

Executive

30th September 2021

Report of the Director, Customer & Communities
Portfolio of the Executive Members of Finance &
Performance and Housing & Safer Neighbourhoods

Preparations for Welfare Winter Planning & Support

Summary

1. This report reviews the provision of nationally and locally funded covid welfare support available to financially vulnerable residents and families during the coming winter months whilst the effects of the pandemic are still being felt across the city.
2. The report assesses the costs and options around addressing school holiday hunger in the short term whilst looking to address food poverty impacts in the city in the longer term. It also provides options for Executive consideration around how to use remaining related emergency covid-related funding to best effect for the benefit of those residents most impacted by the pandemic including early preventative schemes.
3. Importantly the report summarises the different elements of support that will be made available through specific themed activities, partnership co-ordination of advice and information and a comprehensive communications plan. These combined activities along with any approved funded schemes will ensure residents can secure the right support at the right time over the coming winter period.

Recommendations

4. The Executive is asked to:
 - a) Note the continued impacts of the pandemic on financially vulnerable members of York's communities as many Government covid welfare

schemes come to an end and note the full range of activities planned by the council and partners to support residents during the forthcoming winter.

- b) Note the £1m covid emergency funding identified by Executive at the start of the pandemic and how this funding has been distributed.
- c) In relation to holiday Free School Meal vouchers approve £150k funding to cover the school holidays in the current financial year to February Half Term (and excluding the week at Christmas covered by Holiday Activities and Food Programme Funding) from the York Financial Assistance Scheme (YFAS) Emergency Fund reserve (paragraphs 23 and 41).
- d) Refer school holiday food provision to the Children Education & Communities Policy & Scrutiny Committee to consider the effectiveness, impact and funding of the voucher scheme alongside other grassroots community based provision and other schemes to address food poverty impacts (paragraphs 23 and 41). This work could also inform further formal responses back to the Department for Education.
- e) Consider and agree funding for the schemes for one year from existing YFAS emergency funds as outlined in the report (paragraphs 34-39 and 41):
 - i. Early Support Fund at an additional cost of £20k
 - ii. Early intervention for residents in debt at a cost of £35k
 - iii. 100% Digital York Project Coordinator at a cost of £23,220.

Reason: *To acknowledge the ongoing financial impacts of the pandemic on residents, recognise the ending of a number of related government support schemes, consider mitigations and increase awareness of developing council plans to support residents in debt and in difficulty meeting their day to day living expenses.*

Background

- 5. There is no doubt that the economy in York is bouncing back from the covid pandemic and this is positive in providing job opportunities for local residents. This does not however alleviate the pressures on financially

vulnerable residents in either the short or longer term. Whilst this may seem contrary to what may be expected, the link between job availability and financial vulnerability is more complex.

6. The number of working age residents claiming Council Tax Support (CTS) rose during the pandemic as there were transient claimants effected by covid. The core base of around 5,500 claimants in each month has remained constant since June 2020 (up from 4623 in February 2020). The majority are employed either part time or full time but do not earn enough to manage without claiming benefits. There are a range of causes for this including:
 - low pay and /or part-time hours
 - child care costs
 - high property costs in York
 - skills, education and experience mismatches in terms of available higher paid jobs
 - the employment taper in Universal Credit*
 - *The Universal Credit earnings taper rate is currently **63%**. This means that for every £1 you earn over your work allowance (if you are eligible for one) your Universal Credit will be reduced by 63p. This amount will be deducted automatically from your Universal Credit payment. (gov.uk 12 Apr 2021)*
 - health conditions and disabilities.

Support Provided

7. The financial impacts of the pandemic on businesses and residents have been recognised locally and nationally, with the provision of a number of financial support schemes. These schemes for individuals and families for the 2020/21 year were summarised in a report to the Executive Portfolioholders on 12th July 2021 which can be found here:

<http://modgov.york.gov.uk/documents/s150921/Welfare%20Benefits%20Financial%20Inclusion%20July%2012%202021%20Final.pdf>
8. The value of direct City of York financial support spent to the 31st March 2021, was £829k which has been supplemented with Government funding of £1.7m.
9. The table below shows spend from the allocated £1m council budget in 2020/21 (829K). The £412k reserve set out in the Financial Implications section of this paper is the residual funding from the 2020/21 budget and the existing prior year YFAS reserve.

Area

Community hubs - pre pay cards	£ 10,255
Hub Support	£ 75,000
Community food parcels	£ 63,111
Mobile phones & internet	£ 11,000
Discretionary free school meals - Pupils confirmed	£ 50,505
Covid-19 Hardship Grant for CTS - Council Funding	£ 78,844
Winter Support Grant Charged to YFAS	£ 235,620
YFAS scheme	£ 304,526

Total**£ 828,861**

10. £50.5k was provided from the council emergency budget for free school meal vouchers of £15 per week per child for October 2020 half-term holidays and since that date the government's Winter Support Grant funding and Local Covid Support Grant (which superseded the Winter Support Grant) was top sliced for the following school holidays including summer 2021 holidays.
11. Further support to financially vulnerable residents has been provided by established and voluntary community based food banks and networks supported by the virtual community hubs in operation also funded by the council.
12. The level of funding from Government moving into 2021/22 has reduced with the Local Covid Support Grant which replaced the winter support grant continuing until the end of September 2021, and isolation grant funding now extended until the end of March 2022. The council continues to provide a hardship payment (£75) to each resident claiming Council Tax Support throughout 2021/22.

Ending of Covid Welfare Support schemes

13. This month there will be a significant reduction in existing nationally provided covid welfare support for the financially vulnerable that creates a financial 'cliff edge' with the ending of:
 - Local Covid Support Grant which has:
 - supported families with extra funding for food and fuel costs;

- funded school holiday free school meal vouchers.
 - Furlough support for those unable to work.
 - £20 per week Universal Credit supplement.
14. The financial and linked social issues arising from the covid pandemic are broad and complex in some cases exacerbating existing issues around debt, food and fuel poverty whilst also creating new problems such as mental health pressures and social inclusion (isolation and loneliness).

Rent Arrears and Housing debt impacts

15. The possible impacts related to housing is contained in a recent report (May 2021) by the London School of Economics which identified at a national level:
- Over 400,000 private tenants may be in significant rent arrears by the end of 2021.
 - Almost all of these tenants could be at risk of eviction.
 - National unemployment rising to 6.5% this year (currently 4.34%).
 - Currently around 10% of private tenants are thought to be unemployed – this is double the average unemployment rate – and 6 to 7% of them appear to be in arrears.
 - This is around twice the proportion of a ‘normal’ year”.
 - The Courts are currently unable to handle the number of cases it is lawfully able to deal with (mainly where there are at least 6 months of arrears).

Holiday Hunger and Free School Meal (FSM) Voucher Provision

16. Pre-pandemic there was no additional funding to support families during school holidays for children eligible for benefits related free school meals. Schools do receive funding to provide free school meals during term time.
17. During the pandemic there has been an increase in the number of children eligible for benefits related free school meals. School census data shows that in between January 2020 and January 2021 there was an increase in the numbers of eligible children across all phases. This is shown in the table below:

Phase/type of school	January 2020	January 2021
Primary	1586	1917
Secondary	980	1268
Pupil Referral Unit	81	77
Special School	74	85
Total eligible for FSM	2721	3347

18. During the period of national lockdown between March 2020, and August 2020, the government introduced the national voucher scheme to fund food vouchers for children eligible for benefits related FSM. This was to provide food for those children who were unable to attend school and was extended to cover the summer holidays in 2020. Schools received funding directly from the Department for Education to provide food during the period of the first national lockdown and to provide food assistance during the lockdown between January 2021, and March 2021. This direct funding to schools did not cover the school holidays and as previously described the government provided funding through the Winter Grant Scheme to extend support for FSM vouchers during the Christmas 2020 holidays, February 2021 half-term and Easter 2021.
19. In November 2020, the government announced the extension of the Holiday Activities and Food Programme (HAFP). The programme offers eligible children free healthy meals and enriching activities over the Easter, summer and Christmas holidays 2021. The council received £383k funding to coordinate the delivery of the programme. The funding has been based on the projected participation rates of eligible children in the local area and cannot be used to provide food for children who do not attend the activities. The information from the Easter and summer programme is being used to develop the offer for the Christmas holiday period. There is currently no information from central government about whether the HAFP will continue to be funded in 2022.
20. Guidance for schools has recently been updated and from September 2021 there is no requirement for schools to provide free school meals during school holidays. Where pupils eligible for benefits related free

school meals are self-isolating at home during term time, schools should work with their school catering team or food provider to provide good quality lunch parcels.

21. This leaves the question as to whether the council now withdraws from subsidising FSM vouchers during the holiday periods. Continuing to fund creates a significant unfunded budget pressure.
22. Executive Members are requested to consider the policy direction and funding for provision of food vouchers during the 2021/22 academic year. The estimated cost for the full academic year (excluding 1 week HAFP funded at Christmas) at £50k per week is £300k. If local authorities are to inherit this budget pressure given the lack of direct funding from Government this is something Executive may wish to refer to Children Education & Communities Policy & Scrutiny Committee. Through consultation scrutiny can assess this issue alongside grassroots community based provision and other schemes to address food poverty impacts. This work could also inform further formal responses back to the Department for Education.
23. In the meantime Executive is asked to consider whether it wishes to fund FSM holiday vouchers in relation to the imminent October half term holidays at a cost of £50k to be funded from remaining emergency funds. Alternatively given winter pressures on families, associated support up to and including February Half-Term would cost £150k and could also be funded from within existing emergency reserves. Vouchers for the full academic year would cost £300k however this would put reserves at risk as outlined in the financial implications section of this report unless other funding could be identified.

Planning for Winter and Beyond

24. Whilst traditional welfare benefits advice and support will continue to be provided by the council and its partners, all involved in this work are likely to see a potential increase in demand for support over the winter months. To manage this the council will plan to act as early as possible to prevent some of these demands rising further through both direct support and by also supporting, with the help of partners, residents to help themselves. This support will emanate from a set of actions set around addressing the short and longer term impacts described in this report and will cover areas such as:
 - Communication, advice and information raising awareness of existing support mechanisms;

- Help tackle the underlying reasons for debt holistically rather than piecemeal across services in the council;
- Take action as early as possible;
- Review and respond to food action schemes available in the city for those groups helping to alleviate food poverty;
- Work with partners, established schemes and economic development to tackle fuel poverty.

25. This list is not exhaustive and will influence longer term plans which will be informed by work on a revised Financial Inclusion Strategy and importantly the work of the York Poverty Truth Commission. The work on establishing the Commission is underway part funded by the council and other partners with planning sessions in place for October. More information can be found here:

<https://www.eventbrite.co.uk/e/vcse-assembly-poverty-truth-commission-tickets-167742796219>

26. An example of the work that is being planned in terms of communication and awareness- raising is **the Challenge Poverty/Talk Money Month**. Partners have joined the ‘Challenge Poverty’ and ‘Talk Money’ annual events together and are looking to develop a programme over the period from 11th October to 12th November 2021. This will build on the council’s communications plan to ensure all residents are aware of where and how they can access advice and support over the winter period.

27. This is a joint city-wide project with a range of partners involved. Communities, groups and organisations will be invited to take part including Community First Credit Union, Illegal Money Lending Team, Age UK, Carers Centre, Older Citizens Advocacy York, Peasholme, Community Hubs, St Nicks new York Energy Advice in addition to staff across the council including Local Area Co-ordinators, Housing Management officers and Benefits team members.

28. The focus will be:

- a collective approach on promoting and providing support;
- promoting trusted online tools and services, including money support and budgeting;
- available advice and support services – encouraging financially vulnerable residents to talk to their creditors and/or get support from

a debt advisor who can help them manage bills and suggest solutions;

- accessing winter warmth, fuel costs and switching, Home Upgrade Grants (HUG) and other grants;
- planning for Christmas.

29. More information is available at:

<https://challengepoverty.co.uk/>

<https://maps.org.uk/talk-money-week/>

30. This period of activity also includes ‘Get Online’ week during which the 100% Digital York Network is planning a number of activities. The Network was set up by Explore York and the council in partnership along with a range of voluntary, charity organisations and other partners to tackle digital exclusion and inequalities in the city. Digital access to services, information, education and advice has been critical to many residents during the pandemic and has helped to address financial inclusion and social isolation in many ways. Those who have not had access whether due to skills, equipment and/or connectivity have been significantly disadvantaged as a result of the pandemic and will need further support during the coming winter months.
31. To address the increasing risks of fuel poverty over the coming months, with the rising bills and those struggling financially worrying about keeping warm, the launch of York Energy Advice has been recently announced. The work is being led by St Nicks and [York Community Energy](#), with support from [Yorkshire Energy Doctor](#) and other local partners, funded through the Energy Industry Voluntary Redress Scheme. The service will provide advice and support direct to residents, via referrals, and support and training for other organisations.
32. In addition to the review of holiday hunger schemes already mentioned there are plans to respond to the needs of food action groups who are working hard in helping to alleviate food poverty in the city. These plans include the development of a coordination network and hub which will reduce food loss and impact climate change, covid recovery and food poverty. The scheme when developed will provide a consistent thread of food loss reduction measures for residents whether at work, home, or accessing community support. Although in its early stages, partners and groups are already working together to improve co-ordination and reviewing best practice examples of this work. Funding opportunities are being sought to

finance initial resources to form the network and any implications for the council will be considered at a future Executive Member Decision Session.

Proposed Additional Schemes for approval

33. As part of planning to address the impacts of winter and short term welfare support schemes ending, Executive Members are asked to consider three proposals which will help those struggling from the worst impacts of financial and digital exclusion and debt. These could be considered as short term solutions but feeding into longer term strategies if proved successful – these would be funded from YFAS covid reserve (see financial implications at paragraph 43). If approved it is proposed that output measures are developed for each scheme and monitoring undertaken by the council's Financial Inclusion Steering Group (FISG), reporting to Executive Portfolio holders every six months as part of the normal FISG public reporting cycle.

Early Support Fund (Total costs £60k, £40k from existing funds and £20k from YFAS reserve)

34. The proposal is to provide a flexible and quick way to access small grants within communities delivered by Local Area Co-ordinators for people who are facing crisis and/or specific barriers to accessing support. An 18 month pilot has already been undertaken in Local Area Coordinators team (via external funding provided Lankelly Chase).
35. The updated version of the scheme is to provide flexible grants 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 Covid pandemic. In essence this is a community accessed element of the York Financial Assistance Scheme. £30k would be earmarked for council housing residents from the existing Housing Emergency fund, £10k has already been provided through core YFAS funding for digital hotspots and so £20k is required from the YFAS reserve.

Early Intervention for Residents in Debt (Total costs £35k from YFAS reserve)

36. The proposal is to run a pilot project over the next year to explore and develop a positive and collaborative approach to support those people who are in Council Tax arrears. Involving:

- Council Tax Recovery Team
- CYC Benefits & Contributions Advisor
- Peasholme Charity
- MEAM (York Making Every Adult Matter)

37. The pilot will test and develop a model of working between advisers and Council Tax, Housing & Benefits services which takes a holistic approach of resident's total debt situation and the support that is available.

100% Digital York Project (Total costs £23,220 from YFAS reserve)

38. The partnership led by Explore York requires a Coordinator who can ensure that the work can move forward at speed to bring the benefits of being online to everyone in York. It is estimated that 13% of the York residents are currently not online. One of the work streams of the partnership is to combat financial exclusion but there are also other benefits around improving skills and tackling social isolation. The Coordinator will work with partners to develop learning courses, to avoid any duplication and to ensure that people are signposted to where they can receive the help they needed.

39. One of the key areas of work for the Coordinator will be to attract more funding for additional posts and to fund their post once the initial year is over.

Funding of the additional schemes and recommendations

40. The total cost of implementing these schemes is £118k however the first scheme (Early Support) already has £10k of core YFAS funding for mobile and digital hotspots along with £30k which can be provided from the Housing hardship fund leaving £78k to be met from existing emergency funds. Executive Members are asked to consider approval of any or all of these schemes for one year to help mitigate the ongoing financial impact of the pandemic and inform longer term schemes to assist those who are in long term debt, irrespective of the impacts of the pandemic.

Analysis

41. In terms of the options that can be considered for each recommendation:

- Option A – no further funding commitments are considered and Executive notes the existing and future expenditure plans.
- Option B - in relation to the provision of school holiday FSM vouchers the options available for consideration are as follows but should be considered in light of the financial implications and risks as outlined in paragraphs 43 to 45:
 - i. Approve £50k funding for October Half-Term;
 - ii. Approve £150k funding to cover the school holidays in the current financial year to February Half Term (and excluding the week at Christmas covered by Holiday Activities and Food Programme Funding);
 - iii. Approve £300k funding to cover school holidays in the full 2021/22 academic year (excluding the week at Christmas covered by Holiday Activities and Food Programme Funding); or
- Option C Executive can choose to (i) refer or (ii) not refer school holiday food provision to the Children Education & Communities Policy & Scrutiny Committee.
- Option D Executive can choose to (i) accept or (ii) reject the funding of any or all of the three schemes proposed to support financially vulnerable residents to soften the impact of the ending of many covid welfare support schemes.

Given the financial risks outlined in the report relating to available funding the recommended options are Options B (ii), C(i) and D(i).

Council Plan

42. The outcomes in this report contribute to the key Council Plan priority focussed on delivering 'Well-paid jobs and inclusive economy' and the related focus on financial inclusion impacts of the Covid-19 crisis in terms of meeting immediate needs and planning for ongoing impacts on families and children.

Implications

43.

(a) **Financial** –

Council covid emergency YFAS funding balances set aside for this purpose stand currently at £412k. The balance can be used for any or all of the costs mentioned in this report but Executive members should be mindful of the ongoing pandemic and possible impacts on those residents who have always been financially vulnerable, those who are new to debt and those who are in deeper difficulties due to the impacts of covid. Allocating what will be all of the funding now may leave only a small amount for future emergency provision and is a risk if for example, demand on the YFAS scheme increases in year.

Using a significant proportion of this money to fund free school meal holiday vouchers could also set a longer term precedent that the council cannot afford and should be assessed against any alternative forms of support that families can access within their communities. It is advisable given the risks outlined that a maximum of £150k is allocated for this purpose.

(b) **Human Resources (HR)** - There are no implications

(c) **Equalities** – As outlined in the attached impact assessment at Annex A the recommendations will have positive impacts as the purpose is to provide support in terms of financial, digital and advice and information for those residents who have been struggling financially as a result of the pandemic, or their financial vulnerability has worsened due to the pandemic. Once approved it will be possible to communicate more broadly and also work with third sector partners to promote the activities. There is equality of access to all residents who live in the York boundary and who meet the criteria for the support. Advice and information will be available to all.

(d) **Legal** – There are no implications There are no legal implications directly arising from this report however the various schemes and proposals referred to in this report may require legal advice and support as and when necessary.

- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

Risk Management

- 44. The key risk relate to deepening financial difficulties for individuals and families affected by the pandemic when related financial support ceases at the end of this month should there be no action taken to maintain some support at a time when prices are rising and winter months mean increased costs for many individuals and families. This support in itself may be insufficient to meet all needs as the available budgets for support are limited.
- 45. The financial risk for the council is outlined in paragraph 43 above. The recommendations in this report seek to mitigate these highlighted risks.

Contact Details

Author:

David Walker
Head of Customer
& Exchequer
Services
Tel: 01904 552261

Pauline Stuchfield
Director of
Customer &
Communities
Tel No.01904
551706

Chief Officer Responsible for the report:

Pauline Stuchfield Director of Customer &
Communities
Tel No.01904 551706

Report Approved Date

17/9/2021

Specialist Implications Officer(s) *Chief Finance Officer and
Director of Governance & Monitoring Officer*

Wards Affected: *List wards or tick box to indicate
all*

✓ All

Annexes:

Annex A: Equalities Impact Assessment

Background Papers:

Financial Inclusion Welfare Benefits Update – Executive Member June 21

<http://modgov.york.gov.uk/documents/s150921/Welfare%20Benefits%20Financial%20Inclusion%20July%202012%202021%20Final.pdf>

List of Abbreviations

CTS	Council Tax Support
DfE	Department for Education
FISG	Financial Inclusion Steering Group
FSM	Free School Meals
HAPF	Holiday Activities & Food Programme
HUG	Home Upgrade Grants
IT	Information Technology
k	Thousand
MEAM	Making Every Adult Matter
YFAS	York Financial Assistance Scheme