for benefits-related free school meals.
- fuel campaign by application through the Local Welfare Scheme.
- a sum dedicated to welfare grants to community-led groups and initiatives, including schemes led by the five District and Borough Councils; and
- Act on Energy extended welfare offer.

### 2.3 Warwickshire's Household Support Fund Offer

The allocation of the funding is based on the following principles:

- supporting residents in immediate need and who are struggling to afford food, energy and water bills, and other related essentials;
- managing the risk of fraud and ensuring equity of awards by continuing to use the existing WLWS eligibility and assessment process;
- using a combination of targeted automatic support, awards by application and welfare grants;
- working with District and Borough Councils and the County Council's Communities and Partnerships team to identify specific projects and initiatives that can be supported within the scheme's parameters; previously, this has included: support to foodbanks; food and household essentials; hot meals in warm spaces; and food boxes and emergency packs containing a choice of blankets, flasks, gloves, scarves, socks and slow cooker; and
- ensuring accuracy of data and robust governance arrangements to comply with audit and DWP requirements so that the full allocation can be claimed (payment of grant is in arrears).

#### **A) Welfare Support (by application)**

- food support
- energy support
- warm clothing allowance
- personal hygiene support
- water bill – one-off payment
- purchase of essential equipment e.g., fridge, freezer and/or a means to cook, where it directly affects a household's ability to afford or access food, energy, and water; and

- on a discretionary basis, other essential bills will be considered dependent on the individual's need.

**B) Cost of Living Support to Free School Meal eligible children (automatic and by application)**

- £2.2 million funding prioritised to provide Huggg supermarket voucher food support to parent/carers with children in receipt of benefits related free school meals; and
- eligible children not on a school roll, in early years settings or attending college continue to be able to apply for the same level of support.

**C) Utilities voucher promotion (automatic and by application)**

- the extension to the Household Support Fund will support further utility campaigns in June, September, November and March to support vulnerable households with the cost of energy;
- combination of award by application and a targeted automatic voucher to families/carers eligible for benefits related free school meals;
- £4 million funding has been prioritised to provide this valuable support to vulnerable households.

**D) Welfare Grants**

Building on the successful process used for the earlier rounds of Household Support Fund Scheme:

- work with District and Borough Councils and the County Council's Communities and Partnerships team to identify specific community projects and initiatives that can be supported within the scheme's food and energy parameters;
- applications will be open in June 2023 (in line with DWP's reporting requirements); and
- link into charities and organisations that work with hard-to-reach groups to understand their needs and how best to offer support through the Local Welfare Scheme.

### **3. Financial Implications**

Subject to the submission of a delivery plan acceptable to the Department of Work and Pensions, by 17 May 2023, the Authority will receive a Household Support Fund allocation of £6.945m. The grant is to be committed by 31 March 2024, with any funding uncommitted by this time potentially needing to be returned.

The Service will put in place arrangements to ensure all spend is consistent with terms and conditions of the grant and that no spending is committed in excess of the grant to ensure there are no finance implications for the Authority.

Authorities are required to make four Statements of Grant Usage and Management Information (MI) returns as per scheme guidance. Each interim

MI return will be used to determine eligible spend for the relevant reporting period and, subject to the authority submitting a compliant return, an interim grant payment will be made to the Authority.

A final MI return is required by 26 April 2024 showing total spend from 1 April 2023 to 31 March 2024. The final MI return will be used to determine total eligible spend to 31 March 2024 and, subject to the Authority submitting a compliant return, a final grant payment will be made to the Authority.

The payment arrangements always mean the Authority is funded in arrears. There is a financial risk, that if any spend is deemed ineligible the Authority will need to meet the cost from its own resources as the spend will already have been incurred. The arrangements in place and the learning from previous rounds mitigate this risk as far as is possible.

#### **4. Environmental Implications**

There are no environmental implications arising directly from this report.

#### **5. Supporting Information**

- 5.1 Warwickshire County Council's webpages at [www.warwickshire.gov.uk/localwelfarescheme](http://www.warwickshire.gov.uk/localwelfarescheme) and [www.costoflivingwarwickshire.co.uk/](http://www.costoflivingwarwickshire.co.uk/) have details of support, and to promote the scheme further messages will also be sent out via the council's Twitter (@Warwickshire\_CC) and Facebook (@WarwickshireCountyCouncil) social media platforms.
- 5.2 An information leaflet about food and financial support for those facing hardship will also be shared with schools and other education settings as well as public, community and voluntary sector partners to reach people in local communities who may benefit from this help.

#### **6. Timescales associated with the decision and next steps**

- 6.1 Subject to approval of the delivery plan by the Department of Work and Pensions, the first Cost of Living payment to free school meal eligible families will be distributed in May, with subsequent support being planned for July, October and February 2024. The roll out of utility campaigns will be in June, September, November 2023 and March 2024.
- 6.2 Officers will continue to finalise and implement the extended support offer through the Local Welfare Scheme.

## Appendices

### 1. Appendix 1 – Proposed Allocations

#### Background Papers

None.

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: Councillors Clarke, Chilvers, Fradgely and D'Arcy