

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: TUESDAY, 18 JUNE 2024
title: HOUSEHOLD SUPPORT FUND ROUND 5
submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING
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1 PURPOSE

1.1 To update Committee on the Household Support Fund Round 5 (HSF5) and to seek approval for utilising the remaining funding.

2 BACKGROUND

2.1 On 6 October 2021 the Government announced that a new Household Support Fund (HSF1) grant would be made available to County Councils and Unitary Authorities in England to support those most in need. This fund has subsequently been extended three times with HSF4 ending in March 2024.

2.2 On 6 March 2024, in the Spring Budget, the Chancellor announced that the Household Support Fund (HSF) would be extended for a further six months, from 1 April 2024 to 30 September 2024, with a further £421m of funding. As has been done for previous schemes, the fund will be made available to County Councils and Unitary Authorities in England to support those most in need. Lancashire County Council has been awarded £9,678,235.22; this matches previous 6-month period allocations.

2.3 LCC have confirmed that £116,379 of their allocation will be passported to RVBC. 80% of this allocation has been transferred to the Council.

3 HOUSEHOLD SUPPORT FUND ROUND 4

3.1 At this Committee on the 20 June 2023 the following was agreed for HSF4:

3.1.1 A supermarket voucher application scheme initially from 3rd July until 1st September 2023 (with additional application windows funding permitting) with the following criteria/offer:

- £200 for single households
- £300 for households with two or more adults residing.
- £500 for households with children
- A combined household income threshold of up to £50,000.
- Agreement for the applicants to have a discussion with our Debt/Cost of Living Advisor in respect of financial matters.

3.1.2 Targeted assistance to the following groups:

- Unpaid carers who are disregarded for Council Tax purposes.
- Care leavers
- Households who have been in receipt of a disability facility grant since 6 October 2021

3.1.3 Financial and debt advice provided in house by the appointed Debt/Cost of Living Advisor whilst the funding is available.

3.1.4 Discuss with LCC the possibility of removing criteria that anyone in receipt of the cost-of-living payment or winter fuel payment will not be eligible.

3.2 At Policy and Finance Committee on 12 September 2023 a second round of applications was approved with the same criteria as round one, to run from 2nd October until 1st December 2023. It was also agreed that successful round one applicants would not be eligible to apply again in round two.

3.3 Round two of the applications proved very popular and at this Committee in January 2024 Members were advised that the second round of applications was closed on 17th November 2023 given the number of applications being received and the limited funding remaining. All the Council's HSF4 funding was utilised by Christmas 2023.

3.4 In total 214 eligible applicants from HSF4 did not receive vouchers due to lack of funding. At this Committee in April 2024 Members agreed to utilise HSF5 in the first instance to prioritise these households, subject to the receipt of sufficient funding from LCC.

4 HOUSEHOLD SUPPORT FUND ROUND 5

4.1 The Department of Work and Pensions, who distribute this funding, have confirmed that there are several changes from previous versions of this fund. The following key differences are:

- Funding for evaluation activities, including data collection (for example, quantitative surveying and/or qualitative interviewing with recipients of the fund) and analysis and report writing, will now be considered eligible spend as an administrative cost.
- It is mandatory that in any publicity material for the scheme, including via online channels and media releases, Authorities make clear that this funding is being provided by the UK Government. This requirement extends to other public bodies (for example, District Councils) delivering the scheme on behalf of the Authority.
- Delivery plans must be signed off by your Section 151 Officer and include the information of the Section 151 Officer and responsible Cabinet Member before submission to DWP.

4.2 The fund can be used to provide support with food, energy and water, essentials linked to energy and water, and wider essentials. Authorities can also use funding to support households with housing costs where existing housing support does not meet this need, and to supplement support with signposting and advice.

4.3 The main key change which would be applicable to RVBC is that Authorities will be able to use a limited proportion of their allocations to conduct (and either fully or partially fund) local evaluation of their scheme. This will be considered as an administration cost.

5 RVBC HSF5 Allocation

5.1 The Household Support Fund is provided to Lancashire County Council. LCC have confirmed that RVBC will receive £116,379 for HSF5.

5.2 Committee will recall that as part of previous funding rounds LCC have included specific requirements within the grant agreements with district councils. As part of HSF5 the following requirements are included within the funding agreement:

5.2.1 Maximum 8% of our allocation for administration costs

5.2.2 10% for form filling/ advice.

5.3 All the 214 households who were eligible as part of HSF4 but did not receive a voucher have been contacted with an invitation to reapply for funding. Based upon the information provided as part of the HSF4 applications this will equate to approximately £57,400 (if every household contacted reapplies, are still eligible and their household

composition is still the same). At the time of writing this report 86 applications had been received and 84 vouchers, equating to £21,900, sent out. The remaining 128 households have been contacted to remind them to apply if they are still eligible and advising them that the funding will be become available to the wider Borough in June (25 further applications were received on 10th June which are currently being considered).

5.4 Based on the applications received to date and considering the administration costs and the requirement from LCC for 10% of RVBCs allocation to be used for form filling/ advice (see below) there is £38,031 of the Council's allocation remaining.

| Spend | % | Value (£) |
|--|------------|------------------|
| HSF4 applicants received | 19 | 21,900 |
| HSF4 applicants invited to apply (pending) | 30 | 35,500 |
| Administration | 8 | 9,310 |
| Form filling/ advice | 10 | 11,638 |
| HSF5 | 33 | 38,031 |
| Total | 100 | 116,379 |

5.5 Given the amount of funding remaining it is suggested that an identical scheme as the HSF4 application process is opened for residents in the Borough. Households in the Borough who are struggling financially and have a combined household income of less than £50,000 per year would be able to apply for a food voucher. The following voucher amounts would be applicable:

- £200 for single households
- £300 for households with two or more adults residing
- £500 for households with children (household with a child is a household containing any person who will be under the age of 19 at the time of award or, a person aged 19 or over in respect of whom a child- related benefit (for example, Child Benefit) is paid or FSMs are provided.

5.6 As per the previous scheme it is suggested that households who have been in receipt of Cost-of-Living Payments would be ineligible to apply. This is on the basis that households in the Borough who receive certain means-tested benefits, including Universal Credit, have received other funding over the past 2 years as follows:

- £650 in 2022, payable in two instalments.
- £900 in 2023/24, payable in three instalments

5.7 To date the Household Support Fund application process has sought to assist households in the Borough who have had no/ limited support from other sources hence the suggested ineligibility criteria above.

5.8 It is also suggested that this round of applications should be only open to households who did not receive a voucher as part of HSF4. Following the closure of the HSF4 application round a lot of households have contacted the Council requesting assistance who did not apply before the application process was closed. By only offering the vouchers to households who did not receive a voucher as part of HSF4 this would ensure that all the funding rounds assist as many households Borough wide as possible.

6 FORM FILLING/ADVICE

6.1 Committee may recall that as part of HSF4 LCC requested that 10% of RVBCs allocation for used for debt advice and support services. A member of staff was appointed to assist our residents in this regard on a part time basis however the member of staff was only temporary and with the Authority for a short period of time. Only approximately 2% of the Councils HSF4 allocation was used for debt advice/ support services and LCC were advised of the challenges associated with the provision of such services in the Borough.

6.2 For this round of funding LCC have confirmed that 10% should be used for assisting people to complete forms (to ensure people are receiving the right financial assistance-benefits etc) and for advice services. This equates to £11,638.

6.3 RVBCs applications into this fund are being administered in house rather than via a third party (which several Lancashire Authorities are doing) the Housing Officers spend a lot of time assisting residents with the household support fund including completing the forms and providing the necessary information, this is particularly in respect of some of our elderly residents. Additionally, residents are regularly signposted to the free debt advice and support which is already provided by various organisations. Given the limited amount of funding available and the time constraints it is proposed that the required form filling/ advice element of the fund will be administered in house also. This will be made clear on the next round of applications.

7 ADMINISTRATION

7.1 Committee needs to be aware that administering grants is very time and resource intensive.

7.2 The grant enables the inclusion of reasonable costs incurred administering the scheme.

These include for example:

7.2.1 staff costs

7.2.2 advertising publicity to raise awareness of the scheme

7.2.3 web page design

7.2.4 printing application forms

7.2.5 small IT changes, for example, to facilitate MI production

7.3 A 5% administration fee was attached to the initial HSF1. A 7.5% administration fee was attached to HSF2 and HSF3 acknowledging the administrative burdens associated with this fund. A 10% administration fee was attached to HSF4 noting the significant administrative burdens of administering this fund through previous rounds. For this round LCC have confirmed that the maximum administration costs are 8%.

8 RISK ASSESSMENT

8.1 The approval of this report may have the following implications:

- Resources – LCC are the recipients of this funding however RVBC will be required to enter into a grant agreement for any of their funding which is distributed to RVBC. Adherence with this grant agreement will be required along with the requirement to return any unspent money as of 30th September 2024.

Internal controls including budget monitoring will help ensure that any audit requirements are met and that spend is kept within the funding made available.

- Technical, Environmental and Legal – a suitable grant agreement will be required to be entered into with LCC. Officers will comply with the reporting conditions contained within.
- Political - N/A
- Reputation – N/A
- Equality and Diversity – The fund is intended to assist any of our residents who have not received Government assistance to date and are struggling. Any direct contact as set out within the proposed scheme will be based upon information, we have access to however all residents who meet the criteria will be able to apply for the fund. Any resident who struggles to complete a form online will be provided with assistance from our staff.

9 RECOMMENDED THAT COMMITTEE

- 9.1 Approve the creation of an application process for the remaining HSF5 funding as per the HSF4 scheme (the applications will remain open subject to sufficient funding noting the deadline date of 30th September)
- 9.2 Confirm that households who either received a voucher from the HSF4 funding round or the 214 households invited to apply initially from HSF5 will not be eligible for this new HSF5 funding round.
- 9.3 Approve the administration of the required 10% form filling/ advice element of the grant

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