

## **Cabinet Member Delegated Decision Form**

### **Decision Title**

Staffordshire Household Support Fund (HSF) Delivery

### **Decision Required**

To approve the proposed expenditure, volumes and delivery arrangements for the HSF in Staffordshire. This allocation has been made by the Department for Work and Pensions (DWP) and has defined conditions of the grant which the proposal meets, and the allocation needs to be fully spent by 30<sup>th</sup> September 2024.

To also approve the continuation of the procurement of the Hemingways VEX digital rewards voucher system to facilitate the supermarket vouchers directly to families and the commission of a grant award to a third party to make the utility payments direct to the utility companies.

### **Decision Date**

1<sup>st</sup> April 2024

### **Decision Summary**

As part of the proposed measures to provide help with global inflationary challenges and the significant rising cost of the living, we are proposing to utilise the HSF extension for 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024, to provide: -

- Scheme 1 – The Education Support Fund
- Scheme 2 – Care Leavers Financial Support
- Scheme 3 – Professionals Referral Scheme
- Scheme 4 - Section 17 Emergency Payments
- Scheme 5 – Financial Wellbeing Support
- Scheme 6 – Utility Debt Support

### **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.*

**Cabinet Meeting 18/05/22** “Delegates 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 delivery and 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. This includes any decisions in respect of extensions to the Scheme or additional funding, ensuring Cabinet are fully briefed on any such extensions or spending.

## **Public / Exempt**

Public

## **Options Considered**

### **Background**

1. On 6<sup>th</sup> March 2024 in the Spring Budget the Chancellor announced that the Household Support Fund (HSF) would be extended for a further six months, from 1 April 2024 to 30 September 2024. The fund will be made available to County Councils and Unitary Authorities in England to support those most in need.
2. This allocation is a continuation of the HSF round 4 2023/24. This report provides an outline for the plans for 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024 in line with the DWP funding guidance.
3. The County Council has discretion on exactly how this funding is used providing it adheres to the scope set out in the guidance and the accompanying Grant Determination. These conditions have changed previously but there remains a commitment to,
  - a. The majority of the fund to provide crisis support to vulnerable households in most need with the cost of essentials. Authorities are expected to offer support throughout the duration of The Fund Period.
  - b. Prioritise the support for households in the most need who are struggling to afford household essentials including energy and water bills, food, and wider essentials.
  - c. A referral route is encouraged to allow for targeted residents to benefit in addition to the identified schemes.
4. This paper outlines the proposed spend for 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024.

### **Allocation of the Grant**

### **Proposed Spend for 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024**

5. It is proposed to continue to procure the Hemingways VEX Rewards voucher digital service to facilitate the HSF supermarket eVouchers directly to recipients. The method of delivery which we have developed with the voucher company enables us to upload a Voucher Order Submission into the voucher online portal which then sends the voucher direct to the household. This online portal is secure, prevents fraudulent claims and enables a robust audit process for us. The vouchers available are for a variety of supermarkets, ALDI, ASDA, Iceland, Morrisons, Sainsburys, Tesco, Marks & Spencer's and Waitrose.

### **Scheme 1 - Education Support Fund (ESF)**

6. It is proposed that we will continue to work in partnership with our Education Settings in Staffordshire to provide families of children in reception to year 11, who met the eligibility criteria a £20.00 eVoucher per child for May half term 2024 and a £40.00 eVoucher for the Summer 2024 holidays to compliment the provision facilitated under the Holiday Activities and Food (HAF) Programme.
7. Eligibility criteria is the child needs to be attending an education setting in Staffordshire in the term before the holiday, and the setting must be claiming one of the following funding streams for the child: -
  - Benefit-related Free School Meals
  - Think 2 funding
  - Early Years Pupil Premium (EYPP)We also provide ESF vouchers for: -
  - Children who attend alternative and independent provision who would be eligible for benefit-related Free School Meals
  - Our care leavers
8. Education Settings identify children that meet the eligibility criteria that attend their setting and complete a voucher order submission. This submission is then sent to us and uploaded into the VEX rewards voucher system giving each child their own unique number. The voucher is then sent direct to the household via email from the voucher system.
9. It is proposed to provide the ESF to Staffordshire Children (Residents) and Non-Staffordshire Children (Non-Residents) who attend a Staffordshire Education Setting. Including Non-Staffordshire Children in the Fund ensures fairness and equality across pupils attending a setting within the Local Authority boundary whilst supporting settings to support, safeguard and care for families in the settings community. Removing Non-Staffordshire Children (Non-Residents) from the ESF provides complexities in administrating the scheme and may lead to negative public perception.

10. The anticipated volume and expenditure on vouchers is outlined below:

Holiday	Anticipated Volume – Approx. Total Children	Cost of voucher per week	Total number of weeks provided	Anticipated Expenditure
May H/T 2024	28,500	£20.00	1 week	£570,000.00
Summer Holidays 2024	28,500	£20.00	2 weeks (#HAF)	£1,140,000.00
<b>Total:</b>				<b>£1,710,000.00</b>

### Scheme 2 - Care Leavers Financial Support

11. Children Leaving Our Care are more likely to face challenges moving into adulthood and we want to provide them the help and support that they need. This will include access to financial support in the form of a supermarket eVoucher.

12. It is proposed to provide our Care Leavers two £65.00 supermarket eVouchers utilising this funding allocation. These will be administered in June 2024 and September 2024.

13. The anticipated volume and expenditure on vouchers are outlined below:

Holiday:	Anticipated Volume:	Anticipated Expenditure:
June 2024	825	£53,625.00
September 2024	825	£53,625.00
	<b>Total:</b>	<b>£107,250.00</b>

### Scheme 3 - Professional Referral Scheme

14. The HSF grant conditions encourage a referral scheme where professionals who come into contact with vulnerable households can access support during the 1<sup>st</sup> April 2024 to 30<sup>th</sup> September 2024 funding period.

15. Therefore, we propose that we have a professional referral route for residents across Staffordshire, so that anyone facing financial hardship can ask for additional help from those that they are working with. This also ensures that the household is accessing professional support around their debt, finances or personal circumstances.

16. Having a professional referral route will ensure that there has been some review of the extent to which someone is facing financial hardship prior to making an application. We want the professional

referral route to help us reach those most in need and so it will include a range of organisations such as: -

- a. Staffordshire County Council
- b. Registered Social Landlord
- c. District/Borough Councils
- d. Health
- e. Citizen's Advice Bureau
- f. SCVYS Members
- g. Support Staffordshire Members
- h. Job Centre
- i. SENDIASS – Signposting only
- j. Staffordshire Education Settings
- k. Commissioned Staffordshire County Council Providers who work direct with households

17. We will have an approved referrers list; this will ensure that all professionals referring into the scheme have had checks carried out to prevent fraudulent claims. This could be through due diligence checks carried out as part of commissioning arrangements or through the membership of SCVYS or Support Staffordshire, or it could be via approval from one of our key partners who work in partnership with the organisation.
18. This scheme will only be available for people residing in the county area of Staffordshire (excluding Stoke-on-Trent City Council who administer their own scheme).
19. This scheme will see eligible people benefit from a supermarket eVoucher for £65 per household and £20 per additional dependant e.g. child or a person you care for. Each household can access this funding once during the six-month funding period so we can benefit as many households throughout Staffordshire as possible. The anticipated volume and values are calculated by an average based on previous usage of the scheme.
20. This is an open referral route for professionals to identify households in most need, particularly those who may not be eligible for other government support that has been made available, but nevertheless still in need of financial assistance.
21. This may include, but is not limited to, people who are entitled to but not claiming qualifying benefits, people who are claiming Housing Benefit (HB) and a range of low-income households in need including children of all ages, pensioners, unpaid carers, care leavers and disabled people.

Scheme	Anticipated Volume	Value	Anticipated Expenditure
Professional Referrals Scheme	10,000	£95.00 (average per household)	£949,894.00

#### Scheme 4 – Section 17 Emergency Payments

22. As outlined in the Childrens Act (1989), under Section 17 it is the general duty of every local authority to: -

- (a) safeguard and promote the welfare of children within their area who are in need; and
- (b) so far as is consistent with that duty, to promote the upbringing of such children by their families, by providing a range and level of services appropriate to those children’s needs.

23. Under Section 17(6) Financial Assistance can be provided following an assessment and can consist of one-off payments to overcome a crisis. Examples of such payments are: -

- To prevent unnecessary suffering e.g. hunger and/or to maintain a very basic standard of childcare;
- For children with disabilities, to minimise the immediate effects of their disability;
- Baby equipment, nappies, clothing for children, educational expenses (books, school trips etc).

24. The HSF primary intention is expected to support vulnerable households with energy and water bills, food, and wider essentials, and Authorities should prioritise support which offers an immediate impact to those in need. We propose to cover the Section 17 expenses that fall within the eligible spend within the HSF requirements, these are: -

- **energy and water:** This can be in the form of fuel that is used for the purpose of domestic heating, cooking, or lighting, including oil or portable gas cylinders. Water bills including for drinking, washing, cooking, as well as for sanitary purposes and sewerage.
- **food:** Support with food, whether in kind or through vouchers or cash.
- **essentials linked to energy and water:** Support with essentials linked to energy and water (for example warm clothing, blankets, the purchase of equipment such as fridges, freezers, ovens, slow cookers), in recognition the range of costs that may arise which directly affect a household’s ability to afford or access energy, food and water. Provide support to households on low incomes to repair

or replace white goods and appliances with more energy efficient ones, invest in simple energy efficiency measures such as insulating a hot water tank, fitting draft excluders to a front door, or replacing inefficient lightbulbs or white goods. Providing sustainable support which could result in both immediate and long-lasting savings for the household.

- **wider essentials:** Support wider essential needs not linked to energy, water or food should Authorities consider this appropriate in their area. These may include, but are not limited to, support with other bills including broadband or phone bills, clothing, period and hygiene products, essential transport-related costs such as repairing a car, buying a bicycle, or paying for fuel. This list is not exhaustive. It can also include one-off payments to prevent a crisis.
- **housing costs:** Support with housing costs to those in need. However, where eligible, ongoing housing support for rent must be provided through the Housing cost element of UC and Housing Benefit (HB) rather than The Fund. In addition, eligibility for Discretionary Housing Payments (DHPs) must first be considered before housing support is offered through The Fund. The Authority must also first consider whether the claimant is at statutory risk of homelessness and therefore owed a duty of support through the Homelessness Prevention Grant (HPG). It is expected that the focus of support should be on bills and that support for housing costs should only be given where existing housing support schemes do not meet need. Beyond this, Authorities have discretion to determine the most appropriate use of The Fund for their area, based on their understanding of local need and with due regard to equality considerations.

It is expected that the focus of support should be on bills and that support for housing costs should only be given where existing housing support schemes do not meet need. Beyond this, the Local Authority has the discretion to determine the most appropriate Fund for their area, based on their understanding of local need and with due regard to equality considerations.

25. It is proposed that the Social Worker or Senior Family Support Worker follows the use of Section 17 Funding – Guidance for staff. If a payment is made a record of how this meets the HSF eligible spend and the household composition is recorded. We can then transfer the spend from the HSF into the relevant budget and record the spend on the MI return.

<b>Scheme</b>	<b>Anticipated Volume</b>	<b>Value</b>	<b>Anticipated Expenditure</b>
Professional Referrals Scheme – Section 17 Payments	2000	Varied as dependant on support provided	£800,000.00

### **Scheme 5 - Financial Wellbeing Support**

26. We propose to continue to invest in a programme of Financial Wellbeing Support which is offered to households requesting support. This will provide households with a sustainable plan to manage after the grant ends.

27. We would like to continue with the recruitment of the eight-district based HSF Family Hub Coaches who provide a variety of financial wellbeing support. This support helps households to build a sustainable and realistic household budget, explore areas to review and decrease their spending, how to look after their mental health and self-assessments to improve their overall financial wellbeing.

28. This support will be provided in a variety of ways to maximise engagement to meet the needs of our families such as: -

- Online - a six-week self-help online course, each week the household are emailed simple activities that are designed to help them understand and improve their Financial Wellbeing. The HSF Family Hub Coaches are then on hand via email, text, or face to face to provide any support they may need.
- Face to Face - Financial wellbeing workshops will be delivered within each of our district directs. Again, this is a six-week course that replicates the online offer with some fun activities included.
- Within the community – Our HSF Family Hub Coaches will attend local community events and groups to promote their service and support with referrals into the HSF where appropriate.
- Information, advice and guidance support with signposting and referral completion - Where required our HSF Family Hub Coaches will provide support to households to access the HSF funding and more specialist support where their debt or personal circumstances required this for example signposting to existing advice services funded through other routes, such as the Help to Claim scheme which supports those making a claim to Universal Credit (UC).

<b>Allocation</b>	<b>Anticipated Expenditure:</b>
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Financial Wellbeing Support	£725,000.00
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### **Scheme 6 – Utility Debt Support**

29. Energy bills are of a particular concern to low-income households, the HSF guidance asks us to prioritise supporting households with the cost of energy.

30. We propose to continue with the Utility Debt Support which has helped residents access assistance for their utility debt. Through a third party we will provide a grant distribution of £450.00 per household directly to the household's energy supplier.

31. There will be a professional referral route for residents across Staffordshire, so that anyone with utility debt can ask for additional help from those that they are working with. The same approved referrers list from the Professionals Referral Scheme will be used. This also ensures that the household is accessing professional support around their debt, finances, or personal circumstances. Each referral will be authorised once evidence has been provided to show the utility debt.

32. Households will also be signposted to the Staffordshire Warmer Homes Partnership. Their goal is to combat fuel poverty across the county and help residents to heat their homes for less using greener and more energy efficient solutions. If eligible, households will be encouraged to apply or supported to apply by our HSF Family Hub Coaches.

31. The anticipated volume and expenditure is outlined below:

<b>Scheme</b>	<b>Anticipated Volume</b>	<b>Value</b>	<b>Anticipated Expenditure</b>
Utility Debt Support	1475	£450.00	£663,750.00

### **Conclusion**

33. The six HSF Schemes listed above will result in us providing support to those most in need due to the increased cost of living, whilst also providing sustainable solutions for when the funding ends. All schemes are within the terms and conditions of the DWP grant.

### **Consultation Process**

Consulted with Cllr Mark Sutton, Cabinet Member for Children and Young People

## Electoral Divisions Affected

N/A all divisions.

## Name of Cabinet Member Making Decision:

Cllr Mark Sutton, Cabinet Member for Children and Young People

## Community Impact Assessment

*Resource and Value for Money Analysis*

34. A summary of anticipated expenditure is as follows: -

<b>Scheme Description</b>	<b>Estimated Number of Beneficiaries</b>	<b>Total Amount Allocated</b>
Scheme 1 – Education Support Fund	28500	£1,710,000.00
Scheme 2 – Care Leavers Support	825	£107,250.00
Scheme 3 – Professionals Referrals Scheme	10000	£949,894.00
Scheme 4 –Section 17 Emergency Payments	2000	£800,000.00
Scheme 5 – Financial Wellbeing Support	5000	£725,000.00
Scheme 6 – Utility Debt Support	1475	£663,750.00
Administration fee 10%		£550,653.99
	<b>Total</b>	<b>£5,506,547.99</b>

35. To ensure that the objectives of the HSF are being met during the grant and reduce administration costs for all concerned, including the need for DWP to recover underspend, any underspend for the ESF will be used to increase expenditure for other schemes being delivered by the HSF as appropriate. Grant payments will also 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.

36. Payment of the grant from DWP to Authorities will be made in arrears after the interim MI return in July 2024 and the final MI return at the end of grant period in October 2024 after DWP have verified the MI.

37. 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.
38. The HSF allocation includes reasonable administration costs to enable Authorities to deliver The Fund. Authorities should deduct their administration costs from the total allocation to determine the amount remaining.
39. In all cases, Authorities should keep administrative costs to a reasonable level. Administration costs for each Authority will be published on [www.gov.uk](http://www.gov.uk) alongside detail of all spend and volumes related to The Fund. The County Council's Administrative Costs will include the payments to the relevant providers.
40. Officers are engaging with Legal Services and Commercial Services to explore how best to implement the proposals in this report. Although the value of the Education Support Fund is significant, the value of the services to be provided by the providers in administering the schemes or providing relevant systems will be relatively low value.

#### *Risk Analysis*

41. 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 possibility that some people have become reliant on this fund and may be dependent on this to manage their finances without being in debt or missing out on necessary items. There is a risk that this scheme has created a longer-term dependency which the Local Authority cannot afford to sustain. This is a particular challenge for 2024 when the fund is due to stop.
  - b. 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. This is a particular challenge for those who have received support since the schemes inception who may have come to rely on the funding.
  - c. There is a risk of legal challenge where contracts are awarded as a direct award.
  - d. There is a risk that some people eligible will not be identified, leaving them in financially challenging circumstances.

### *Legal Implications*

42. 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.
43. 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.
44. 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. The utility payments are made direct to the utility provider and as such allocated against the current debt.

### **Implementation**

*Is any implementation action required?*

The implementation of this scheme will be delivered upon approval of this decision.

To be implemented by: Neelam Bhardwaja, Director for Children and Families

### **Implementation Status**

Work to commence on: 1<sup>st</sup> April 2024  
Work completed on date below: 30<sup>th</sup> September 2024

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