



Report to Policy Committee

Author/Lead Officer of Report: Keith Leyland

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Report of: Director of Policy and Democratic Engagement
Report to: Strategy and Resources Policy Committee
Date of Decision: 13 December 2023
Subject: Cost of Living response funding update

Type of Equality Impact Assessment (EIA) undertaken	Initial <input type="checkbox"/>	Full <input checked="" type="checkbox"/>
Insert EIA reference number and attach EIA: 2211		
Has appropriate consultation/engagement 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“The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended).”</i></p>		

Purpose of Report:

The purpose of this report is to provide an update on the cross-city Cost of Living response, including the Winter Plan. It also provides an update on plans to spend a previously ringfenced fund from the Household Support Fund (delegated to the Director of Communities) and sets out the approach that responds to recent Full Council motions.

Recommendations:

It is recommended that this Committee notes the approach outlined in this report that responds to recent relevant Full Council motions.

It is recommended that this Committee notes the report's update on amounts previously ringfenced from the Household Support Fund and the plan to allocate amounts that are now available to the application scheme.

It is recommended that this Committee approves the adjusted ring fenced spend and notes it as being consistent with the delegation to the Director of Communities in the 12 July 2023 Strategy and Resources Committee report.

Background Papers:

(Insert details of any background papers used in the compilation of the report.)

Report to S&R Committee- Household Support Fund, Alex Westran Operational Manager – Cost of Living Support Hub - 12th July 2023

Report to S&R Committee- Further enhancing support to Sheffield's communities through the Cost of Living Crisis, Cat Arnold - 12th July 2023

Appendix 1 Cost of Living Winter Plan 31st October 2023

Appendix 2 Further details of Household Support Fund Ringfenced Amount

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.
	Finance: Matthew Ardern
	Legal: Marcia McFarlane
	Equalities & Consultation: Ed Sexton
	Climate:
	<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	SLB member who approved submission: James Henderson, Director of Policy and Democratic Engagement
3	Committee Chair consulted: Cllr Tom Hunt, Leader of the Council and Chair of Strategy and Resources Committee
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 SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
Lead Officer Name: James Henderson	Job Title: Director of Policy and Democratic Engagement
Date: 04/12/2023	

1.	Proposal
1.1	<p>Cost of Living response update: Winter Plan</p> <p>The cost-of-living response update report and action plan that went to the Strategy and Resources Committee (S&R Committee) in July 2023, sets out the next steps for the cost of living response, based on feedback from colleagues and partners across the city. That report committed to providing this committee with further details on operational plans for the winter period specifically, given the challenges associated with colder weather and increased costs. The Winter Plan in Appendix 1 sets this out in detail and includes activity in the following areas:</p>
1.2	<ul style="list-style-type: none"> • work to build and sustain Welcome Places • our communications plan and promoting the support available to individuals – this includes a simplified, updated leaflet and a campaign to encourage residents to seek support • facilitating the definition of a clear ‘ask’ from voluntary sector organisations to businesses who want to offer support to communities • interventions designed to make our SCC systems work better for people in crisis and before they reach crisis point • cross-departmental collaboration on preparations for responding to winter pressures • closer working with schools and Children’s services • access to affordable food and debt advice.
1.3	<p>Household Support Fund update</p> <p>The update on the Household Support Fund presented to the 12th July 2023 S&R Committee meeting identified £702,151 that would be set aside as a ringfenced amount to be used in the period July 2023 to March 2024. The Committee delegated decisions on how £700,000 of the ring-fenced amount should be spent, to the Director of Communities taking the decision in consultation with the Director of Finance and General Counsel. So far, the ring-fenced amount has not been spent but areas for spend have been identified and detailed later in this report.</p>
1.4	<p>The available ringfenced amount has changed to £666,390.90 which is the total shown in Table A. The table sets out components to this ringfenced amount and includes the correct figure for an inaccurate entry in the 12th July</p>

	<p>2023 report to this Committee. The table also includes more accurate predictions for additional reimbursements and uncashed vouchers that the council expects to receive. For completeness, the summary and tables at Appendix 2 explains the entry that was corrected and included in Table A.</p>
1.5	<p>Approach to Full Council Motions</p> <p>There have been two recent Full Council motions relating to the Cost-of-Living response.</p>
1.6	<p><u>The first motion:</u></p> <p>requested that the Strategy and Resources Policy Committee considered allocating from unallocated resources from the 2023/24 budget setting process:-</p> <ul style="list-style-type: none"> (i) £200k in additional grant funding to Citizens Advice Services, to expand their employment of Volunteer Trainers and provide increased face to face support; and (ii) £400k in additional citywide LAC funding, to be allocated by Indices of Multiple Deprivation and spent on the response to the Cost of Living crisis;
1.7	<p>Whilst no un-allocated funds have been identified, there was an existing £400,000 allocated to LACs in the 2023-24 budget to respond to the Cost-of-Living crisis. Each LAC has been considering how to spend their allocation and most have allocated a portion of their fund to Citizens Advice. This has resulted in £169,852 grant funding to Citizens Advice Sheffield for extra capacity for their city-wide freephone Advice Line.</p>
1.8	<p><u>The second motion:</u></p> <p>4th October 2023 Full Council motion:</p> <p>that Strategy & Resources Policy Committee look at fully costed proposals to help put cash in people’s pockets at Christmas, increasing and extending direct awards to those who most need it, with a report to Strategy and Resources setting out further options as soon as possible.</p>
1.9	<p>This motion included a request to consider targeted payments to low-income families who are not in receipt of benefits or free school meals. Officers have explored this but do not have the data available to target this cohort directly. However, the application scheme (where people can apply for hardship grants for essentials) is open to people who are not in receipt of means tested benefits and the amount awarded increases for families with children. Currently, 80% of applicants to the Household Support Fund are ‘families with children’.</p>

1.10	Mindful of this, the Director of Communities has decided to allocate the available ring-fenced amount i.e. £666,390.90 (see table A below) to the application scheme. This seems the most equitable way of meeting the objectives of the Full Council motion and ensuring money goes into pockets of people in crisis.												
1.11	This allocation also ensures there is enough in the application fund to meet need. We have seen a significant increase in demand for the Household Support Fund. The average number of applications received per day in November 2023 is 112, which is a 148% increase on last year. This year overall there is a 47% increase in applications compared to last year.												
1.12	The spending plan agreed for the Household Support Fund during the July 2023 S&R Committee, and the cohort analysis of people who are most affected by rising prices that accompanied it, has allowed the council to significantly speed up the application process for people in receipt of a means tested benefit. This is a cash first approach with the capability to put funds into people's pockets on the same day. This is proving to be the most equitable way to disburse these funds.												
1.13	We have also tried to identify children who are in receipt of Universal Credit (UC) but are ineligible for Free School Meal due to the low threshold (income of £7,400); this information is not made available to us by the DWP. However, we can see that this group comes to the council for support since 91% of payments are made to households in receipt a means tested benefit with the majority of those households being families.												
1.14	<i>Table A - showing updated estimations of available ringfenced amount (based on current figures):</i>												
	<table border="1"> <thead> <tr> <th data-bbox="352 1236 1145 1299">Expected returns/reimbursement</th> <th data-bbox="1152 1236 1417 1299">November 2023</th> </tr> </thead> <tbody> <tr> <td data-bbox="352 1308 1145 1370">Previously ringfenced amount (revised) - see Appendix 2</td> <td data-bbox="1152 1308 1417 1370">207,151</td> </tr> <tr> <td data-bbox="352 1379 1145 1415">Expected FSM returns</td> <td data-bbox="1152 1379 1417 1415">376,689.90</td> </tr> <tr> <td data-bbox="352 1424 1145 1460">Local Assistance Scheme reimbursed</td> <td data-bbox="1152 1424 1417 1460">66,400</td> </tr> <tr> <td data-bbox="352 1469 1145 1505">Expected target voucher returns</td> <td data-bbox="1152 1469 1417 1505">16,150</td> </tr> <tr> <td data-bbox="352 1514 1145 1585">Total</td> <td data-bbox="1152 1514 1417 1585">666,390.90</td> </tr> </tbody> </table>	Expected returns/reimbursement	November 2023	Previously ringfenced amount (revised) - see Appendix 2	207,151	Expected FSM returns	376,689.90	Local Assistance Scheme reimbursed	66,400	Expected target voucher returns	16,150	Total	666,390.90
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1.15	<p data-bbox="339 1675 1417 1706">The Future of the Household Support Fund</p> <p data-bbox="339 1738 1417 1921">The Government indicated in the Autumn Statement that the Household Support Fund will not continue beyond March 2024. This will have implications for both the application scheme and the holiday Free School Meal vouchers that the HSF has been funding. Work is currently underway to consider future options.</p>												

<p>1.16</p> <p>1.17</p> <p>1.18</p> <p>1.19</p>	<p>Community Support Helpline access over holiday shutdown</p> <p>Over the Christmas period, the Community Support Helpline will deal with immediate need for support in crisis situations. It will be open on the 3 shutdown days between Christmas and New Year. These are the 27th 28th 29th December with normal opening times 8:30am-5:30pm.</p> <p>Those with no food and/or no energy and no way to get any will be able to call us for support, and we will be able to provide payments via the Paypoint system, which will be accessible from the point of application.</p> <p>The helpline will be closed on the following dates:</p> <ul style="list-style-type: none"> • 23rd 24th 25th 26th December • 30th 31st and 1st December <p>Universal Credit Migration date – February 2024</p> <p>Universal Credit (UC) was introduced a number of years ago, with new claimants or those with change of circumstances claiming UC rather than legacy benefits. The ‘migration’ of existing claimants on legacy benefits has been repeatedly delayed. DWP has just announced that Sheffield will see the beginning of this process in February 2024. It will impact claimants only on Tax Credits, of which there are 17,366 in South Yorkshire (Sheffield figures not yet know): they will be invited to apply for Universal Credit and their existing tax credits will be ended.</p> <p>There is support to claim UC from Citizens Advice helpline and DWP staff. Cost of Living communications will include messages about the UC migration and encourage residents to act on any letters they receive to prevent their benefits from being stopped. There has been close partnership working between SCC, DWP Partnership Team, Citizens Advice and VCS partners since the introduction of UC.</p>
<p>2.</p> <p>2.1</p> <p>2.2</p>	<p>HOW DOES THIS DECISION CONTRIBUTE?</p> <p>It contributes directly to addressing the following two key strategic issues outlined in the Strategic Framework report:</p> <ul style="list-style-type: none"> • City leadership – collaborating with partners to shape our future. • Team around the community / neighbourhood working. <p>It also outlines the continuation and development of work which reduces inequality and poverty and addresses the following two corporate delivery plan objectives:</p> <ul style="list-style-type: none"> • Strong and connected neighbourhoods which people are happy to call home. • Tackling inequalities and supporting people through the cost-of-living crisis.

3.	HAS THERE BEEN ANY CONSULTATION?
3.1	Our response is continuously developing and adapting based on the insight from our staff, public service and VCF partners on the impact on our communities and businesses.
4.	RISK ANALYSIS AND IMPLICATIONS OF THE DECISION
4.1	<u>Equality Implications</u>
4.1.1	Use and distribution of the HSF directly supports the Council’s legal responsibilities under the Public Sector Equality Duty (e.g., to advance equality of opportunity) and its own Equality Objectives and other policy commitments (e.g., to recognise poverty and financial exclusion as causes and symptoms of inequality).
4.1.2	Supporting people financially when they experience a crisis is a key component to preventing further hardship. We recognise that groups in our communities who are already more affected by inequalities, exacerbated by the unequal effects of COVID-19 and the cost-of living crisis, are more likely to need financial support.
4.1.3	The Equality Impact Assessment has been reviewed to reflect the decision to allocate the ringfenced amount to the application scheme. 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	<u>Financial and Commercial Implications</u>
4.2.1	Expenditure being incurred in relation to the recommendations of this report are to be met from with existing resources, forecast reimbursements and an expected level of uncashed vouchers. Therefore, the figure of £666k being quoted as available for use, may change as actual levels of reimbursement and uncashed vouchers are realised. The expenditure profile will need to be adjusted to reflect any changes and ensure no new financial burden is placed upon the Council as a result of these recommendations.
4.3	<u>Legal Implications</u>
4.3.1	<p>This report updates on proposed spend and use for the ring-fenced amounts (revised), from the 12th July 2023 report.</p> <p>Section 1 of the Localism Act 2010 allows the council to do anything an individual may generally do, provided it is not prohibited by other legislation; this general power must be used in accordance with the Act. The Council can use this general power to make proposed payments where there is no other power to do so.</p> <p>Payments must be made in accordance with Household Support Fund’s funding terms, approved criteria and spending plans. Any unspent funds cannot be held over for future usage.</p>

	<p>As these awards are being made to individuals and not enterprises there will be no Subsidy Control implications.</p> <p>The council must comply with all existing legislation including those relating to GDPR and Data Protection.</p>
5.	ALTERNATIVE OPTIONS CONSIDERED
5.1	Allocate the ringfenced amount to another aspect of the response. This was dismissed as it would not address the risks associated with increased demand for the application scheme and it would not help us to meet the objectives of the Full Council motions.
5.2	Target the ringfenced amount to specific groups. Dismissed, as outlined above because we were unable to obtain information that would allow us to make the targeted payments and people in this group are able to make an application for the household support fund.
6.	REASONS FOR RECOMMENDATIONS
6.1	The recommendations build on the commitments made by the Strategy and Resources Committee on 31 May 2022 and 5 June 2022 and 12 July 2023 to support Sheffielders through the Cost of Living crisis. Working with communities and partners across the city, the recommendations ensure that SCC will continue to play a leading role through the strategic and tactical incident-type response.

Appendices- included separately as background papers

Appendix 1 Cost of Living Winter Plan

Appendix 2 Further details of Household Support Fund Ringfenced Amount