

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO POLICY AND FINANCE COMMITTEE

meeting date: TUESDAY, 12 NOVEMBER 2024
title: HOUSEHOLD SUPPORT FUND ROUND 5
submitted by: DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING
principal author: NICOLA HOPKINS – DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING

1 PURPOSE

1.1 To update Committee on the Household Support Fund Round 6 (HSF6) and to seek approval for utilising the funding which will be passported from LCC.

2 BACKGROUND

2.1 On 6th 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 four times with HSF5 ending in September 2024.

2.2 On 2 September 2024 the Secretary of State for Work and Pensions announced that the Household Support Fund (HSF) would be extended for a further six months, from 1 October 2024 to 31 March 2025, 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.

2.3 LCC have confirmed that £116,379 of their allocation will be passported to RVBC. The 'core' allocation amounts remain the same as those of HSF5, with the addition of an allocation for affordable warmth, this is £20,324 for Ribble Valley. LCC expect this allocation to be managed managed by the Council's private sector housing teams.

3 HOUSEHOLD SUPPORT FUND ROUND 5 (HSF5)

3.1 As part of HSF5 initially all the 214 eligible households who did not receive a voucher as part of HSF4 were contacted and invited to reapply for funding.

3.2 Subsequently a scheme, identical to the HSF4 application process, was opened for residents in the Borough. Households in the Borough who were struggling financially and have a combined household income of less than £50,000 per year were able to apply for a food voucher as follows,

- £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.

3.3 Households who have been in receipt of Cost-of-Living Payments were ineligible to apply, along with households who received a voucher as part of HSF4.

3.4 As part of HSF5 413 households were assisted with £100,100.00 provided in food vouchers and 33 households assisted with form filling/ advice services.

4 HOUSEHOLD SUPPORT FUND ROUND 6

4.1 The Department of Work and Pensions, who distribute this funding, have provided guidance on the use of this fund, similar to previous rounds. The guidance for this round includes the following:

- Whilst immediate needs should be prioritised, Authorities are able to use the Fund to provide preventative support and deliver provision which has a long-term sustainable impact, for example household items which would reduce bills in the long-term. Subject to the considerations around advice services, this can for example include support with income maximisation through advice and signposting to benefit, debt and employment services, as well as activity to build local resilience and prevent poverty [although it is not expected that a large portion of funding will be spent on preventative support].
- The Fund is intended to cover a wide range of low-income households in need, including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people, larger families, single-person households, and those struggling with one-off financial shocks or unforeseen events.

5 RVBC HSF6 ALLOCATION

5.1 The Household Support Fund is provided to Lancashire County Council. LCC have confirmed that RVBC will receive £116,379 for HSF6 plus £20,324 for affordable warmth.

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 HSF6 the following requirements have been specified by LCC:

5.2.1 Maximum 8% of our allocation for administration costs

5.2.2 10% for form filling/ advice.

5.3 The recent rounds of this funding have proven very popular with the HSF4 scheme and HSF5 scheme closed early due to being over-subscribed. Committee approval is sought to run a further round of funding applications based upon the previous successful schemes as follows:

Households in the Borough who were struggling financially and have a combined household income of less than £50,000 per year were able to apply for a food voucher as follows,

- £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).

5.4 Committee will note that previously households in receipt of Cost-of-Living Payments and the beneficiary of Universal Credit were ineligible to apply to previous funding rounds. Financial support worth a total of £1,350 was offered to the most vulnerable households during the cost-of-living crisis. Eight million families received a cost-of-living payment of £900 split into three instalments and the final instalment, £299, was paid between February 6, 2024 and February 22, 2024.

5.5 On the basis that these payments have now ended Committee approval is sought to enable households in receipt of Universal Credit (UC) to apply for this round of funding. Committee should note however that numerous applications were refused in previous rounds due to this ineligibility criteria and it is expected that a lot of households will apply for this funding round, if eligible, who also receive UC. It is envisaged that the funding will be spent quickly.

5.6 As part of HSF5 households who has successfully received a voucher in HSF4 were ineligible to apply. HSF5 was distributed from the end of April until early September and as such those households have received assistance this year. It is suggested that households who received a voucher as part of HSF5 should be ineligible to apply in this funding round. This will ensure the funding assists as many households as possible this year.

6 PENSIONERS

6.1 It is noted that concerns have been raised about the impact of the withdrawal of the winter fuel allowance on pensioners particularly on those pensioners who do not get pension credits.

6.2 In respect of pension credits Committee should note that late last year, the Council worked with the Welfare Rights Team at LCC on a take up campaign in respect of pension credit which ended earlier this year. In respect of RV LCC dealt with 183 households which was a 29% response rate, the highest ever take up following a mail out. Additionally, the DWP have written to thousands of households across the country to encourage pensioners to establish whether they are entitled to pension credits.

6.3 In respect of the Household Support Fund, whilst the Council do not have access to a list of pensioners across the Borough that do not receive pension credits to enable a direct target campaign, the eligibility criteria associated with the suggested HSF6 scheme above enables pensioners to apply for a food voucher. The Council's Housing Officer, who administers the scheme, has assisted numerous pensioners with receiving vouchers as part of previous rounds of the fund including assistance with completing the application forms. It is suggested that part of the promotion of HSF6 shall be directed to pensioners including promotion at lunch clubs and warm spaces to encourage pensioners to apply.

7 AFFORDABLE WARMTH

7.1 Over recent years LCC have made funding available to district councils to deliver affordable warmth interventions to individuals who are the most vulnerable to harm from cold or damp homes. In the 2023/ 24 financial year LCC allocated £46,488 for Ribble Valley subject to Ribble Valley applying for it with proposals on the use of money and Lancashire County Council approving the proposals. This was the same process as in previous years. The grant funding ran up until 30th June 2024.

7.2 In January 2024 Health and Housing Committee endorsed the following inclusions within the grant application to LCC:

- First, to offer servicing, repairs, and replacement boilers for eligible households. This is the same offer as the previous year which had a good uptake and was well received. Other current grant schemes, ECO4, and ChiL do not cover gas boiler repairs and servicing. Therefore, this will ensure that all vulnerable households with a low income and low EPC rating can access some grant options.
- Second, to purchase oil filled heaters and dehumidifiers in the event of any emergency weather conditions or on a need's basis. These will be loaned to households.
- Third, to partner with the Home Improvement Agency to be able to offer home energy assessments to vulnerable households that have been identified as living in a cold home and to provide advice and measures to improve the energy efficiency of the home up to a maximum of £2000 per property.

7.3 RVBC were awarded the grant money from LCC and to date have purchased 7 dehumidifiers and 45 heaters and distributed 5 dehumidifiers and 12 heaters. Three applications for a replacement boiler have been approved with one under consideration.

7.4 LCC have decided to fund affordable warmth from the HSF which will need to be spent and committed by end of March 2025. LCC have provided the attached Affordable Warmth guidance and criteria (Appendix 1).

7.5 LCC have confirmed they will only make allocations once 80% of previous affordable warmth funding (allocated in 23/24) has been spent and committed, and full allocations are likely to be dependent on this being reached by at least the 31st December 2024. Based on spend and commitments to date (23/24 allocation), £ 11,336, RVBC will not yet receive its affordable warmth allocation. The spend to date demonstrates that it has been very challenging to utilise this funding within the Valley.

7.6 At the last Health and Housing Committee it was queried whether the grant criteria could be altered to seek to assist more households by, for example, increasing the household income threshold. The eligibility criteria for this grant is set out within the grant agreement the Council entered into in relation to the 2023/24 funding and is appended to the grant agreement for this Household Support Fund round. Households will be eligible for funding if they meet at least one of the listed vulnerabilities and have a low income.

7.7 Low income can be confirmed in one of the following ways:

- Someone being in receipt of means tested benefits
- Have a total gross household income not in excess of £31,000
- Household savings should not be used to limit access to the grant if other criteria are met.

7.8 The grant agreement confirms that districts have the further option to support people that do not have a specific vulnerability as listed above but do have a significant low income and energy efficiency issue. It is clear that a low income is an essential part of the eligibility criteria for the grant however people on means tested benefit are also eligible to apply. The total household income threshold is not a barrier for other households to apply. Further promotion of this funding will be undertaken to encourage take up.

8 ADMINISTRATION

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

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

These include for example:

8.2.1 staff costs

8.2.2 advertising publicity to raise awareness of the scheme

8.2.3 web page design

8.2.4 printing application forms

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

8.3 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%.

8.4 LCC have confirmed that 10% of the Council's allocation should be used for form filling/ advice services. The Council's Housing Officer assists a large proportion of applicants with completing the application forms, getting the vouchers and signposting to other support available.

9 RISK ASSESSMENT

9.1 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 31st March 2025.

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 resident who struggles to complete a form online will be provided with assistance from our staff.

10 RECOMMENDED THAT COMMITTEE

10.1 Approve the creation of an application process for the HSF6 funding as per paragraph 5.3 (the applications will remain open subject to sufficient funding noting the deadline date of 31st March 2025).

10.2 Confirm that households who received a voucher from the HSF5 funding round will not be eligible for this new HSF6 funding round.

NICOLA HOPKINS
DIRECTOR OF ECONOMIC DEVELOPMENT AND PLANNING

Affordable Warmth Grant Guidance 2024 / 25

Introduction

Lancashire County Council has decided to use Household Support Fund (HSF) to make funds available to district councils to deliver high impact affordable warmth interventions to individuals who are the most vulnerable to harm from cold or damp homes. The funding is subject to Lancashire County Council approving delivery plans and grant agreements.

All relevant HSF guidance must be followed, we expect the below guidance to fully align to HSF guidance, however in scenarios where there is any doubt the HSF 6 guidance 'Household Support Fund: Guidance for County Councils and Unitary Authorities in England (1 October 2024 to 31 March 2025)' and grant conditions will take precedence and must be followed.

Assessment process outline – please also see full guidance below

The total amount available across all 12 district areas is £450,000. District councils can apply for up to the amount shown in appendix 1, this is based on Low Income Low Energy Efficiency fuel poverty figures published 25th April 2024.

Please use the delivery plan template provided to identify proposals for 2024/25 spend up to your allocated amount, including how you will identify and effectively get help to the most in need individuals, in a timely manner. Please outline your proposed affordable warmth interventions as part of the HSF Project Delivery Plan, please make clear which elements will be funded by the HSF Affordable Warmth funding.

Aim of the fund

Ultimately, the funding aims to reduce levels of death and illness over the winter months and to improve people's wellbeing, through affordable warmth interventions; as a consequence we also hope to see a reduction in hospital admissions and in demand for health and social care services.

Beneficiaries and Vulnerable Groups

Being on a low income, living in a thermally inefficient home, having higher heating needs and high fuel costs can all increase the risks of living in a cold home. The funding is aimed at the most vulnerable to harm from cold or damp homes. This could include a wide range of individuals who either are, or are at serious risk of, experiencing poor health and wellbeing due to a cold home. The National Institute for Health and Care Excellence (NICE) guidance on ['Excess winter deaths and morbidity and the health risks associated with cold homes'](#), identifies a number of groups to be particularly vulnerable to the effects of living in a cold home. These have been considered in the development of eligibility criteria, together with the current guidance from OFGEM¹ on identifying fuel poor households and those on a low income and vulnerable to the effects of living in a cold home for ECO Flexible Eligibility.

Households will be eligible for funding if they meet at least one of the following vulnerabilities and have a low income, defined as follows.

Vulnerabilities:

¹ [ECO4 Guidance: Local Authority Administration | Ofgem](#) April 2024

Appendix 1- Affordable Warmth Grant Criteria

- people with a diagnosed cardiovascular conditions
- people with a diagnosed respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma)
- people with diagnosed mental health conditions
- people with diagnosed disabilities
- older people (65 and older)
- households with young children (up to the age of 5)
- pregnant women
- people who are terminally ill
- people with suppressed immune systems (e.g. from cancer treatment or HIV)
- people who have attended hospital due to a fall

Low income

Low income can be confirmed in one of the following ways:

- Someone being in receipt of means tested benefits
- Have a total gross household income not in excess of £31,000²
- Household savings should not be used to limit access to the grant if other criteria are met.

Districts have the further option to support people that do not have a specific vulnerability as listed above, but do have a significant low income and energy efficiency issue, this is to be used at the districts discretion.

Districts should prioritise properties that have an energy efficiency need such as properties that are likely to be EPC rating D or below, although a formal EPC rating and assessment is not required.

Prioritising those most vulnerable to cold homes

Districts should provide interventions for all groups listed above where an affordable warmth need has been identified. Districts will need to manage demand to direct the resource at those most in need. Districts may choose not to open up all categories to self-referrals, instead restricting interventions for some groups to referrals from social care, and health partners or where their own service has identified a health and affordability vulnerability.

Where possible, Districts are expected to be flexible with regards to responding to referrals from health and social care.

² This is inline with the income criteria set for ECO4 Flexible Eligibility in the Statement of Intent template: <https://www.ofgem.gov.uk/publications/eco4-guidance-local-authority-administration>

Appendix 1- Affordable Warmth Grant Criteria

In exercising their reasonable discretion in order to manage limited resources, Districts may choose to prioritise resources to people it considers most vulnerable within the eligible criteria above. There is no fixed way of doing this but it may include:

- People that are referred from health and social care partners,
- People with more than one eligible vulnerability (in addition to low income),
- People with the following long term health conditions which are adversely affected by living in a cold home
 - A cardiovascular condition
 - A respiratory disease
 - Immunosuppression

Confirmation of what the health and affordability need is should be recorded in the monitoring returns, with supporting evidence being retained locally.

Interventions

The funding available can be used for capital or revenue expenditure.

The funding should be used to support services to ensure there is a response available for people most vulnerable to cold homes, either by direct use of this funding or by linking with other services and funding available within your district. Confidence that some response will be available in most cases, is important for people who are vulnerable and those professionals referring into the scheme. Districts are encouraged to use the funding to provide a range of long-term interventions, working alongside shorter term emergency measures e.g. emergency heating –that are important to relieve crisis, and enable people to stay safe and well in their own home, whilst longer term measures are put in place.

The most appropriate funding sources for all interventions should be considered, additional or alternative sources of funding should be sought wherever possible, including any available ECO (standard ECO or ECO Flex) funding, and other Household Support Fund to ensure this fund can go as far as possible. It can also be matched with any other funding sources secured by the Lancashire Energy Officers Group for Lancashire-wide schemes or funding secured locally by delivery partners. This funding should add capacity to existing resources and meet needs when other funding is not available. Measures can be fully funded (in the case of any match funding not being available) or a contribution towards costs made at a level deemed appropriate by the District.

Proposals may include the following non-exhaustive interventions:

- Servicing, repairs and replacement boilers and heating systems and associated works, including programmable controls and replacement of unsafe heating appliances
- Repairs to and new radiators and radiator reflectors
- Gas fire services and repairs

- Draught proofing measures – windows, doors, loft hatches, electrical fittings on walls and ceilings, suspended floorboards, pipework leading outside, ceiling-to-wall joints³. Thermal blinds and carpets may be included as draught proofing measures in appropriate circumstances where other long-term measures have been considered and the thermal benefit can be demonstrated.
- Appropriate ventilation measures

³ <http://www.energysavingtrust.org.uk/home-insulation/draught-proofing>

Appendix 1- Affordable Warmth Grant Criteria

- Standard loft and cavity wall insulation
- Interventions for 'hard to treat' cavities and solid walls such as non-standard insulation solutions and external or internal wall insulation.
- Glazing improvements
- Temperature and relative humidity monitors/ Carbon monoxide monitors
- Dry lining
- Mould and damp treatment and prevention.
- House clearance and loft clearance to enable affordable warmth interventions to be undertaken
- Repairs that address common barriers to tackling cold home e.g. fixing leaking roof
- Emergency heating and dehumidifiers measures e.g. portable heaters for use whilst heating systems are repaired, top up fuel cards and vouchers (other available funding sources to be considered). Warm / Winter packs if used, should be minimised to maximum 2.5% of the funding allocation.
- Advice on fuel poverty -advice to reduce costs through fuel switching, income maximisation, managing fuel bills & debts, warm home checks. Registration on [priority services registers](#) (for energy supply and distribution companies).
- Grant agency fees may be included particularly where this helps to ensure vulnerable people get the most appropriate support and interventions. Fees and staffing costs associated with direct delivery support should be minimised and come to no more than 15% (of which administration costs must be no more than 8%), this should not replace existing staff or other resources. Additional staffing costs associated with direct delivery may be included within the 15% but should not replace existing services or fund statutory services.

Tenure

There are clear differences in fuel poverty rates and the average fuel poverty gap by tenure type. These reflect both the nature of the housing stock and household characteristics typical to a households' tenure. The highest level of fuel poverty is in the private rented sector with 24.1 per cent of these households being fuel poor, whilst owner occupiers have the highest average fuel poverty gap⁴, the fuel poverty gap reflects the depth of fuel poverty.

Focus should be on owner occupied housing, however where there is an identified need other tenures may be included. In the case of private rented all reasonable enforcement options must have been shown to have been pursued. For social housing, interventions / contributions from housing associations / other partners should be sought in the first instance.

Grant Allocation Proposal and Delivery

- The district council will receive the grant directly (subject to approval) and will be responsible for delivery and coordinating work with partners including voluntary and community sector organisations that play a key role in affordable warmth work.
- District councils are asked to set an indication of budget allocation on the delivery plan template form which will be the basis of the grant agreement. This should give an indication of planned interventions and overall spend, however we recognise the importance of addressing the specific needs of individuals. Therefore if people have affordable warmth needs that cannot be met by interventions outlined in your delivery

⁴ [Annual fuel poverty statistics in England, 2024 \(2023 data\) \(publishing.service.gov.uk\)](#)

Appendix 1- Affordable Warmth Grant Criteria

plan but within the interventions listed above, these can be delivered to address need even if they are not on your original plan.

- If any individual household receives combined payments from the Lancashire Affordable Warmth fund in excess of £5000, please provide additional brief information, that allows us to understand if there are any particular circumstance and rational for spending funding amounts above £5000. For example particular health vulnerabilities, lack of other funding or maybe this funding has been put alongside other funding to enable work to be completed, please highlight any significant expected improvements / issues that will be resolved, that represent value for money. This should not delay work, as no separate approval is necessary or will be given, the information is for our records to enable us to account for spend.
- The spend limit of Lancashire Affordable Warmth funding per household is £8000
- Lancashire Affordable Warmth Funding will be a ring-fenced allocation of the Household Support Funding (HSF) that is required to be spent on the Affordable Warmth Fund described in this document.
- The Affordable Warmth Funding will be made as one payment. The Lancashire Affordable Warmth funding can only be claimed once 80% of Lancashire Affordable Warmth Funding allocated in 2023/24 has been spent or committed. If this is not the case the first payment of the HSF funding will not include any Affordable Warmth Funding, which will instead be paid separately only once the 80% of the 2023/24 allocation has been reached. If 80% of the 2023/24 Affordable Warmth Funding has not been committed or spent by the 31st December 2024, Lancashire County Council will determine in its absolute discretion how much, if any, of the affordable warmth allocation is paid to the relevant district council.
- Funds should be spent or committed before the end of March 2025 and cannot be carried over for future usage.
- Lancashire County Council and UK Government must be referenced as the source of the funding, when the grant is being promoted or publicised (see HSF guidance).

Monitoring

The affordable warmth funded activity must be included as part of the HSF monitoring in the format set out in HSF grant agreement

Additionally Separate Affordable Warmth Monitoring is Required

Districts will produce and share separate Affordable Warmth Monitoring reports as at 31st December due January 17th 2025 and 31st March 2025 due by 11th April 2025, summarising:

- Funding spent/ committed and on what areas of intervention, numbers of jobs.
- How many households and people have been helped
- Breakdown of why households were eligible for the scheme – please see criteria above
- Ethnic Group
- Tenure
- Record of any professional referrals into the scheme for example from health or social care
- If applicable summary of any match funding secured

Appendix 1- Affordable Warmth Grant Criteria

We hope this format of reporting will minimise administrative resources required, whilst enabling us to be able to report on and account for funding spend.



Monitoring AFW
2024-25.xlsx

District councils are encouraged to gather additional local evidence that could demonstrate the potential benefits of the programme, including client case studies.

Process for agreeing proposals

Once initial District deliver plans are submitted, feedback will be given. If elements of plans are not approved, it is envisaged that there will be an opportunity to adjust applications, before final approval which is likely to be part of the grant agreement.

Fuel Poor Households by Administrative Area 2024 Published 25th April 2024				
Area	Number of households*	Number of households in fuel poverty*	% of Lancashire's Fuel Poor Households	Allocations £ 450,000
Lancashire	540,227	78,157	14.5	
Burnley	41,000	7,899	19.3	45,480
Chorley	51,532	5,743	11.1	33,066
Fylde	38,635	4,864	12.6	28,005
Hyndburn	35,789	6,592	18.4	37,954
Lancaster	61,783	9,358	15.1	53,880
Pendle	39,170	7,682	19.6	44,230
Preston	61,325	9,031	14.7	51,997
Ribble Valley	27,497	3,530	12.8	20,324
Rossendale	31,413	4,792	15.3	27,591
South Ribble	50,005	5,087	10.2	29,289
West Lancashire	49,877	6,613	13.3	38,075
Wyre	52,201	6,966	13.3	40,108
*Source 2024 Sub-Regional Tables Final.xlsx (live.com) Sub-regional fuel poverty data 2024 (2022 data) - GOV.UK (www.gov.uk)				

