



## Report to Policy Committee

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**Report of:** *Executive Director: Ajman Ali, Operational Services and John Macilwraith, People Services*

**Report to:** *Strategy and Resources Policy Committee*

**Date of Decision:** *5<sup>th</sup> July, 2022*

**Subject:** *Household Support Fund*

|   |     |                                     |    |                                     |
|---|-----|-------------------------------------|----|-------------------------------------|
| Has an Equality Impact Assessment (EIA) been undertaken?  | Yes | <input checked="" type="checkbox"/> | No | <input type="checkbox"/>            |
| If YES, what EIA reference number has it been given? 977  |     |                                     |    |                                     |
| Has appropriate consultation taken place?   | Yes | <input checked="" type="checkbox"/> | No | <input type="checkbox"/>            |
| Has a Climate Impact Assessment (CIA) been undertaken?  | Yes | <input type="checkbox"/>            | No | <input checked="" type="checkbox"/> |
| Does the report contain confidential or exempt information?   | Yes | <input type="checkbox"/>            | No | <input checked="" type="checkbox"/> |
| If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-   |     |                                     |    |                                     |
| <p><i>"The (<b>report/appendix</b>) is not for publication because it contains exempt information under Paragraph (<b>insert relevant paragraph number</b>) of Schedule 12A of the Local Government Act 1972 (as amended)."</i></p> |     |                                     |    |                                     |

### Purpose of Report:

1. To update the Committee of the latest and future allocation of funding received from the Department of Work and Pensions (DWP) known as the Household Support Fund (HSF).
2. To seek approval from the Strategy and Resources Committee to spend the Housing Support Funding from DWP in line with the spending plan detailed in this report and, following the same spending priorities that have been previously undertaken through Housing Support funding.
3. To inform the Committee of a new requirement, to deliver at least one third of the fund to households, to pension age individuals.

**Recommendations:**

It is recommended that the Strategy and Resources Committee:

1. Approves delivery of a programme of support funded from the Household Support Funding for the period 1 April 2022 to 30 September 2022 in line with this report from the allocations totalling £5.204m from the Department for Work and Pensions (DWP).
2. Subject to the Department of Work and Pensions guidance and grant eligibility of spend remaining the same for the period from 1 October 2022 to 31 March 2023, approves delivery of a programme of support funded from the Household Support Fund for that period in line with this report from the allocations for that period in the same proportions as outlined in this report.

**Background Papers:**

Form 2 dated 19 November 2021 which gave approval for the delivery plan of which the delivery plan in this document is based upon. [Form2 Household Support Fund 28102021 FINAL 003.pdf \(sheffield.gov.uk\)](#)

[Household Support Fund \(1 April 2022 to 30 September 2022\): final guidance for county councils and unitary authorities in England - GOV.UK \(www.gov.uk\)](#)

| 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: <i>Ryan Keyworth</i><br><i>Director of Finance and Commercial Services</i>                |
|                            |   | Legal: <i>David Hollis</i><br><i>Assistant Director, Legal and Governance Services</i>             |
|                            |   | Equalities & Consultation: <i>Adele Robinson,</i><br><i>Equalities and Engagement Manager</i>      |
|                            |   | Climate: <i>N/A</i>  |
|                            | <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                          | <b>EMT member who approved submission:</b>  | <i>John Macilwraith, Ajman Ali</i>   |
| 3                          | <b>Committee Chair consulted:</b>   | <i>Julie Grocutt, Deputy Leader</i>  |
| 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 Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1. |  |
|                            | <b>Lead Officer Name:</b><br><i>Janet Sharpe</i><br><br><i>Carly Speechley</i>  | <b>Job Title:</b><br><i>Director of Housing</i><br><br><i>Director for Children's and Families</i> |
|                            | <b>Date:</b> <i>30<sup>th</sup> June, 2022</i>  |  |

## 1. PROPOSAL

### 1.1 Introduction

The Department of Work and Pensions (DWP) has been providing Household Support Fund to local authorities since October 2021 to provide emergency support for vulnerable households. The funding aims to assist households via small grants administered by Sheffield City Council to meet daily needs such as food, clothing, and utilities where these cannot be afforded by households or where other local hardship support cannot be secured. Local Authorities are responsible for delivering 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 originally announced to the public on the 4th of October 2021. Sheffield received as part of its original allocation of £5.2m of Housing Support Funding which was utilised following DWP guidance where at least 50% (£2.6m) of the total funding needed to be spent on families with children with the remaining 50% to be used to emergency family and individual support.

In the first round of funding, the Household Support Fund was split into two elements, families with children and individuals. This was a stipulation set out in the scheme guidance from the Department for Work and Pensions which stated the following:

*Authorities should develop a 'local eligibility framework and approach' to enable them to distribute grant funding that best supports households most in need. At least 50% of the funding is for vulnerable households with children. The remainder of the funding (up to 50%) is available for vulnerable households without children (including individuals).*

To satisfy this requirement, the Council made a decision to target families with children who are eligible for Free School Meals. Free school meals (FSM) is one of the strongest proxy indicators of social deprivation for pupils in school.

The FSM data is objective and updated daily for our pupils, making it the ideal data set to allocate funding. An average of 31% of pupils in Sheffield are eligible for FSM, with the numbers increasing.

DWP have awarded a further round of Housing Support Funding for Local Authorities which will provide much needed funding for the period 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2022 inclusive. Sheffield City Council has been awarded £5.204m for this period and it has been announced that the Council will receive a similar amount to be distributed during the period to cover October 2022 to March 2023. The guidance and eligibility for that period has not yet been published by DWP.

The report also updates the Committee on the wider review of all of the discretionary hardship funds as a corporate exercise that was committed to in the report of 19 November 2021.

The Council has brought together a cross Portfolio team led by the Director of Children's and Families and the Director of Housing to guide the delivery of the previous round of funding and to develop this delivery plan.

## **1.2 The following is an update on how the funding has been used since October 2021:**

### Reactive spend

The Council spent £1,286,687.77 on the re-active element of the scheme from October 2021 to 31<sup>st</sup> March 2022, this money has directly supported those in financial hardship via an application process with a direct payment, either direct to their bank account, or in urgent cases using cash or vouchers.

### Proactive Spend

A programme of support for School Children has also been provided. The Council has used this funding to provide food vouchers to the following categories since October 2021.

- Families who claim income-based Free School Meals.
- Families who get income-assessed Early Years Support.
- Young people leaving their care setting (Care Leavers).

From 6<sup>th</sup> November 2021 when the scheme went live, the Council has provided 121,000 awards to vulnerable children and households totalling £3,630,000.

The Council's total spend during the period from October 2021 to 31<sup>st</sup> March 2022 was £4,933,805.74 including the Council's administrative fees.

## **1.3 Delivery Plan: 2022/23 Spend Proposals**

The Delivery Plan for the next 2 tranches of this funding for 2022/23 will be used as follows:

### Reactive Planning

The delivery plan proposes to follow the DWP guidance and allocate around one third of the fund (£1,678,665) in the first tranche to the application process reactive element of the grant. In line with how previous grants have been allocated, this will be delivered through the Council's

Community Helpline, which is also delivering the discretionary element of the Energy rebate scheme.

It is proposed that subject to the eligibility and guidance being the same this arrangement is also adopted for the tranche 2 between October 22 – March 23 to allow for uninterrupted delivery of the application process.

### Proactive Planning

#### Pensioner Element

In line with the DWP grant guidance and eligibility that confirmed that one third of the fund in tranche 1 (April 2022 – September 2022) must be allocated to households with pensioners, it is proposed the pension age households experiencing hardship are targeted with a one-off direct payment of £100.

The Council will be using Housing Benefit and Council Tax Support records which are held by the Council to identify pension age households in the city who are experiencing financial hardship. There are currently just over 17,000 pension age households in the city who receive an award of Housing Benefit and/or Council Tax Support.

Awards of £100 per household can be made to these 17,000 financially vulnerable pension age households directly to their bank account where the Council holds their bank details that are used to pay their Council Tax by Direct Debit, or using the Post Office Pay-out service, where the Council does not hold the households bank details.

The Post Office Pay-out system allows the Council to send a letter which includes a barcode, to the households, and the recipient can take this letter to the Post Office and redeem it for the £100 payment. The Council has used this method to pay the Council Tax Energy Rebate to 80,000 households.

It is also proposed that subject to the eligibility and guidance being the same in tranche 2 (October 2022 - March 2023) the same delivery method is adopted.

#### **1.4 Families with Children 1<sup>st</sup> April 2022 – 31<sup>st</sup> March 2023**

The further extension of the Housing Support Fund provides an excellent opportunity to extend the family support element of the scheme to 31<sup>st</sup> March 2023. This report recommends the same level of funding as has previously been awarded with at least one third to families with children. Subject to the guidance and eligibility being the same the delivery plan can be designed to cover the full 12 month period rather than just the 6 months to 30<sup>th</sup> September 2022 so that all school holidays can be planned with this support which will be welcomed by families with children and for our most vulnerable young people leaving care.

It is proposed that the Council continues to allocate, using the existing cohort of families with children who receive a food voucher, at £15 per week, the funding unfortunately is not sufficient to cover the cost of all vouchers considering the new requirement to provide a third to households with pensioners. It is therefore proposed that in the summer holidays, the total award is reduced to £50 from £90, this reduced the spend on summer holidays will reduce the spend from £2.9m to £1.6m.

The total amount allocated to this element would be £3,533,332.

The table below gives the structured delivery plan for the voucher element per school holiday.

| <b>Holiday</b>                         | <b>Number of weeks</b> | <b>Total Cost - £</b> |
|--|------------------------|-----------------------|
| <b>October half-term<br/>(32,000)</b>  | 1                      | 500,000               |
| <b>Christmas<br/>(32,000)</b>          | 2                      | 980,000               |
| <b>February half-term<br/>(32,000)</b> | 1                      | 500,000               |

This funding requirement is £54,668 short of the total required amount. This would be covered by a slight reduction in the amount available to the reactive element.

### **Future Strategic Planning**

The previous approval of the delivery plan and acceptance of the Household Support Fund grant committed to a review of the Council's financial hardship funds to ensure that it is understood how we are supporting our most vulnerable in the city and to ensure they are administered in a way that is efficient and speeds up the process for allocating funding to those that are in urgent need.

This work is being led by Janet Sharpe, Director of Housing and, Carly Speechley, Director of Children and Families Services and once the work is concluded will bring a report to the Council's Strategy and Resources Committee. The chairs of both the Housing Policy Committee and, Children's Policy Committee will be consulted on as part of this work to ensure this aligns with the work being undertaken in these Committees. A Council project team with leads from each Council portfolio is now in place

to complete the review of existing funding and their use and will complete by the end of March 2023. This work forms part of the commitment in the One Year Plan for Early Intervention and Prevention.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1** This decision supports the Council's outcomes from the City's Poverty Summit and provides a much-needed response to the Cost-of-Living Crisis, by allowing the Council and working alongside strategic partners to support proactively and reactively those facing significant hardship, alongside adopting the benefits of establishing a 'One-door' approach to access emergency hardship funding. It also supports the one-year plan in its objective to support the Covid recovery response and supporting our diverse communities by taking visible action to fight poverty and inequality.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1** The Council has carried out extensive consultation and communication with a range of strategic partners and, customers accessing essential hardship funding to ensure the Housing Support Funding is targeted at those in the most urgent need of support. Additional support has also been put in place for our most vulnerable as part of the delivery of mainstream support services and, the work that is undertaken through the voluntary sector and community-based organisation to ensure that those that are in need of support are helped to access the funding that is available.

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality 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.

## **4.2 Financial and Commercial Implications**

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

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.

The Housing Support Grant will be spent in line with DWP guidance and as set out in section 1.3 above in that:

The Grant – 1<sup>st</sup> April to 30<sup>th</sup> September 2022 will be used to provide essential support:

- One third to be spent on vulnerable pensioners facing hardship
- One third to be spent on families with children
- One third to be spend on vulnerable households, 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 unless agreed by DWP.
- 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

#### 4.3

##### **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.

There are no specific powers or functions that would support the families with children and pensioner elements of this report, so the general power is the appropriate power.

The individual applications may require payments to be made under other legislation and that will need to be considered in the light of those applications.

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

As these awards are being made to individuals and not economic entities there are no Subsidy Control implications.

#### 4.4 **Other Implications**

### **5. ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 This report provides a detailed proposal and delivery that officers, in consultation with elected members, believe to be the best way of delivering the Household Support Fund

### **6. REASONS FOR RECOMMENDATIONS**

- 6.1 The recommendations presented to the Strategy and Resources Committee will enable Sheffield City Council to provide the funds to support vulnerable households in the city to meet immediate needs and help those who are struggling to afford food, energy and water bills, and other related essentials through the cost of living crisis.