

Report to: Cabinet



Date of Meeting 5 June 2024

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Exemption applied: None

Review date for release N/A

Household Support Fund 5 (HSF5)

Report summary:

This report provides details on the proposed policy of the Household Support Fund and funding available to support households for the period 01 April 2024 to 30 September 2024.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. That cabinet agree to the proposed policy for the Household Support Fund for the period 01 April 2024 to 30 September 2024.
2. That Cabinet agree for delegated authority to be given to the Assistant Director for Revenues, Benefits, Customer Services and Fraud and Compliance in consultation with the Portfolio Holder for Finance and the Portfolio Holder for Sustainable Homes and Communities, in the event subsequent changes need to be made to the policy including providing additional groups to receive a targeted payment. Any required changes will be based on funding, available data from our poverty dashboard, other relevant factors at the time a decision needs to be made including carrying out a new Equalities Impact Assessment.

Reason for recommendation:

The recommendation allows for the administration of the Household Support Fund to be targeted at those who require financial support with the cost of essentials. In addition, the proposed policy is in line with the Department for Work and Pensions guidance and with other Team Devon authorities who continue to work together to ensure a Devon wide framework in administering the fund.

Based on data gathered from those residents who request support from the Financial Resilience team we know that 59% of residents who are approaching us for help are those residents who have a member of the household who is disabled or is a carer. Given that this group of residents are vulnerable they may be less likely to know that they can access support from the Household Support Fund, therefore we are proposing that we target support at those households.

Our open application will still allow those with vulnerable residents in the household such as low-income households with children access to the fund.

The policy continues to support the Council's anti-poverty strategy.

Officer: Sharon Church. Benefits and Financial Resilience Manager

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Communications and Democracy
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Culture, Leisure, Sports and Tourism

Equalities impact High Impact

We continue to recognise that having the Household Support Fund to support residents who are financially struggling with the cost of living will have a high relevance on some of the groups with protected characteristics, these being age, disability, children and vulnerable adults. We do not consider that the policy will adversely impact these protected groups. The [equality impact assessment](#) confirms what will be in place for those groups not benefitting from a targeted award.

Climate change Low Impact

Risk: Low Risk; This is a low-risk area. The team continue to work closely with Private Sector Housing and Exeter Community Energy to ensure that residents receiving an award from direct applications have a referral for energy advice and help accessing funds to help with energy saving measures.

Links to background information [1 April 2024 to 30 September 2024: Household Support Fund guidance for county councils and unitary authorities in England - GOV.UK \(www.gov.uk\)](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

1. Background

- 1.1 In the 6 March 2024 Spring statement, the government announced that the Household Support Fund (HSF) would be extended for a further 6 months, covering the period 01 April 2024 to 30 September 2024. The extension of the fund is intended to continue to provide crisis support to vulnerable households in most need with the cost of essentials.
- 1.2 This will be the fifth extension of the HSF that has been in place since 1 October 2021, and as with all previous HSF schemes this funding must be used in line with the Department for Work and Pensions (DWP) guidance.
- 1.3 Previous HSF schemes have been delivered under a Devon wide framework agreed by Devon County Council (DCC) and the other Devon district and city councils. This ensures that we are all approaching administering the scheme in the same way whilst allowing for local needs based on the demographics of each area.
- 1.4 The previous HSF schemes have had slightly different approaches such as direct applications for the first set of HSF and a combination of direct targeted awards for certain cohorts for HSF2, HSF3 and HSF4.

- 1.5 DWP guidance has confirmed that the fund for April 2024 to September 2024 should continue to be used to support households in the most need, particularly those who are in need and require crisis support.
- 1.6 Vulnerable households continue to struggle to afford the costs of essentials such as food and energy and this fund has been provided to help these residents, however the DWP is encouraging that authorities use the fund to provide support that has a long-term sustainable impact, such as providing items that will help reduce future bills.
- 1.7 Under previous schemes we have targeted support at cohorts who we have identified as needing extra financial support. This has included households with children, disabilities, and carers and this is an approach in line with the latest DWP guidance.
- 1.8 DCC has been allocated circa £5 million to distribute for the period 01 April to 30 September 2024.
- 1.9 As with previous schemes funding will be provided to other organisations such as Citizens Advice Devon for pre-payment meter energy relief scheme, free school means holiday lunch vouchers and Early Help.

2. Devon County Council's approach on allocation of the HSF

- 2.1 DCC has been awarded funding of £5,064,876 for HSF to cover the period 1 April 2024 to 30 September 2024.
- 2.2 The HSF must be spent or committed by 30 September 2024 and cannot be held over for future use. Funds should be available for the whole of this period.
- 2.3 As the fund is finite once the money has been spent the fund will close. This may mean the fund will close earlier than the 30 September 2024.
- 2.4 As part of the funding received Devon County Council are utilising part of these funds in the following ways.
 - As with previous HSF an amount of £15 per child per week of the school holidays will be allocated to those who qualify for free school meals by Devon County Council. Vouchers will be provided for 7 weeks of holiday throughout the period of the scheme.
 - Citizens Advice Devon Energy Relief scheme for pre-payment and credit meters will continue to run until 30 September 2024 or until funds are exhausted. This will allow those using pre-payment meters to apply for funds to top up meters.
 - Early Help will continue to provide financial support for food and other essential costs for eligible low income households. This will stay an open application process, verified by a professional working with the family.
- 2.5 Other districts and city councils within Devon are taking a mixed approach with some offering a mix of targeted support and open applications, others provided targeted support only and others providing an open application only.

3. East Devon's Funding Allocation

- 3.1 DCC has allocated us £284,944 for the period 1 April 2024 to 30 September 2024.
- 3.2 There will be 15% (£42,741) of the amount provided for administrative costs. This will help support the on-going costs of the Financial Resilience Officers.
- 3.3 The total grant allocated is £327,685.

4. Considerations/priorities

- 4.1 At this time the government have not announced that they will be making any further Cost of Living payments throughout 2024/25. As a result of this we have a much higher number of households to support than we had in previous HSF schemes.
- 4.2 We are aware that there are residents who would benefit from a payment or support available but do not engage with us or know that help is available. It is therefore important that we retain a proportion of the funding for the open application process. We will continue to work with partners as well as exploring other means of identifying and reaching these residents throughout the period that we are administering the HSF.
- 4.3 As the fund has only been announced for six months there is a possibility that funding will not be provided from 1 October 2024. We therefore need to consider the impact of this ending and how we are going to continue to support our residents beyond this date especially when they have become reliant on funding being available.
- 4.4 To address the possibility of no further funding being available after 1 October 2024 those residents receiving a payment from the HSF will be offered support from the Financial Resilience team when applying for their payment. This will ensure that we are able to start working with those residents who are experiencing financial difficulties and need help early. We will also continue working with DCC and Team Devon colleagues to explore how best to support residents across the County post Household Support Fund.
- 4.5 As part of our anti-poverty strategy we are already in discussion with our VCSE Devon Communities Together on how we can continue to understand and reach our residents across the district, taking a place based approach with key partners in building financial resilience in order to help reduce and/or remove dependency for emergency funding.

5. Proposed approach/policy

- 5.1 The Devon wide framework agreed upon for the HSF 1 April 2023 to 31 March 2024 will continue, with some minor additions. These additions are due to the DWP guidance requirements being updated. This approach is continuing because it allowed individual authorities to meet the needs of residents who may have different demographics depending on where in Devon they live, whilst also ensuring that there is common ground amongst neighbouring authorities.
- 5.2 Our proposed policy for HSF for April 2024 to September 2024 will be in two parts. Part one will be targeted support estimated at £190,100.00. Part two of the policy will be an open applications process. This is not only a requirement of the fund but is also essential to ensure that those we have been unable to identify as needing support or those we have not targeted to receive a payment can still access the funds.
- 5.3 For targeted support we will be providing a one-off payment of £100 to those residents who are in receipt of full Housing Benefit or full Council Tax Reduction, there is a disabled or carer resident in the household and the resident and/or any partner has less than £3,000 in capital.
- 5.4 As per DCC's approach (see policy, appendix one) a targeted payment of £100 will also be made to care leavers who are in receipt of Council Tax Relief, and other district benefits such as, Discretionary Housing Payment. As at 13 May 2024 there are 7 care leavers that fall within this group.

- 5.5 Per the HSF scheme for April 2023 to March 2024 those residents we identify as being eligible to receive a payment will need to complete a shortened form to receive their funds. This will ensure that we can pay funds to the resident in the way that they choose works best for them. Payment will be offered via bank account or post office voucher. Direct applications will continue to be paid via vouchers and payments direct to suppliers.
- 5.6 Giving £100 each to these 1901 households will total £190,100 leaving £94,844.00 for open applications.

6. Resources

- 6.1 The Financial Resilience team is already set up and will continue to administer this latest round of HSF as well as providing the Financial Resilience service we offer to our residents.
- 6.2 By targeting some of the funding in this way we can use the same processes already set up to administer the funds for previous HSF schemes. This will ensure that we can administer the majority of our funding in a timely manner whilst also allowing us to financially support those residents we are unable to identify through our available data sets.
- 6.3 The Financial Resilience team will continue to provide further financial support and work with partners to help lift residents out of poverty. They continue to build links with partners across external organisations and the voluntary sector to ensure we reach as many households as possible.

7. Summary

- 7.1 The aims of our proposed scheme will continue to strike the right balance between providing targeted support to those we identify as most in need whilst also retaining a proportion of the funding for open applications to those who fall outside of the targeted award criteria but nevertheless are struggling.
- 7.2 In the event that changes need to be made to the scheme we are recommending that delegated authority is given to the Assistant Director for Revenues, Benefits, Customer Services and Fraud and Compliance in consultation with the Portfolio Holder for Finance and the Portfolio Holder for Sustainable Homes and Communities. This will ensure that we can continue to administer the fund and have all funding spent before the scheme is closed on 30 September 2024.
- 7.3 [The draft policy for HSF5](#)
- 7.4 We will be presenting a paper for a future Poverty Panel meeting where we will provide further details on the support we have provided during 2023/24. We will also provide further details on the understanding of our data for those households where there are residents who are disabled and carers, as they still present as the highest group requesting extra financial support. We know that Members have raised concerns regarding these groups at previous meetings which is why we will be covering this at the Poverty Panel meeting.

Financial implications:

There are no direct financial implications arising from the report for the fully funded scheme.

Legal implications:

Members should have regard to the equalities impact assessment when considering the recommendations in this report.