

Cabinet Meeting on Wednesday 20 October 2021

Household Support Fund



Cllr Mark Sutton, Cabinet Member for Children and Young People said,

"For the last 12 months we have been supporting thousands of children – and their families – though school holidays with either the distribution of eVouchers to parents/carers, or the provision of food and activities across the county.

"Now this new bid for approximately £5.5 million will help many more households most in need with food, energy and water bills, through the Christmas, Easter and February school holidays."

Report Summary:

The Government has announced a new Household Support Fund (HSF) Grant which will be made available to County Councils and Unitary Authorities in England to support those most in need this winter. 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.

The Report outlines the proposed expenditure and delivery arrangements for the HSF in Staffordshire which is required to be fully spent by 31st March 2022.

Recommendation(s)

I recommend that Cabinet:

- a. Acknowledges the anticipated receipt of £5,506,547.99 from the Department for Work and Pensions (DWP), in relation to the HSF.
- b. Approves the proposals for the usage of the HSF.

- c. 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 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.
- d. Acknowledges 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.



Local Members Interest
N/A

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Household Support Grant

Recommendations of the Cabinet Member for Children and Young People

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- a. Acknowledges the anticipated receipt of £5,506,547.99 from the Department for Work and Pensions (DWP), in relation to the HSF.
- b. Approves the proposals for the usage of the HSF.
- c. 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 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.
- d. Acknowledges 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.

Report of the Deputy Chief Executive and Director for Families and Communities

Background:

1. 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.
2. 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.

3. 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.
4. 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.
5. Staffordshire is anticipated to receive £5,506,547.99 through the HSF.
6. The County Council is proposing a number of schemes to deliver the HSF as detailed below.

Proposed Education Support Fund (ESF):

7. It is proposed to provide families of children who are in receipt of benefits-related Free School Meals (FSM) a £15.00 eVoucher for each week of the Christmas, February, and Easter School Holidays. Children currently receiving universal free school meals, who would be entitled to benefits-related FSM and Early Years Children who receive funding for Think 2 and Early Years Pupil Premium (EYPP) will be included in the proposed ESF.
8. It is proposed to provide a £15 eVoucher 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 administering the scheme and may lead to negative public perception. The County Council, subject to Cabinet approval, is seeking to secure a similar arrangement with Stoke-on-Trent City Council, Cheshire East, Derbyshire County Council, Shropshire Council and Telford and Wrekin Council.
9. It is proposed to procure a voucher digital service to facilitate the HSF directly with Staffordshire Education Settings. This is an established

process following the previous COVID Winter and Locality Grants. The vouchers will be available for a variety of supermarkets, Aldi, ASDA, Morrisons, Tesco, Sainsburys, Marks & Spencer's and Waitrose.

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

Holiday:	Anticipated Volume:	Anticipated Expenditure:
Christmas 2021	25,944 Children	£778,320
February 2022	25,944 Children	£389,160
Easter 2022	25,944 Children	£778,320
	Total:	£1,945,800

Proposed Targeted Support Fund (TSF):

11. It is proposed to target families of children who are identified through Financial Exclusion, assessed through the DWP and FIDO. It is proposed to provide families of children with a £15.00 eVoucher for each week of the Christmas, February and Easter School Holidays.
12. This HSF will provide support to families of eligible children accessing Alternative Education, families of eligible children in Independent Education Settings and families of children aged 0-2. It is also proposed to advertise this scheme for applications from families of children where:
 - a. Children Electively Home Educated, cross matched with Financial Exclusion
 - b. Children identified as meeting one other Building Resilient Families and Communities (BRFC) Criteria, cross matched with Financial Exclusion, removing anyone on the FSM data set.
 - c. Children Open to Staffordshire's Youth Justice System, cross matched with Financial Exclusion, removing anyone on the FSM data set.
 - d. Children with SEND, crossed matched with Financial Exclusion, removing anyone on the FSM data set.
13. It is proposed available data sets, which have not already been cross matched with Financial Exclusion data, will be cross matched through the DWP and FIDO to ensure eligibility to the HSF.
14. Identified families will be contacted by the County Council via post inviting them to claim the eVoucher from the District Family Hub. Families will be invited to do this via a Response Form published on Staffordshire.gov.uk. On validation of the response, the District Family Hub will provide the families with a unique collection link, each linking to the voucher system.

15. On receipt of the collection links, families can access the voucher system, where families can directly select a supermarket of their choice. The available supermarkets are Aldi, ASDA, Morrisons, Tesco, Sainsburys, Marks & Spencer's and Waitrose. The eVoucher code will be displayed onscreen and can be downloaded as a PDF and/or printed off if required.
16. The anticipated volume and expenditure on vouchers is outlined below:

Holiday:	Anticipated Volume:	Anticipated Expenditure:
Christmas 2021	2,751 Children	£82,530
February 2022	2,751 Children	£41,265
Easter 2022	2,751 Children	£82,530
	Total:	£206,325

Proposed District Assistance Grants for Food and Essential Supplies:

17. It is proposed that the County Council will administer Assistance Grants for Food and Essential Supplies using eVouchers.
18. Families facing substantial financial hardship will be able to apply for an Assistance Grant for Food and Essential Supplies. Families/vulnerable individuals will be required to meet appropriate eligibility criteria before being considered for an Assistance Grant.
19. Assistance Grants will be made available to Families via an eVoucher. The eVoucher will be awarded to Families/vulnerable individuals via Text or Email, depending on their preference. Recipients will be able to activate the E-Voucher for Aldi, ASDA, Morrisons, Sainsbury's, Tesco, Waitrose or Marks & Spencer's.
20. Families/vulnerable individuals receiving a voucher from the Assistance Grant will be provided with information, advice and guidance to support them to engage in local networks of support, enabling a local approach to meeting their needs in the future.
21. Families/vulnerable individuals will be entitled to make a maximum of three applications to the Assistance Grant. Families will receive a six-week allocation at the time of referral to avoid further processing costs.
22. It is also proposed to provide a ringfenced Children's Social Care budget. Children's Social Care Service (including SYOS/Future Matters) will be able to make a referral for payments of eVouchers. The Children's Social Care Teams (including SYOS/Future Matters) will be provided with a digital referral pathway. In addition, Children's Social Care Teams

(including SYOS/Future Matters) will be invited to identify children/families in advance of the School Christmas Holidays via an eVoucher Order Form. All children/families will be required to meet the referral criteria.

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

Anticipated Volume:	Anticipated Expenditure:
3,333 Families/Grants	£1,000,000
Total:	£1,000,000

Proposed Winter Warmth Project:

24. Building upon the 2020/21 Winter Warmth Project, the County Council is engaging with Support Staffordshire, Beat the Cold and the Staffordshire Community Foundation to develop a Winter Warmth Project for 2021/22.

25. Residents of Staffordshire who are struggling financially to either pay their bills or are dealing with a breakdown of their heating system will be eligible for the Winter Warmth Project.

26. Through the Winter Warmth Project, eligible Staffordshire residents will be provided with financial support for energy. This will be provided via either a top up card credit for those on pre-payment meters or credit paid directly to the energy supplier for those on metered accounts. The payments will be made via the Staffordshire Community Foundation and their "Surviving Winter" Campaign Team. In addition, eligible residents will have access to an exceptional circumstance "top up" grant to contribute to new boiler systems.

27. Eligibility will be based upon the existing eligibility criteria for the subsidised heating installations which is the Business as Usual activity of the Staffordshire Warmer Homes Partnership. Discussions are on-going with DWP about the use of their Searchlight software to verify applicants' eligibility criteria around benefit entitlement.

28. 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.

29. The anticipated volume and expenditure is outlined below:

	Anticipated Volume:	Anticipated Expenditure:
Reactive Support Grant	1,000	£12,037
ECO "20% Top Up" Fund	100	£50,000
Financial Support	2,857	1,000,000
	Total:	£1,062,037

Proposed District & Borough Council Fund:

30. It is proposed to provide District & Borough Councils with a percentage of the HSF to support families with Council Tax debt. District & Borough Councils will be able to determine the eligibility for this element subject to the HSG Grant Determination Letter and Guidance.
31. The County Council is seeking to facilitate conversations with District & Borough Councils to further explore the delivery model for the District & Borough Council Fund.
32. It is proposed that £1,000,000 will be provided to District & Borough Councils. This allocation will be made based on an allocation for the total population weighted for deprivation and CEV residents. It is therefore anticipated the allocations will be as follows:

District & Borough Councils	Population	Population %	Base Funding	Deprivation %	Deprivation Allocation	Total Allocation (rounded)
Cannock Chase	98,490	12	£57,438.42	17	£83,610.67	£141,000
East Staffs	115,284	13	£67,232.52	28	£140,531.97	£207,800
Lichfield	102,004	12	£59,487.74	5	£24,934.36	£84,400
Newcastle	126,863	15	£73,985.28	17	£87,465.22	£161,500
South Staffs	108,423	13	£63,231.25	0	£0.00	£63,200
Stafford	131,253	15	£76,545.48	9	£44,993.63	£121,500
Staffs Moorlands	97,928	11	£57,110.67	4	£20,280.28	£77,400
Tamworth	77,108	9	£44,968.64	20	£98,183.87	£143,200
Total	857,353	100	£500,000.00	100	£500,000.00	£1,000,000

Timescale

33. 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.

Risks Identified

34. 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 Implications

35. 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.
36. 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.
37. 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.
38. Officers are engaging with Legal Services and the Commercial team to explore how best to implement the proposals in this report. The County Council will enter into contracts with providers and also agreements with District and Borough Councils as detailed above. Although the value of the HDF is significant, the value of the services to be provided by the providers in administering the schemes or proving relevant systems will be relatively low value.

39. 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.

Resource and Value for Money Implications

40. A summary of anticipated expenditure is as follows:

	Anticipated Expenditure
Education Support Fund	£1,945,800
Targeted Support Fund	£206,325
District Assistance Grants	£1,000,000
Winter Warmth Project	£1,062,037
District & Borough Council Fund	£1,000,000
Administration Fees	£292,385.99
Total	£5,506,547.99

41. 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.
42. 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.
43. 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.
44. The timetable for provision of funding and MI returns is as follows:

Payment	Amount (%)	Date	Notes
Interim	Actual Grant spend up to 100% of grant allocation*	February/March 2022	Payment made in arrears
Final	Actual Grant spend up to 100% of grant allocation*	May/June 2022	Payment made in arrears

45. The HSF allocation includes reasonable administration costs to enable Authorities to deliver the scheme. Authorities should deduct their administration costs from the total allocation to determine the amount remaining.
46. In all cases, Authorities should keep administrative costs to a reasonable level. Administration costs for each Authority will be published on www.gov.uk alongside detail of all spend related to this scheme. The County Council's Administrative Costs will include the payments to the relevant providers.

Conclusion

47. On Wednesday 20th October 2021, It is proposed that the Leader of the County Council will acknowledge the receipt of the HSF and ask the Cabinet to delegate authority to the Cabinet Member for Children and Young People, Councillor, to decide the eligibility criteria for distribution of the HSF, and to take all other subsequent decisions, to ensure that this support gets to those who need it as quickly as possible.
48. Subject to Cabinet Approval (and any subsequent Delegated Decisions), it is proposed to move forward with the implementation of the above proposed expenditure against the HSF.
49. Underspends against the proposed investment areas will be redirected to respond to demand across the scheme as required.

List of Background Documents/Appendices:

Appendix A: DWP Household Support Fund Determination Letter

Appendix B: DWP Household Support Fund Grant Guidance

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