

Delegated Key Decision Report

Decision Maker and Portfolio area	Anne Ryans, Director of Finance
Date of Decision	27 April 2023
Subject:	Proposed Utilisation of the 2023/24 Household Support Fund Grant Allocation
Report Author:	Pam Siddall, Head of Customer Services
Ward (s):	All

Reason for the decision: The purpose of the report is to seek delegated approval (such delegation being approved by Council on 1st March 2023) to allocate the Department for Work and Pensions (DWP) £4,838,738 Household Support Fund Grant funding for Oldham over the period from 1 April 2023 to 31 March 2024. The report sets out the proposed allocation of funding across several initiatives including food support for children and young people over the school holiday periods and help with the cost of fuel and essential items for vulnerable households.

Summary: The Department for Work and Pensions (DWP) has allocated £4,838,738 of funding to the Council to deliver a Household Support Grant scheme covering the period the period from 1 April 2023 to 31 March 2024.

This is the fourth round of such funding and unlike some of the previous rounds, there are no constraints as to the proportions that must be allocated to specific groups such as pensioners or children. However, a condition of the grant is that at some of the funds must be allocated on an application basis – i.e. residents should have the opportunity to come forward and ask for support. Unlike previous schemes, the allocation is for a 12 month, rather than a 6 month, period.

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

Three options have been considered appropriate for presentation, however, there is a wide range of potential options. The report presents three options and these are set out in Appendices 2-4 and discussed in detail in the body of this paper. All options provide for a food, fuel and essential items offer for families with children and vulnerable households.

A fourth option is that the Council could choose not to deliver a package of support to vulnerable residents over the April 2023 to March 2024 period. As the DWP funding is ringfenced, this would mean returning the funding to the Government.

Table 1 sets out the recommended option (Option 2) which utilises the Government grant funding in full and reflects the experience from previous rounds and in particular:

- Residents in need of support will not always proactively apply for it
- Not all voluntary organisations have the resources to meet the administration requirements associated with utilising the fund
- Processes are now established to deliver certain elements of support with a minimum of associated administration expenditure (e.g issuing free school meal vouchers via the WONDE scheme).

The recommended option provides a balanced scheme that provides effective support. Specific support proposed is as follows:

- i Direct support food offer for each school-aged and pre-school child or young person in receipt of Free School Meals over the following holiday periods with lump sum payments provided as follows:
 - Spring £15
 - Summer £60
 - Christmas £40
 - Easter 2024 £40

This equates to £155 per year and overall is the same support as provided in 2022/23. The offer for the summer period is augmented by the Holiday Activities and Food offer which will operate over the Summer Holiday and provides participating children with holiday activities and a meal.

- ii Support with fuel costs for residents – with specific allocations for disabled and carers in receipt of council tax reduction, of £0.700m.
- iii A package of support from the Voluntary, Community, Faith and Social Enterprise sector supporting the Council's Response to the Cost of living Crisis.

Table 1: Option 2

	Option 2
Proposed Area of Expenditure	£m
Food Support for children (including pre-school) and young people at £15 for spring holiday, £60 per eligible child over the Summer holiday & £40 for Xmas and Easter holidays,	2.970
Payment of £60 to support fuel costs for carers in receipt of Council Tax Reduction	0.100
Payment of £60 to support fuel costs for disabled residents in receipt of Council Tax Reduction	0.540
Payment of £60 to Housing Benefit claimants not in receipt of Council Tax Reduction	0.060
Additional support for Holiday Activity Fund in the summer holiday	0.150
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.200
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas: - warm clothing /bedding - support for those with no recourse to public funds - essential items for the elderly including food	0.300
Additional Support for Local Welfare Provision	0.075
Homelessness support	0.200
HUGG vouchers	0.050
Age UK	0.100
Administration costs	0.094
TOTAL	4.839

Recommendation (s)

The recommendations are:

To approve Option 2 (set out above) which spends the £4.839m of Household Support Fund Grant in full.

Implications:

What are the financial implications?

On 20 February 2023, the Department for Work and Pensions (DWP) issued final guidance and allocations for the Household Support Fund Grant (HSF). Oldham's allocation is £4,838,738 the same level as previous rounds but allocated over a 12 month period.

The grant is to fund expenditure outlined in the grant determination from the 1 April 2023 to 31 March 2024. The grant is paid in arrears and in addition to the submission of a Delivery Plan to the Department for work and Pensions, Local Authorities are required to make 4 statements of grant

and management information returns (MI). Interim MI reports are required by 21 July 2023, 20 October 2023 and 26 January 2024 and these will be used to determine interim grant payments. The final MI return is due on the 26 April 2024 and following verification a final grant payment will be made.

Option 2 Table 1 outlines the recommended allocation of the grant all of which is in line with the grant conditions. This option covers the spend of the HSF grant in full, with no requirement to augment the offer with additional Council resources.

(Chris Kelsall – Assistant Director of Finance)

What are the **procurement** implications?

As this relates to the allocation of grants funds there are no procurement implications however grant agreements will need to be in place where necessary. (Emily Molden)

What are the **legal** implications?

The recommended option is supported. There is funding available and the affected individuals would be the most in need within the borough. It is advised that the Customer Support Centre Team familiarise themselves well with any specific grant funding conditions and ensure that such conditions are adhered to carefully. Support and guidance should be sought from the Commercial Legal team on a continued basis through-out the grant period.

(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)

The continued impact of the Cost-of-Living crisis has led to increased and continuing demand for crisis support services. This funding will help to mitigate the adverse impacts of the cost-of-living on those most at disadvantage – in accordance with our Poverty Action Plan.

(Jonathan Downs – Corporate Policy Lead)

What are the **property** implications?

Not applicable

Risks:

The Council needs to set out its proposals on how to utilise the funding in a tight timescale. This report sets out how it can do this and satisfy the requirements of the DWP. (Mark Stenson, Assistant Director of Corporate Governance and Strategic Financial Management)

Co-operative agenda

The allocation of this funding is consistent with the Council's co-operative themes of community leadership, partnership working and co-production and ensures that support is available for vulnerable residents.

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

Title	Available from
Housing Support Fund; guidance for local councils	https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils

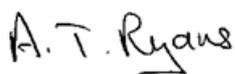
Report Author Sign-off:	
Pam Siddall Head of Customer Services	P Siddall
Date:	26 April 2023

Proposal:

To allocate the Department for Work and Pensions (DWP) £4,838,738 Household Support Fund Grant funding for Oldham over the period from 1 April 2023 to 31 March 2024.

Conclusion:

That approval is given to the allocation of the Department for Work and Pensions (DWP) £4,838,738 Household Support Fund Grant funding for Oldham over the period from 1 April 2023 to 31 March 2024 in accordance with option 2 as set out above.



Anne Ryans (Director of Finance)

Date: 27/04/2023

In consultation with Cllr A Jabbar MBE, Deputy Leader & Cabinet Member for Finance and Low Carbon



Date: 27/04/2023

1.0 Background

- 1.1 The Department for Work and Pensions (DWP) has announced a new, fourth, round of Household Support Grant Funding (HSF) amounting to £4,838,738 (which is the same level of funding as that received during 2022/23 although it operated over two funding rounds) and covers the period 1 April 2023 to 31 March 2024. This grant is a successor to earlier iterations of the Household Support Grant fund, which have been short term grants set up to support vulnerable residents with a food, fuel and essential items offer. This new grant round (HSF4), however, covers a 12-month period rather than the 6 months in previous rounds.
- 1.2 To date, most iterations of this fund have predominantly been used to provide a school holiday food offer in the form of vouchers to support children and young people eligible for means tested Free School Meals, as well as low-income families with pre-school children and care leavers under 25. The allocation of HSF Rounds 2 and 3 (01 April 22 to 31 March 22) is outlined in Appendix 1.
- 1.3 In its guidance issued on 20 February 2023, the Government announced a further £842m being made available to County Councils and Unitary Authorities in England to support those most in need and to help with global inflationary challenges and the significantly rising cost of living, via a fourth round of Household Support Fund. Councils have discretion on exactly how this funding is used within the scope set out in the grant determination and guidance provided.
- 1.4 The Government expects Local Authorities to place an emphasis on supporting households that do not have access to other Government support schemes such as the Cost of Living support or Winter Fuel payments. In particular, the Government has requested the Council consider prioritising support to those on low income:
- Families with children, who may be struggling with the increased cost of living
 - Carers, who may face greater costs in providing care, eg utility and transport
 - Disabled people, who may face higher heating and water bills
 - Those in receipt of Housing Benefit (HB) only, who have not been eligible for cost of living support schemes designed for householders
- 1.5 All website information and correspondence will be appropriately updated in line with government requirements in Plain English once a decision is made.

2 Current Position

- 2.1 The Council must determine its delivery plan for HSF4 and submit the plan to the Government by 17 May 2023. Three options for the use of the funding are set out in Appendices 2-4 and there can of course be a range of combinations that could utilise the fund. However, funds must be defrayed by 31 March 2024, and this places a significant constraint on the number of different grant allocations that either the Council, or its partner organisations, can process in respect of application based claims.
- 2.2 The change of the period covered by the fund, from 6 to 12 months, allows for the opportunity to weight support more heavily towards winter, when fuel costs and the general impact of cost of living is at its highest, rather than equally spent throughout the year.

2.3 The significant areas of support provided by the fund are considered below.

2.3.1 **Support for Children and Young People.** As presented in Appendix 1, in previous iterations, the bulk of support was provided via supermarket vouchers over the school holidays for those children (from preschool age, up to and including young people and care leavers of college age). This recognises the level of children in poverty in the area (39%). The options cover a range of frequency of support, including: one with a move away from supermarket vouchers with a one-off winter cash payment in replacement of issuing staged holiday-focused vouchers, and larger one-off payments proposed in longer holidays rather than smaller value vouchers at each half term which would not have been possible during the 6 month funding periods. Each option considers payments to families for school aged and college aged pupils in receipt of Free School Meals only and removes direct proactive vouchers for pre-school children.

All options include a greater amount of back-up support for any family with children, or other vulnerable household, requiring emergency need for food via supermarket vouchers (HUGG) which are issued via the Council's helpline, Support & Inclusion team, Children's Services and Health Visitors. Further, all options provide support to the Holiday Activity and Food programme (HAF) during the summer, where each attending child gets a free meal. <https://www.oldham.gov.uk/haf>

2.3.2 **Fuel Support.** All options propose targeted support to carers, residents with disabilities receiving Council Tax Reduction, and residents claiming only Housing Benefit, of between £50 and £100. Payments would be made by Post Office voucher as has been done previously, with individual payment alternative for those who cannot travel to an outlet; advice about this will be provided in an explanatory letter and via the Helpline.

2.3.3 **Council's Response to the Cost of Living Crisis.** All Options support the Response by contributing between £620,000 and £770,000 respectively to priorities identified within the proposal approved by Members in September 2022. There are three main advantages to this:

- it ensures the fund will be directed to those priorities already identified by the Council
- it mitigates the level of reserves required to deliver the Response
- the partner organisations involved will provide opportunities for residents in need of such support to apply for support, thus meeting one of the Government's requirements for HSF4.

2.3.4 The main ways in which the allocation will support the Response are:

- a) *Action Together.* Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise sector to provide support in the following areas: warm clothing & bedding, essential items for the elderly and support for those with no recourse to other public funds.
- b) *Warm Homes.* Additional funding would continue the offer provided in previous rounds of the grant regime to provide credits to pre-payment meters and a boiler replacement/repair service.
- c) *Age UK.* To support people with fuel payments
- d) *Homelessness Prevention.* To support residents to stay in their existing homes.

2.3.4 **Other Support.** All options also propose to allocate £75,000 to fund applications directed to and eligible for the Council's Local Welfare Provision scheme, providing Winter Warm Packs, efficient electrical goods, tenancy starter packs to aid tenancy sustainment, etc.

2.3.5 **Administration** – the Council can use the grant to support the cost of administering the grant. This covers the cost of the purchase the vouchers via WONDE, administration costs of partner organisations, such as Action Together and other administrative costs including direct staffing costs, printing and postage (as required). Estimated sums of between £80,000 and £105,000 are presented for this purpose, although the exact administration cost will depend on the precise level of costs incurred.

3 Options / Alternatives

3.1 Four options are presented for consideration with Options 1-3 set out in Appendix 2.

1) Option 1 – this option provides the following support:

- Supermarket vouchers for families with children and young people at £60 per over the summer holiday per eligible child, and £40 for Christmas and Easter (2024) holidays but with the offer not extended to including pre-school children. This is also supplemented further with £255K to HAF scheme and £50K of HUGG supermarket vouchers available on application for those struggling at any time of the year or with emergency food needs;
- Cash support for carers and disabled people in receipt of Council Tax Reduction, and HB-only claimants by way of redeemable vouchers of £75 each in the Autumn;
- Warm Homes team to provide fuel cost payments and boiler repair / replacements of £200K;
- Homelessness prevention, e.g. emergency help with rent arrears, of £200K;
- Winter Warm packs and efficient electrical goods via Local Welfare Provision of £75K;
- Support via the VCFSE sector, including Age UK, of £550K for vulnerable customers including warm bedding, clothing, essential items, and food.

2) Option 2 (recommended) provides the following support:

- Supermarket vouchers for families with children and young people at £15 per eligible child for the May Spring Bank holiday, £60 to cover the summer holiday and £40 for both Christmas and Easter (2024) holidays. Eligible under this proposal includes pre-school children.
- The above is again further supplemented with £150K to HAF scheme and £50K of HUGG supermarket vouchers available on application for those struggling at any time of the year or with emergency food needs;
- Cash support for carers and disabled people in receipt of Council Tax Reduction, and HB-only claimants by way of redeemable vouchers of £60 in the Autumn;
- Warm Homes team to provide fuel cost payments and boiler repair / replacements of £200K;
- Winter Warm packs and efficient electrical goods via Local Welfare Provision of £75K;
- Homelessness prevention, eg emergency help with rent arrears, of £200K;
- Support via the VCFSE sector, including Age UK, of £400K for vulnerable customers including warm bedding, clothing, essential items and food.

3) Option 3 provides the following support:

- Supermarket vouchers for families with children and young people as per option 2 but with pre-school children excluded.
- Th above is supplemented through HUGG vouchers and local welfare provision supported by targeted promotions. This is again further supplemented with £200K to the HAF scheme.
- Cash support for carers and disabled people in receipt of Council Tax Reduction, and HB-only claimants by way of redeemable vouchers of £75 each in the Autumn;
- Warm Homes team to provide fuel cost payments and boiler repair / replacements of £200K;
- Homelessness prevention, e.g. emergency help with rent arrears, of £200K;
- Winter Warm packs and efficient electrical goods via Local Welfare Provision of £75K;
- Support via the VCFSE sector, including Age UK, of £400K for vulnerable customers including warm bedding, clothing, essential items, and food.

4) Option 4 - the Council could choose not to deliver a package of support to vulnerable residents over the April 2023 to March 2024 period. As the DWP funding is ringfenced, this would mean returning the £4.839m funding to the Government. This option can be quickly discounted.

4 Preferred Option

4.1 The recommended option provides balanced scheme that provides effective support and meets the requirements as laid out in the funding guidance. It allows for heavier support during the periods of longer school holidays / higher spend and provides opportunity for residents who have not been proactively provided with support, to request and receive help as and when they experience need in a range of ways. This option also maintains support for households with pre school children through the issue of meal vouchers, where research has shown that this group is struggling most with the Cost of Living Crisis.

4.2 Issuing vouchers remains the primary means of allocating the fund as this has proved an effective means of targeting support to household in most need. Issuing the vouchers as a single payment, rather than in stages throughout the year has also been considered but on balance it is believed best to distribute them throughout the year rather than as a single payment. However, this can be revisited once the first round of vouchers ae distributed in May in respect of the spring half term.

Expenditure in 2022/23

	HSF 2	HSF 3	Total 2022/23
Area of Expenditure	£m	£m	£m
Food Support for children and young people at £40 per eligible child over the Summer and xmas holidays, £15 p.week for other holidays	1.097	1.950	3.047
Payment of £25 to support fuel costs for households of working age but in receipt of Council Tax Reduction	0.381	0.000	0.381
Payment of £110 to support fuel costs for households of pensionable age and in receipt of Council Tax Reduction with £55 payable on approval of the scheme and £55 prior to the additional fuel increase in October 2022	0.749	0.000	0.749
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.080	0.100	0.180
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas: - warm clothing /bedding - support for those with no recourse to public funds - essential items for the elderly including food	0.060	0.220	0.280
Additional Support for the Local Welfare Provision	0.000	0.025	0.025
HUGG vouchers		0.015	0.015
Age Uk		0.050	0.050
Administration costs	0.051	0.059	0.111
TOTAL	2.419	2.419	4.839

Option 1

Appendix 2

	Option 1
Proposed Area of Expenditure	£m
Food Support for children and young people at £60 per eligible child over the Summer holiday, £40 for Xmas and Easter holidays	2.240
Payment of £100 to support fuel costs for carers in receipt of Council Tax Reduction	0.164
Payment of £100 to support fuel costs for disabled residents in receipt of Council Tax Reduction	0.900
Payment of £100 to Housing Benefit claimants not in receipt of Council Tax Reduction	0.100
Additional support for Holiday Activity Fund in the summer holiday	0.255
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.200
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas:	0.450
- warm clothing /bedding	
- support for those with no recourse to public funds	
- essential items for the elderly including food	
Additional Support for Local Welfare Provision	0.075
Homelessness support	0.200
HUGG vouchers	0.050
Age UK	0.100
Administration costs	0.105
TOTAL	4.839

Option 2 (Preferred Option)

Appendix 3

Proposed Area of Expenditure	Option 2 £m
Food Support for children (including pre-school) and young people at £15 for spring holiday, £60 per eligible child over the Summer holiday & £40 for Xmas and Easter holidays,	2.970
Payment of £60 to support fuel costs for carers in receipt of Council Tax Reduction	0.100
Payment of £60 to support fuel costs for disabled residents in receipt of Council Tax Reduction	0.540
Payment of £60 to Housing Benefit claimants not in receipt of Council Tax Reduction	0.060
Additional support for Holiday Activity Fund in the summer holiday	0.150
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.200
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas: - warm clothing /bedding - support for those with no recourse to public funds - essential items for the elderly including food	0.300
Additional Support for Local Welfare Provision	0.075
Homelessness support	0.200
HUGG vouchers	0.050
Age UK	0.100
Administration costs	0.094
TOTAL	4.839

Option 3

Appendix 4

	Option 3
Proposed Area of Expenditure	£m
Food Support for children and young people at £15 for spring holiday, £60 per eligible child over the Summer holiday & £40 for Xmas and Easter holidays,	2.800
Payment of £75 to support fuel costs for carers in receipt of Council Tax Reduction	0.110
Payment of £75 to support fuel costs for disabled residents in receipt of Council Tax Reduction	0.654
Payment of £75 to Housing Benefit claimants not in receipt of Council Tax Reduction	0.070
Additional support for Holiday Activity Fund in the summer holiday	0.200
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.200
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas:	0.300
- warm clothing /bedding	
- support for those with no recourse to public funds	
- essential items for the elderly including food	
Additional Support for Local Welfare Provision	0.075
Homelessness support	0.200
HUGG vouchers	0.050
Age UK	0.100
Administration costs	0.080
TOTAL	4.839

Summary of Options

Appendix 5

	Option 1	Option 2 Proposed	Option 3	2022-23
Proposed Area of Expenditure	£m	£m	£m	£m
Food vouchers	2.240	2.970	2.800	3.047
Payment of £25 to support fuel costs for households of working age but in receipt of Council Tax Reduction				0.381
Payment of £110 to support fuel costs for households of pensionable age				0.749
Payment of £75 to support fuel costs for carers in receipt of Council Tax Reduction	0.164	0.100	0.110	-
Payment Of £75 to support fuel costs for disabled residents in receipt of Council Tax Reduction	0.900	0.540	0.654	-
Payment of £75 to Housing Benefit claimants not in receipt of Council Tax Reduction	0.100	0.060	0.070	-
Additional support for Holiday Activity Fund (HAF) in the summer holiday	0.255	0.150	0.200	-
Support for the Warm Homes Team to provide fuel vouchers for those in emergency need and the provision of a boiler repair/replacement service	0.200	0.200	0.200	0.180
Enlisting support in partnership with funding administered by Action Together, from the Voluntary, Community, Faith and Social Enterprise section to provide support in the following areas: - warm clothing /bedding - support for those with no recourse to public funds - essential items for the elderly including food	0.450	0.300	0.300	0.280
Additional Support for Local Welfare Provision	0.075	0.075	0.075	0.025
Homelessness support	0.200	0.200	0.200	-
HUGG vouchers	0.050	0.050	0.050	0.015
Age UK	0.100	0.100	0.100	0.050
Administration costs	0.105	0.094	0.080	0.111
TOTAL	4.839	4.839	4.839	4.839