City of Westminster

Cabinet Member Report

Decision Maker:	Cabinet Member for Finance and Council Reform
Date:	31 May 2022
Classification:	General Release
Title:	Household Support Fund Extension: April – September 2022
Wards Affected:	All
Financial Summary:	There are no financial implications for the council as the council's expenditure, including for administration, 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
Report of:	Gerald Almeroth: Director of Finance & Resources

1. Executive Summary

1.1 This report seeks approval for a number of processes to allocate the government's Household Support Fund Extension to the borough's most vulnerable residents and in line with Guidance[1].

1.2 A summary of proposed spend is below:

	£	No assisted (estimated)	Delivered by
TARGETED HELP			
1. Families eligible for free school meals during the holiday periods and other equivalent help for those not eligible for free school meals	£893,000	11,110	WCC: Children's Services
2. Support to care leavers and young people	£22,000	440	WCC: Children's Services
3. Older person households identified to be in hardship through the Lower Income Family Tracker (LIFT)	£670,000	2,680	WCC: Range of officers in Innovation and Change and Finance and Resources
APPLICATION / CRITERIA BASED HELP			
4. Local Hardship Fund with Citizens Advice Westminster	£255,000	970	Citizens Advice Westminster and WCC's Local Payment Support Team
5. Grants to food charities	£50,000	980	Charities plus, WCC's Policy and Projects / Communities Teams for grants administration
6. Local Support Payment Scheme	Flexible (subject to need / monitoring)		WCC: Local Payment Support Team
OTHER			
7. Contingency	£31,507		
8. Administration	£30,000		
TOTAL	**£1,951,507**	**16,180**	

1.3 Help is mainly in the form of supermarket vouchers, which can be lieu of energy support. In line with the Guidance, an estimated 54% of the funding

[1] www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/household-support-fund-final-guidance-for-county-councils-and-unitary-authorities-in-england

will be allocated to households with children and 36% to older person households.

2. Recommendations

2.1 To approve the utilisation each of the processes outlined in Section 4 of this report to allocate the council's funding allocation (£1,951,507) to the borough's most vulnerable residents.

2.2 To delegate authority to the Director of Revenues and Benefits to flex the level of funding allocated to each process, including voucher amounts, in order that the council's funding allocations is fully utilised before the government's deadline of 30 September 2022 and to respond to any changing circumstances.

3. Government Guidance

3.1 Government has provided local authorities with a broad discretion as to how to allocate their funding for the extension. Key points from the Guidance 'Household Support Fund (1 April 2022 to 30 September 2022): final guidance for county councils and unitary authorities in England'[2] are:

- At least one third of the funding must be allocated to families with children and at least one third to pensioner households, with local authority discretion on the remaining third. (For the previous grant, the criteria was that at least 50% should be spent on households with children)
- Local authorities should ensure that the grant is primarily allocated to residents to meet their immediate needs i.e. to help those struggling with food, energy and water bills and with other essentials
- In exceptional circumstances of genuine emergency, an authority may allocate grant funds to support with housing costs as set out in the Guidance
- The fund can be used for low wage non-benefit residents and for residents with no recourse to public funds
- The funding needs to be spent by September 2022.

4. Proposed methods of allocation (the local delivery framework)

4.1 Payment approach

Direct payments will not be made to residents, as this increases the risk of fraud and also that the payments will not be utilised for their intended purposes. Whilst the Government have asked local authorities to seek to cover food, energy and the cost of wider essentials, there are limited methods of paying for fuel directly, other than where residents have pre payment meters, and as such the council proposes to pay more in supermarket vouchers, i.e. the additional savings made by the resident on food costs can be utilised by them towards their energy costs. This approach worked well for the original funding.

[2] www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/household-support-fund-final-guidance-for-county-councils-and-unitary-authorities-in-england

4.2 **Targeted direct support**
These allocations are based on recognised indicators of need.

4.3 **Free School Meals (for holiday periods)**

4.3.1 **Eligibility Criteria/Data Sources:** Based on national criteria[3], an estimated 5,271 Westminster families are eligible for free school meals (FSM) as they have low incomes. These families will receive help for the holiday periods based on FSM methodology. All holidays between April and September will be covered.

4.3.2 To provide equivalent help to other low-income families that are vulnerable and known to Children's Services. These include families open to Early Help who are not eligible for statutory Section 17 subsistence funding, those families with pre-school children and those families supported by the Children's Services with no recourse to public funds meeting the criteria in the guidance.

Method: Supermarket Vouchers
Value/ numbers assisted: £893,000

	£	**No (estimated)**
Free school meals (half term and summer holidays)	£860,000	10,542
Early Help (through Family Hubs)	£23,700	474
Families with no recourse to public funds	£ 9,300	93
Total	**£893,000**	**11,109**

Timescale: Vouchers will be sent around each holiday period in May/June and July 2022. Vouchers may be issued at other times to families identified in 4.3.2

Administered by: Children's Services

4.4 **<u>Single Young Adults</u>**

4.4.1 **Eligibility Criteria/Data Sources** To provide assistance to vulnerable young people known to Children's Services who will be 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.

Method: Supermarket vouchers
Value: £22,000

[3] www.gov.uk/apply-free-school-meals

	£	No (estimated)
Single care leavers	£17,000	340
Other single young people	£5,000	100
Total	**£22,000**	**440**

Timescale: Vouchers will be sent by July via the allocated worker to those young people that Children's Services have identified as being vulnerable.

Administered by: Children's Services

4.5 **Older persons households**

4.5.1 **Eligibility Criteria/Data Sources:** Around 2,680 older person households will be identified to receive £250, working with local older persons charitable organisations to identity a criteria, and using the Lower Income Family Tracker (LIFT) data platform.

Method: Supermarket Vouchers

Value: £670,000

Timescale: June / July 2022

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

4.6 **REFERRAL / APPLICATION BASED SUPPORT**

4.7 **Local Hardship Fund**

In additional to the targeted support, a local fund will be available for those that have not been identified for the targeted help above or are still struggling.

4.7.1 **Eligibility Criteria/Data Sources:** Citizens Advice Westminster (CAW) and the partners on its referral platform will recommend low income households in financial difficulty for the fund to the council for help. In order to avoid excessive administration and to ensure that applicants are linked into wider help and support - self referrals will not be possible – but the fund can be accessed via contact with CAW or one of their partners. The fund will generally be available to households with incomes of £21,500 or below or that are in receipt of a welfare benefit, but further households will be considered in exceptional circumstances. An estimated 950 households will be assisted.

Method: Supermarket Vouchers

Value: £255,000

Voucher amounts: As in 4.7.3 below, which are the same amounts as for the previous scheme

Timescale: c. Mid June – early September 2022

Administered by: Partnership between CAW 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 worked successfully for the previous scheme

A grant of £5k will be available to AgeUk to help promote the fund to their customers that are not eligible for direct support outlined in 4.5.

4.7.2 In order to ensure the funding reaches as many vulnerable older person households as possible those receiving help through 4.5 above, will not receive help from the fund unless there are exceptional circumstances. For all applicants, duplicate payments for 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.

4.7.3 Payments amounts are below. It is acknowledged they cannot meet the scale of the rises in the cost of living given that inflation is currently 7%, but they are aimed to provide a balance between meaningful support and helping as many households in need as possible.

Household type	**£**
Singles	£150
Couples	£180
Pension age person in household	£250
Disabled person in household	£250
Carer in household	£250
Children in household	£300
Large households (over 4 people)	£320

4.8 **<u>Local Support Payment Scheme (LSPS)</u>**
The council has an established scheme to help people in receipt of certain benefits in emergencies[4], with a budget of £550k per annum. An allocation from the Household Support Fund may be used to increase its capacity, subject to an available budget and demand.

4.8.1 **Eligibility Criteria/Data Sources:** Help for tenants is generally limited to supporting them with emergency expenses related to moves i.e. with white goods, essential items and removals etc. Families and vulnerable people facing exceptional hardship can apply for help with various emergency costs like replacement of essential white goods and clothing. There is overlap between the help people can receive through the LSPS and the Household Support Scheme.

Method: Vouchers

[4] www.westminster.gov.uk/benefits/apply-local-support-payment

Value:	Flexible (subject to budget availability / monitoring)
Payments:	Support is generally in the form of vouchers for goods or replacement second hand goods / furniture
Timescale:	Flexible (subject to budget availability / monitoring)
Administered by:	The Local Support Payment Team

4.9 **Food Charities**

There is a range of food support in Westminster and grants will be available to organisations providing support in line with their demand and capacity.

4.9.1 **Eligibility Criteria/Data Sources:** Each of the charities above have their own criteria for accessing food support. An estimated 975 households will be assisted.

Method:	One off grant to each of the organisations below with outputs and monitoring arrangements set in Service Level Agreements	
Value:	Westbourne Park Pantry[5]	£10,000
	Abbey Centre Pantry[6]	£10,000
	The North Paddington Foodbank[7]	£30,000
	Total	**£50,000**
Timescale:	May / June 2022	
Administered by:	The council's Policy and Projects and Communities Teams.	

OTHER

4.10 **Contingency:** £31,507 has been set aside in order, if necessary, to use the funding flexibility and to address any new or exceptional circumstances as they arise.

4.11 **Administration:** £30,000 has been identified for administration, which includes the administrative costs of CAW to administer the Hardship Fund. Overall the anticipated administration costs are less than 5% of the overall budget.

[5] www.yourlocalpantry.co.uk/find-a-pantry/westbourne-park-pantry/
[6] www.yourlocalpantry.co.uk/find-a-pantry/the-abbey-centre-pantry/
[7] www.npfoodbank.org.uk/

4.12 **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 policy[8].

4.13 **National Guidance:** The council will maintain records of allocations in accordance with the government's requirements as outlined in the Guidance. This will include ensuring that at least one third of the funding is used to support families and at least one third is used to support older people as outlined in the government guidance. The estimated split of spend is:

- Households with children: 54%
- Older person households: 36%
- Other: 7%

5. Consultation

5.1 This report has been reviewed and agreed by senior officers in:

- Finance & Resources
- Children's Services
- Adult Services
- Innovation and Change.

5.2 AgeUK has been and will continue to be consulted with on approach to direct support to older people in 4.5 and in relation to communicating the Hardship Fund to older people (4.7). CAW has been consulted with on the Hardship Fund as have all the food charities receiving support in 4.9. The general approach has been discussed with the local Food and Energy Network.

6. Communications

6.1 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.

6.2 Details of the criteria based Hardship Fund will be on the council's and CAW website and it will be widely promoted through CAW and its partners to ensure it reaches all sections of the community. AgeUK will promote the fund directly to older people that it works with.

7. Equalities implications

5.1 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 in Westminster and benefit from the fund. These are:

[8] www.westminster.gov.uk/about-council/complaints#complaints-policy

- People in the 45 – 64 and over 65 age groups
- Non white households
- People with disabilities / or in poor health
- Adult only households.

7.2 However the EIA also considers wider data and identifies that other households are also more likely to have low incomes and benefit from the fund:

- Younger people
- Women
- Men over 50
- Households with children
- Those from a Black, Asian and Other ethnic background.

7.3 The EIA acknowledges that the fund cannot help all households financially struggling given the scale of the problem and as inflation is at 7%. The voucher amounts in 4.7 are therefore not intended to fully meet needs but assist struggling households. To help mitigate the impact of the cost of living crisis on residents more generally, households identified for help will be signposted where possible to wider advice and support and the council has also set up a strategic officer group to coordinate its approach to the crisis.

7.4 The approach to payments takes account of older residents being less likely to have access to the internet / evouchers.

7.5 The EIA also acknowledges that in order to meet the Guidance about spend of the fund on families with children and older people there is likely to be less support to single households and those with disabilities etc. This impact cannot be fully mitigated but there is support through the Hardship Fund for these groups.

8. Financial Implications

8.1 There are no financial implications on the council's General Fund, including for administration, as the maximum amount payable, including administration costs, will 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.

9. Legal Implications

9.1 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.'*

9.2 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 4 of this report are within the scope of the Household Support Fund grant.

9.3 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.

10. Reasons for Decision

10.1 The recommended processes outlined in section 4 of this report seek to deliver support in accordance with the Government's guidance to the council's most vulnerable residents taking account of a limited funding envelope.

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: 31 May 2022

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 Extension

Signed ._____……

Cabinet Member for Finance and Council Reform

Date …31 May 2022……

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.