

Cabinet Member Delegated Decision Form

Decision Title

Household Support Fund

Decision Required

1. The Cabinet Member for Children & Young People, in consultation with the Deputy Chief Executive and Director for Families and Communities, approves an Exception to the Procurement Regulations for the provision of a Direct Award to Hemingways Marketing Services to provide the Voucher Express Digital Services. This will enable the County Council to facilitate the Household Support Fund (HSF), as approved by Cabinet on the 20th October 2021.
2. The Cabinet Member for Children & Young People, in consultation with the Deputy Chief Executive and Director for Families and Communities, approves an Exception to the Procurement Regulations for the provision of a Direct Award to Beat the Cold (£68,972) and the Community Foundation of Staffordshire (£57,965) to facilitate the Winter Warmth Project, as approved by Cabinet on the 20th October 2021.
3. The Cabinet Member for Children & Young People, in consultation with the Deputy Chief Executive and Director for Families and Communities, approves the allocation of a Grant of £12,000 to Staffordshire Fire and Rescue Service.
4. The Cabinet Member for Children & Young People, in consultation with the Deputy Chief Executive and Director for Families and Communities, approves the expenditure against the Administration Grant for the HSF.

Decision Date

03/12/2021

Decision Summary

5. On Thursday 30th September 2021, the DWP announced a new HSF Grant which will be made available to County Councils and Unitary Authorities in England to support those most in need this Winter. This new Grant will be facilitated from the 6th October 2021 to 31st March 2022 and totals £500m nationally.
6. The County Council has the discretion on exactly how this funding is used, targeting support within the scope of the conditions set out by the

DWP. At least 50% of the total funding must be spent on families with children. In terms of type of support, the expectation is that the HSF should primarily be used to support households in the most need with food, energy and water bills. It can 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 can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.

7. The new HSF will be distributed by County Councils and Unitary Authorities in England. Shire Councils are encouraged to work closely with District Councils and other local partners to identify a broad range of vulnerable households across their local area. Support is available from the 6th October and Local Authorities should aim to have arrangements in place as quickly as possible to support vulnerable households throughout the Grant period.
8. The County Council has received detailed guidance which has been reviewed and the outline provided within this report meets the terms of the Grant. The Grant Determination Letter is provided in Appendix A and the Grant Guidance is provided in Appendix B.
9. Staffordshire is anticipated to receive £5,506,547.99 through the HSF.
10. On the 20th October 2021, the Cabinet acknowledged the anticipated receipt of £5,506,547.99 from the Department for Work and Pensions (DWP), in relation to the HSF and approved the proposals for the usage of the HSF.

Member Delegated Function

Specific Delegation to Cabinet Member

Specific Delegation to Cabinet Member

If 'Specific Delegation to Cabinet Member' is selected above, please complete this section.

11. On the 20th October 2021, Cabinet delegated authority to the Cabinet Member for Children and Young People, in consultation with the Deputy Chief Executive and Director for Families and Communities, to decide the eligibility criteria for distribution of the HSF in Staffordshire, and to take all other subsequent decisions to ensure that this support gets to those who need it as quickly as possible.
12. Cabinet also acknowledged that the delegation to the Cabinet Member for Children and Young People includes authorising the County

Council to enter required contractual arrangements with Partners and Providers where required to deliver the HSF in Staffordshire.

Public / Exempt

If the decision is exempt, please identify the relevant paragraph number from the list below.

Public

Options Considered

13. The DWP announced the HSF Grant without prior notification to County Councils and Unitary Authorities in England. Considering this, the County Council has been required to move at pace to deliver an ambitious HSF for Staffordshire residents most in need of support.
14. To enable the County Council, working together with Partners, to deliver the Education Support Fund, Targeted Support Fund and District Assistance Grants for Food and Essential Supplies, it is proposed to make a Direct Award to Hemingways Marketing Services to provide the Voucher Express Digital Services.
15. SCC has already committed spend to Hemingways previously for the purchase of eVouchers. SCC purchases the eVouchers at the actual cost without any additional profitable charges. Hemingways purchases the eVouchers from Supermarkets on behalf of SCC and provides them to families through an automated system. Therefore, the expenditure incurred equates to the same value of eVouchers received. To enable the County Council to move quickly, Hemingways is the only Provider who has the existing delivery structures, systems and processes in place in Staffordshire.
16. To enable the County Council, working together with Partners, to facilitate a Winter Warmth Project, it is proposed to make a Direct Award to Beat the Cold (£68,972) and the Community Foundation of Staffordshire (£57,965) to facilitate the Winter Warmth Project, as approved by Cabinet on the 20th October 2021. Again, the Beat the Cold and the Community Foundation previously facilitated the Programme in 2020 and are the only Providers who have the existing delivery structures, systems and processes in place in Staffordshire.
17. In addition, it is proposed to provide the Staffordshire Fire and Rescue Service with a Grant to provide reactive support. The Service will purchase RCD Plug in Surge Protection Devices, Fire Retardant Cellulose Blankets, CO2 Monitors and Radiators. Staffordshire Fire & Rescue

Service will store and distribute these items free of charge to the household without heating as an interim measure.

18. The County Council has considered undertaking a new Procurement Process for the above. However, such a process could not be facilitated within the timescale and would lead to delays in vulnerable families receiving the support they most need during Winter 2021. It is also highly likely such a process would prevent the delivery of the HSF due to the timescales set out by the DWP.
19. The County Council has also acknowledged the importance of ensuring the HSF is facilitated in a timely and responsive way. To ensure the County Council can be responsive, validate applications to any Fund and ensure payments are made within the desired timescale, it is also proposed to enhance the capacity within the County Council to achieve this ambition. The proposed additional capacity is as follows:

| Description: | Budget: |
|--|-------------|
| 1 FTE Fixed Term (Nov 2021 - March 2022) Business Support Coordinator (Grade 7) | 15,272 |
| 8 FTE Fixed Term (Nov 2021 - March 2022) Business Support Officers (Grade 5) | £ 93,456 |
| 1 FTE Fixed Term (Nov 2021 - March 2022) Business Support Officers (Grade 5) | £ 11,682 |
| 1 FTE Fixed Term (Nov 2021 - March 2022) Commissioning Support Officer (Grade 5) | £ 11,682 |
| Household Support Fund Campaign | £ 30,000 |
| Digital Support Services | £ 3,000 |

20. Without the above additional capacity, the County Council will be unable to deliver the HSF.

Consultation Process

21. The Cabinet Member for Children & Young People has overseen consultation with the following:
- a) The Cabinet of Staffordshire County Council
 - b) The Deputy Chief Executive and Director for Families and Communities
 - c) The Leader of the Opposition

- d) The Corporate Senior Leadership Team (SLT) of Staffordshire County Council
- e) The Families & Communities Leadership Team of Staffordshire County Council
- f) Families, through the Early Years Coordination Service, commissioned by Staffordshire County Council

Electoral Divisions Affected

ALL

Name of Cabinet Member Making Decision:

- 22. Mr Mark Sutton, Cabinet Member for Children and Young People in consultation with Helen Riley, Deputy Chief Executive and Director for Families and Communities.

Community Impact Assessment

- 23. The County Council has the discretion on exactly how this funding is used, targeting support within the scope of the conditions set out by the DWP.
- 24. At least 50% of the total funding must be spent on families with children. In terms of type of support, the expectation is that the HSF should primarily be used to support households in the most need with food, energy and water bills. It can 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 can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.
- 25. The new HSF will be distributed by County Councils and Unitary Authorities in England. Shire Councils are encouraged to work closely with District Councils and other local partners to identify a broad range of vulnerable households across their local area. Support is available from the 6th October and Local Authorities should aim to have arrangements in place as quickly as possible to support vulnerable households throughout the Grant period

Resource and Value for Money Analysis

- 26. The HSF is ring-fenced to be spent as detailed in the guidance and the accompanying grant determination, including the specific condition

that at least 50% be spent on families with children. To ensure that the objectives of the HSF are being met during the course of the grant and reduce administration costs for all concerned, including the need for DWP to recover underspend, Grant payments will be made in arrears upon DWP being satisfied with the Management Information (MI) returns. This will enable DWP to adjust the amount of the payment based on the MI returns.

27. Payment of the Grant from DWP to Authorities will be made in arrears after the interim MI return in January 2022 and the final MI return at the end of Grant period in April 2022 after the DWP have verified the MI. If an Authority feels that the payment arrangements will create significant cash flow problems, they notify DWP with supporting evidence. Both an interim and a final MI return will be required, and Grant payments will be made in respect of the periods 06 October 2021 to 31 December 2021 and 06 October 2021 to 31 March 2022.
28. MI returns must be endorsed by the Section 151 officer in accordance with their statutory assurance responsibility in order for the Grant payment to be made.

Risk Analysis

29. There are several risks that have been identified and a full risk assessment continues to be reviewed. The key risks are outlined below:
 - a. There is a risk of legal challenge where contracts are awarded as a direct award.
 - b. There is a risk that this scheme creates a longer-term dependency which the Local Authority cannot afford to sustain.
 - c. There is a risk that some people eligible will not be identified, leaving them in financially challenging circumstances.
 - d. There is significant interest in this scheme locally and nationally and there is a risk that this causes reputational damage and an increase in complaints to the County Council.

Legal Analysis

30. As with any welfare payment to vulnerable recipients there is a risk of fraud, as recipients might appear to be eligible when they are not. One of the biggest risks for this scheme is impersonation fraud, where fraudsters work through a residential area and falsely claim under the names of eligible recipients.

31. The County Council are encouraged to mitigate this risk, by ensuring checks are in place to verify the applicant's identity. The County Council and its Partners have access to a range of data sources and checks which can be carried out against this data to verify the identity of the recipient. The County Council has also developed substantial identification and eligibility checks to mitigate such a risk.
32. It is for the County Council to decide how payments are made to recipients. However, when making this decision the County Council is encouraged to consider the risks involved. Although vouchers still carry fraud risks, the DWP are suggesting vouchers should be used instead of cash where possible as this helps to mitigate the risk of the money being spent by the recipient on things outside the policy intent, therefore undermining the purpose of the scheme.
33. SCC has already committed spend to Hemingways previously for the purchase of eVouchers. SCC purchases the eVouchers at the actual cost without any additional profitable charges. Hemingways purchases the eVouchers from Supermarkets on behalf of SCC and provides them to families through an automated system. Therefore, the expenditure incurred equates to the same value of eVouchers received.
34. The extension of the Direct Award to Hemingways to provide the Voucher Express Digital Services is necessary in order to meet the timescales. SCC will not pay Hemingways for managing the voucher scheme.
35. SCC has undertaken due diligence to secure providers who meet the specific requirements of SCC. SCC had limited time to find providers who has the delivery structures, systems and processes that meet the relevant criteria and is able to deliver the services required.
36. Although the value of the HSF is significant, the value of the services to be provided by the providers in in administering the schemes or proving relevant systems will be relatively low value.
37. There is a risk that if the HSF conditions are not met then the County Council may need to repay some or all of the grant back to the DWP. The County Council will need to consider this when entering into arrangements with providers and the District and Borough councils.

Implementation

Is any implementation action required?

Yes

To be implemented by: Joseph Sullivan

Implementation Status

Work to commence on: 20/10/2021
Work in progress: 01/12/2021
Work completed on date below: 31/03/2022

Report Author

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