



Author/Lead Officer of Report: Keith Leyland Service Manager

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Report of: John Macilwraith, Executive Director of People  
Eugene Walker, Executive Director, Resources

Report to: The Leader of the Council

Date of Decision: 19<sup>th</sup> November 2021

Subject: Household Support Fund

Is this a Key Decision? If Yes, reason Key Decision:- Yes ☒ No ☐

- Expenditure and/or savings over £500,000

☒

- Affects 2 or more Wards

☒

Which Executive Member Portfolio does this relate to? Children and Families,  
Finance and Resources, Sustainable Communities and Deputy Leader

Which Scrutiny and Policy Development Committee does this relate to? Healthier  
Communities and Adult Social Care Scrutiny and Policy Development Committee

Has an Equality Impact Assessment (EIA) been undertaken?

Yes ☒ No ☐

If YES, what EIA reference number has it been given? 977

Does the report contain confidential or exempt information?

Yes ☐ No ☒

#### Purpose of Report:

- a) To update the Leader in relation to the funding received from the Department of Work and Pensions (DWP) known as the Household Support Fund (HSF).
- b) To inform the Leader of the purpose of the Fund to provide support to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) this winter.
- c) To seek approval from the Leader to expend the DWP funding in line with the spending plan detailed in this report.
- d) To seek authorisation to spend the £900k noted as 'Not yet allocated' in the spending plan on free school meal vouchers to be purchased in the scheme delivery period, i.e., before 31<sup>st</sup> March 2022, to be used in April easter Holidays.
- e) To update the Leader on the further work being carried out alongside the immediate delivery of the Household Support to consider other hardship funds in response to the Poverty Summit.

#### Recommendations:

It is recommended that the Leader of the Council:-

- a) Notes that the Leader of the Council previously gave approval on the 14 October 2021 to accept the HSF grant of £5.2m from the Department for Work and Pensions (DWP) and to spend £442.5k of the grant for the purpose of providing free school meal vouchers to those eligible for free school meals.
- b) Approves the further spending plan and the £900k which was detailed as 'Not yet allocated' as detailed in this report.
- c) Notes the short timescales the Council has been given in order to have this scheme live hence the need for a fast-track process.
- d) Notes that the spending plans are not complete and further planning needs to be undertaken to look at what other pro-active approaches can be developed to target those most in need with this Fund over the coming months.

- e) Delegates authority to the Executive Director of People Services, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance, which are not already covered by existing delegations in the Leaders Scheme of Delegation:
- to take any such decisions necessary to meet the aims, objectives of the delivery plan submitted to the DWP and this report.

Lead Officer to complete: -		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Mark Wassell
		Legal: Gemma Day
		Equalities: Adele Robinson
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission:	John Macilwraith, Executive Director of People
3	Executive Member consulted:	Councillor Cate Macdonald, Executive Member for Finance and Resources, Councillor Paul Wood Executive Member for Housing, Councillor Alison Teal Executive Member for Sustainable Neighbourhoods and Councillor Jayne Dunn Executive Member for Education, Children and Families.
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Keith Leyland	Job Title: Covid Response Hub Service Manager
	Date: 03/11/2021	

## 1 PROPOSAL

### Introduction

The objective of the Household Support Fund is to provide support to vulnerable households in most need of support this winter whilst as Government states, the economy recovers. It aims to assist households via small grants to meet daily needs such as food, clothing, and utilities. Authorities can deliver the scheme through a variety of routes including providing vouchers to households, making direct provision of food, or issuing

grants to third parties. The scheme was announced to the public 4th of October and Local Authorities were asked to provide delivery plans by the 29th of October 2021.

At least 50% (£2.6m) of the total funding must be spent on families with children. Sheffield City Council also had to provide the Government with its full spending plan for the fund by 29th October 2021.

This funding covers the period 06 October 2021 to 31 March 2022 inclusive. The report also sets out plans in the mid-term for a wider review of all of the discretionary hardship funds as a corporate exercise and highlights how we can build on the service improvements that have been made over the past 18 months during COVID to make accessing hardship funds simpler for the public and partners (including in the Voluntary and Community Sector (VCS)).

Upon notification of the Household Support Fund, the Council has brought together a cross Portfolio team led by the Director of Children's and Families and the Director of Housing to work up the delivery plan at pace. This has been at short notice, and it is proposed this steering group will work up further plans in the coming weeks. The scheme was announced nationally on the 4<sup>th</sup> of Oct as being available from Local Authorities prior to Local Authorities being notified of their funding entitlement and the grant criteria.

Aside from applications for support, authorities have the flexibility within the scheme to identify which vulnerable households are in most need of support and apply their own discretion when identifying eligibility. Authorities can request applications for support or can proactively identify households who may benefit or can take a mixture of the two approaches. Rather than focus on one specific vulnerable group, we are advised to use the wide range of data and sources of information at our disposal to identify and provide support to a broad cross section of vulnerable households in our area

## **2 Background**

2.1 The onset of COVID-19 in March 2020 led to the Council receiving a number of short term grants from different central government departments be it the Department of Health and Social Care (DHSC), the Department for Environment, Food & Rural Affairs (DEFRA), the Ministry of Housing, Communities and Local Government (MHCLG) (now the Department for Levelling Up, Housing and Communities (DLUHC)) or the DWP all of which have or had objectives to support the most vulnerable people. These schemes serve similar groups of people, but often:

- Have different criteria
- Have different application routes
- Have different decision-making processes
- Provide funding in different ways (e.g. goods, grant, loan, credit)

This complexity of grant arrangements by Central Government and the administration of these grant(s) by the Council can manifest itself in a poor experience for the people applying who are facing hardship and for partners in the VCS looking to support people to access these funds. COVID has challenged us to look at things differently and we have centralised our COVID grants in to a “Single Door” approach so that the person experiencing a COVID crisis doesn’t have to navigate and research these schemes themselves. We have also improved our back office and finance processes to ensure people who apply successfully receive funds promptly.

### Delivery Plan

3

The delivery plan proposes 3 workstreams in order for the Council to have the flexibility to identify which vulnerable households are in most need of support and apply our own discretion when identifying eligibility:

1. Reactive - Where people can apply for support when they need it.
2. Proactive- Where we identify households who may benefit from support.
3. Strategic - Where we review of the purpose, policy, and approach of all the Councils existing hardship schemes, with a view to a “Single Door Approach”, whilst maintaining statutory schemes.

Table 1: Household Support Fund proposed spending plan

Household Support Fund Estimated Costs	
Proactive awards to targeted cohort	£2,765,000.00
Reactive awards via application scheme	£1,205,136.56
Not yet allocated	£900,000.00
Admin costs	£333,689.00
Total	£5,203,825.56

3.1

Please note that these figures are estimates based on the best information available at the time of writing. The actual costs incurred may vary.

The 'Not yet allocated' figure of £900k relates to a decision that at the point of submitting the initial Leader report and the spending plan to the DWP was still unknown, as we were awaiting guidance from the DWP about if this fund could be used to purchase vouchers to support food for children in the April 2022 Easter school holidays. We have received a response stating that the fund terms and conditions do allow for this and so this is how the unallocated amount will be spent. The use of 'Not yet allocated' is to maintain consistency with the spending plan.

### 3.2 **Reactive**

The Council is currently spending approximately £45k per month on Emergency Assistance Grants to individuals through its Contain Outbreak Management Fund. We propose the Council use £1.8m of the HSF to fund a continuation of hardship grants for single adults and families with or without children using the existing Community Support Helpline. This will allow the Council to use existing infrastructure, built during the COVID pandemic to provide support to the most vulnerable. The customer must have at first applied for other statutory funds, i.e. discretionary housing payments, council tax support, homelessness prevention grant, which will enable us to avoid using an administration heavy application process.

This team will act as navigators providing grants where appropriate but using their knowledge of the system to navigate people through it either with a 7-point holistic assessment of need with a potential onward referral to a community support worker, by linking back in with VCS support service where appropriate or by supporting them to apply for the correct statutory grant. The VCS will continue to be offered a trusted assessor service and we will continue to consult with the VCS regularly so it can apply its knowledge/expertise to the ongoing delivery of the fund.

### 3.3 **Application Criteria**

We have the flexibility within the scheme to identify which vulnerable households are in most need of support and apply our own discretion when identifying eligibility. There is no requirement for Authorities to undertake a means test or conduct a benefit check unless this is set out in our local eligibility criteria. With this in mind, we will work to the following points to establish eligibility:

- Need to live in Sheffield
- Are struggling to afford food and other essentials
- Will need to evidence hardship within reason, although we need to be able to apply discretion where it is difficult to evidence.
- Must have at first applied for other statutory funds, i.e., discretionary housing payments, council tax support, homelessness prevention grant
- Those with no recourse to public funds are eligible for support

### 3.4 **Proactive**

It is proposed that the council use £2.76m of this grant for the purpose of providing free school meal vouchers to those eligible for free school meals during October half-term, over Christmas, February half term and April Easter

half term. Please note the free school meals for the October half-term were approved by the Leader on the 14 October 2021.

#### Targeted Cohort

- Families who claim income based Free School Meals
- Families who get income assessed Early Years Support (2-4 year olds)
- Young people leaving their care setting (Care Leavers)
- Families with children accessing support through section 17 in social care.

3.5

Edenred was chosen as the supplier of supermarket school meals vouchers for school holidays via a procurement exercise and provided vouchers in last year. The Edenred contract is effectively an exchange service whereby school meal vouchers are provided/exchanged at full value i.e. a £15 voucher costs SCC £15.

Our dedicated Free School Meals national call-off contract with Edenred runs until June 2023 and is not capped in terms of monetary amounts going through the contract. It is therefore commercially and operationally prudent to continue with this arrangement to fulfil this and future school meal holiday voucher initiatives whilst the call-off is live.

Table 2: Free School Meals Plan

3.6

Period	Cohort Size	Weekly payment
October half term (25-29 October)	29,500 Families within Children	£15
Christmas 20-31st December	30,000 Families with Children	£15 (two weeks)
Additional Payment over Xmas	Extra payment to 30,000 families to support Utilities/bills	£20 (for two weeks)
February half term 14-18th Feb	30,000 Families with Children	£15
April Easter half term 2nd – 18th April 2022	30,000 Families with Children	£15 (two weeks)

An additional £300k fund is to be used for Families with children accessing support through section 17 in Social Care.

Section 17 of Children's Act 1989 places a general duty on local authorities to safeguard and promote the welfare of children in need. An important part of



this duty is to promote the child's upbringing by their families. Section 17 support can include a wide range of services but usually includes accommodation and/or essential living expenses.

Migrant families seeking support from the local authority will normally need such support where they have no recourse to public funds, are not able to access asylum support and are destitute. The local authority must carry out a 'child in need' assessment for migrant families who cannot support themselves and become destitute. They can provide emergency support while carrying out an assessment if the child's welfare is at risk

### 3.7 **Strategic Planning**

Alongside the immediate delivery of the Household Support is the need to consider the Household Support and other hardship funds in response to the Poverty Summit. In order to access the Household Support fund, the applicant needs to at first have applied for one of the statutory funds outlined below. Below outlines an initial approach proposed to run concurrently with the delivery of the household support fund:

1. Review the administration of all hardship funds within the council to ensure perspectives and experiences of people who are/ or have experienced poverty are involved in ongoing and future service design.
2. Review the administration of all other Hardship related funds, including Local Assistance Scheme, Council Tax Support, Discretionary Housing Payments and the Homelessness Prevention Grant with a view to reducing overall administrative costs and ensuring there is no duplication.
3. A more fundamental review of the purpose, policy, and approach of all of the schemes in scope, with a view to a "Single Door Approach", whilst maintaining statutory schemes.

### **How Does This Decision Contribute?**

### 3.8

This decision supports the key outcomes from the Poverty Summit, by allowing us to proactively and reactively provide assistance to people suffering hardship when they most, alongside redesigning services to create a 'One-door' approach.

It also supports the one-year plan in its objective to support the Covid recovery for children and young people and in supporting our diverse communities in recovering from the impact of Covid by taking visible action to fight poverty and inequality.

### 3.9 **Has there been any consultation?**

Consultation has begun via the deep dive process in the Covid-19 Response Hub, where Officers meet with community representatives to talk about our Covid-19 response. We asked those groups to consider the following questions:

1. When reporting issues to the Council, relating to hardship or crisis, what barriers have you experienced?
2. Do you know how to ask for help and what help is available if you were to experience hardship or crisis?
3. What do you think the Council could do to make it easier if you were to need support from us?
4. If you had lots of different issues that you needed support with, who would you contact and would you expect your issues to be dealt with in one contact? Or would you expect to have to speak to lots of different people.

## **4 Risk Analysis and Implications of the Decisions**

### **4.1 Equality of Opportunity Implications**

The overall proposal is supportive of the aims of the Public Sector Equality Duty, established through the Equality Act 2010, which requires the Council, in the exercise of its functions to have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

It will be particularly effective in reducing discrimination against and victimisation of people who are experiencing more than one disadvantage.

The Public Sector Equality Duty (S149 of the Equality Act 2010) requires us to pay due regard when making decisions. An Equality Impact Assessment has been started and initially highlights that nature of the Covid-19 virus has not been felt evenly across all communities and what we have seen is there is a strong relationship between socio-economic disadvantage and health inequality which will be further compounded by the economic outfall as the 'financial cliff edge' impacts.

Supporting people financially when they experience a crisis is a key component to preventing further hardship that they may be unable to recover

from if help is not provided. We recognise that groups in our communities who are already more affected by inequalities are more likely to need financial support, we will work to ensure that our support is directed towards those who need it most.

Equality implications will be monitored against awards made and they will be considered as part of the ongoing delivery of the scheme coordinated by a Household Support Fund Steering Group.

## **5 Financial and Commercial Implications**

### **5.1 Household Support Fund Grant (£5.204m)**

Table 1 (Para 3.1) summarise the main expenditure headings.

Key features (not exclusive) of the DWP draft terms and conditions are summarised below. The Grant Manager will need to read, understand and comply with all of the grant terms and conditions and will need to ensure that there are no ongoing unfunded costs once the grant has ended.

- Grant duration: 06/10/21 to 31/3/22
- At least 50% to be spent on families with children.
- Grant primarily to support households in most need with food, energy and water bills. Support households with essential costs related to those items with wider essential costs.
- In exceptional cases / emergency, it can support housing costs where existing housing support schemes do not meet exceptional need.
- SCC cannot carry forward any underspends from previous DWP grants.
- Grant is subject to clawback if terms /conditions are not complied with
- SCC must have regard to DWP guidance issued / information and data available that may assist in decision-making.
- Eligible expenditure is payments made/committed during the Grant Period.
- Unless the funder states otherwise, SCC to determine individual eligibility for assistance and the means of provision and target support as follows:

**1. At least 50% of the grant is allocated to support households that include:**

- a person who will be under 19 as at 31/3/22 or
- a person aged 19+ receiving a child-related benefit / free school meals during the Grant Period, and

## **2. Up to 50% of the grant to assist other households.**

- SCC to ensure grant is primarily allocated to support costs of food, energy, water, other essential living needs as per Scheme guidance.
  - In exceptional circumstances of genuine emergency, SCC may use grant funds to support housing costs as per Scheme guidance.
  - Certain cost are to be excluded from eligible expenditure by SCC/ third parties (see grant details) including input VAT reclaimable.
  - SCC must not deliberately incur liabilities for expenditure before there is an operational need to do so.
  - Grant paid in arrears after submitting a Statement of Grant Usage (S151 officer) along with a Progress Report and MI Return
  - Grant may be subject to External Audit.
  - SCC must maintain accurate accounting records (for at least 7 years)
- Public sector procurement is governed by and must be compliant with both the grant terms and conditions and UK National Law. In addition, all procurement in Sheffield City Council must comply with its own Procurement Policy, and internal regulations known as 'Contracts Standing Orders' (CSOs).
- Contracts Standing Orders requirements will apply in full to the procurement of services, goods or works utilising grants. All grant monies must be treated in the same way as any other Council monies and any requirement to purchase/acquire services, goods or works must go via a competitive process.

### **4.1 Legal Implications**

The grant funding will be paid to the Council via Section 31 of the Local Government Act 2003.

The Council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by

other legislation and the power is exercised in accordance with the limitations specified in the Act, this gives the Council the ability to accept the funding from the DWP and to administer the scheme and provide assistance to households most in need.

Under the Childcare Act 2006, local authorities have a duty in relation to the wellbeing of young children.

Underspend from previous DWP grants cannot be carried forward and any unspent funding cannot be held over for future usage.

The Council should ensure that all spend it in accordance with the eligibility criteria.

The Council must ensure that all Statements of Grant Usage and MI returns are submitted in accordance with the guidance and by the deadlines stated. Failure to make the returns may result in the grant payment being delayed or refused.

The Council will need to consider appropriate checks to determine the eligibility and the identity of each applicant and how payments should be made to individuals to reduce the risk of fraud. The DWP must be notified if the Council suspects fraud or financial irregularity.

The DWP have the ability to reduce, suspend, withhold or require repayment of the grant should the Council fail to comply with the grant's terms and conditions or if any overpayment is made.

The Council, if appropriate and practical to do so, must reference that the grant is funded by the DWP or UK Government in any publicity material, this includes but is not limited to online channels and media releases.

The DWP will continue to share their data with authorities who have signed the MoU which relates to data sharing. If the Council wishes to receive this data, then they must ensure that they have signed the 2020/21 MoU and that they sign the revised version when it is received.

The funds should not be used for any economic undertaking, however when working with other organisations, Subsidy Control should be considered, and the rules around Subsidy Control complied with.

The Council must comply with their Public Sector Equality Duty under the Equality Act 2010.

The Council must comply with the Contracts Standing Orders and the Public Contracts Regulations where applicable, this includes but is not limited to the purchasing of the free school meal vouchers.

The documents provided to the Council are draft, if further guidance is provided for the scheme or when the final documents are received, then these should be provided to legal to review.

## **5 Alternative Options Considered**

Officers did discuss not receiving the funding, but it was accepted that this fund will hugely benefit those suffering hardship when they need it most.

This report describes what officers believe to be the best way of delivering the Household Support Fund. However, this will be kept under review and the approach described may need to change.

## **6 Reasons for Recommendations**

The recommendations described in this report will enable Sheffield City Council to expend funds incurred in relation to Hardship which will support the most vulnerable to meet immediate needs and help those who are struggling to afford food, energy and water bills, and other related essentials over the Winter period.