

Meeting:	Decision Session - Executive Member for Finance, Performance, Major Projects, and Equalities
Meeting date:	19/09/2024
Report of:	Director of Housing and Communities
Portfolio of:	Executive Member for Finance, Performance, Major Projects, and Equalities Executive Member for Children, Young People and Education

Decision Report: Financial Inclusion/Welfare Benefits Outturn 2023/24 and progress 2024/25

Subject of Report

1. This report provides the Executive Member for Finance, Performance, Major Projects, and Equalities in consultation with the Executive Member for Children, Young People and Education with the Financial Inclusion/Welfare Benefits outturn report 2023/24.
2. An Interim Financial Inclusion Strategy 2023/25 building on partners' overall assessment of key challenges, ambitions and priorities was approved on 13 March 2023 by the then Executive Member for Finance & Major Projects. The report and action plan can be found here:
<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=875&MIId=13518&Ver=4>
3. This report provides an update on the financial inclusion (FI) activity during 2023/24 including:
 - the financial support available to residents dealing with the challenges of the increased cost living in 2023/24 and moving into 2024/25;
 - an update on benefits statistics and performance administered by the council including the York Financial Assistance Scheme; and

- other areas of support for residents which support financial inclusion and stability including:
 - Community, housing, advice, information, signposting and communications;
 - Digital inclusion activities; and
 - Delivery of the financial inclusion grant schemes.

Benefits and Challenges

4. It is clear to the council and partners that the ongoing rise in the Cost of Living along with other factors such as Housing and NHS capacity is continuing to have a detrimental effect on residents in the city, impacting on health and well-being; with increasing numbers of residents needing financial support and presenting with vulnerabilities and complex needs. Welfare benefits and broader community support are complicated for people to navigate, and the systems rely on people managing their own claims and having access to digital resources. This report summarises these impacts and action the council and partners are taking to help support residents in these increasingly challenging times.

Policy Basis for Decision

5. Financial Inclusion and welfare benefits are key to meeting the aims of the Council Plan for 2023 to 2027, 'One City For All' which sets out the council's priorities and details what steps will be taken over the next 4 years to establish conditions which make the city of York a healthier, fairer, more affordable, more sustainable and more accessible place, where everyone feels valued, creating more regional opportunities to help today's residents and benefit future generations. The four core commitments of the plan are:
 - Equalities and Human Rights - Equality of opportunity
 - Affordability - Tackling the cost-of-living crisis
 - Climate - Environment and the climate emergency
 - Health - Health and wellbeing.

Financial Strategy Implications

6. This report has no direct implications with regards to the council's financial strategy. Pressures in 2024/25 relate particularly to the council's social fund York Financial Assistance Scheme (YFAS).

This has been capped in terms of monthly spend and individual awards for the 2024/25 year through an officer decision taken on 3 July 2024
<https://democracy.york.gov.uk/ieDecisionDetails.aspx?ID=7156> and the Executive Member is asked to note this decision within this report.

Recommendation and Reasons

7. The Executive Member is asked to:
- i) Note and comment on the details of this report with regard to providing support to residents during the ongoing cost of living crisis.
 - ii) Note the capping of the monthly spend from YFAS and reduction in individual awards to ensure the council can continue to provide emergency support to the end of the 2024/25 financial year.
 - iii) Delegate any decision-making relating to any extended or new Household Support Fund requirements to the Director of Finance.

Reason: to ensure councillors, residents and stakeholder groups are aware of the ongoing financial inclusion activity across the city. The use of associated funding including cost of living support and their impacts.

Background

8. The council's core commitments provide a vision of a healthier, fairer, more affordable, more sustainable, and more accessible city where everyone feels valued. They inform the decisions we make, and describe how we then work with partners, residents and communities to deliver our priorities for residents, communities and businesses.
9. In May 2024, there were 2,992 households that were in relative poverty including 1,909 children within the city. The poverty line used in these calculations is defined as 60% of median household income, (sourced from the ONS website) which is currently £1,615. Across all these households there is £340,473 of Council Tax arrears, Rent Arrears, and Housing Benefit Overpayments (Annex A). This background information helps in understanding the level of the challenge in the city that the council's welfare benefit resource has to support.

10. The council provides a range of local welfare support to residents through the York Financial Assistance Scheme (YFAS), Council Tax Support (CTS) and Discretionary Housing Payments (DHP). The Household Support Fund (HSF) from Government also provides financial resources to support residents with the pressures they are facing due to the increases in cost-of-living. The council also continues to operate a food and fuel voucher scheme open to all residents.
11. The needs of residents are broader and more complex than in the past. Services across the council have collaborated and adapted to respond to increased needs and challenges facing residents, alongside the budget constraints of the council's financial situation. Additional cost of living targeted funding has been made available by central government (HSF); however, this has specific criteria, requiring local development and implementation. This support was delivered with no additional staff resource at a time, as in other areas of the council, retention and recruitment continues to be challenging.
12. Council departments continue to work in close partnership with voluntary and community organisations to co-ordinate, make the best use of the resources and effectively support residents. The council has continued to learn from experiences and those of residents, partners and from areas across the region and wider country.

York Financial Assistance Scheme (YFAS)

13. The YFAS scheme was established in April 2013, following the transfer of responsibility (and initially funding) from central government. The former national scheme, delivered by the Department for Work and Pensions (DWP), was part of the Social Fund. YFAS is now fully funded and locally administered by the council and can assist residents to stay or move into the community or with emergencies.
14. The budget outturn is set out at Table 1 below. The full YFAS statistics are set out at Annex B. The CYC budget for YFAS has remained at the same level in 2023/24 as the previous year. Funding from the Household Support Fund was allocated to support the increase in need.
15. In 2023/24 1,223 YFAS applications were received. This is a decrease of 232 on 2022/23. The alternative support via Household Support Fund (HSF) payments and the CYC Food & Fuel Voucher

Scheme have reduced applications to YFAS. However, the demand is continuing to rise in 2024/25 with the current project outturn at 235% based on figures at 19th July. Early action has been taken to reduce grants for resettlement to £500, limit number of claims to 1 a year (from 2) and to cap the monthly spend to £20,000 as identified by the officer decision described in paragraph 6 above. The projected overspend will be funded from HSF in the first 6 months of the year (see paragraph 23 below).

16. The average award value has increased from £499 in 2022/23 to £635. This is due to an increase in the cost of the items provided and, the level of need facing applicants. For example, there have been significant increases in awards for white goods, flooring, and furniture. Lack of flooring is having a greater impact on households now due to the rise in energy costs.
17. Table 1 below sets out all the YFAS spend provided across the 2023/24 period:

Support	Spend 2023/24	Budget 2023/24	%
YFAS scheme	£354,307 *	£250,000	142

*Funding from HSF was used to balance the YFAS budget

Household Support Fund (HSF)

18. The Government first announced the Household Support Fund (HSF) for families in financial need in October 2021 following coronavirus support funds. HSF schemes have been one off temporary fixed term schemes each with different criteria. The HSF 4 scheme was confirmed in February 2023 for the financial year 2023/24 and City of York Council was allocated £2,075,812.
19. The Household Support Fund was introduced to support households in the most need with food, energy, and water bills. It could also be used to support households with essential costs related to these items and with wider essential costs where appropriate.
20. The guidance for HSF4 (1st April 2023 to 31 March 2024) set out that:

“The Fund should be used to support households in the most need; particularly those who may not be eligible for the other support government has recently made available but who are nevertheless in need and who require crisis support. There may be groups who are

vulnerable to rising prices even though they are supported through these schemes, for example large families or single-income families. It is important to stress that The Fund is intended to cover a wide range of low-income households in need including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people.”

21. Following on from previous HSF schemes support was provided through direct payments, discretionary applications and direct grants. In terms of direct payments £1.3m was paid to approximately 4,000 qualifying families in two payments directly into their bank accounts across the year. A full breakdown of all payments is as set out in Table 2 below:

Table 2 HSF4 Spend

Area	Spend
Working Age invite applications	£ 1,326,080
Discretionary Applications	£ 93,607
Food/Fuel Vouchers	£ 47,813
Care Leavers	£ 25,000
Foster Carers	£ 25,000
York Energy Action	£ 10,000
Interest Free Loans	£ 10,000
Advice Worker & admin	£ 40,000
Warm Spaces	£ 40,000
Admin Costs	£ 50,000
Second CTS Award (£25)	£71,000
Data analysis	£31,300
CTS Energy Support (£25)	£145,000
Warm Spaces Food Support	£60,000
YFAS Balancing	£ 111,121
Total Spend	£ 2,085,921

22. The Second CTS award (£25) was in addition to a direct government Grant for 2023/24 that had already provided a payment of £25 to all Council Tax Support Customers earlier in the year.
23. The interest free loans were a Credit Union initiative to support residents within the community. The scheme is administered by the credit union and for the HSF4 scheme the money is deemed as spent.
24. The government announced in March 2024 a further HSF5 scheme of £1,037,000 was to be provided for 6 months from April 2024 to

September 2024. Table 3 below sets out the spend as at 17th July 2024:

25. Table 3 – HSF 5 Spend

Area	Budget		Spend	
Support with Council Tax for working age CTS customers £110 per qualifying resident	-£	500,000	£	494,120
Discretionary application scheme	-£	200,000	£	48,170
Food & Fuel Vouchers	-£	200,000	£	100,000
Community Food support	-£	40,000	£	40,000
York Energy Advice	-£	10,000	£	10,000
Administration including support for two Talk Money campaigns.	-£	50,000	£	50,000
Contingency	-£	37,000	£	2,400
Total	-£	1,037,000	£	744,690

26. The residual balance of HSF by the end of September 2024 is expected to be approximately £200k and will be used to fund the current predicted YFAS overspend. This will ensure YFAS funding will be available to qualifying residents until the end of March 2024.
27. On 2nd September 2024 the new Government has announced that there will be an extension to HSF5 for another 6 months with details to be released over coming weeks. As it is imperative that there is no break in support available to residents, the Executive Members are requested to approve a delegation to officers to respond to any new parameters set by Government and to either produce a new scheme for delivering the new HSF funding and/or amend areas of proposed spend. The announcement is available here: <https://www.gov.uk/government/news/government-support-extended-to-help-struggling-households-with-bills-and-essential-costs-over-winter>

Food and Fuel Voucher Scheme

28. The York Fuel and Food Voucher scheme was initially set up using funding from both Government grant (HSF) and one-off council budget £250k in January 2022. The scheme provides food and fuel vouchers delivered through advice support workers from both CYC and charity /voluntary sector. It is an important element of the scheme that these are provided to York residents affected by poverty and debt

alongside information and advice on benefits and other longer-term support.

29. Applications can only be considered as part of an overall financial capability advice or support assessment, by phone or face to face, including as appropriate benefits checks and other information about reducing out goings, e.g. social tariffs for broadband, energy efficiency measures.

30. If people need assistance with food and do not want a referral/signposting to a support service or this is not appropriate, they are directed to other food support including:

- York Financial Assistance Scheme,
- York Food Bank or
- community food support.

More information is available at www.york.gov.uk/HelpWithFood .

31. Fuel vouchers awards have been allocated at standard award amounts of:

- Before July 2023:
 - 1 x £28 for a single person household
 - 1 x £49 for a two or more-person household
- From 12 July 2023*:
 - £56 for a single person household
 - £98 for a two or more-person household.

32. CYC Food Vouchers are available for use at ASDA, Tesco, Morrisons, Aldi, Farmfoods, Iceland or Sainsburys (From April 23). Food vouchers awards have been allocated at standard award amounts of:

- Before July 2023:
 - 1 x £30 for a single person household
 - 1 x £60 for a household of two to five people
 - 1 x £100 for a household of six people or more
- From 12 July 2023*:
 - 1 x £60 for a single person household
 - 1 x £100 for a household of two to five people

1 x £150 for a household of six people or more

*Decision available here:

<https://democracy.york.gov.uk/ieDecisionDetails.aspx?ID=6887>

33. Approved voucher applications are sent electronically directly to the resident by text or email. Households could receive a maximum of 3 food vouchers and 3 fuel voucher awards from the scheme during 2023/24 . Anyone needing further assistance over and above the 3 vouchers can apply for additional support via York Financial Assistance Scheme (YFAS) at www.york.gov.uk/YFAS or York Food Bank as appropriate. Payments are summarised in Annex B.
34. There are 8 external support service partners in the scheme from the charity/voluntary sector, plus CYC teams including Local Area Coordinators, Benefits & Contributions Advisors, and Housing Management Officers. Over 80 support workers are registered to process applications to award vouchers. Over 4800 vouchers were issued in 2023/24 as set out at Table 4 below:

Table 4. Food and Fuel vouchers

	No of vouchers	Cost including admin fee
Food vouchers	3240	£192,099
Fuel vouchers	1587	£124,064

See Annex C for more details

Low Income Family Tracker (LIFT) data platform

35. Funding from the Household Support Fund (HSF4) has been used to establish a one-year partnership with Policy in Practice to use their Low Income Family Tracker (LIFT) platform to support the council's financial inclusion work. LIFT is a web based interactive tool that combines a comprehensive welfare policy analytics engine with local authority administrative data to drive strategic and operational decisions and activity. The tool supports councils through providing interactive dashboards to identify financially struggling residents, design appropriate interventions, and track the effectiveness of these interventions. The tool is being used to:

- Identify and access information on which households need support;
- Understand and improve residents' financial resilience and reduce poverty gaps;
- Make data-driven decisions to target support to:
 - Reduce problem debt, possible eviction/homelessness, food and fuel poverty
 - Increase household's income from benefits and other support
 - Maximise income and avoid costs by preventing vulnerability earlier.
- Track and monitor the effectiveness of council strategies aimed at preventing or reducing poverty.

Discretionary Housing Payments (DHP)

36. The council received £163,991 in government funding for DHPs in 2023/24. Table 5 below shows the 2023/24 spend and number of applications received (see also Annex B).

Table 5. Discretionary Housing Payment

	2022/23	2023/24
Total DHP Fund available	£164,640	£163,991
Amount spent	£175,195	£163,991
Percentage	107%	100%
DHP applications received	308	312
Number of DHPs awarded	258	195

Council Tax Support (CTS)

37. The number of CTS awards amongst working age residents, after rising during the peak of the coronavirus pandemic, has fallen to pre-pandemic levels, as shown in Table 6 below. CTS claims, however, are still comparatively lower than Universal Credit (UC) claims and claims for pensioners has fallen again indicating that not all qualifying residents (Working age & Pension age) are making claims. Support and advice for pension age claimants are now being targeted by using data from the LIFT platform to help residents maximise their benefits.

Table 6. CTS Caseload

Council Tax Support caseload	Working age	Pensioners	Total
March 2020	4,682	4,034	8,716
March 2021	5,512	3,887	9,399
March 2022	4,685	3,735	8,420
March 2023	4,446	3,572	8,018
March 2024	4,218	3,450	7,668

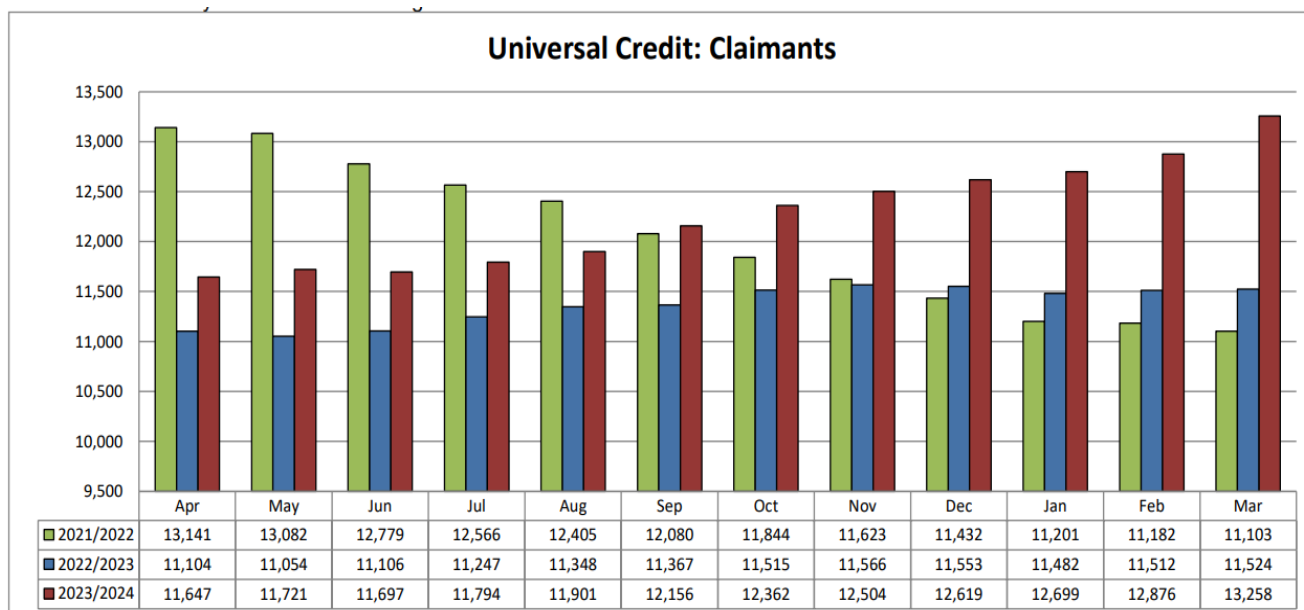
Universal Credit (UC)

38. Support with claiming Universal Credit continues to be provided through [Citizen Advice York - Help to Claim](#) (CAY). The overall UC picture for York as of April 2024 remains high compared to the pre-pandemic position:

- The Job Seeker Allowance/Universal Credit claimant count for York in March 2024 was 2,425.
- In March 2023 the figure was 2,215, this is an increase of 210 (9.5%).
- This represents 1.8% of the working age population.
- The region stands at 4.3% and United Kingdom at 3.9%.
- Female Claimants in York have increased by 130 more than one year ago - a 14.0% increase.

39. The figures set out at paragraph 34 above show the number of residents who are unemployed in the city. Table 7 below sets out the number of residents claiming Universal Credit. The large difference between the numbers reflects the increasing number of residents who are reliant on benefits whilst been in employment.

Table 7: Total Universal Credit Claimants in York



40. Since April 2023 those residents on Working Tax Credit or Child Tax Credit and not on any other 'legacy benefit' will have been sent a letter ('Migration Notices') inviting them to claim Universal Credit. By the end of 2024 to 2025 tax year the rest of those on tax credits and most other legacy benefits will have received migration notices. The remaining Employment and Support Allowance (ESA) cases and ESA and Housing Benefit cases will be invited in 2028 and 2029. Data from the Low Income Family Tracker (LIFT) June 2024 estimates, if fully rolled out the transition to UC of remaining customers would mean 36% or 608 households in York will be better off and 59% or 998 households would be worse off, the remaining 5% will remain the same. Households who would be worse off will have transitional protection if they move to UC during the managed migration period.
41. Through funding from the York UK Shared Prosperity Fund (UKSPF), Better Connect and their network of third sector and community partners are working with people who are currently not in work to find employment opportunities and help them get into work. Also, through UKSPF, Momentic are helping develop self-employment as an option for those on UC. Between the two projects, around 270 people will receive practical support to help them increase household incomes.

Work of Welfare Benefits Officers

42. The Income Services Team through its Benefits and Contributions officers have provided advice and support to 547 residents and generated additional welfare benefit gains of £2,986,130 in 2023/24.

Pension Credit Take Up

43. Department of Work and Pensions (DWP) data shows Pension Credit numbers for York in Table 8 below:

Table 8 – Pension Credit Numbers York

Pension Credit (PC) – latest data Nov 2023				
Elements of PC	Guarantee Credit only	Both Guarantee and Savings Credit	Savings Credit only	Total
<u>York</u>	1,232	1,040	507	2,781

44. Last year Revenues & Benefits team, using Housing Benefit data identified 350 households who could be missing out on Pension Credit. During October, November & December 2023 the council contacted each household by letter. The benefit gain from this work is visible in the LIFT system and the details are as follows:
- 72 new households are now claiming Pension Credit;
 - Pension Credit annual value is £218,383, with the annual average per household gain being £3,033;
 - The back dated Pension Credit value is worth £48,044;
 - 8 of these households are now entitled to a free TV licence worth (£169.50 per household) totalling £1,356;
 - 7 carers are now claiming Pension Credit.
45. Policy in Practice (PiP) research shows that helping carers with additional income enables them to care for longer, so then delaying or reducing care costs councils may have to pick up. Taking an average care package cost of £30,000 per household, this research suggests that councils can avoid or delay an additional £210,000 in care costs per household.
46. In York, the average life expectancy is 81 years and the current average age of York residents claiming Pension Credit is 75 years. Therefore, taking the Pension Credit numbers at table 8 above based

on the likely lifetime amounts they will receive, the Pension Credit Campaign would bring an additional £1.3m into the pockets of residents.

CYC is now using LIFT data to identify people in York who are missing out on Pension Credit and Attendance Allowance developing a plan with partners to encourage and support people to apply.

Information, signposting, and communications

47. It is increasingly important that residents know about what support is available if they are struggling financially and where to get advice and assistance to secure/ apply for benefits, grants and other financial support. The pandemic and the cost-of-living crisis have seen the introduction of a range of financial support, often time limited, as well as changes to ongoing benefits.
48. To help with this York Talk Money was created in 2021 to support people struggling financially. The Advice York partnership came together to host a month of activities, events, and signposting to resources. This includes advice and support from partners including, Older Citizens Advocacy York, York Energy Advice, Stop Loan Sharks, and Community First Credit Union.
49. The partnership merged two national campaigns into a month of action in York called Challenge Poverty – Talk Money Month, with the aim to help residents:
 - Feel more confident about managing money
 - Know where to get good information and advice
 - Know what financial support is available and how to get it
 - Get the best deal on gas, electricity, and internet bills
 - Find good debt advice.
50. To support the campaign the council set up an information page on www.livewellyork/talkmoney providing a pool of resources from a range of experts and promoting advice and support available at community hubs. This is an ongoing resource and has been the most visited page on www.livewellyork.gov.uk.
51. The initial campaign was successful and following the positive outcomes further week-long promotions were held on:
 - Monday 26 June to Friday 3 July 2023

- Monday 30 October to Friday 11 November 2023
 - Monday 29 January to Friday 5 February 2024
52. The council continues to work with the Independent Food Aid Network to develop the 'Worrying About Money' guide. This has been distributed across the city including libraries, community centres and support services.
53. The partnership has agreed to continue the York Talk Money campaign in 2024/25 as an important way to support people through the continuing cost of living crisis. The campaign has and will take place during the following weeks, in the lead up to the summer holidays, Christmas and February half term:
- Monday 8 July to Friday 19 July 2024
 - Monday 4 November to Friday 15 November 2024
 - Monday 20 January to 31 January 2025

Early Support Fund

54. The Early Support Fund is an externally funded small fund available to Local Area Coordinators (LACs), Housing Management Officers and Community teams to support residents who face additional barriers, such as people with long term health needs, families, older people, and single people in private rented accommodation. A key focus is on homelessness and debt prevention, including those in rent and council tax arrears.
55. The Early Support Fund can provide a flexible grant to families identified as needing assistance to improve their overall financial position and reduce inequalities created by or exacerbated by the negative effects of the increased cost of living. This grant is one small part of an overall action plan to secure the longer-term financial security, social inclusion, and wellbeing of residents. In this way it will contribute to creating resilient citizens and communities. Early Support Grants are not emergency grants. Where there is an emergency, applications should be made to York Financial Assistance Scheme
56. The fund is being run jointly across Local Area Coordinators, Housing and Communities. A new online application process with the web went live in September 2022. This joint approach has worked well and demonstrated collaborative working across departments.

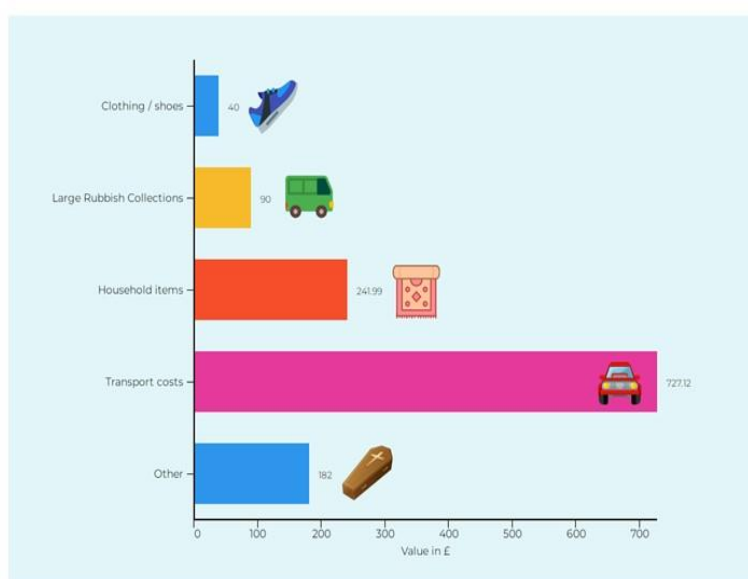
57. An application to the Belfry Catalyser Fund for additional funding for 2024/25 to support this work was successful. Funding of £15,000 was agreed in July 2023. Table 9 & 10 below details of how the funding has been spent:

Table 9 – Details of Claims



Table 10 – Spend Examples

An example of some of the items the Early Support Fund has funded –
underpinned by choice and control



Clothing / shoes – to cover clothing or shoes for employment or school uniform

Large Rubbish Collections – to cover the costs for the Cleansing Team to remove and safely dispose of large items and bags of mouldy clothes or gardening waste

Household items – covers blinds for privacy, a video doorbell to provide security and garden equipment to help maintain tenancies

Transport costs – includes taxis to attend medical appointments where there were no community transport options and removal fees

Other – includes burial fees.

Council Tax Debt Project

58. During 2022/23 a HSF funded debt pilot was undertaken; the output of which was produced in 2023/24. The premise of the project was that the council recognised that non-payment/arrears of council tax can indicate residents are facing other issues in their lives for example other debts, and complex health and/or family relationship problems. If the council can get a better understanding of all the issues including council tax debt and offer broader wrap-around support this could provide longer term benefits for residents, prevent further debt, improve wellbeing, reduce administration and lead to more resilient and positive personal and community outcomes.
59. Work is planned to take place through 2024/25 on the following recommendations of this project to help residents affected by debt and address the broader linked issues within communities:
- To set up a multi-agency debt group including community sector partners – to establish support and understanding of all the issues being raised by residents.
 - To potentially establish Debt surgeries at West Offices following issue of Council Tax (CT) reminders – there is little resource for one-to-one support across the city so establishing a surgery with partners may help in dealing with a larger number of residents issues.
 - To issue text messages to all residents getting CT reminders about continuing to pay something and inviting them to attend a debt surgery, in order to prevent residents getting further into arrears through the recovery process and provide broader advice and support.
 - To review the wording on CT reminders and summons and pilot alternative wording to see if there is any beneficial effect. This also responds to and supports recent comments from the Poverty Truth Commission.
60. Linked to this, data from LIFT is being used to identify residents who may be missing out on Council Tax Support to target information, advice and support.

Community Hubs

61. The Communities Team continues to support community hubs across the city. The Good Place Network, brings together those individuals

and groups running community hubs, venues and food projects across the city. This network has continued to grow in membership. The Communities Team supports and facilitates meetings and regularly shares information updates on campaigns, resources, funding, good practice and volunteer development opportunities.

62. A meeting of the Good Place Network was held in January 2024 to discuss the current landscape of support available to residents, gather intelligence from community groups and food projects about any pressures and share experiences and good practice. Since the meeting volunteers at the Collective Sharehouse have been supported to undertake 'Money Guiders' training to boost the capacity of volunteers to support and signpost those accessing the project and to trial the approach with a view to rolling it out to other members of the Good Place Network.
63. A further meeting of the Good Place Network was held in June 2024 to prepare to support residents over the Summer period and share resources and good practice.

Warm Hubs

64. During the colder winter months December 2023 to March 2024, 28 community organisations across 15 wards were supported through a Good Place Warm Place grant fund. This represented an increase of settings and reach across the city from the Good Place Warm Place Grant programme 2022/23 which saw 19 organisations supported across 12 wards. The funding could be used to support new community offers or adapt or maintain current offers across the city. Eligible expense included utilities, food, equipment and project delivery costs. In this way a network of warm welcoming places was supported across the city. Information regarding Warm Places was made available to residents via the CYC website with a link to a dedicated listing guide on Live Well York. There is currently no funding identified to run a similar Good Place Warm Place programme over Winter 2024/25, as this has been HSF funded in the past (see recent announcement on HSF extension that may change this). Whilst councils have been waiting for any further HSF announcements organisations have been directed to ward funds managed by local ward councillors and the new York Community Fund as potential sources of grants in the autumn/winter months of 2024/25.

Food Sufficiency and Holidays Activities and Food (HAF)

65. The Community Officers and the Holiday Activity & Food (HAF) Programme Coordinator continue to work together to ensure maximum benefit from available resources. They ensure that activity providers and the Good Place Network members have up to date information in order to fulfill their requirement to signpost families to support. Through visits and post programme monitoring they gather feedback from providers and participants on emerging themes and current challenges facing families as well as ensuring quality provision. Community Officers work with ward members to develop and fund free universal access to further develop the holiday activity offer across the city often linking local food projects up with activity providers to further enhance what is available to families and showcase what is on offer year round. Also directly running activities to add capacity into the system and address identified gaps in provision.
66. During December 2023 and early January 2024 the Communities Team ran a programme of food, household essentials and toys support for families. The team based itself at Westfield Childrens Centre and space offered free of charge at The Island. The team bagged and distributed over 1,000 bags of food and toiletries and 1,000s of toys via community food projects and community events. Front line workers were invited to pick up what was need for the families that they were working with which meant that support could be bespoke to those families and individual children. This included good quality preloved toys donated by Yorwaste and new toys from York City Football Club Foundation. The food and household items were purchased from the Household Support Fund. The team is currently working with community food projects to 'top up' projects with essential non-perishable food items in order to boost local support for families over this period.
67. The number of individual children and young people attending HAF activities during the Easter School Holidays 2024 was 1151 compared to 1740 during the same period in 2023. Whilst there was a dip in the number of individual children attending, those who did participate in the programme attended more sessions, average number of sessions attended per participant over Easter in 2024 was 4.16 sessions compared to 2.75 sessions over Easter 2023. The range of activities on offer continues to increase and with a focus on new and premium experiences and connection to the city's cultural

attractions a focus for Summer 2024 as well as the tried and tested popular offers. The Communities Team also directly delivered two family fun days one at either end of the Summer 2024 school holidays which were open access and did not require HAF eligible families to use their credits to access.

68. A centralised booking system was procured and was operational in time to support the local Holiday Activity and Food 2023 Summer Programme. The booking system has increased the reach and accessibility of the programme with credits issued via existing school systems to eligible families. Schools and other frontline settings working with families also have the opportunity to add in additional children under a 15% eligibility stretch within the HAF programme. There is also a contact point for individuals looking for support in accessing the programme as well as a strong link with the Family Information Service Team.

Housing Update

69. Arrears at March 2023 were £1,835,051.76 and increased further throughout the following year until December where the reduction commenced until the end of the financial year. In March 2024 rent arrears decreased to £1,505,500.78 an overall reduction of 17.96%. Currently rent arrears stand at £1,524,934.30 (as at 28.07.2024). Arrears have, increased for a range of reasons including continuing pressures on peoples' finances most recently due to the cost of living crisis, but carried forward from the pandemic. Other reasons include court date delays, improving ICT system for collecting rents and arrears, and recruitment and retention of staff. In addition the ongoing impact of welfare reform, including natural migration of Housing Benefits to Universal Credit and the roll out of Universal Credit, alongside the way in which UC administer payments and engage with applicants and landlords is providing challenges.
70. Housing teams are now able to take enforcement action against non-payers more promptly directly in person and work on systems including letters and notices has been ongoing which is assisting with the collection of income. Agreements are now in place with a "holistic collection with care" approach.
71. All contacts are focused on providing advice, making affordable and sustainable repayment agreements, accessing benefits/grants and maximising income wherever possible as well as other appropriate support where needed. .

72. There is an annual verification exercise for Universal Credit Claims, which must be verified with DWP for year end. This work was completed by end of April 2024 which is an improved result for CYC.
73. The Housing Management Team have continued to work in partnership with other council departments and partners across the city to help people access the support and advice that they need. Housing are still working with the Breathing Space system which is increasing debt, however it is providing some relief from formal action for tenants where appropriate, usually due to issues such as mental ill health. These applications have again increased in frequency over the last 6 to 12 months due to cost of living and increased cost of utilities. There has also been an increase in Debt Relief Orders (DROs) which is at a cost to the council as these amounts must be written off. The team has worked closely with DWP to obtain Alternative Payment Arrangements to bring the UC payment direct to the rent account from DWP (rather than direct to the tenant), including payment of arrears
74. Officers have also assisted tenants with Discretionary Housing Payments, Financial Hardship Funding, YFAS applications, Food and Fuel Vouchers, alternative housing (if they were either under occupying or over occupying) and need to move to assist with their financial situation. Repayment arrangements have been re-negotiated where they had become unaffordable/ unsustainable, and the use of Direct Debit to help people budget has been promoted. They have also made use of the DWP fund for people trying to get back into work which assists with expenditure such as travel to and from interviews and with suitable clothing for interviews.
75. A small hardship fund from the Housing Revenue Account was set up to assist people who live in council homes with basic rental payments due to pandemic related issues (help with rent arrears for CYC tenants only). This was renewed again last year and funding has been increased in this new financial year as the team is seeing larger arrears amounts now due to cost of living and vulnerabilities.
76. The Housing Management Team have been piloting new roles from within existing resources to better support people moving into council homes for the first time, and if people get into difficulties during their tenancy for whatever reason. The pilot was originally to last up to 18 months, however this has been extended to gain better knowledge on outcomes of the service as key performance measures such as income management and void turnaround, vulnerabilities, and

tenancy sustainment amongst other measures, the output of which will be provide this autumn.

77. Through the York UK Shared Prosperity Fund (UKSPF), the Housing and Economic Development services are supporting York Community Energy to provide outreach to households across the city. YCE provide energy support to York residents in person and by phone/email, as well as installing energy-saving measures and helping people apply for retrofit grants and financial assistance. To date, the project has reached 478 households, provided advice and support to 153 households, and enabled 64 households to improve their energy efficiency.

Digital Inclusion

78. The cost-of-living crisis has continued to highlight the importance of digital inclusion and the inequalities face by those without access to training, equipment and/or connectivity. Without IT equipment and/or internet access the following is now more difficult:

- making new or managing benefits claims for vital support;
- accessing online discounts for essential household costs, fuel, insurance, phones, for example;
- connecting with family and friends;
- accessing education, training, and employment;
- accessing other help and support from organisations who have moved services online;
- children accessing schoolwork and other learning;
- accessing GP services

79. During 2024 the York 100% digital inclusion network reviewed the work undertaken and delivered so far. They have developed new Terms of Reference and a strategic plan focusing a vision under the banner of Digital Friendly York. These changes will enable the network to work together to target existing resources and secure additional funding and resources to deliver the shared goals for our City. The new Digital Friendly York terms of reference sets out three key objectives:

- To build a co-ordinated, connective, and collaborative approach to digital inclusion across York.

- To enable people of York to get information, advice, and guidance for the services they need via digital solutions, whilst acknowledging the place and need for non-digital solutions and to promote informed choice.
 - To focus on digital inclusivity needs for the City of York, to identify areas of digital exclusion and to collectively work to provide possible solutions to support digital inclusivity.
80. The priorities are to reduce the barriers to accessing devices and equipment and get online. This includes laptops, phones, broadband and data; and building skills, knowledge, and confidence in their use.
81. An action plan is being developed to create a vision for a Digital Friendly York where all parts of York's community feel confident using and have access to essential everyday technologies. The partnership wants businesses, organisations and individuals to get involved, for their employees, customers, participants, friends and family. Working together to understand the importance technology plays in a good quality of life and ensure all York residents are able to benefit from the opportunities.
82. The network has been successful in securing funding to begin to develop and coordinate digital advice and support over the last three years. Resources secured include a part-time Digital Co-Ordinator hosted initially by York Explore and now York Learning, who has worked alongside partners to:
- gain access to communities and venues to promote awareness of digital offer around York, to find individuals/ groups in need of support and signpost them to that support and to provide practical resolutions eg provision of SIM cards with data on for free for those who are in need and do not have financial capacity of their own;
 - establish Digital Café offers in multiple locations across York. These cafes are run by Keeping Digital Foundation volunteers and are completely free for any of the public to attend. They are spaces where people can access support with any digital technology;
 - scoping out, designing and researching Coder DoJo offer which will be implemented in 2024/25 to allow young people to access coding skills whilst simultaneously promoting digital confidence/pathways to qualifications/availability of digital support to the parents who are attending with their young people.

The first Dojos have been started in summer 2024 will result in over 100 people getting training and qualifications, building their confidence and opening opportunities to all.. This is funded through UKSPF funding;

- develop digital support pages on Live Well York so that information for both organisations and potential users is in one place. It also provides a collaborative approach to event planning and marketing; the intention is to add more value through this joint partnership approach.

83. CYC also supports the IT Reuse services run by York Community Furniture Store and which is part of the City's Digital Friendly York partnership. IT Reuse supports residents offering free refurbished IT equipment, mobile phones, wi-fi hubs and data sim cards and funding has been provided through FISG and HSF grants and funding.

Other activities funded by Financial Inclusion budgets.

84. This section of the report covers other activities funded by the council that have supported financial inclusion during 2023/24 as well as highlighting activity in place for the current year.

85. The Financial Inclusion Steering Group (FISG) is responsible for overseeing the delivery of financial inclusion work and has strategic oversight of the council's DHP, YFAS and CTS schemes. Membership continues to expand and now includes York Food Bank and Two Ridings Foundation joining the Welfare Benefits Unit, Joseph Rowntree Foundation, York CVS, York Explore, Citizens Advice York, Community First Credit Union, and several CYC directorate representatives. There is a standing invitation to a representative of the Parish Councils. The Executive Members for Finance, Performance, Major Projects. and Equalities and the Executive Member for Children, Young People and Education are standing members of the group. The group's purpose is:

'To ensure that local people have the knowledge of and access to appropriate services, allowing them to make more informed choices to achieve and maintain financial stability'.

Financial Inclusion Strategy

86. The group has worked over the year to finalise the Interim Financial Inclusion Strategy 2023-25 building on partners' overall assessment of key challenges, ambitions and priorities. This was supplemented

by work undertaken in October 2022 at the City's Cost of Living Summit.

Financial Inclusion Grants

87. A Financial Inclusion Fund of £150,000 was available for the 2023/24 year. The criteria for 2023/24 was that any bid should consider:

- *innovative one-year projects that deliver our financial inclusion objectives and make a real difference to people's lives particularly at a time when residents finances are under increasing pressure in the midst of a cost-of-living crisis'.*
- *Helping to secure and support the financial well-being of our citizens should be at the heart of any projects that we fund.*

And that successful bids will:

- *have a focus on outcomes be specific, measurable and achievable in the period of the funding*
- *be delivered in the heart of our communities and complement the Council Plan.*

88. Grants overseen by the group awarded to local organisations to deliver projects that meet the group's objectives for 2023/24 amounted to £150,000 made up of £50,000 annual base budget, and additional one-off funding of £100k one off growth. The Financial Inclusion Steering Group (FISG) is responsible for overseeing the delivery of the Financial Inclusion Grants awarded.

Outcomes of projects funded in 2023/24

89. Eleven projects were funded during 2023/24 . All providers were able to maintain the delivery of high levels of support to residents by building on and further developing the alternative and flexible ways of working. The cost-of-living crisis added another challenging dimension to the sector with unprecedented increases in demand for their services. All partners responded swiftly and positively to these challenges by working collaboratively and innovatively to continue to support vulnerable residents in the city. The high-level summary of what the projects set out to deliver is set out at Annex D to this paper.

90. At least 1300 residents were directly helped by these projects. Specific outcomes include a recorded income gain from Age UK York and Citizens Advice York of £250k (annualised) income, data was not available from the other agencies. Demand across services has increased due to increased cost of living impacts particularly those

having to claim UC for the first time. Those needing help with making Personal Independence Payments claims, struggling with debt and financial hardship and housing issues all featured strongly in the type of support needed along with energy and food affordability concerns. Some projects directly engaged in supporting the refugee community particularly those from Ukraine.

91. In addition, as a direct result of some of the project interventions 13 people found employment and 153 took up volunteering, training or learning opportunities. Many others benefitted from broad access to support and advice helping build confidence and resilience. The nature and extent of the support provided to individual participants varies from project to project (for example, some require a high intensity prolonged one to one package of help whilst others are of a more limited transactional nature) and is reflected in the outcomes reported. Straight comparisons between projects are not always appropriate or possible.

Funding of projects for 2024/25

92. The Financial Inclusion Fund annual budget of £50,000 was available for 2024/25 grants. . Organisations in the City were invited to bid for funding from April 2024 for innovative one-year projects that deliver the city's financial inclusion objectives and will make a real difference to people's lives particularly at a time when residents finances are under increasing pressure in the midst of a cost-of-living crisis.
93. The fund received 18 applications seeking total funding of £186,928, far exceeding the £50k available. This continues to reflect the very exceptional pressure on both residents and those organisations that provide critical support. The applications were from a range of organisations across the city and a mix of organisations who have received funding in the past and others. Eight of the bids sought to build on projects already funded by this funding stream in 2023/24.
94. Seven bids were successful in the 2024/25 process. All seven of those were awarded provided partial matched funding towards the overall cost of the work to be carried out. The total value awarded matched the £50,000 budget available and all funding awarded is for twelve months. Table 11 below summarises the projects funded:

Table 11. Financial Inclusion projects funded for 2024/25

Organisation	Project Title	Award
Age UK	Supporting vulnerable people at home	£6,000
CAY / Travellers Trust	Financial Inclusion for the Traveller Community	£5,500
Community Furniture Store	IT Reuse	£6,500
OCAV	Benefits Advocacy: help with applications, assessments and appeals	£7,693
Peasholme Charity	My Money My life	£12,000
RAY	Financial Inclusion for Refugees and Asylum Seekers	£7,000
Welfare Benefits Unit	AdviceExtra: Enhanced Support for Complex Cases	£5,150
Total		£49,843

Consultation Analysis

95. This paper sets out the breadth of support delivered to residents in the city across 2023/24 and progress to date in 2024/25. The report sets out the extent of partnership working with our community partners which is now greater than ever. Any initiative has its own decision paper, EIA and sets out the extent of consultation. The purpose of this paper is to summarise all of this work to inform the relevant Executive member and does not require consultation other than the comments of the Implication Officers.

Options Analysis and Evidential Basis

96. Executive Members are asked to note 7a and 7b and therefore no further options are offered for consideration.

97. In relation to recommendation 7c the alternative to the officer delegation stated is for the lead Executive Member(s) to approve any changes to respond to any extended or new Household Support Fund requirements in a future Executive Member Decision Session. The risk this carries is that there could be a break in support for those residents on low incomes in the city at the start of the winter period when help is needed most.

Organisational Impact and Implications

98. The comments of the implications officers are set out below:

- (a) **Financial** – The direct financial implications to CYC relate to the funding of both FISG bids and the YFAS scheme which are funded within approved budget allocations/reserves.
- (b) **Human Resources (HR)** - Any changes to roles within the Housing Management Team, as a result of the pilot referred to in paragraph 76 above, will be managed in accordance with the council's workforce change policies. There are no other HR implications contained within this report.
- (c) **Equalities and Human rights** – There are no direct implications of this report as the report is for noting, however the work undertaken by the council and partners will have impacted positively on all residents accessing the support and those with intersectional and multi complex needs are likely to have been most affected by the impacts of the pandemic and Cost of Living Crisis.
- (d) **Legal** – Any grants awarded by the Council through the various schemes set out in this report are done so in accordance with an agreed governance process via the Financial Inclusion Steering Group and are subject to appropriate arrangements being put in place to cover the terms of the grant.
- (e) **Health and Wellbeing** - The report describes the outcomes of a range of initiatives that were designed to increase income and reduce debt for York's financially excluded residents. The report rightly highlights that these activities directly contribute to the aims and commitments of the council plan, including improving health and wellbeing and reducing health inequalities.
- (f) **Procurement** - There are no implications
- (g) **Environment and Climate action** – No climate change implications have been identified
- (h) **Data Protection and Privacy**- The data protection impact assessment (DPIAs) screening questions were completed for the recommendations and options in this report and as there is no personal, special categories or criminal offence data being processed to set these out, there is no requirement to complete

a DPIA at this time. However, this will be reviewed following the approved recommendations and options from this report and a DPIA completed if required.

- (i) **Communications**, 'This is a vital service to city residents and is one that communications readily support through existing campaigns. We will continue this provision, as well as looking to how we can enhance this service to customers through various media channels. As part of our ongoing communications plan, we will also employ robust risk management for any areas that may need this.'
- (j) **Economy** - The programmes and projects described in this report make a positive impact on the York economy.

Risks and Mitigations

99. The key risks are in relation to YFAS, DHP, and other available hardship funds to support residents through what is a protracted cost of living crisis and include:

- Forward planning of ongoing support through future budget processes as well as maximising government support will be key as the expected impacts will exist into the long term.
- Managing the budget to ensure that customers get the same service and support irrespective of when they apply in the financial year.
- The cost-of-living crisis has impacted on the funding of the council and of partners in the voluntary and charity sector, so service resilience across all partners needs to be a key consideration for decision makers in the short and medium term to protect ongoing service delivery.
- Any failure to provide an appropriate service will have a negative impact on the wellbeing of vulnerable people.

100. These risks are managed through constant monitoring and review. The actual figures for UC, YFAS, DHP, Government support schemes and rent arrears are reported to each FISG meeting to allow early intervention.

Wards Impacted

101. Residents from all wards have benefitted from the welfare support in this report, and two recommendations are to note the contents and then accept a minor decision around any future HSF scheme to allow associated actions to be made quickly when the extended HSF5 scheme details are received.

Contact details

For further information please contact the authors of this Decision Report.

Author

Name:	David Walker
Job Title:	Head of Customer & Exchequer Services
Service Area:	Housing & Communities
Telephone:	01904552261
Report approved:	Yes
Date:	25/08/2024

Co-author

Name:	Susan Wood
Job Title:	Welfare Benefits Manager
Service Area:	Housing & Communities
Telephone:	01904555610

Background papers

Decision Session of the Executive member for Finance & Major Projects-
13 March 2023 - Financial Inclusion Interim Strategy 2023-25

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=875&MIId=13518&Ver=4>

Decision to limit support paid through York financial Assistance Scheme (YFAS) - 3rd July 2024:

<https://democracy.york.gov.uk/ieDecisionDetails.aspx?ID=7156>

Decision to increase value of food and fuel vouchers – 12th July 2024

<https://democracy.york.gov.uk/ieDecisionDetails.aspx?ID=6887>

Decision Session of the Executive member for Finance & Major Projects
Recommendations for approval of grants from the Financial Inclusion Fund 2023/24 – 13 March 2023:

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=875&MIId=13518>

Decision to approve the financial inclusion awards for 2024/25 – 2 April 2024

<https://democracy.york.gov.uk/ieDecisionDetails.aspx?ID=7103>

Annexes

Annex A Poverty gap statistics

Annex B Discretionary Financial Support Summary Report May 2024

Annex C Food & Fuel Voucher Scheme Report 2023/24

Annex D Financial Inclusion projects funded for 2023/24

List of Abbreviations

CAY	Citizen's Advice York
CFS	Community Furniture Store
CTS	Council Tax Support
CVS	Council for Voluntary Services
CYC	City of York Council
DD	Direct Debits
DI	Digital Inclusion
DHP	Discretionary Housing Payment
DRO	Debt Relief Order
DWP	Department for Work and Pensions

FISG	Financial Inclusion Steering Group
HAF	Holiday Activities and food
HB	Housing Benefit
HSF	Household Support Fund
IT	Information Technology
k	Thousand
LAC	Local Area Co
LIFT	Low Income Family Tracker
LWY	Live Well York
MCN	Multiple Complex Needs
PiP	Policy in Practice
UC	Universal Credit
UKSPF	UK Shared Prosperity Fund
YFAS	York Financial Assistance Scheme