

Delegated Cabinet Member Key Decision Report

Decision Maker and Portfolio area	Cllr Arooj Shah Leader of the Council and Cabinet Member for Economic and Social Reform
Date of Decision	6 July 2021
Subject:	Local Covid Support Grant Funding Allocation
Report Author:	Caroline Lee Head of Revenues, Benefits and Business Support
Ward (s):	All

Reason for the decision: The purpose of the report is to request Cabinet Member approval to allocate the Department for Work and Pensions (DWP) £917,354 Local Covid Support Grant funding for Oldham to offer support to children and young people with food over the Summer break. The report sets out the proposed allocation of funding including the use of £526,096 from Covid specific grant funding to ensure the full £1,443,450 cost of the recommended option can be met.

Summary: The Department for Work and Pensions (DWP) allocated £1,313,536.98 of funding to the Council to deliver a Winter Grant scheme covering the period December 2020 to 16 April 2021 and £229,339 to its successor the Covid Local Support Scheme which covered the period 17 April to 20 June 2021.

The DWP funds supported the delivery of food and fuel support to vulnerable families with children and other vulnerable individuals with at least 80% of the funding to be issued to families with children.

During the Christmas 2020, February 2021 half term, Easter and Spring bank 2021 school holidays, the grant fund was used to provide support to children and young people at a rate of £15 per week to cover:

- Allocation of food vouchers by Oldham Schools to parents of children eligible for Free School Meals (FSM). This included out of borough children and children in families with no recourse to public funds
- Food vouchers to families on low incomes with pre-school children (using FSM eligibility criteria),
- Direct funding to Oldham College and Oldham Sixth Form College to support young people eligible for FSM with direct payments
- Food vouchers to support Care Leavers under 25.

The Covid Local Support Scheme has now been extended to 30 September 2021; the DWP have advised that this latest extension to the scheme will be the final one. The indicative funding allocation for Oldham is £917,354. This means that the Council could offer food support to children and young people over the Summer holiday if it wishes to do so. The Council needs to confirm delivery intentions to the DWP by 16 July 2021.

Although the Covid Local Support Scheme would cover the cost of replicating some of the Christmas, February and Easter food offer, it would not cover the cost of replicating the full offer which was made available in previous holiday periods. Using only the DWP indicative funding allocation to deliver a food offer over the Summer would in effect result in a potential withdrawal of or reduction in support for vulnerable families. Other available funding streams have been identified which could supplement the fund to enable previous food offers to be replicated in full or part and these are set out below and in the body of the report. An additional £814,786 would be required to replicate the previous provision in full over a (6 weeks maximum) summer holiday period at a rate of £15 per eligible child or young person per week.

What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):

Options for how the funding could be used are presented below:

Option 1

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £15 per week per eligible child or young person.

- To augment the Covid Local Support Grant fund to enable the full offer to be delivered by a combination of £814,786 of Covid specific grant funding and Council reserves

Option 2:

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) to children eligible for Free School Meals only as that provided over the School Holidays from Christmas 2020 at a rate of £12.50 per week per eligible child or young person.
- To augment the Covid Local Support Grant fund to enable this option to be delivered by £526,096 from Covid specific grant funding

Option 3

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) to children eligible for Free School Meals only as that provided over the School Holidays from Christmas 2020 at a rate of £15 per week per eligible child or young person.
- This option would effectively withdraw support for
 - Families on low incomes with pre-school children
 - Young people at Oldham College and Oldham 6th Form College
 - Care leavers under 25
- To augment the Covid Local Support Grant fund to enable the option 3 offer to be delivered by £309,256 from Covid specific grant funding.

Option 4

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £10 per week per eligible child or young person.
- To augment the Covid Local Support Grant fund to enable this option to be delivered by £237,406 from Covid specific grant funding.

Option 5:

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £10 per week per eligible child or young person except for families on low incomes with pre- school children
- This option would only require a very small top of £406 to the Covid Local Support Grant fund to deliver this support

Option 6

- Do not deliver further support to children and young people over the Spring Bank School Holiday
- This option would result in DWP funds being returned to the Government

Recommendation(s)

The recommended option is Option 2:

- To deliver support to the same groups of children and young people during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £12.50 per week per eligible child or young person.
- This would require the Council to augment the Covid Local Support Grant fund by £526,096 from Covid specific grant funding

This Option tapers existing levels of support modestly from £15 to £12.50 per week in anticipation of the withdrawal of government funding for the scheme, the anticipated emergence from lockdown restrictions and takes account of the wider package of support also offered over the summer holiday via the Holiday Activity and Food Programme.

Implications:

*What are the **financial** implications?*

Financial implications

Proposals 1 to 5 require varying sums (a maximum of £814,786 down to £406) of Council resources in order to provide the additional financial support outlined in the paper. The small sum in relation to Option 5 of £406 can easily be accommodated within

unringfenced specific grant funding allocated to provide support for the Clinically Extremely Vulnerable.

However, as the other options each have a more significant financial impact, as with any proposal for a previously unplanned use of Council resources, it requires the prioritisation of funding. As such the use of resources must be considered to be sufficiently important to rank above other initiatives.

The Council has recently closed its accounts for 2020/21 and has increased its reserves. It has been able to create new reserves as a result of some Covid specific grants not being spent during 2020/21 and thus being carried forward into 2021/22. The sources of funding that can be used (or a combination of options) are:

- Resources of £493,2017 of unringfenced grant funding received to support Clinically Extremely Vulnerable individuals has been carried forward into 2021/22. There are currently no commitments against this resource and as it is unringfenced, it can be used to provide support over the summer holiday period as outlined in this report.
- A grant funding reserve of £32,899 of unringfenced Enhanced Response to Covid grant is available and could be used to support the recommendations.

The two grant resources highlighted above should be used for a Covid related activity and the use as recommended would be wholly consistent with the aims of the grant funding.

If the Council wishes to provide support in line with that of previous rounds, it would require the Council to use £288,690 of reserves set aside for Local Welfare Provision. This would however reduce the resources available for other Local Welfare Provision activities without the opportunity, at this stage of the financial year, to replenish the resources.

(Anne Ryans – Director of Finance)

What are the **procurement** implications?

Not applicable

What are the **legal** implications?

It is important that the Council does all it can to support financially vulnerable children and families. Whilst it is anticipated many restrictions upon local business that have affected employment in the borough will ease, there will still be a lasting effect upon the financial circumstances of vulnerable

households for some time. It would be a reputational risk for the Council not to support at least one of the options. There might also be a risk of Judicial review of the Council decision should option 6 be taken at this time with grant funding available. (Alex Bougatef – Group Lawyer – Litigation).

Alex Bougatef- Group Lawyer Litigation.

*What are the **Human Resources** implications?*

Not applicable

Equality and Diversity Impact Assessment attached or not required because (please give reason)

An overarching EIA has been completed covering Oldham's Covid-19 response. Any additional impacts that are identified will be included in this EIA as appropriate. (Jonathan Downs – Corporate Policy Lead)

*What are the **property** implications?*

Not applicable

Risks:

The proposals set out in this report to utilise a supermarket food voucher scheme reduce the risk of fraud and loss in the administration. It will also enable a current system used elsewhere to be utilised to enable the support is allocated to a significant number of citizens in a short time period from the grant announcement. The proposals as recommended are sensible to minimise the risks around administration (Mark Stenson)

Co-operative agenda

The allocation of this funding is consistent with the Council's co-operative themes of community leadership, partnership working co-production and early help.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution?

Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget?

Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

No

Reason(s) for exemption from publication:

Not applicable

Reason for exemption from call in

The Chairman of the Overview and Scrutiny has agreed to this item being exempt from call in because it is important that the Council does not delay in mobilising financial support to vulnerable residents during COVID

List of Background Papers under Section 100D of the Local Government Act 1972:

Title	Available from

Report Author Sign-off:	
Caroline Lee Head of Revenues, Benefits and Business Support	C. Lee
Date:	6 July 2021

1.0 Background

- 1.1 The Department for Work and Pensions (DWP) introduced the COVID Winter Grant Scheme in December 2020 to support those most in need with the cost of food, energy (heating, cooking, lighting), water bills (including sewerage) and other essentials. The funding was made available to predominantly support vulnerable families with children particularly affected by the pandemic. Local Authorities could deliver the scheme through a variety of routes including issuing grants to third parties, providing vouchers to households or making direct provision of food. The scheme was originally due to end on 31 March 2021 but was extended until 16 April 2021. Oldham received a total funding allocation of £1,313,537 to deliver the scheme.
- 1.2 Although the direct aim of the programme was not to replicate the provision of Free School Meals over the school holidays, the Council, along with many other Local Authorities, chose to do so. Schools awarded food vouchers (at a rate of £15 per week per eligible child) via the WONDE system to parents of children eligible for Free School Meals. Out of borough children attending Oldham schools were also supported under a reciprocal arrangement with other Greater Manchester (GM) authorities and schools were given a mandate to support children from families with no recourse to public funds. In addition to this support, the Council chose to support families on low incomes with pre-school children (using FSM eligibility criteria), issued funding to Oldham College and Oldham Sixth Form college to support young people eligible for FSM with direct payments, and supported Care Leavers under 25. Funding of £70,000 has also been allocated to the Warm Homes team over the Winter period to directly credit pre-payment SMART meters and to fund a boiler repair/replacement service for those in need.
- 1.3 When the Winter Grant funding was announced, the expectation was that funding provided by the Department for Education's (DfE) holiday activities and food programme would be used to cover the gap in the provision of food support to vulnerable children over the Easter, Summer and Christmas 2021 holidays. However, although the holiday activities and food programme will augment food offer available for vulnerable children over the Summer holiday, the terms of the grant do not allow for the funds to be used to directly replicate the FSM offer for those children entitled to means tested FSM over the school holidays; rather that the funding supports holiday activities for vulnerable children over the holidays which includes the provision of food for those pupils who attend.
- 1.4 The Winter Grant fund closed on 16 April 2021 and was replaced with a new fund, the Covid Local Support Grant. The Winter Grant scheme was spent in full. The Covid Local Support scheme replicated the objectives and terms of the Winter Grant fund over the period 17 April 2021 to 20 June 2021 and the Council was given associated funding of £229,339. The Local Covid Support grant scheme has now been extended from 21 June 2021 to 30 September 2021 and the Government has advised that this extension will be the final extension to the scheme. The indicative allocation for Oldham is £917,354. The funding and timeframe for the grant affords an opportunity to support children and young people with food again over the Summer holiday period.

2. Current Position

- 2.1 The Council needs to decide on how best to issue the DWP Covid Local Support Grant fund over the period 21 June 2021 to 30 September 2021 and confirm its intention to the DWP by 17 July 2021. Funding will be issued following completion of a final management information (MI) report on 22 October 2021. The payment will be adjusted to align with the actual amount of reported eligible grant spend.

- 2.2 Delivery of an extensive package of support with food and fuel over the school holidays during the COVID crisis is consistent with the Council's anti- poverty agenda and has been received well to date by residents.
- 2.3 The Council has allocated funding to a wide range of children and young people over the holiday periods. The number of children eligible for free school meals has increased since December 2020 pandemic from 12,265 during the Christmas exercise to 13,629 as at 23 June 2021 and this has increased the weekly cost of the exercise. The Council has also supported young people who are eligible for free school meals at Oldham College and Oldham 6th Form College.
- 2.4 Oldham's offer has been extensive and has included vulnerable families with pre-school children and care leavers under 25 over the holiday period. These groups do not receive support during term times as they are not in school or college, but the wider offer was designed to support with costs of food over holiday periods during the pandemic.
- 2.5 The Government's roadmap out of lockdown anticipates that restrictions will further ease during the summer. The Local Covid Support Grant fund will not be extended beyond 30 September 2021 and other Covid response crisis funding may follow a similar pattern as residents and businesses start to get back to some normality. Any communications accompanying support offered to vulnerable children and young people over the Summer holiday via the Local Covid Support Grant would also signpost other financial support available to these groups such as:
- The holiday food and activities programme
 - www.oldham.gov.uk/wecanhelp which lists the support and benefits available for those struggling for food and provisions. This webpage lists support available from the Warm Homes team, Local Welfare Provision support, Council Tax Reduction and more
 - Free childcare places of up to 15 hours a week for pre-school children www.oldham.gov.uk/2yearolds
 - Healthy Start vouchers for those who are pregnant or have a child under 4 years old. Eligible residents can get free vouchers every four weeks worth £4.25 to spend on cow's milk, fresh, frozen or tinned fruit and vegetables, infant formula milk, fresh dried or tinned pulses. Healthy Start vitamins are also available. Applications can be made online at Healthy Start, visit www.healthystart.nhs.uk or by directly requesting an application form from a health visitor or midwife
 - Advice from the Welfare Rights, Get Oldham Working and Helpline teams in maximising income and enlisting the full range of support available to residents
 - Council Tax Discount for Care leavers under 25

3.0 Options

- 3.1 The Council has the following options going forward. Details of the costs of each option and funding required are set out in Table 1. Options for how the funding could be used are presented below. All options place a maximum ceiling of six weeks support over the summer holiday period regardless of the actual period that schools or colleges may be closed.

Table 1: Breakdown of costs and Options

	Estimated Numbers	Option 1 £	Option 2 £	Option 3 £	Option 4 £	Option 5 £
Children eligible for free school meals (Oldham schools)	13,629	1,226,610	1,022,175	1,226,610	817,740	817,740
Families on low incomes with pre-school children	3,950	355,500	296,250		237,000	
Oldham College – young people eligible for FSM	381	34,290	28,575		22,860	22,860
Oldham 6th form college – young people eligible for FSM	1,081	97,290	81,075		64,860	64,860
Care leavers under 25	205	18,450	15,375		12,300	12,300
Total numbers	19,246	1,732,140	1,443,450	1,226,610	1,154,760	917,760
shortfall in funding for this option		814,786	526,096	309,256	237,406	406

Option 1 Support all children and young people at a rate of £15 per week

Option 2 Support all children and young people at a rate of £12.50 per week

Option 3 Offer support to those eligible for FSM (Oldham schools only) at £15 per week

Option 4 Support all children and young people at a rate of £10 per week

Option 5 Offer support to all groups except pre-school cohort at £10 per week

* all options assume the maximum award is 6 weeks regardless of actual school holiday period

3.2 Option 1

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £15 per week per eligible child or young person.
- To augment the Covid Local Support Grant fund to enable the full offer to be delivered by a combination of £814,786 of Covid specific grant funding and Council reserves (Local Welfare Provision)
- This option will deplete the Local Welfare Provision reserve (for which there is no ongoing government funding and which has seen an increase in demand over the period of the pandemic. One of the objectives of the Council's Anti-Poverty action plan is to lobby the Government to place funding for a Local Welfare Provision scheme on a more sustainable footing. The option also does not take into account the additional support that will be offered via the Holiday Activities and Food programme for vulnerable children of school age

Table 2		
Estimated cost of delivering Option 1- wider food offer over Summer Holiday at £15 per eligible child or young person per week		£1,732,140
Local Covid Support Grant available funding	£917,354	
Plus, proposed use of Clinically Extremely Vulnerable (CEV) un-ringfenced grant funding	£493,207	
Plus, proposed use of Enhanced Response to Covid fund	£32,889	
Plus, proposed use of Local Welfare Provision	£288,690	
Total proposed funding to deliver Option 1	£1,732,140	

3.3 Option 2:

- To deliver the support to the same groups of children and young people during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £12.50 per week per eligible child or young person.

- This would require the Council to augment the Covid Local Support Grant fund to enable this option to be delivered by £526,096 from Covid specific grant funding
- This option tapers existing levels of support modestly from £15 to 12.50 per week in anticipation of the withdrawal of government funding for the scheme and the anticipated emergence from lockdown restrictions. It takes account of the wider package of support also offered over the summer holiday via the Holiday Activity and Food Programme. It avoids the use of the Local Welfare Provision reserve which has also seen an increased level of demand to support families in crisis over the course of the pandemic.

Table 3		
Estimated cost of delivering Option 2-wider food offer over Summer Holiday at £12.50 per eligible child or young person per week		£1,443,450
Local Covid Support Grant available funding	£917,354	
Plus, proposed use of Clinically Extremely Vulnerable (CEV) un-ringfenced grant funding	£493,207	
Plus, proposed use of Enhanced Response to Covid fund	£32,889	
Total proposed funding to deliver Option 1	£1,443,450	

3.4 Option 3

- To deliver the same support during the Summer Holiday (maximum 6 weeks funding) to children eligible for Free School Meals only as that provided over the School Holidays from Christmas 2020 at a rate of £15 per week per eligible child or young person.
- This option would effectively withdraw support for
 - Families on low incomes with pre-school children
 - Young people at Oldham College and Oldham 6th Form College
 - Care leavers under 25
- This would require the Council to augment the Covid Local Support Grant fund to enable this option to be delivered by £309,256 from Covid specific grant funding.
- This option maintain support for children eligible for means tested FSM at current levels but withdraws completely the support for other groups. It does not take into account the additional support offered via the Holiday Food and Activities programme and does not taper support for the additional groups during the period within which lockdown restrictions are proposed to be lifted.

Table 4		
Estimated cost of delivering Option 3-wider food offer over Summer Holiday for children eligible for means tested Free School Meals only at £15 per eligible child or young person per week		£1,226,610
Local Covid Support Grant available funding	£917,354	
Plus, proposed use of Clinically Extremely Vulnerable (CEV) un-ringfenced grant funding	£309,256	
Total proposed funding to deliver Option 1	£1,226,610	

3.5 Option 4

- To deliver the same support to children and young people during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £10 per week per eligible child or young person.
- To augment the Covid Local Support Grant fund to enable the option 2 offer to be delivered by £237,406 from Covid specific grant funding.
- This option sharply tapers existing levels of support from £15 per eligible child or young person per week to £10. It takes into account the additional support offered via the Holiday food and activities programme for school children

Table 5		
Estimated cost of delivering Option 2-wider food offer over Summer Holiday at £10 per eligible child or young person per week		£1,154,760
Local Covid Support Grant available funding	£917,354	
Plus, proposed use of Clinically Extremely Vulnerable (CEV) un-ringfenced grant funding	£237,406	
Total proposed funding to deliver Option 1	£1,154,760	

3.6 Option 5:

- To deliver the same support to children and young people during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £10 per week per eligible child or young person except for families on low incomes with pre- school children
- It would only require a very small top of £406 to the Covid Local Support Grant fund to enable the option 5 offer to be delivered and is the most affordable option presented. It tapers support sharply to £10 per eligible child per week for school children, young people at college and care leavers under 25 and removes completely the support given to date to families on low incomes with pre-school children. This option takes into account the additional support provided over the Summer holiday via the Holiday Food and Activities programme.

Table 6		
Estimated cost of delivering Option 2-wider food offer over Summer Holiday at £10 per eligible child or young person per week for all groups except for families on low incomes with pre-school children		£917,760
Local Covid Support Grant available funding	£917,354	
Plus, proposed use of Clinically Extremely Vulnerable (CEV) un-ringfenced grant funding	£406	
Total proposed funding to deliver Option 1	£917,760	

Option 6

- Do not deliver further support to children and young people over the Spring Bank School Holiday
- This option would result in DWP funds being returned to the Government

3.7 Recommended Option

The recommended option is Option 2.

- To deliver support to the same groups of children and young people during the Summer Holiday (maximum 6 weeks funding) as that provided over the School Holidays from Christmas 2020 at a rate of £12.50 per week per eligible child or young person.
- To augment the Local Covid Support Grant funding with £526,096 of Covid Specific Grant funding

Cllr A.Shah, Leader of the Council and Cabinet Member for Economic and Social Reform

Signed _____ Date: _____

Rebekah Sutcliffe, Strategic Director of Communities and Reform

Signed _____ Date: _____

Anne Ryans, Director of Finance

Signed _____ Date: _____

Paul Entwistle Director of Legal Services

Signed _____ Date: _____