



Report Title	Household Support Fund (HSF) Grant - 6 th October 2021 to 31 st March 2022
Dates between which decision will be taken	Earliest date: 26 November 2021 Latest date: 30 November 2021
Cabinet Member	Cllr Stephen Davies - Cabinet Member for Children's Safeguarding and Early Years
Key Decision	Yes
Purpose of Report	<p>To ratify decisions made and approve further recommendations in relation to the distribution of the Household Support Fund (HSF) Grant £3,692,483.14 received Department of Work and Pensions for the period relating to 6th October 2021 to 31st March 2022, as follows:</p> <p>To ratify the decisions taken by the Executive Director of Children's Services to engage the service provider known as Auriga Services Ltd, in the interim (from the beginning of the grant 6th October 2021 until a new single provider framework is awarded), to allocate and distribute the HSF grant for the purpose of assisting vulnerable households by providing them with support with (a) food, (b) energy and water, (c) essentials linked to energy and water, (d) wider essentials, and (e) housing costs.</p> <p>To approve the recommendations to distribute the rest of the HSF grant through (a) a single provider framework agreement to commence in the new year (2022) for the supply of food vouchers, fuel vouchers, white goods and household emergency support to those most in need, (b) spending £0.654m to provide support to the most vulnerable residents on rent and utilities support and (c) providing £0.738m to District Councils to provide a localised offer.</p>
Recommendations	<p>That the Lead Cabinet Member for Children's Safeguarding and Early Years ratifies the following decisions by the Executive Director of Children's Services:</p> <ol style="list-style-type: none">1. A decision to distribute Household Support Funding (HSF) received by the council from the Department of Work and Pensions for the purpose of supporting those most in need during the period 6th October 2021 to 31st March 2022.

2. A decision to award to the council's incumbent welfare support services supplier, without further competition, a contract for the provision of administration services in respect of such funding and also delivering support in the form of food vouchers, fuel vouchers, white goods and emergency household items to those most in need during the period 6th October 2021 to 31st March 2022. Such direct contract award is made on grounds that, for reasons of extreme urgency brought about by unforeseeable events (that is, the unforeseeability of a notification from the Department for Work and Pensions (DWP) on 6th October 2021 requiring the council to ensure that the above-mentioned services were operational as soon as possible), the time limits for completing a regulated procurement procedure could not be complied with, hence the council's incumbent supplier of welfare support services, namely, Auriga Services Limited, was the only supplier capable of implementing the required services in the available timeframe.

That the Lead Cabinet Member for Children's Safeguarding and Early Years delegates authority to the Executive Director of Children's Services to:

3. Conduct a competitive procurement process in respect of a single provider Framework Agreement for the supply of food vouchers, fuel vouchers, white goods and household emergency support to those most in need as required under the terms of the Household Support Fund Grant provided by the Department for Work and Pensions in response to the Covid-19 Pandemic and for any other future COVID grants received from Government in relation to emergency welfare provision. Such Framework Agreement shall continue for an initial period of 15 months commencing early in 2022 and include an option to extend its term for a further period of 12 months.
4. Award such Framework Agreement to the preferred tenderer.
5. To call-off such services from the proposed Framework Agreement as are deemed necessary in order to implement the terms of the Household Support Fund Grant
6. Determine whether to exercise the option to extend the term of such Framework Agreement for a further period of 12 months on the expiry of its initial period.
7. Approve £0.654m spend for the purpose of providing financial support to vulnerable individuals and families in Gloucestershire who require rent and/or utility support.
8. Allocate £123k to each of the six District Councils in Gloucestershire (namely, Gloucester, Cheltenham, Tewkesbury, Forest of Dean, Stroud and Cotswolds) for the purpose of them each providing their own localised schemes to target the needs of those most vulnerable

	<p>(whilst meeting the grant conditions that at least 50% of the funding allocated, is provided to families with children and primarily used to provide support with food, energy and water bills, household items & other essential items).</p>
<p>Reasons for recommendations</p>	<p>On the 6th October 2021 the Department for Work and Pensions announced a further funding allocation, to Gloucestershire County Council, of £3,692,483.14, to provide assistance to vulnerable households (of which 50% should be given to vulnerable families with children), particularly affected by the pandemic during the period 6th October 2021 to 31st March 2022. The Government made it a condition of such funding that the Council should start making immediate preparations to administer such funding.</p> <p>Due to the limited time available between DWP notification of the grant award and the requirement for immediate implementation of distribution of support, it would have been impossible for the council procure, mobilise and implement an alternative solution within the time available. Accordingly, given the need to proceed at pace, it is necessary to begin with utilising existing provision to deliver this support.</p> <p>It was therefore necessary to award to Auriga Service Ltd (the company that delivered both of the Government's Local Support Grants - 17th April 2021 to 20th June and 21st June 2021 to 30th September 2021) in the interim.</p> <p>In conjunction with this GCC will continue to assess the suitability of the relevant Crown Commercial Services framework for an alternative provider. Emphasis will be put on achieving value for money, while not exposing the Council to unnecessary risks that could impact on delivery.</p>
<p>Resource Implications</p>	<p>The recommendations set out above are covered in their entirety by the following:</p> <ol style="list-style-type: none"> 1. A Government Household Support Fund Grant of £3,692,483.14, to be allocated during the period 6th October 2021 to 31st March 2022, for the purpose of assisting vulnerable households by providing them with support in relation to (a) food, (b) energy and water, (c) essentials linked to energy and water, (d) wider essentials, (e) housing costs. <p>This grant will be allocated as follows:</p> <ol style="list-style-type: none"> (a) The total estimated value of the direct contract award to Auriga Services Limited for the provision of provision of services during the period 6th October 2021 to 31st March 2022 is £3m*, although once the proposed new framework agreement is in place (early 2022) this could reduce to a lower amount in the region of £2m. (b) £0.654m spend for the purpose of providing financial support to vulnerable individuals and families in Gloucestershire in relation to rent and/or utilities.

	<p>(c) The provision of £0.738m to District Councils (£123k per District Council) to provide their own localised schemes to target those most vulnerable in their areas.</p> <p>*This includes £700k to cover the possibility of Districts using food vouchers in the delivery of their local schemes.</p> <p>2. The total estimated value of the proposed Framework Agreement for the supply of food vouchers, fuel vouchers, white goods and household emergency support to those most in need is £20m contingent on the current level of COVID grants continuing throughout the maximum term period (27months).</p>
Background Documents	<p>DWP announcement of grant: https://www.gov.uk/government/news/government-launches-500m-support-for-vulnerable-households-over-winter</p> <p>Gloucestershire criteria and survey for Covid support grants: https://haveyoursaygloucestershire.uk.engagementhq.com/emergency-assistance-grant</p>
Statutory Authority	<p>The Department for Work and Pensions (DWP) provided funding to County Councils and Unitary Authorities, under section 31 of the Local Government Act 2003 to administer the scheme and provide direct assistance to vulnerable households and families with children particularly affected by the pandemic.</p>
Divisional Councillor(s)	<p>ALL</p>
Officer	<p>Name: Chris Spencer, Executive Director of Children’s Services Tel. no: 01452 583578 Email: Chris.Spencer@gloucestershire.gov.uk</p>
Timeline	<p>These decisions were necessary to ensure provision was in place by 6th October 2021.</p> <p>New Single Provider call off Framework estimated timescales:</p> <ul style="list-style-type: none"> • December 2021: Go out to tender • January 2022: Contract award

Background & Scope:

1. On 14th April 2021 The Department for Work and Pensions allocated £40 million to a national COVID Support Grant for vulnerable families to cover period of 17th April 2021 until 20th June 2021.
2. On 20th June 2021 the Department for Work and Pensions have further allocated £160 million to a national COVID Local Support Grant Extension for vulnerable families to cover period from 21st June 2021 until 30th September 2021.
3. Within the above COVID Local Support Grant, Gloucestershire County Council was allocated £354,747 of COVID Local Support Grant to cover period from 17th April 2021 to 20th June 2021. A further allocation of £1,418,987.91 by way of a COVID Local Support Grant Extension was made to cover period from 21st June 2021 to 30th September 2021. Both grants were provided for the purpose of providing welfare support through (a) free school meal food vouchers and (b) emergency support to vulnerable children and families in the form of essential items (food vouchers, fuel vouchers, white goods).
4. The Department for Work and Pensions (DWP) provided funding to County Councils and Unitary Authorities, under section 31 of the Local Government Act 2003, to administer the scheme and provide direct assistance to vulnerable households and families with children particularly affected by the pandemic. This included some families who normally have access to free school meals during term time. County Councils and Unitary Authorities in England have the ability to deliver the scheme through vouchers or grants, for example.
5. On the 30th September 2021 the Government announced a new Household Support Fund (HSF) grant to be made available to County Councils and Unitary Authorities in England to support those most in need this winter. This new grant will run from 6th October 2021 to 31st March 2022 and totals £500m.
6. Within the above COVID Household Support Grant, Gloucestershire County Council was allocated £3,692,483.14, to provide assistance to vulnerable households particularly affected by the pandemic during the period 6th October 2021 to 31st March 2022. This was for the purpose of assisting vulnerable households by providing them with support with (a) food, (b) energy and water, (c) essentials linked to energy and water, (d) wider essentials, (e) housing costs.
7. The new Household Support Fund (HSF) will be distributed by County Councils and Unitary Authorities in England. Shire Councils are encouraged to work closely with District Councils and other local partners to identify a broad range of vulnerable households across their local area. Support is available from October and Authorities should aim to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period.

Options

Option One:

8. To ratify or (as appropriate) authorise the decisions set out in the Recommendations section of this report including the delivery of support to those most vulnerable through existing arrangements and then to put in place a framework agreement under which services may be called off to attend to the distribution of any future COVID grants received from Government in relation to emergency welfare provision.

Option Two:

9. To award a contract to Auriga Services Ltd for up to a further £3m* above to cover the grant 6th October 2021 – 31st March 2022 without developing a new single provider framework through a competitive tender process.
10. To spend up to £0.654m to provide support in relation to vulnerable individuals and families in need of rent and/or utility support.
11. To award £0.738m to District Councils (£123k per District Council) to provide their own localised schemes to target those most vulnerable.

*This includes £700k to cover the possibility of Districts using food vouchers in the delivery of their local schemes.

Preferred option: Option One

12. Market due diligence was undertaken to see what routes were viable options within the time available. The option with the least service delivery risk and the ability to meet the imposed timescales set by Government was determined to be an initial direct award with the current provider Auriga Services Ltd in the interim. Simultaneously, the council will procure a new framework agreement for the supply of food vouchers, fuel vouchers, white goods and household emergency support to those most in need through an accelerated process aiming to be operational in early 2022.
13. This option will enable the council to use the existing allocation mechanism through existing provision to distribute food, fuel vouchers and white goods due to limited timescale to support vulnerable families and individuals, while developing a longer-term solution.
14. As Auriga Service Ltd delivered both of the Government's Local Support Grants - 17th April 2021 to 20th June and 21st June 2021 to 30th September 2021, they already have the resources and systems in place to deliver this tranche of funding in the interim.

15. If the Council had not used the existing provider there would have been a direct effect on the reputational stability in the local area supporting vulnerable households in Gloucestershire during pandemic.
16. A retrospective contract award notice will be placed on the 'Find a Tender Service' in respect of the contract with Auriga Services Ltd for the delivering support during the period 6th October 2021 to 31st March 2022 as part of the Council's transparency and reporting obligations.

Risks

Do nothing

17. The risk of doing nothing and thereby failing to respond to the allocation of grant to vulnerable families in a timely and appropriate manner is that service users will not get the support that they require, in the timescales necessary and the Council's reputation is negatively impacted.

Not using the grant for the purpose it was intended

18. It is a requirement of the Department for Work and Pensions that the Household Support Fund Grant should only be used by councils to provide support to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs. There is also a requirement to allocate at least 50% of the total grant funding on families with children.
19. Therefore, by incorporating the allocation of Household Support Fund Grant into already established and robust application processes within the GCC's Children and Families Commissioning team ensures that all applications from service users and/or agencies] for emergency welfare are reviewed, with funding only being allocated when service users meets the grant criteria..

Fraudulent activity:

20. The risk of fraudulent applications or referrals to the fund is mitigated by the strict checking process overseen by the Access to Resource panel, which is also reviewed against other schemes funded by the same grant.

Procurement Risk

21. There is a risk in respect of any direct contract award that the award may be subject to legal challenge under the Public Contract Regulations 2015 ("PCRs"). While it is acknowledged that a direct contract award is permissible under the council's Contract Standing Orders and/or the PCRs only in very limited circumstances, the direct contract award to Auriga Service Ltd described in Recommendation 2 of this report is justified under Regulation 32(2)(c) PCRs because, for reasons of extreme urgency brought about by unforeseeable events (i.e., the unforeseeability of the decision by Government on 6th October 2021 requiring the council to ensure that the above-mentioned services were operational as soon as possible) it would not have been possible to comply with

the time limits for conducting a regulated procurement process, nor would it have been possible to implement an alternative solution and then mobilise appropriate resources in the time available. Moreover, Auriga Ltd has distributed the funds for the Government's previous two Local Support Grants (in respect of the periods 17th April 2021 to 20th June 2021 and 21st June 2021 to 30th September 2021), in which case it already had in place the necessary resources and systems to provide the required services at short notice. All transparency requirements under the Public Contracts Regulations 2015 will be in Find a Tender and Contracts Finder.

Financial Implications

22. The proposed contract award to Auriga Services Limited set out in Recommendation 2, funded entirely through the Government Housing Support Grant, as are Recommendations 7 and 8.
23. A Government Household Support Grant of £3,692,483.14 was allocated to Gloucester County Council, for during the period 6th October 2021 to 31st March 2022, for the purpose of assisting vulnerable households by providing them with support with (a) food, (b) energy and water, (c) essentials linked to energy and water, (d) wider essentials, (e) housing costs.

This grant will be allocated as follows:

- (a) The total estimated value of the direct contract award to Auriga Services Limited is up to £3m* (this will be lower once the proposed new Framework Agreement becomes operational).
- (b) £0.654m spend for the purpose of providing financial support to vulnerable individuals and families in Gloucestershire in relation to rent and/or utility support.
- (c) The provision of £0.738m to District Councils (£123k per District Council) to provide their own localised schemes to target those most vulnerable in their areas.

*This includes £700k to cover the possibility of Districts using food vouchers in the delivery of their local schemes.

24. The total estimated value of the proposed Framework Agreement and all Call-Off Contracts thereunder for the supply of food vouchers, fuel vouchers, white goods and household emergency support to those most in need is £20m (subject to continuing emergency welfare grant requirements).

Climate change implications

25. No disproportionate impact identified.

Equality implications

26. The Covid Housing Support Grant continues to follow the inclusive qualification criteria as previously described in the assessment carried out under the COVID Local Support Grant & extension. This has been updated to reflect the new schemes/cohorts of targeted services users within the perimeters of the Household Support Grant. This will continue to be monitored for equality considerations, especially for those with protected characteristics.
27. Individual Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves, as decision makers, that due regard has been given.
28. This programme will be offered to households who fit the criteria for Covid Household Support Grant and will also provide additional support to HAF programme.
29. The provision to vulnerable households in the form of essential items will constitute a positive intervention with families with low income and high levels of poverty and deprivation. Covid19 lockdown/restrictions and negative economic impacts have exacerbated the inequalities existing within those families, making more evident the gaps in access to food, fuel, white goods.
30. The provision reaches out to households from underrepresented communities, from diverse backgrounds accessing support in Gloucestershire.
31. Districts will be supported centrally by the HAF Project Team and use the online tool which will streamline the processes and create a no-stigmatised offer to all families accessing the provision.
32. Support will be available to applicants when making an application – largely through existing established routes.

Data Protection Impact Assessment (DPIA) implications

33. There is already a DPIA in place for the Winter EAG and the original welfare contract and the DPIA has been updated to reflect the Covid support grants.

Social value implications

34. Considering the urgency to put support in place, we were not able to contractually oblige social value considerations upon the provider.
35. As this grant is over 6-month period, the social value will be unchanged. However, the council would continue to work with the provider and districts to look at potential opportunities within the contract.
36. No disproportionate impact identified.

Consultation feedback

37. No consultation took place with the public as the support set out above has to be implemented within very short timescales.

Officer recommendations

38. That the Cabinet Member approves option one and the process for delivering such financial support in order to supplement financial support that has been allocated to the council to provide food and essential supplies

Performance Management/Follow-up

39. This project will be accountable to the Assistant Director for Integrated Children and Families Commissioning and follow the daily, weekly and monthly monitoring regime.

40. Expenditure against the grant will be monitored and reported to a Strategic Steering Group that will meet quarterly to review this provision and to consider the best approaches for the commissioning of future activities.

41. Required Monitoring and Delivery plans returns will be provided in line with The Department for Work and Pensions (DWP) requirements on following dates:

- A delivery plan questionnaire was submitted 29th October 2021.
- An interim Management Information return for the period 06th October 2021 to 31st December 2021 will be due 21st January 2022;
- A final Management Information return for the period 06th October 2021 to 31st March 2022 will be due 22nd April 2022.

42. Robust monitoring frameworks are still in place, for the delivery of the service.

43. The contract will continue to be monitored regularly.