

**Executive Member for Finance & Performance**

**14 November 2022**

Report of the Director Customer and Communities

## **Household Support Fund October 2022 – March 2023**

### **Summary**

1. This paper presents the Household Support Fund (HSF) scheme October 2022 – March 2023 to the Executive Member for Finance & Major Projects in consultation with the Executive Member for Housing & Safer Neighbourhoods for approval.

### **Recommendations**

2. The Executive Member is asked to approve:
  - a) the council's HSF scheme October 22 – March 23 (Annex A).
  - b) That any changes to the scheme that do not fundamentally alter the purpose be delegated to the Section 151 officer in consultation with the Executive Member for Finance & Performance
  - c) the delegation of discretion to pay claims made within the broader scope of the scheme guidance as set out by the Department for Work and Pensions (DWP) (Annex B) to the Head of Customer & Exchequer Services.

*Reason: To provide financial support to the city's most financially vulnerable residents through the October 2022 – March 2023 arising from the ongoing cost of living increases.*

### **Background**

3. On 26 May 2022, the Chancellor announced, as part of a number of measures to provide help with global inflationary challenges, the significantly rising cost of living and that the Household Support

Fund (HSF) would be extended from 01 October 2022 to 31 March 2023.

4. On the 26<sup>th</sup> August the DWP confirmed the scheme and in September confirmed funding of £1,037k for York. This is the same level of funding as for the first two HSF schemes.
5. The government guidance (Annex B) is broader than in previous HSF schemes and rather than focussing on one specific vulnerable group, Local Authorities are being asked to provide support to a broad cross section of vulnerable households to prevent escalation of problems, including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities; particularly considering support for those vulnerable households who are ineligible for other government support with the cost of living. All schemes must have a discretionary application process for residents.
6. The total funding including any administration costs for City of York Council is £1.037m. The funding is paid retrospectively in February and May 2023 following management returns and all funding must be spent or committed by 31<sup>st</sup> March 2023.

## HFS Scheme

7. This is the fifth government scheme following the Winter Support Grants (WSG) from December 2020 to April 2021, the Local Covid Support Grant (LCSG) from April 2021 to September 2021, the initial HSF scheme October 2021 to March 2022 and the second HSF Scheme April 2022 to 30<sup>th</sup> September 2022. The scheme allows as far as possible to mitigate the necessity for potentially qualifying customers to have to make a claim. This has been well received with the previous schemes and ensures support is distributed as fairly and widely as possible. As with previous schemes and as set out in the DWP guidance there is a discretionary scheme running until 31<sup>st</sup> March 2023 that any resident can apply too. This scheme specifically looks to support potentially financial vulnerable families with children, support for vulnerable households who are ineligible for other government support, and families with disabled children who may be adversely affected by the increase in utility costs. The scheme still requires

that proper security checks are undertaken before making any payment.

8. City of York Council does not have details of households receiving Disability Living Allowance for a child. Therefore, an invitation letter cannot be sent. Families receiving DLA for a child will be invited to apply through a media campaign and promotion through CYC staff teams and partner agencies. The level of support is set out in Table B below.
9. The HFS scheme is set out at Annex A and in summary at Table A & B below:

Table A – Scheme

<b>DIRECT PAYMENT</b>	<b>£</b>
Households eligible for free school meals	£ 607,075
working age HB/CTS customers not in receipt of income support or universal credit.	£ 127,800
Foster Carers	£ 25,000
<b>APPLICATION</b>	
Broad means tested route- anyone can apply. Auto qualification if DLA for a child	£ 150,000
Student application referral from Educational establishment	£ 50,000
<b>OTHER</b>	
York Energy action - help with energy efficiency to customers	£ 5,000
Additional budget for discretionary housing payments	£ 10,000
Food and Fuel Vouchers	£ 50,000
Administration costs	£ 50,000
<b>TOTAL</b>	<b>£ 1,074,875</b>

Table B – Level of Support

<b>CATEGORY</b>	<b>£</b>
Households eligible for free school meals - 1 Child	£ 225
2 Children	£ 250
3 Children	£ 275
4+ Children	£ 300
Working age HB/CTS customers not in receipt of income support or universal credit	£ 200
Foster Carers	£ 250
Households receiving DLA for a child	£ 250
Student referrals	£ 200

10. The scheme is there to support those households in financial difficulties with food, fuel and other utility bills. A resident does not have to be in receipt of DWP benefits to claim though the discretionary fund and each claim will be considered on its own merits. Any resident who does not qualify will be signposted to other support both internally and externally including the York

Financial Assistance Scheme (YFAS). The scheme will close on the 31<sup>st</sup> March or at the point the funds are exhausted.

11. The previous HSF scheme provided funding support for food/fuel vouchers. The new HSF scheme recommends that £50k of the funding is allocated to food/fuel vouchers. This scheme Table A and Annex A also looks to provide support to:
  - A student hardship fund (By University referral not direct application)
  - Energy efficiency measures through York Energy Advice
  - Support to Discretionary Housing Payments

## **Analysis**

12. The difference between this scheme and the former HSF scheme is that it removes the restrictions on the percentage that can be spent of specific groups and also looks to target those households who have not previously received any government support. Whilst the council has received a little over £1m this is a very small amount of money in comparison to the ongoing and increasing financial pressures many households are facing.
13. Whilst it may seem to be a considerable gap between approval and direct payments (January) this is arising due to additional pressures of administering the final payments of the discretionary element of the Energy Rebate and time to administer the new cohorts (Over 3.000 Households). This does not apply to those residents applying to the discretionary scheme.
14. There is continuing support through the York Financial Support Scheme (YFAS) and access to food/fuel vouchers as well as Discretionary Housing Payments (DHP).

## **Consultation**

15. This is a Government scheme and there was no consultation with City of York Council on its design. There is, however, some latitude within the scheme on how it is delivered and the council has consulted with its Advice York partners as part of the Equalities Impact Assessment (Annex C) on how it will be delivered. The

scheme has been discussed with the council's charity, voluntary and community sector partners (Advice York) and reflects their thoughts in terms of getting money to Households as quickly and simply as possible

## **Implications**

16.

### **Financial**

There are no financial implications as this is Government grant not council budget. The council does not receive new burdens in respect of this scheme but can take reasonable administration costs that are reported through the management return. The council costs are estimated at £50k. The current scheme is forecast to spend approx. £30k above the Government grant however based on past schemes not all direct payments are taken up so it is expected that the scheme will come in on budget and the £50k council costs will be held as a contingency budget until the scheme is delivered.

### **Human Resources (HR)**

There are no HR implications.

### **Equalities**

This report will impact on all communities equally. Equalities Impact Assessment attached at Annex C

### **Legal**

No implications

### **Crime and Disorder, Information Technology and Property**

No implications

### **Risk Management**

17. The key risk associated with this paper relates to ensuring that the scheme is delivered within and up to the financial value of the Government grant received. This is managed by basing the scheme on existing data around vulnerable family numbers in the city and taking a prudent approach to the grant payments.

**Author responsible for the report:**

**Chief Officer responsible for the report:**

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**Report  
Approved**

**Date  
02/11/  
22**

**Specialist Implications Officer(s):**

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

**All**

**For further information please contact the author of the report**

Background Papers:

**Annexes**

Annex A – HSF Scheme

Annex B – DWP Guidance

Annex C - EIA