

Household Support Fund (October 2022 to March 2023)

To: Communities, Social Mobility, and Inclusion Committee

Meeting Date: 1 November 2022

From: Interim Deputy Director for Communities, Employment and Skills, Paul Fox

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2022/105

Outcome: That the delivery of the Household Support Fund between October 2022 and March 2023 continues to target those most in need of financial support. That the Fund is delivered in line with the conditions of the Fund and that the full amount of available grant is utilised.

Recommendations: The Committee is recommended to:

- a) Approve the eligibility criteria for the Household Support Fund, as set out in section 2.5 of the report;
- b) Increase the standard financial offer to beneficiaries of the Household Support Fund from £100 to £110;
- c) Allow a further application to the fund from those who have previously received support; and
- d) Delegate further decisions relating to the delivery of the Household Support Fund to the Interim Deputy Director for Communities, Employment and Skills, in consultation with the Chair and Vice-Chair of the Communities, Social Mobility and Inclusion Committee.

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1. Background

- 1.1 The third iteration of the Household Support Fund (HSF3) will run from 1 October 2022 to 31 March 2023. The fund is designed to support those most in need, providing help with inflationary challenges and the rising cost of living.
- 1.2 The funding allocation for Cambridgeshire for this third tranche of the fund is £3,581,424. This is consistent with previous allocations. Funding will be reimbursed to the Council once a final data return is submitted in April 2023.
- 1.3 It is proposed for the fund to be used on both the scheme outlined in this paper and the Direct Voucher Scheme (DVS) offered during school holidays. The DVS offers parents of children in receipt of free school meals a £15 supermarket voucher per child for each week of the school holidays. For this round of the fund, this will mean the October half-term, Christmas holidays and February half-term.
- 1.4 Members were presented with a summary of the draft HSF3 guidance at its meeting on 22nd September 2022. The final guidance has now been published without any major changes. Key points to note from the guidance include the following:
 - (i) The fund does not contain targeted spends for any cohort of the population.
 - (ii) There is a requirement to operate at least part of the scheme on an application basis.
 - (iii) While the fund is intended to cover a wide range of low-income households in need, there is an expectation to consider groups which may not have benefited from recent cost of living support schemes.
 - (iv) Local authorities are encouraged to target support for people with disabilities, as they may be facing acute challenges due to the disproportionate impact that rising costs bring.
 - (v) Restrictions on the type of support offered remain in place. Support should be focused on energy, water and food. The Council remains prohibited from funding advice, guidance, debt support or income maximisation through the HSF3.
 - (vi) It is suggested, although not required, to prioritise supporting households with the cost of energy. Support which can make a rapid but sustainable impact on energy costs is particularly encouraged.
 - (vii) Reporting requirements for HSF3 have increased. Information is required on population cohorts, purpose of spend, the number of individual awards and the number of households supported.
- 1.4 The DVS falls within the remit of the Children and Young People Committee, and requires estimated funding of £1,120,000 between October 2022 and March 2023, although this may vary depending on the number of those receiving free school meals. This would leave an estimated working balance of £2,461,424 for the wider scheme and associated administrative costs.

- 1.5 This report sets out detailed proposals for the delivery of the wider HSF3 scheme in Cambridgeshire.

2. Main Issues

- 2.1 An extensive coproduction exercise was undertaken during the previous iteration of the Household Support Fund. This led to a blended system that enables direct financial support to those in need, with an additional focus on financial sustainability and income maximisation.
- 2.2 This is part of a wider support offer which links families and households with, and helps them to navigate, support mechanisms of which they may not previously have been aware. This approach was outlined in the report on the Household Support Fund that was presented to the Committee at its meeting on 21st July 2022.
- 2.3 The principles that guided the design of the existing system were:
- Coproduction of the Council's offer and processes being the core of the fund
 - The Council's offer being easy to understand and access
 - Seeking to minimise bureaucracy and administrative spend
 - Building on existing support networks, joining up local services and not duplicating them
 - Supporting those in need to navigate the complex systems of support available, rather than simply 'handing off' or 'signposting them'
 - Sharing learning and intelligence with the Council's partners to help target offers
 - Working in collaboration with partners across the public and voluntary sectors
 - Supporting residents of Cambridgeshire
- 2.4 Ongoing engagement with stakeholders suggests that this remains the correct approach to take and the progress made over the last six months has been welcomed. Therefore, it is recommended that HSF3 largely continues to deliver and develop the Council's existing approach with a few minor changes, as set out in sections 2.5 to 2.10 of this report.
- ### 2.5 Eligibility
- 2.5.1 Since its inception, the main eligibility criteria for the Household Support Fund have been a range of means-tested benefits. However, there is wide acknowledgement that there is an increasing number of households struggling financially which are not eligible for these benefits. It is therefore proposed to revise the eligibility criteria for the fund.
- 2.5.2 The Joseph Rowntree Foundation and Loughborough University produce a set of annually updated Minimum Income Standards for acceptable standards of living. These amounts vary according to the number of children in a household. This reflects that children are significant contributors to financial pressure in households.
- 2.5.3 This data has been used to establish the following proposed eligibility criteria:

- (i) Applicants should have a household income level of less than that identified in Table 1 and Table 2. The figures in the tables are calculated using the 2021 Minimum Income Standards. These will be updated as annual changes to the Minimum Income Standards are made.

	No children	1 child	2 children	3 or more children
Single adult	£20,383	£24,883	£29,148	£37,928
Couple/Joint applications	£27,340	£31,902	£35,824	£45,548

Table 1 – Gross Annual Income

	No children	1 child	2 children	3 or more children
Single adult	£325	£527	£698	£883
Couple/Joint applications	£485	£629	£799	£988

Table 2 – Net Income per Week

- (ii) Applicants that live with their spouse or partner must make a joint application for the household, even if the spouse or partner is not applying.

- (iii) Applicants should have no more than £16,000 in money, savings, and investments.

2.6 Direct Application Process

- 2.6.1 The majority of direct applications will be received through a straightforward, intuitive application form that will be available on the Council's website.
- 2.6.2 For HSF2, the Council partnered with Age UK Cambridgeshire and Peterborough to provide a dedicated route of access to people of pensionable age. Primarily accessible by telephone, this familiar trusted body can provide specialised wider support to this age group. Given that this approach has been a success in engaging a group that is often reticent to seek support, it is proposed to continue its adoption during HSF3.

2.7 Trusted Partner Network

- 2.7.1 The Council's 'trusted partner' approach continued throughout HSF2, with 68 organisations and teams now forming part of the network, with new members regularly being identified. Trusted partners can make a financial award to households in need, accessing the fund as part of their broader toolkit of support. Partners are briefed on the eligibility criteria and funding conditions, and are trusted to make decisions on whether an award should be made. If an award is deemed to be the right solution, the trusted partner organisation submits details to the Council's Anti-Poverty Hub, which processes the award on their behalf. It is proposed to continue and expand this model, as it both expands the reach of the fund and acts to integrate anti-poverty offers in the wider system.

2.8 Identification of Potential Beneficiaries

- 2.8.1 As well as the previously mentioned routes to accessing the fund, it is important that the Council proactively seeks to identify households that may be eligible for and in need of help and support. The Council will therefore continue to work with partners across the system to directly contact target groups to ensure that they are aware of the support that is available. This approach proved extremely successful during HSF2 using pension credit data from the Department for Work and Pensions (DWP) and council tax reduction data from district council partners. In addition, DWP is allowing access to housing benefit data to support delivery and targeting of the fund.
- 2.8.2 The Council is currently working with the NHS to expand the trusted partner network to include discharge teams and others, and to identify data it holds that will enable us to target specific cohorts.
- 2.8.3 District, city and parish councils, along with councillors from the Council and other local authorities, will continue to play a vital role in promoting the fund, while providing local intelligence to the Anti-Poverty Hub to enable targeted communications and engagement activity where it is needed.
- 2.8.4 As winter approaches, a number of organisations are intending to offer 'warm spaces' or 'warm hubs'. While there is no single definition of such places, they can be broadly characterised as spaces where people can access a safe, warm and friendly environment, often accompanied by refreshments, social activity, information and advice, along with the company of other people. The Council has begun work to wrap its anti-poverty offer (including but not limited to the Household Support Fund) around such initiatives. This approach will also be undertaken by the library service.

2.9 Financial Support

- 2.9.1 Since the commencement of HSF1, the Council has refined and revised its financial support offer based on experience of delivering the scheme, feedback from partners, and the results of evaluation undertaken with scheme users.
- 2.9.2 As the schemes have matured, the Council continues to move away from vouchers to Bacs payments direct into beneficiaries' accounts. It is considered that Bacs payments have less potential for fraud and financial abuse, while also being more convenient and accessible for most users, without placing cashflow stresses on smaller shops and post offices. Vouchers also incur transaction and/or purchase fees. However, the Council will retain the ability to pay vouchers where the need arises, such as when someone does not have a bank account, or if someone has breached an overdraft limit and putting money into their account might result in them not being able to access it.
- 2.9.3 Over different iterations of the fund the Council has also moved away from a complex system of different payment amounts for different types of support (food, fuel, water, etc.), towards a flat rate of financial support. This is both easier to understand for those accessing support and also less administratively burdensome to deliver.

- 2.9.4 The current flat rate paid by the fund is £100, although this might be amended in specific or exceptional circumstances. For HSF3, it is proposed to increase this payment to £110 to reflect inflationary driven increases in fuel and food prices.
- 2.9.5 During HSF1, which ran from October 2021 to March 2022, several amendments to the scheme were made to ensure the fund did not overspend and remained open. One such change restricted applications to one per person. This was maintained during HSF2, which ran from April 2022 to September 2023, as the requirement to target one-third of the fund to pensioners, when combined with the Council's commitment to the schools-based DVS, required careful management of the fund.
- 2.9.6 The restrictions of HSF2 have now been lifted and there is greater flexibility for managing expenditure within the scheme. Furthermore, it is now approaching a year since restrictions were placed on applications. It is therefore proposed that a reset is carried out, to enable those who have previously applied to the scheme to be able to request further support. It is not recommended, however, to permit new multiple applications. Since HSF1, the Council has worked hard to ensure that engaging with the fund served as a conduit to longer-term, more sustainable support than the short-term financial support available through the fund.
- 2.10 Wider Offer
- 2.10.1 Officers continue to believe in the principle of using the fund as a conduit to personalised support that has a longer-term impact than a single cash award. To that end, beneficiaries of the fund are offered support, such as income maximisation and assessment for eligibility for benefits including free school meals and free childcare, and they are made aware of social utility tariffs. More recently, work has started with the Cambridgeshire Energy Retrofit Partnership to encourage fund applicants to apply for grants to improve energy efficiency and save money on their heating bills.

3. Alignment with Corporate Priorities

3.1 Communities at the heart of everything we do

The Cambridgeshire HSF3 will work closely with local councils and a wide range of trusted partners at a community level, enabling a localised approach to be taken to support a household in need where appropriate.

3.2 A good quality of life for everyone

The Cambridgeshire HSF3 is designed to meet the urgent and immediate needs of households over the coming months. However, the scheme will also sit alongside broader support arrangements available via the Anti-Poverty Hub, district council partners, and a wide range of other service providers. Supporting households out of crisis and onto a path of longer-term recovery will help to build capacity, resilience and self-reliance.

3.3 Helping our children learn, develop and live life to the full

Alongside the direct voucher scheme, the Council will be identifying families in need and encouraging them to apply to the Fund.

3.4 Cambridgeshire: a well-connected, safe, clean, green environment

Helping households in immediate and urgent need will enable them to begin a pathway to longer term recovery.

3.5 Protecting and caring for those who need us

The Fund will provide immediate relief for households in crisis, and the scheme, which will sit alongside a broader range of opportunities to provide support, coupled with the Council's ability to identify households in need that may not yet be known to us, will ensure a focus of support on those most in need.

4. Significant Implications

4.1 Resource Implications

There are no direct resource implications for the Council, as they are covered by the grant.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

Any procurement activity undertaken will follow the Council's contract procedure rules, and the Procurement Team will be engaged to provide support. Procurement and contract procedure rules will need to be followed when commissioning the new services described in the report. The fund will be managed through the local authority and staff employed through the Council.

4.3 Statutory, Legal and Risk Implications

The Council is likely to be required to provide management information to DWP as a condition of the funding.

4.4 Equality and Diversity Implications

It will be important that the Fund is made widely available to all households that may be in immediate or urgent need.

4.5 Engagement and Communications Implications

Communicating this fund to residents, as well as engaging with district councils, parish and town councils and other trusted partners, will be essential if the Council is to ensure help reaches those people most in need.

4.6 Localism and Local Member Involvement

Local Members will play a vital role in helping to promote the scheme, identifying households who may need to apply to the scheme, and supporting those households with their applications.

4.7 Public Health Implications

The HSF3 is a potential source of support for community members experiencing hardship. However, many of the challenges affecting their health and wellbeing are structural and require a wider approach. The fund's impact is greater, more sustainable, and preventative if it is part of a package of interventions that lever in different types of support within the system for community members through a co-ordinated pragmatic approach.

4.8 Environment and Climate Change Implications on Priority Areas

4.8.1 Implication 1: Energy efficient, low carbon buildings.

Status: Positive

Explanation: The links being made between the HSF3 and the Cambridgeshire Energy Retrofit Partnership to encourage fund applicants to apply for grants to improve energy efficiency and thus cut carbon emissions.

4.8.2 Implication 2: Low carbon transport.

Status: Neutral

Explanation: There are unlikely to be any impacts on transport as a result of the scheme.

4.8.3 Implication 3: Green spaces, peatland, afforestation, habitats and land management.

Status: Neutral

Explanation: There are unlikely to be any impacts on land as a result of the scheme.

4.8.4 Implication 4: Waste Management and Tackling Plastic Pollution.

Status: Neutral

Explanation: There are unlikely to be any impacts on waste management as a result of the scheme.

4.8.5 Implication 5: Water use, availability, and management.

Status: Potentially positive

Explanation: There is unlikely to be any immediate impact on water usage as a direct result of the fund, although the Council will be seeking to support households into more efficient water usage as a wider benefit of the scheme.

4.8.6 Implication 6: Air Pollution.

Status: Negative

Explanation: Home gas boilers collectively produce eight times as much nitrogen dioxide as power plants. Households unable to afford to turn on their heating are not contributing to this air pollution. The HSF3 is designed to provide help for people to heat their homes.

4.8.7 Implication 7: Resilience of our services and infrastructure and supporting vulnerable people to cope with climate change.

Status: Neutral

Explanation: Although the scheme itself may not directly improve resilience and households' abilities to cope with climate change, a set of broader support arrangements is anticipated, which it is hoped will deliver longer term benefits.

Have the resource implications been cleared by Finance? Yes

Name of Financial Officer: Martin Wade

Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the Head of Procurement? Yes

Name of Officer: Clare Ellis

Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or Pathfinder Legal Services? Yes

Name of Legal Officer: Fiona McMillan

Have the equality and diversity implications been cleared by your Service Contact? Yes

Name of Officer: Paul Fox

Have any engagement and communication implications been cleared by Communications? Yes

Name of Officer: Amanda Rose

Have any localism and Local Member involvement issues been cleared by your Service Contact? Yes

Name of Officer: Paul Fox

Have any Public Health implications been cleared by Public Health? Yes

Name of Officer: Val Thomas

5. Source Documents

5.1 [Household Support Fund \(October 2022 to March 2023\): Final Guidance](#)