
**Executive Member for Finance & Performance
Decision Session**

21st July 2021

Report of the Director of Customer & Communities

Local Covid Support Grant Scheme (LCSG)

Summary

1. The Government have announced a final extension of the Local Covid Support Grant scheme (formerly known as the Winter Grant Scheme (WSG)) to 30th September 2021, and further funding of £392k to be allocated to City of York Council.
2. This report will request retrospective approval to support the Holiday Activities and Food scheme that will operate for 4 weeks in the summer holiday by supplying funding for Free School Meal Vouchers in the remaining 2 weeks (£100k). This has been subject to an officer decision in the meantime due to preparation required ahead of the impending summer holidays.
3. The initial funding for the first LCSG was lower than that of the WSG and as such a more cautious approach had been taken in the level of funding awarded to residents to provide support across the full period 17th April to 20th June 2021. As the new level of funding is much higher and must be spent by the end of September 2021 the intention is to provide greater directed financial support to identified families currently claiming Council Tax Support (CTS). The report makes recommendations on the proposals to distribute the funding fairly to those in greatest need.

Recommendations

4. The Executive Member in consultation with the Executive Member for Housing & Safer Communities is asked to:
 - Retrospectively approve the top slice of £100k from the new LCGS grant for free school meal vouchers during the remaining

two weeks of the school summer holidays (as outlined in paragraph 10).

- Approve the methodology outlined in paragraph 16 below for allocating the remaining grant to families identified as in need using the Council Tax Support (CTS) scheme entitlement criteria.
- Approve the continuation of the existing scheme for anyone not on CTS but requires help with food and bills (paragraph 18).

Reason: to ensure government funding is utilised in the fairest and most direct way to support as many of families as possible affected by the financial impacts of the Covid19 Pandemic

Background

5. The Local Covid Support Grant scheme (LCGS) superseded the Winter Support Grants (WSG) on 17th April 2021. The principles of the scheme were similar to those of the WSG in supporting financially vulnerable families with food and utility costs arising from the covid pandemic using local discretion with the funding to be spent by 20th June 2021.
6. The funding for the initial LCSS scheme was £98k of which £50k was top sliced for free school meal vouchers during the May 2021 bank holiday. This left £48k remaining to be distributed from 17th April to 20th June. This equated to approximately £5k per week. The total spend was a little over this, £19k of the £100k Public Health (PH) funding was initially used to augment the government funding available. This was superseded with additional budget announced by the Department of Work & Pensions (DWP).
7. The Government have recently announced a final extension of the scheme to 30th September 2021 and further funding of £392k. At the same time there continues to be no direct Government funding for free school meals during many of the school holidays. The summer activities scheme (Holiday Activities & Food (HAF) programme) operating in York schools aims to make free holiday club places available to children eligible for free school meals for the equivalent of at least four hours a day, four days a week, six weeks a year (4 weeks in the summer and a week's worth of provision in each of the Easter and Christmas holidays).

8. This next amount of LCSG funding will not be paid to local authorities until November/December 2021 following submission of the final returns which are due by 22nd October. There is no opportunity to carry any LCSG funding beyond 30th September.
9. It is possible that further Government funding may become available during the autumn and winter but they have made clear at this point that there will be no further extension to the LCSG.

Options Analysis

Funding of free school meals vouchers during school holidays

10. The Education and Skills service have asked that funding of £100k for the other two weeks of the summer holidays be made available from the latest LCSS grant for free school meals vouchers. If approved this will leave £292k available for distribution to families excluding the balance of the Public Health money remaining.
11. Members can choose not to approve this option and leave a greater amount for distribution to families with children as described below, but note the officer decision already made in consultation with Executive Members which would require alternative funding provision.

Distribution of Remaining LCSG Funding

12. The initial funding for the first LCSG was lower than that of the WSG and as such a more cautious approach had been taken regarding the application criteria for residents to provide support across the last period to 20th June. As the new funding provision is more generous and must be spent by the end of September 2021 the intention is to allow a greater number of families to meet revised criteria for financial support where it is required.
13. The Government are also supportive of authorities seeking match funding to augment the pot:

'LAs are able to add their own funding or partner contributions from local organisations on top of the Grant, including seeking match funding from local community foundations'

14. Due to the timescales involved and current capacity in the sector it is unlikely that we can elicit further funding at this stage. The existing PH money is available until 31st March 2022 unlike the LCSG monies which must be spent by the end of September so could support the existing elements of the scheme for longer.
15. This is positive news as the council can return to providing increased help to those suffering from hardship arising from the covid-19 pandemic. A note of caution is that a monthly scheme has been running since December 2020 and many families could become dependent on the support which will create a 'cliff edge' at the end of September when it ends. This date coincides with the end of Furlough and the move into autumn and winter where indications are that with covid alongside the flu season is likely to be challenging and fuel costs will increase for families.
16. To avoid the risk of monthly reliance on this fund and to ensure the money is targeted at families in need the following scheme is proposed:
- Families receiving Council Tax Support will be invited to apply for a one off grant to help with food and fuel bills. This would be a limited light touch application process to allow verification checks and bank payments to be made. This money will be paid in addition to the £75 hardship payment each customer has received towards their 2021/22 Council Tax bill.
 - One off cash payments will be made.
 - The awards will be based on the set levels already agreed for the previous WSG scheme, based on family size.
 - Letters will be sent to all CTS customers along with media releases.
 - An application deadline will be specified and bulk payment made to all applicants after this date.
17. The proposed levels of payment and current numbers in each category are as follows:

Row Labels	Count of Claim No	Award	Total
Couple - 1 Child	185	£ 170	£ 31,450
Couple - 2 child	187	£ 195	£ 36,075
Couple - 3 Child	107	£ 220	£ 40,700
Couple 4+ Child	71	£ 245	£ 45,325

Single - 1 child	795	£	150	£	27,750
Single - 2 Child	566	£	175	£	32,375
Single - 3 Child	256	£	200	£	37,000
Single - 4+ Child	120	£	240	£	44,400
Grand Total	2287			£	295,075

18. It is also proposed that for anyone affected financially by covid (not on CTS or otherwise) and requires further help with food and bills, the current scheme (which commenced on 20th April 2021) will continue. This has a full application process will continue to be available alongside the one off payment scheme described in paragraph 16. The Public Health funding will allow this scheme to continue (at current rates will probably cost £50k) and allow for a contingency of around £25-30k if needed if claims increase.
19. Members can choose not to approve this option and consider the following options:
- **leave only the existing scheme in place**, however the council will only receive what it has spent and could result in a substantial amount remaining unclaimed. Whilst this has a higher award it has a stricter criteria around who can apply as described here: <https://www.york.gov.uk/people-communities/covid-local-support-grant/2>
 - **return to the Winter Grant scheme** ie a monthly grant available to all families in hardship. Whilst this scheme in total generated grant payments of an average of £30k per month, which is affordable with the new funding, the following risks could arise:
 - i. for those that claim - the risk of reliance on a monthly payment which stops in September as described earlier;
 - ii. many families could miss out on funding that is an easier to access directly targeted scheme makes available to them;
 - iii. from a fairness perspective all families on CTS would be given the opportunity to apply which would reduce the risk of exclusion.

Council Plan

20. 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

21.

(a) **Financial** – All contained in the body of the report. The funding is provided by the Department of Work & Pensions.

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

(c) **Equalities** – There are no negative implications of the proposal as it provides funding to the city's most financially vulnerable. The scheme is a continuation of an existing scheme that has been in place since December 2020. The scheme has and will be promoted through council communications and liaison with our third sector partners. It will ensure that all low income residents will benefit depending on their circumstances and that the Government funding is spent before it can be clawed back.

(d) **Legal** – There are no implications

(e) **Crime and Disorder** - There are no implications

(f) **Information Technology (IT)** - There are no implications

(g) **Property** - There are no implications

Risk Management

22. The key risks are

a. if the money that is allocated is not spent and has to be returned to government at the end of the period or

b. the process is too complex for people to apply.

The recommendations in this report seek to mitigate these risks.

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Report Approved

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Date 13/7/2021**Specialist Implications Officer(s)** *Chief Finance Officer***Wards Affected:** *List wards or tick box to indicate all* **All****Annexes:**

Annex 1 - Equalities Impact Assessment

Background Papers:

None

List of Abbreviations

CTS	Council Tax Support
DWP	Department of Work & Pensions
IT	Information Technology
k	Thousand
LCSG	Local Covid Support Grant
PH	Public Health
WGS	Winter Grant Scheme