

WEST NORTHAMPTONSHIRE COUNCIL CABINET

13 June 2023

**Cabinet Member for Adult Care, Wellbeing, and Health Integration:
Cllr Matt Golby**

Report Title	Household Support Fund 4
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List of Approvers

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List of Appendices

Appendix A – [DWP – Household Support Fund Guidance for County Councils and Unitary Authorities in England \(link to online resource\)](#)

1. Purpose of Report

- 1.1 The Household Support Fund (HSF or The Fund) 4 scheme (HSF4) has been announced by government officials as part of the continuation of the cost of living support packages. Allocations and guidelines for the scheme from the Department of Work and Pensions (DWP) were published on 21st February 2023.

1.2 West Northamptonshire Council (WNC) has been allocated £5,199,257 to distribute between 1st April 2023 and 31st March 2024.

1.3 This report sets out the preferred option for distribution of The Fund to complement the WNC Public Health Anti-Poverty Strategy and action plan; indicating how the scheme would be delivered to maximise the local impact building on learning from previous HSF schemes.

2. Executive Summary

2.1 As part of HSF4, WNC has been allocated £5,199,257 to distribute between 1st April 2023 and 31st March 2024. This fund is to be used to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials. It should be allocated to vulnerable households in most need of support according to DWP Guidelines (attached as Appendix A).

2.2 The proposed fund distribution in 2023/24 includes:

- a) 47% allocated to low-income families with children (those eligible for free school meals) with a majority focus on holiday food support,
- b) 32% in financial support to other vulnerable households or those experiencing significant hardship,
- c) 16% in voluntary sector grants to support food aid, energy saving measures, and money and debt advice, and
- d) the remaining 5% allocated for administration.

3. Recommendations

3.1 It is recommended that Cabinet:

- a) Approves the recommended plan for distribution of the allocated £5,199,257 HSF4, as set out in section 6 of this report.
- b) Agrees that any under-spend and/or unclaimed support vouchers in a particular category of spend may be re-allocated to other categories based on need and demand as agreed by the Director of Public Health and Cabinet Member.
- c) Note the proposed consultation period and pilot to explore use of support vouchers to access Food Clubs/Larders.

4. Reason for Recommendations

- *The options proposed aligns with the Department for Work and Pensions guidance and with the Council's Anti-poverty Strategy.*
- *The recommended allocations are based on learning from previous HSF schemes including demand for different types of support.*

5. Report Background

5.1 On 17th November 2022, as part of the Chancellor's Autumn Statement, the Government announced a further £842 million allocation to extend the HSF by a further 12 months from 1st April 2023 to 31st March 2024.

- 5.2 The additional funding is intended to be used by local authorities to support vulnerable households, following three successful HSF schemes which operated:
- December 2021 to March 2022 (referenced as HSF1)
 - April 2022 to September 2022 (HSF2)
 - October 2022 to March 2023 (HSF3).
- 5.3 Authorities are required to complete a delivery plan to outline their intentions for The Fund, clearly setting out their priorities and approach for use of The Fund, and to demonstrate the ways in which they intend to allocate their funding by 17th May 2023.

6. Issues and Choices

Working within the scope of the national guidance

- 6.1 Unitary Authorities have discretion on exactly how this funding is used within the scope set out in the DWP Guidance (Appendix A).
- 6.2 Key requirements of The Fund are that it:
- 6.2.1 is used to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials.
 - 6.2.2 is allocated to vulnerable households in most need of support, giving particular consideration to households ineligible for other government support with cost of living and ensuring needs of different household types are considered (e.g. children of all ages, pensioners, unpaid carers, care leavers and disabled people).
- 6.3 Much of the guidance for HSF4 replicates that for the previous schemes, with some exceptions:
- 6.3.1 While previously there was a requirement to offer application-based support, the guidance has now been strengthened to require that “...*application-based support is available throughout the duration of The Fund, either continuously over the majority of The Fund Period or in regular intervals throughout the scheme.*”
 - 6.3.2 Guidance on communications has been strengthened, including more specific guidance on how and when to advertise available support, making it mandatory that any publicity material for the scheme (including via online channels and media releases) makes clear that funding is being provided by the DWP or the UK Government.
 - 6.3.3 Funding for supplementary advice services, including debt and benefit advice, is now considered eligible spend within the HSF scheme. As the primary focus of this grant is on practical support, however, expenditure on such services is expected to be limited and linked to the provision of practical support.

Learning from previous HSF Schemes

- 6.4 Proposals set for delivery of the HSF4 use our learning from delivery of the previous HSF schemes.

- 6.5 During the delivery of HSF1 WNC were able to build a highly efficient on-line application portal which enabled residents to self-service their application rather than utilising the voluntary sector set up. In total we were able to distribute close to 100k food and fuel vouchers across Northamptonshire using this online application process.
- 6.6 For HSF2, WNC was able to distribute funds to households who evidenced that they were suffering poverty for both food and fuel poverty via front-line workers in voluntary organisations, in a system managed by the Northamptonshire Community Foundation (NCF). All elements of the distribution were successfully managed and over 95% of all allocated funds were distributed.
- 6.7 The third tranche of DWP funding, HSF3, was for just under £2.6 million and has supported approximately 17,500 households across West Northamptonshire. The recipients included families with school-aged children, food banks (to allow purchase of food parcels), people who are employed within households but receive a low income, and those experiencing crisis and vulnerability due to financial hardship (supported via appropriate voluntary organisations).

Principles and Objectives

- 6.8 One objective is that HSF4 will continue as seamlessly as possible from the end of HSF3 to maintain continuity of support; particularly with regards to the school holiday food vouchers which have been provided for the Easter Holidays (April 2023) in line with previous arrangements.
- 6.9 With HSF4, WNC has an opportunity to provide money and debt advice to those in receipt of hardship support, in addition to direct provision of energy saving measures to homes (e.g. insulation of hot water tanks, fitting draft excluders to a door, or replacing inefficient lightbulbs or white goods). As part of the transition to the end of the current Northamptonshire Energy Saving Service (NESS) project, WNC will ensure learning from this project is incorporated into our energy saving measures and advice proposal.
- 6.10 It is also acknowledged that HSF4 offers an opportunity to support, to a greater degree, families in extreme hardship to move from emergency aid to more sustainable support. This will be achieved through provision of money and debt advice targeted to those receiving support, as well as through a linked pilot of upscaling food larders – encouraging those who need to access food aid parcels, or are in receipt of vouchers to move on to membership of larders.

Proposed Allocation

- 6.11 The table below illustrates the proposed allocation of HSF 4 funds by type of household and type of support; with 47% allocated to low-income families with children with a majority focus on holiday food support, 32% in financial support to other vulnerable households or those experiencing significant hardship, and 16% in voluntary sector grants to support food aid, energy saving measures, and money and debt advice. The remaining 5% is allocated for administration.

Table 1. Proposed HSF4 Allocation for WNC

Cohort	Types of Support	Number of individuals/ households supported	Award value	Allocation	%	Admin cost	TOTAL
Families with children	School Holiday food vouchers	12,500 households at £15 per week for 12 weeks	£15	£2,250,000	47%	£90,000	
	Uniform voucher	12,500	£15	£187,500			
	Infant Formula (EIF) programme			£25,000			
Other households experiencing hardship	Online application bank transfer	1,500	£300	£450,000	32%	£60,000	
	Vouchers from food banks/VCSE front line	10,000	£120	£1,200,000		£72,000	
Voluntary Sector Grants	Food Bank capacity			£300,000	16%		
	Food Club/Larder capacity			£300,000		£39,000	
	Energy Saving Measures			£115,000			
	Advice Services			£110,758			
TOTAL				£4,938,258		£261,000	£5,199,258

Co-ordination and management

- 6.12 HSF schemes 1, 2 and 3 have been managed through the Recovery and Wellbeing Project team, operating within Public Health, due to the uncertainty in ongoing continuity. It has been agreed that the responsibility for HSF4 will be transitioned from a project delivery to a delivery through the core business-as-usual structure, managed variously (according to the relevant cohort/support type) by colleagues in Education, Communities, Revenues and Benefits.
- 6.13 A transition period of 3 months has been agreed from the current project delivery oversight team while business-as-usual structures are put in place.

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The Fund is incremental to the base budget for 2023/24. An administration/resourcing budget has been estimated at 5% for planning purposes, as allowed for in the DWP guidelines. All HSF4 monies are expected to be distributed into the community by the end of March 2024, if not before.

7.1.2 There are no direct resources or financial implications to Council's base budgets arising from the proposals.

7.2 **Legal**

There is a requirement for WNC to meet the grant conditions in distributing the Fund. Authorities must complete a delivery plan template provided by DWP and return with approval of the Cabinet Member and Section 151 Officer.

7.3 **Risk**

7.3.1 There is a risk of excess requests for use of funds, and therefore the grant will be exhausted. The mitigation has been to model allocation of funds based on demand in 2022/23 and to ensure funds are released in tranches throughout the year.

7.3.2 There is a risk of excess funds remaining prior to the closure of the scheme. The mitigation will be to provide regular tracking of the funds run rate and as the distribution rate is modelled early contingency arrangements can be put in place. This report also seeks approval to redistribute unallocated funds to other support cohorts and types as required. The decision on resource re-allocation will be made by the Director of Public Health in discussion with the Cabinet Member for Adult Care, Wellbeing and Health.

7.3.3 There is a risk of duplication in requests for financial support. The mitigation will be in the form of a database record collected of households supported that can be cross-referenced prior to voucher allocation.

7.4 **Consultation and Communications**

7.4.1 Consultation with internal stakeholders has continued and a formal 'lessons learnt' document will be produced post the closure of the HSF3 scheme.

7.4.2 Additional consultation with the various voluntary sector organisations and wider partners has been conducted via the Anti-poverty Oversight Group.

7.4.3 As a result of the lessons learnt document issued post the HSF2 scheme, changes to the way the recipients' data are collected (compliant with UKGDPR), analysed and used to better manage communications and awareness to residents in high deprivation areas has been invaluable.

7.4.4 A communications plan is being developed and will focus on a range of key messages aimed at raising awareness and encouraging take-up, including Frequently Asked Questions, PR, social media and website content, updates and clear signposting to other grants and support. The Council will work closely with all partners including community, voluntary, health and wellbeing organisations to promote access to the available schemes.

7.5 Consideration by Overview and Scrutiny

7.5.1 The management will ensure that any requests from the Scrutiny Commission will be responded to, and formal engagement or presentations required will take place.

7.6 Climate Impact

7.6.1 Reducing food waste across WNC's area is a key function of some partners of the Food Aid Alliance West Northamptonshire (FAAWN), a key partner in distribution of HSF support.

7.7 Community Impact

7.7.1 The community will benefit significantly from the HSF4 scheme. There will be an anticipated 20,000 households positively impacted by the recommended HSF4 approach.

7.7.2 Working with voluntary organisations will enhance the co-ordination of the wide existing offer of support from our community and voluntary sector.

7.7.3 The distribution of funds is closely aligned to the areas of deprivation within the region, thus ensuring that the communities living in areas of significant poverty are prioritised.

8. Background Papers

DWP Guidance attached as appendix.