



City of Westminster

Cabinet Member

Meeting or Decision Maker:	Cabinet Member for Finance and Council Reform
Date:	04 May 2023
Title:	Household Support Fund April 2023 – March 2024
Wards Affected:	All
Policy Context:	The Cost of Living Strategy / Fairer Westminster Strategy
Key Decision:	Yes
Financial Summary:	This report sets out a plan for distributing the Council's £3.9m Household Support Fund allocation, funded from a mixture of Government grants and dedicated Westminster funding
Report of:	Gerald Almeroth: Executive Director of Finance & Resources

1. Executive Summary

1.1 This report seeks approval for processes to allocate the Government's Household Support Fund (HSF) from April to 2023 March 2024 to the borough's most vulnerable residents. The approach is in line with identified need and national Guidance¹.

1.2 A summary of the proposed spend is below which aims to balance use of the fund across all the different groups in need of help.

	£	Households assisted (est.)	Key recipients
TARGETED HELP			
1. Families eligible for free school meals (FSM) during the holiday periods / other vulnerable families	FSM £2,055,431 Other vulnerable families £110,000	31,000* 1,624	<ul style="list-style-type: none"> Families with children
2. Range of vulnerable young people, such as care leavers known to Children's Services	£44,000	880	<ul style="list-style-type: none"> Vulnerable young people
3. Households receiving Housing Benefit / Council Tax Support only (that won't receive Government's Cost of Living Support payment of £900)	£1,269,000	2,395	<ul style="list-style-type: none"> Older people Disabled / carers Families with children Singles /couples
APPLICATION / REFERRAL BASED HELP			
4. Local Hardship Fund (application based)	£350,000	1,700	<ul style="list-style-type: none"> Households in receipt of benefits (not eligible for the Government's Cost of Living payment) Low income households not in receipt of benefits
5. Cost of Living Support Fund (advice agency referrals only)	£116,000	430	<ul style="list-style-type: none"> All low income / mainly in receipt of benefits and with incomes of £21.k or below
5. Grants to food charities	£96,000	2,966	<ul style="list-style-type: none"> All low income households
OTHER			
7. Contingency	£25,000		
8. Administration	£85,000		
TOTAL	£4,150,431	40,995	
HSF allocation	£3,903,014		
WCC Cost of Living reserve contribution	£247,417		

¹ www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils

*Includes all the holiday periods, so some help will be to the same families

- 1.3 Help is mainly in the form of supermarket vouchers which are in lieu of other types of help.

2. Recommendations

- 2.1 That the Cabinet Member for Finance and Council Reform:
 - 2.1.1 Approves each of the processes outlined in Section 5 of this Report to allocate the council's funding allocation (£3,903,014) to the City's most vulnerable residents.
 - 2.1.2 Notes that £247.4k from the council's Cost of Living Fund will be allocated to top up the Household Support Fund allocation (see 4.5).
 - 2.1.3 Delegates authority to the Executive Director of Finance and Resources to flex each of the processes, including the level of funding allocated and voucher amounts, in order that the Council's Government funding allocation is fully utilised as per their conditions.

3. Reasons for Decision

- 3.1 The recommended processes outlined in Section 5 of this Report seek to deliver support in accordance with Government's Guidance to a range of the most vulnerable residents taking account of a limited funding envelope.

4. Background, including Policy Context

- 4.1 Key points from Government Guidance² relating to the Household Support Fund (HSF) are:
 - Local authorities have flexibility on how to allocate it, but there is an expectation that it should help those that are not eligible for Government support i.e. the Cost of Living payment to those on certain means tested benefits³
 - A clear rationale is needed for the approach taken and the HSF is expected to help a broad range of households
 - There is emphasis on the Fund providing support to disabled households and carers
 - Help can be through vouchers or cash
 - Some of the Fund must be used to offer application based support to ensure those in need have access to emergency support and an eligibility criteria can be established. This aspect of the Fund has to run throughout the duration of the Fund, or continuously over most of it, or in regular intervals and it should be widely advertised

² [1 April 2023 to 31 March 2024: Household Support Fund guidance for county councils and unitary authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/cost-of-living-payments-2023-to-2024)

³ www.gov.uk/guidance/cost-of-living-payments-2023-to-2024

- Help through the HSF should be used to help with immediate needs such as energy, water, food and other essentials (it can be used for housing costs where they are not covered elsewhere)
 - It can be used to supplement advice services (debt and benefit advice)
 - Those with no recourse to public funds are eligible in specific circumstances.
- 4.2 The proposed spend of the HSF set out in Section 5 is in line with the council's Cost of Living Strategy July 2022⁴ which sets out an eight point plan to tackle the crisis including targeting the most vulnerable and coordinating our efforts with partners. Around 31,000 households have been identified as most at risk made up of:
- Single people in and out of work
 - Families with children, including lone parents
 - Older people
 - Those with disabilities.
- 4.3 A review of those most at risk in March 2023 also added further groups:
- Low income households not entitled to any welfare benefits. A 2023 Report from the Joseph Rowntree Foundation found this group to be facing a £3,500 shortfall between the increase in their incomes and the rise in prices (a higher gap compared to those in receipt of benefits)⁵
 - Private renters, particularly those in receipt of Local Housing Allowance
 - Large families, including those in receipt of welfare benefits.
- The review also emphasised the impact of the crisis on disabled households.
- 4.4 Continuing to help residents through the cost of living crisis is a priority of the Fairer Westminster Strategy⁶.
- 4.5 In November 2022 the council announced a £2m one-off Cost of Living Fund to be allocated in two stages and put forward projects from the first £1m⁷. In December 2022⁸ it was agreed that for the remaining £1m, decisions on projects would be delegated to the Executive Directors of Innovation and Change and Finance & Resources to agree in consultation with the Leader of the Council. It was also agreed that the scope of future projects would be based on need, value for money and evidence of what works.

5. Proposed methods of allocation (the Delivery Plan)

- 5.1 The aims of the approach are to
- Target those most in need
 - Help a wide variety of households through a range of methods
 - Meet the Guidance

⁴ [Cost of living support hub and strategy | Westminster City Council](#)

⁵ www.jrf.org.uk/report/response-budget-2023

⁶ www.westminster.gov.uk/delivering-our-plan-build-fairer-westminster

⁷ <https://committees.westminster.gov.uk/ieDecisionDetails.aspx?ID=1764>

⁸ <https://committees.westminster.gov.uk/documents/s50281/Cost%20of%20Living%20Support.pdf>

- Spend the Fund effectively using approaches which have worked well.

5.2 Payment approach

In line with delivery of previous Household Support Funds, which have worked well, payments will be mainly through supermarket vouchers rather than cash or BACS as this reduces the risk of fraud, of the help being used for other purposes or being absorbed by overdrafts, which is a particular risk during the cost of living crisis and is in line with the Guidance. Whilst it is acknowledged that supermarket vouchers do not help directly with fuel and other essential costs they indirectly help households at risk, as savings on food reduces pressures in other areas.

5.3 TARGETED DIRECT SUPPORT

These allocations are based on recognised indicators of need.

5.4 Free School Meals (for holiday periods) / vulnerable families

5.4.1 **Eligibility Criteria/Data Sources:** Based on national criteria⁹, an estimated 8,800 Westminster children are eligible for free school meals (FSM) as their families have low incomes. These families will receive help for all the holiday periods which fall within the funding period (three half terms and the Summer 2023, Christmas 2023 and Easter 2024 holidays). Given the acute pressures faced by low income families the FSM allocation will continue at the rate of £3.50 per child per day.

5.4.2 Other help will also be provided to low-income families that are vulnerable and known to and working with Children's Services. These include families known to Early Help who are not eligible for statutory Section 17 subsistence funding, families with disabled children that are eligible for short break support and vulnerable families with pre-school children and families supported by the Children's Services with no recourse to public funds and meeting the criteria for assistance in the Guidance.

Method: Supermarket Vouchers either directly from the council or through schools.

Value/ numbers assisted: See below

	£	No households (estimated)	Voucher amounts
Free school meals (all holiday periods)	£2,055,431	31,000*	£3.50 per day per child
Other vulnerable families	£110,000	1,624	£50 - £100 per payment
Total	£2,165,431	32,624	

*Total number of households for all the holiday periods. Some households will receive duplicate payments.

⁹ www.gov.uk/apply-free-school-meals

Timescale: Vouchers relating to FSM will be sent prior to each holiday period and the other vouchers for vulnerable groups will be issued throughout 2023/24.

Administered by: Children's Services / Schools

5.5 **Single Vulnerable Young Adults**

5.5.1 **Eligibility Criteria/Data Sources** Assistance will be provided to vulnerable young people known to Children's Services who are affected by the cost of living crisis, including Care Leavers, especially those in their own accommodation and those young people known to the Youth Offending Service and the Integrated Gangs and Exploitation Unit.

5.5.2 Family Services have seen escalating levels of complex need as a result of the cost of living pressures. Children on child protection plans have more than doubled post pandemic and there is an increase in the number of young people coming into care.

5.5.3 Family Services are also witnessing more vulnerable, marginalised young people who are facing disadvantage and not accessing services or support (i.e. advice / food support charities).

Method: Supermarket vouchers

Value/ numbers assisted:

	£	No (estimated)	Voucher Amounts
Single care leavers	£34,000	680	£50 per payment
Other single young people	£10,000	200	
Total	£44,000	880	

Timescale: Vouchers will be issued throughout 2023 / 2024 via the allocated worker to those young people that Children's Services have identified as being vulnerable.

Administered by: Children's Services

5.6 **Households not benefiting from Government support**

Not every low income household will receive Government's Cost of Living payment i.e. if they receive Housing Benefit / Council Tax Benefit only but not one of the qualifying means tested benefits. These households are identified to be particularly at risk.

5.6.1 **Eligibility Criteria/Data Sources:** Around 2,395 households (identified by DWP or the Lower Income Family Tracker (LIFT) data) are in receipt of Housing Benefit / Council Tax support only and **not in receipt of the qualifying means tested benefits** Estimates suggest that:

- 1,104 are older people
- 788 are disabled / carers
- 117 have children in the household
- 386 are single people or couples.

5.6.2 Payment amounts are below. Every household will receive two payments except for disabled households / carers who will receive three in view of their higher needs.

Voucher amounts	
Household type	£
Single people	£150
Couples	£180
Pensioners	£250
Disabled	£250
Carer	£250
Children in household	£300
Large households (over 4 people including children)	£320

Method: Supermarket Vouchers

Value/ numbers assisted: £1,269,000 (see above for numbers assisted)

Timescale: June 2023 – March 2024

Administered by: A range of council officers in Innovation and Change and in the Finance and Resources team.

5.7 **APPLICATION / REFERRAL BASED SUPPORT**

This support is open to Westminster residents or homeless households placed in temporary accommodation outside Westminster by the council meeting the criteria.

5.8 **Hardship Fund (application based)**

In addition to the targeted support, a local application based Fund will be available.

5.8.1 **Eligibility Criteria (summary).** Households will be eligible where they:

- Have not received an instalment of the Cost of Living payment from Government as were not in receipt of the qualifying benefit at right time, but are now. The dates which determine eligibility will be publicised when the fund opens and in line with the national timetable
- Have a low income (which will be defined) and meet all of the criteria below:

- are not in receipt of any welfare benefit including Housing Benefit and Council Tax Support (with the exception of State Retirement Pension or Personal Independence Payment)
- have not been identified for the targeted help above or received a payment from the Cost of Living Support Fund (see 5.8)
- are facing financial hardship due to the cost of living crisis and have savings below £5k
- are a Council Tax payer and responsible for household bills and housing costs including rent, mortgage or service charges.

5.8.2 Further criteria may be added if other groups are identified as struggling and subject to available resources.

Method: Supermarket Vouchers

**Value/
numbers
assisted:** £350,000. Est. 1,700 households

**Voucher
amounts:** See 5.5.2

Timescale: Est. late May 2023 - February 2024 for criteria A above and criteria B will be phased in

Administered by: Officers in the Finance and Resources Team

5.9 **Cost of Living Support Fund (referral based)**

In acknowledgement that some households in receipt of benefits and receiving a Cost of Living payment from Government are likely to still be struggling due to the crisis, support will also be available through a Cost of Living Support Fund.

5.9.1 **Eligibility Criteria (summary):** Households can receive help if they are working with and referred by Citizens Advice Westminster (CAW) or by another advice agency in Westminster working with CAW. Referrals can be made where households:

1. Are experiencing financial difficulty due to the cost of living crisis and working with an adviser to address these issues
2. Have a household income of £21.5k p.a. or below taking into account all income related benefits, including Housing Benefit or Council Tax Benefit. Flexibility will be applied however if a household has a high rent as they could receive a large amount of Housing Benefit to live in the private rented sector
3. Have savings of less than £5k.

Method: Supermarket Vouchers

Value / Numbers assisted:	£116,000. Estimated 430 households
Voucher amounts:	See 5.5.2
Timescale:	May / June 2023 - February 2024 (estimated) or until the allocation is spent. The council will top up this allocation from its own resources to enable to Fund to be open for longer
Administered by:	Partnership between CAW / advice agencies across Westminster and the council's Local Support Payment Team (LSPT). Following recommendations from the CAW, the LSPT will conduct checks and issue the vouchers. The approach has worked successfully for the previous Fund

5.9.2 For all applicants, duplicate payments will only made in exceptional circumstances and subject to CAW's discretion. Where agreed, they will not be made until one month after the initial allocation.

5.10 **Food Charities**

There is a range of food support in Westminster which is summarised on the Cost of Living Support Hub and grants will be available to organisations to help them manage rising demand which is regularly monitored. Food Bank use has fluctuated in line with help available to users from previous Household Funds but remains higher in 2023 compared with 2022.

5.9.1 **Eligibility Criteria/Data Sources:** Each of the charities supported have their own criteria for accessing food support.

Method: One off grant to each of the organisations below with outputs and monitoring arrangements set in Service Level Agreements

Value/ Numbers assisted:	Westbourne Park Pantry ¹⁰	£18,000
	Abbey Centre Pantry ¹¹	£18,000
	HAFs Academy Pantry	£18,000
	The North Paddington Foodbank ¹²	£42,000
	Total	£96,000

An estimated 2,966 households will be helped by this support.

¹⁰ www.yourlocalpantry.co.uk/find-a-pantry/westbourne-park-pantry/

¹¹ www.yourlocalpantry.co.uk/find-a-pantry/the-abbey-centre-pantry/

¹² www.npfoodbank.org.uk/

Timescale: From May 2023

Administered by: The council's Policy and Projects and Communities Teams.

OTHER

- 5.11 **Contingency:** £25,000 has been set aside to provide funding flexibility and to address any new or exceptional circumstances as they arise.
- 5.12 **Administration:** £85,000 has been identified for administration, which includes the administrative costs of the Hardship Fund (application based) and the Cost of Living Support Fund (referral based). Overall the anticipated administration costs are less than 5% of the overall budget.
- 5.13 **Appeals:** There will be no formal appeal process, but households can raise complaints about the administration of the fund through the council's Corporate Complaints policy¹³.

6. Financial Implications

- 6.1 As expenditure exceeds the HSF allocation the HSF budget will be topped by £247,400 from the council's dedicated Cost of Living Support Fund and in line with delegated authority requirements, this decision has been agreed by the Executive Directors of Innovation and Change and Finance and Resources in conjunction with the Leader. The Cost of Living reserve was approved at March 2023 Full Council as part of the annual budget setting cycle.
- 6.2 There are no financial implications on the council's General Fund, including for administration, as the maximum amount payable, including administration costs, will be met by the government's grant funding allocation. There will be a minor cashflow implication, as the government's funding is to be paid in arrears.

7. Legal Implications

- 7.1 Under Section 31 of the Local Government Act 2003 '*A Minister of the Crown may pay a grant to a local authority in England towards expenditure incurred or to be incurred by it.*'. Distribution of the grant must be in line with the guidelines in 4.1.
- 7.2 In addition to this, 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. The recommendations and reasons for the distribution and allocation of the funding as per section 5 of this report are within the scope of the Household Support Fund grant.

¹³ www.westminster.gov.uk/about-council/complaints#complaints-policy

- 7.3 The council therefore is able to receive and accept the grant and utilise it as per the contents of the report and in line with the principles set out in the government guidelines.
- 7.4 The council must have regard to the Equality Act 2010 in administering the schemes. In coming to any decision, the council must comply with the public sector equality duty under s149 Equality Act 2010. This requires the council, when exercising its functions, to have 'due regard' to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act; advance equality of opportunity between people who share a relevant protected characteristic and those who don't; foster good relations between people who share a relevant protected characteristic and those who don't (and involves having due regard, in particular, to the need to tackle prejudice and promote understanding).

8. Consultation and communications

- 8.1 This report has been reviewed and agreed by senior officers in:
- Finance & Resources
 - Children services
 - Adult Services / Public Health
 - Innovation and Change.
- 8.2 Citizens Advice Westminster has been consulted with on the approach to the Cost of Living Support Fund, as have all the food charities put forward for support. The general approach has been discussed with the local Food and Energy Network and the criteria for the application based fund has also been discussed with them.
- 8.3 Vouchers to households identified for direct support will where possible be accompanied by information on wider advice and support available to assist them during the cost of living crisis.
- 8.4 Details of the application based Hardship Fund will be on the council's Cost of Living Support Hub and will be promoted widely by the council to ensure it reaches all sections of the community and is accessible. The Cost of Living Support Fund will not be advertised as help is through advice sector referrals only, however households at risk will continue to be signposted to the Support Hub and encouraged to seek advice.

9. Carbon Impact

- 9.1 There are no impacts.

10. Equalities implications

- 10.1 An Equalities Impact Assessment (EIA), initial screening, has been completed on the proposed spend and it has identified groups, using benefit data, that are more likely to have low incomes, compared with the population overall and therefore be in the greatest need. These are:
- People that are out of work, often as they are disabled and have caring responsibilities
 - The 45 – 64 and over 65 age groups
 - Non white households
 - People with disabilities / or in poor health
 - Men
 - Adult only households.
- 10.2 However the EIA also looks at other data which highlights wider households at risk, such as homelessness data and free school meal rates which point to women and households with children also being at risk. The particular impact of the crisis on children is noted.
- 10.3 Younger people and those without children are also overrepresented in the private rented sector and low income private tenants have been identified as a group which may be struggling during the crisis.
- 10.4 While data is not available on those low income households not in receipt of benefits that have been identified as particularly impacted by the crisis, they are more likely to be single households or couples in work.
- 10.5 While the EIA highlights the breakdown of households most at risk it notes that the impact of the cost of living crisis is far reaching and every household circumstance is different. It also acknowledges that the Fund cannot help all households financially struggling given the scale of the problem and the level of funding. The voucher amounts are therefore not intended to fully meet needs but assist struggling households.
- 10.6 Overall the spend of the HSF targets the mix of groups at risk through targeted and application / referral based support.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact;

Cecily Herdman, Principal Policy Officer
Email: cherdman@westminster.gov.uk

BACKGROUND PAPERS:

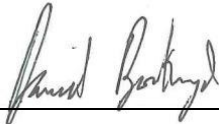
Background papers are referenced as footnotes throughout this report.

The Equalities Impact Assessment Screening can be viewed on request.

For completion by the **Cabinet Member for Finance and Council Reform**

Declaration of Interest

I have no interest to declare in respect of this report

Signed:  Date: 04 May 2023

NAME: **Councillor David Boothroyd**

State nature of interest if any

.....
(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled

Household Support Fund April 2023 – March 2024

Signed .....

Cabinet Member for Finance and Council Reform

Date ...04 May 2023.....

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:
.....
.....

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal & Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.

Appendix A:

Other Implications

1. Resource Implications

The proposed spend of the HSF takes into account administrative costs.

2. Business Plan Implications

There are no implications.

3. Risk Management Implications

	Risk	Mitigation
1.	<ul style="list-style-type: none"> The HSF allocation / spend will not totally alleviate the cost of living pressures faced by residents, particularly if the economic situations worsens 	<ul style="list-style-type: none"> The Fund is part of a wider package of support set out on the Cost of Living Support Hub and the council has made available a £2m Cost of Living Pot for projects to alleviate pressures
2.	<ul style="list-style-type: none"> The payment amounts do not reflect the scale of problem for individual households or replicate the Government's Cost of Living payment 	<ul style="list-style-type: none"> The amounts are intended to provide a balance between meaningful support and helping as many households as possible
3.	<ul style="list-style-type: none"> The application based element (The Hardship Fund) only enables applications from certain groups and other households may need emergency help Demand for the application based fund is unknown, could be unmanageable or could quickly exceed the budget It could be challenging to run it as required by the Guidance 	<ul style="list-style-type: none"> The criteria have been designed to focus on households with the highest identified needs and who may not be getting help from elsewhere. Other support is available for households not able to access the Fund and there will be clear signposting where this is the case To help ensure that demand is manageable, some criteria will be phased in so resources aren't used too quickly and so help is available for the winter when households are likely to be under the most pressure. Communication about the Fund will also be closely managed. If demand is unmanageable the Fund may have to close for a period
4.	<ul style="list-style-type: none"> Numbers for the targeted help in 5.5 are estimated and true numbers won't be known until data is requested prior to payments 	<ul style="list-style-type: none"> Some contingency has been set aside and could be used if true numbers are higher, or payment amounts could be adjusted if the sum allocated is insufficient

4. Health and Wellbeing Impact Assessment including Health and Safety Implications

It is acknowledged that the cost of living crisis will have a significant and far reaching impact on the health and wellbeing of residents. Living in a cold home can have a severe impact on vulnerable residents such as older and disabled people and those with young children. The cost of living crisis can also have an

impact on mental health and increase social isolation. As set out in this Report, the Household Support Fund is part of a wider package of support for households set out in the Cost of Living Strategy.

5. Crime and Disorder Implications

There are no implications.

6. Impact on the Environment

There are no implications.

7. Human Rights Implications

There are no implications.

8. Energy Measure Implications

There are no implications.

9. Counter Terrorism and Security Implications

There are no implications.