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|--------------------------|-------------------------------------|--|-------------|
| <b>Subject:</b>          | <b>Household Support Fund</b>       |  |             |
| <b>Date of Meeting:</b>  | <b>4 November 2021</b>              |  |             |
| <b>Report of:</b>        | <b>Acting Chief Finance Officer</b> |  |             |
| <b>Contact Officer:</b>  | <b>Name:</b>                        | <b>Paul Ross-Dale</b>                      | <b>Tel:</b> |
|                          | <b>Email:</b>                       | <b>Paul.ross-dale@brighton-hove.gov.uk</b> |             |
| <b>Ward(s) affected:</b> | <b>All</b>                          |  |             |

**FOR GENERAL RELEASE**

**1. PURPOSE OF REPORT AND POLICY CONTEXT**

**1.1** The government has given £2.1m new funding to Brighton and Hove City Council in the form of the Household Support Fund. The fund is intended to provide support for food, fuel and other essential costs over the winter and up to the end of March 2022. This report outlines recommendations for the allocation of the fund.

**2. RECOMMENDATIONS:**

**2.1** That the committee approves the allocation of funding as outlined in the table at 3.8.

**2.2** That, for the reasons outlined at para 3.23, the committee delegates necessary adjustments to the approved allocations to the Chief Finance Officer following consultation with the Chair of Policy & Resources Committee and Opposition Spokespersons, provided any adjustment is compliant with the council's rules for virement as defined under Financial Regulations.

**2.3** That the committee notes the Urgency Decision taken under officer delegations by the Chief Finance Officer and approved by the Chair of Policy & Resources Committee on 22 October 2021 regarding the allocation of funding from the Household Support Fund to provide vouchers for free school meals over the October Half-Term holiday period (see Appendix 4).

**2.4** That the committee approves the proposed re-allocation of duplicate Contain Outbreak Management Funding (COMF) of £0.190m to homeless prevention by re-allocating funding to top up the Discretionary Housing Payments budget as set out in paragraph 3.13

**3. CONTEXT/ BACKGROUND INFORMATION**

**3.1** The government is introducing a new £500 million Household Support Fund, and on 6 October, confirmed that the allocation for Brighton and Hove would be £2,140,360.89

- 3.2 There is a broad discretion conferred on local authorities in spending this fund, with some limitations. The grant must be allocated to support with the costs of food, energy (for heating, lighting and cooking), water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance.
- 3.3 At least 50% of the grant must be used for supporting households with children. Up to 50% of the grant can be used to assist other households. Eligible spend includes:
- Food, either as consumable items, or through vouchers or cash;
  - Energy and water bills;
  - Essentials linked to energy and water, for example sanitary products, warm clothing, soap, blankets, boiler service/repair, purchase of equipment including fridges, freezers, ovens, etc;
  - Wider essentials, for example, support with broadband or phone bills, clothing, and essential transport-related costs such as repairing a car, buying a bicycle or paying for fuel;
  - Housing Costs in exceptional cases of genuine emergency only, where existing housing support schemes such as Discretionary Housing Payments do not meet this exceptional need; and,
  - Reasonable admin or staffing costs.
- 3.4 The guidance stipulates that the following are not eligible costs for the scheme:
- Paying for advice provision;
  - Providing mortgage support.
- 3.5 Proposals have been developed in collaboration between services including Families, Children & Learning, Revenues & Benefits, and representatives from Community Works and the Moneyworks / Advice Matters partnerships.
- 3.6 The approach taken was to design a welfare response that ensures funding can reach a very broad range of support services within and outside the council. This will maximise the number of individuals and families who encounter opportunities for support, depending on which organisation they approach, and this in turn ensures maximum penetration of support throughout the community.
- 3.7 In this respect, it is also proposed to set aside a category for distribution of funding to organisations and services that support clients and communities with protected characteristics, or other vulnerabilities.
- 3.8 The recommended allocations are as follows:

| <b>Amount</b> | <b>Organisation, Team or initiative</b>                           | <b>Description</b>  |
|---------------|---|---|
| £0.540m       | Free School Meals<br>October H/T, Winter<br>Holiday, February H/T | <ul style="list-style-type: none"> <li>▪ Provision of vouchers for free school meals to low income families</li> <li>▪ Provision of Early Years vouchers for children eligible for two funded childcare places and Early Years Pupil premium</li> </ul> |

|         |   |  |
|---------|---|--|
|         |   | <p>*Note: In order to issue vouchers for October half term, an Urgency Decision was approved on 22 October 2021 to allocate £0.139m of the £0.540m - see Appendix 4 for a record of the decision.</p>  |
| £0.270m | Free School Meals Easter  | <ul style="list-style-type: none"> <li>▪ The fund must be spent by the end of March 2022, but vouchers distributed after this point are eligible to be covered by the scheme.</li> <li>▪ The funding can therefore be used to pay for the Easter holidays.</li> </ul>  |
| £0.030m | Children's Centre   | <ul style="list-style-type: none"> <li>▪ Provision of vouchers for the existing foodbank. This will replace food parcels being distributed to families with children aged under five years.</li> </ul>   |
| £0.050m | Schools   | <ul style="list-style-type: none"> <li>▪ Additional opportunity for schools to use their knowledge to provide additional support to families with children, with costs associated with energy, essentials linked to energy and water and/or wider essentials</li> </ul>  |
| £0.060m | Holiday Activities and Food (HAF)   | <ul style="list-style-type: none"> <li>▪ Provision of citywide out of school activities for Feb half term 2022 based on the current HAF model. Not currently funded in the existing DfE grant.</li> </ul>  |
| £0.010m | HAF admin and staffing  | <ul style="list-style-type: none"> <li>▪ Extension of current staff contracts to end March 2022</li> </ul>   |
| £0.050m | Community Centres   | <ul style="list-style-type: none"> <li>▪ Centres are accessed by many local residents who may be in need.</li> <li>▪ Buying food and groceries.</li> <li>▪ Paying for gas and electricity.</li> </ul>  |
| £0.150m | Other organisations supporting groups with protected characteristics or vulnerability | <ul style="list-style-type: none"> <li>▪ A list of organisations identified so far is included at Appendix 1.</li> <li>▪ This list is not exhaustive and will be added to as and when suitable organisations are identified.</li> </ul>  |
| £0.100m | Community Hub   | <ul style="list-style-type: none"> <li>▪ Households not on DWP benefits.</li> <li>▪ Buying food and groceries.</li> <li>▪ Essential items such as white goods, beds.</li> <li>▪ Other support people may need in an emergency such as phone and broadband bills, help with transport.</li> <li>▪ Signposting to other sectors that can help such as warmth for wellbeing for utilities.</li> </ul> |
| £0.090m | Winter Grant Fund   | <p>Grant available this winter for organisations that support vulnerable people to assist with:</p> <ul style="list-style-type: none"> <li>▪ Food;</li> <li>▪ help with cooking;</li> </ul>  |

|                |  |  |
|----------------|--|--|
|                |  | <ul style="list-style-type: none"> <li>▪ heating, including oil and portable gas cylinders;</li> <li>▪ clothes and bedding;</li> <li>▪ other essentials that are related to food, heating, lighting, cooking, water and toiletries.</li> </ul>   |
| £0.070m        | Warmth for Wellbeing                   | <ul style="list-style-type: none"> <li>▪ Grants to help with fuel bills where people are on a low income and in an 'at risk household'.</li> <li>▪ Benefit checks &amp; help claiming benefits, budgeting tips.</li> </ul>   |
| £0.090m        | Brighton & Hove Food Partnership       | <ul style="list-style-type: none"> <li>▪ Support foodbanks across the City.</li> <li>▪ Purchasing items in bulk.</li> <li>▪ Storage of food and other essential items to be distributed to the various foodbanks.</li> <li>▪ Collate information from foodbanks on behalf for BHCC to report to DWP.</li> </ul>  |
| £0.200m        | Council Tax                            | <ul style="list-style-type: none"> <li>▪ Discretionary payment for residents entitled to Council Tax Reduction.</li> <li>▪ Assistance for residents with council tax debt who are "just about managing" with council tax debt.</li> </ul>  |
| £0.015m        | Emergency Placement Service Charge     | <ul style="list-style-type: none"> <li>▪ Assist with service charge arrears to prevent evictions.</li> </ul>   |
| £0.404m        | Local Discretionary Social Fund (LDSF) | <ul style="list-style-type: none"> <li>▪ Households on DWP benefits.</li> <li>▪ Buying food and groceries.</li> <li>▪ Paying for gas and electricity where people pay for it by key card or meter.</li> <li>▪ Essential items people need to live in their home such as beds, cookers or fridges.</li> <li>▪ Other support people may need in an emergency such as phone or broadband bills, help with transport.</li> <li>▪ Includes £25,000 for staffing.</li> </ul> |
| £0.011m        | Admin support for LDSF                 | <ul style="list-style-type: none"> <li>▪ Based on approximate staffing cost of 5 months at Grade Scale 3.</li> </ul>   |
| <b>£2.140m</b> | <b>Total</b>                           |  |

3.9 One of the key elements of the fund will be the ongoing provision of vouchers for families in receipt of Free School Meals during the holidays. Government Covid funding previously enabled the council to provide this support during all school holiday periods from December 2020 including Summer 2021. It has proven to be a lifeline for low income and vulnerable families and the new funding will enable the council to continue the same level of support. It is proposed that the amounts of the vouchers will again be £15 per week.

- 3.10 Associated funding is also proposed for the provision of vouchers for schools to allocate as they deem appropriate, Early Years, and the Children's Centres. The funding for the Children's Centres will enable them to switch their offer from direct food provision to food vouchers, which will be more efficient, and will also enable service users to have more control and choice over their situation.
- 3.11 An amount has also been set aside for Holiday Activities and Food (HAF). Current HAF funding is ringfenced and cannot be used for half terms. The provision from the Household Support Fund will enable HAF to run over the February half term.
- 3.12 Other elements of the proposed allocation are intended to allow distribution of funding directly into community organisations. This will ensure that a wide range of people are reached, even if they do not typically engage with council services. £0.050m is set aside for Community Centres and £0.150m is set aside for other organisations supporting groups with protected characteristics or vulnerabilities. See Appendix 1 for a preliminary draft list of organisations identified so far. This list is not exhaustive, and more will be added, according to need, demand and coverage across the city.
- 3.13 . A Winter Grants Scheme had already been approved and funded from the 2020/21 Contain Outbreak Management Fund at the [Policy and Resources \(Recovery\) Sub-Committee on 28 April 2021](#) which allocated £0.090m to the scheme. This is a grant pot for organisations to bid for up to £5,000 to support their service users, and in fact applications have recently closed, pending decisions. However, in light of receiving the guidance for the Household Support Fund, it is clear that this new funding is targeted at Winter support and is a direct duplication of the previous COMF allocation. Similarly, the proposed funding to support the Local Discretionary Social Fund (LDSF) detailed below is also a direct duplication of the previous £0.100m allocation from 2020/21 COMF as this is also a key area to be targeted by the new Household Support Fund. This releases £0.190m 2020/21 COMF money which is therefore available for reallocation to other priority needs. It is recommended that this funding is re-allocated to top up Discretionary Housing Payments (DHPs). DHPs are used primarily for helping Housing Benefit or Universal Credit recipients if they have a shortfall in their rent. However, the bulk of the budget is set by the DWP and this year's allocation has been reduced from £1.170m to £0.911 million. This year, the combined budget for DHP is already projected to be overspent by circa £0.200m. By reallocating the duplicated funding, this could help to ensure that demand is met and contribute to homeless prevention which is an eligible area of spend for COMF
- 3.14 The existing Warmth for Wellbeing programme will receive a boost of £0.070m to increase the amount of support provided with fuel bill assistance and energy efficiency. In consulting the voluntary sector, increasing the budget for Warmth for Wellbeing was one of the highest impact and strongest representations. This will mitigate the impact of rising fuel bills for some of the poorest households. Help provided includes grants to help with fuel bills, benefit checks and help claiming benefits, help switching energy providers and other help around fuel efficiency and keeping your home warm.

- 3.15 The Brighton and Hove Food Partnership will receive an allocation of £0.090m and this will help to maintain continuity and support for the Food Strategy through the winter months. See also the Food Strategy report, also due to be considered at this meeting of the Policy & Resources (Recovery) Sub Committee.
- 3.16 It is proposed that an amount is set aside for assistance with Council Tax. There are already funds for reducing Council Tax on a discretionary basis. Discretionary Council Tax Reduction (DCTR) works in conjunction with the core Council Tax Reduction (CTR) scheme. The CTR scheme awards up to 82% discount, however, the Discretionary CTR fund can provide top up discount of up to 100%. The demand for support from the discretionary fund has been high and an overspend is projected of up to £0.170m, against a core budget of £0.200m. There is also another fund arising from the previous Covid Hardship Fund, and this helps with arrears for non-CTR cases. This fund is also being spent at a steady pace. The £0.200m allocation from HSF will ensure that support continues to be available for Council Tax liability.
- 3.17 Service charges for tenants in Emergency Placements are often subject to a large accumulation of arrears and can result in evictions. £0.015m would enable some of those service charges to be paid off.
- 3.18 It is proposed to allocate the remainder of the fund nominally to the Local Discretionary Social Fund (LDSF) and the Community Hub. However, there will be flexibility in the funds held there, and allocations will be made as appropriate for other emerging priorities that fall within the remit of the Household Support Fund. For example, funding requests have been submitted by Children's Services to supplement Section 17 budgets and enhance the emergency support that those budgets are able to provide. Such support would enable provision of emergency help for those who are referred to Children's Social Services and have not presented at any other service. This would also enable further support for those with no recourse to public funds. As the support is likely to overlap partially with LDSF activity, discussion is ongoing between services about the appropriate allocation of funds and the best way to administer the need.
- 3.19 The LDSF is a key resource for crisis and emergency help in the city for low income households on benefits, or those waiting for benefits. Demand has been high this year due to Covid. The core budget for LDSF is £0.180m and whilst some contingency was allocated from the Contain Outbreak Management Fund, it is likely that, even on current demand, the existing contingency will be fully spent. The Household Support Fund allows for assistance with a broader range of help, such as emergency car servicing, or helping with broadband and phone bills. This is outside of the usual LDSF scope, but additional funding will enable the council to provide that assistance in emergency circumstances.
- 3.20 The Community Hub will hold a budget of £0.100m to provide support for people who are struggling, but do not qualify for LDSF support (because they are not on benefits). This will aim to complement another initiatives funded by the Contain Outbreak Management Fund, whereby it is proposed that Money Advice Plus manage a £0.100m pot for their client group, again in situations where usual benefit entitlement does not apply. This would support the people in the city who are "just about managing" but cannot access the help available to others, as they do not qualify. Feedback from across multiple settings during the last year has

shown that debt issues, furlough and fluctuating income can affect this group just as severely as those on benefits. The Community Hub will work with Money Advice Plus to ensure that there is an efficient blend of support between the two services.

3.21 In addition, the Community Hub will continue providing practical and financial assistance for people who are self-isolating. It is anticipated that their funding will also enable proactive work to identify and contact vulnerable households, to offer support.

3.22 The guidance allows for reasonable admin, staffing and out-of-pocket costs to be provided for from the fund. There is a balance to be struck in providing support directly to the community, and recognising that there are increased costs in providing this support. In acknowledging feedback from voluntary sector representatives, provision for administrative and staffing costs should be kept at 10% or less in order to minimise costs whilst ensuring sufficient resources for timely and effective distributions to people in need. The elements for council admin and staffing have been specified in the table at 3.8, but in total amount to less than 10%.

3.23 Management of the fund through the coming months will require flexibility and monitoring. There are many strands to manage and co-ordinate, and the unpredictable nature of the pandemic and winter pressures means that new demands could emerge. Services will need to respond swiftly to changes during the lifetime of the fund, especially since there could be underspends or overspends in any area and the funding may be lost if it is not spent by the end of March 2022. To this end, it is recommended that officers are authorised to make decisions about reallocation of funds, either between the strands, or to allocate against appropriate new initiatives or external organisations, within the terms of the scheme guidance and in accordance with the council's scheme for virement under Financial Regulations. A delegation to the Chief Finance Officer following consultation with the Chair of Policy & Resources and Opposition Spokespersons is sought in order to effect this.

#### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS**

4.1 The fund is large enough that all options have been incorporated or are under further discussion, and the flexibility of the scheme going forward will allow for a broad range of services and organisations to be supported.

4.2 The requirement to utilise the fund by the end of March 2022 and the lead-in times to set up the necessary administrative processes and delivery mechanisms means that proposals have had to be developed at pace and brought to the first available committee for consideration and approval. However, members of all groups have the ability to bring amendments to committee reports and in this case may bring amendments to seek support for an alternative allocation of the funds.

#### **5. COMMUNITY ENGAGEMENT & CONSULTATION**

5.1 The proposals have been designed collaboratively with officers from across Families, Children & Learning, Revenues & Benefits, and Housing.

- 5.2 Officers from Revenues & Benefits met with partners from Community Works and the Moneyworks /Advice Matters partnerships where the proposals were discussed in detail. Their feedback has been incorporated and has helped to shape the proposals.
- 5.3 The principles of the fund, and the general intentions around its allocation were discussed at the Equality and Inclusion Partnership meeting on 20 October 2021.

## **6. CONCLUSION**

- 6.1 The Household Support Fund will be a fundamental and practical response to the issue of welfare support over the winter months and is the government's primary response to the ending of other support including the Universal Credit uplift and employment support (Furlough).

## **7. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 7.1 The financial implications are set out in the body of the report. The council has received an allocation of £2,140,360.89 from the Household Support Fund, which must be utilised by 31 March 2022. The proposed allocations in this report are consistent with the terms and conditions of the grant which are set out in paragraphs 3.2 to 3.4 above.
- 7.2 The proposed reallocation of the duplicated Winter Grant Scheme funding, provided from the 2020/21 Contain Outbreak Management Fund (COMF), to support homeless prevention (DHPs) is also eligible within the terms and conditions of the 2020/21 COMF grant.

*Finance Officer Consulted: James Hengeveld*

*Date: 25/10/2021*

### Legal Implications:

- 7.3 The key legal and governance implications are to ensure that the funds are distributed in accordance with the funding criteria to avoid any claw back or loss of funding. A clear record of both the decision making and the detail of the allocations will assist with this,

*Lawyer Consulted: Elizabeth Culbert*

*Date: 21/10/21*

### Equalities Implications:

- 7.4 The development of the proposals has been informed by previous Equalities Impact Assessments on the topics of hardship, welfare and poverty. An adapted version of the Welfare Support and Financial Assistance EIA is shown at Appendix 2.
- 7.5 In designing the allocations, officers have already been identifying key support needs across the protected characteristics, and the funding will reach a broad range of organisations with close connections to communities.



#### Brexit Implications:

- 7.6 Food supply may be restricted over the winter months, and the cost and choice of food may increase.
- 7.7 Supply chain and transport issues may continue to restrict the flow of goods and services.

#### Any Other Significant Implications:

None

#### Crime & Disorder Implications:

- 7.8 Supporting vulnerability and reducing poverty has a positive impact on the drivers for crime and disorder.

#### Risk and Opportunity Management Implications:

- 7.9 If Covid rates rise during the winter, this could have a further impact on demand. Whilst the fund is significant in terms of how much support it can provide, there is a risk that the infrastructure for delivering the support may not be able to cope with demand. The voluntary sector is raising concerns about their current resource situation being under significant strain. Resources within the council will also come under increased pressure if rates increase, for example in supporting clinically vulnerable people (if shielded), dealing with help requests via Community Hub and Local Discretionary Social Fund teams, and conducting test and trace activity.
- 7.10 An element of the fund can be, and has been recommended to be, committed towards admin and staffing, but there are still practical issues in terms of being able to identify and bring in the necessary resources.
- 7.11 The situation will be monitored throughout the lifetime of the fund.

#### Public Health Implications:

- 7.12 The work is linked closely with the overall Covid response. Community Hub is linked in a practical sense as a joint operation between Public Health and Revenues and Benefits.

#### Corporate / Citywide Implications:

- 7.13 This forms part of the city's Covid 19 response.

### **SUPPORTING DOCUMENTATION**

#### **Appendices:**

1. List of supported organisations
2. Hardship EIA
3. DRAFT guidance on the scheme from government

4. Record of Urgent Decision taken by the Acting Chief Finance Officer

**Background Documents**

None