



REPORT TITLE: Household Support Fund (HSF) Grant Extension (HSF4) – 01st April 2023 to 31st March 2024

Cabinet Date	29 March 2023
Cabinet Member	Cllr Stephen Davies - Cabinet Member for Children’s Safeguarding and Early Years
Key Decision	Yes
Purpose of Report	<p>The Household Support Fund (HSF), first introduced in 2021/22, is being extended by the Government through 2023/24. Additional funding (the “Extended 2023/24 HSF Funding”) has been made available to County Councils and Unitary Authorities in England to support those most in need to help with global inflationary challenges and the significantly rising cost of living. The Extended 2023/24 HSF Funding is intended for use in the period 1st April 2023 to 31st March 2024 inclusive.</p> <p>The Extended 2023/24 HSF Funding is being provided for the purpose of supporting households that are in the most need – particularly those who may not be eligible for the other support that government has recently made available, including the Cost-of-Living Payments set out in government guidance (a copy of which is provided in the Background Documents to this Report) on 26th May 2022 and the energy support set out in government guidance (a copy of which is also provided in the Background Documents to this Report) on 3rd February.</p> <p>The purpose of this report is to seek the Cabinet’s approval for the recommendations in relation to the distribution of the Extended 2023/24 HSF Funding (amounting to £7,384,966 that is being provided by the Department of Work and Pensions (DWP) for allocation in the period 1st April 2023 to 31st March 2024.</p>
Recommendations	<p>Cabinet to approve the recommendations in relation to the distribution of the Extended 2023/24 HSF Funding.</p> <ol style="list-style-type: none">1. approves the allocation of the Extended 2023/24 HSF Funding (amounting to £7,384,966) as follows:<ol style="list-style-type: none">(a) £0.738m to the recruitment and remuneration of additional council staff in order to provide administration support in relation to the distribution of such funding.

- (b) £1.600m to the six District Councils in Gloucestershire to be apportioned between them in accordance with the delegated authority sought under Recommendation 3 below, for the purpose of them each providing their own localised schemes to target the needs of the most vulnerable during the period 1st April 2023 to 31st March 2024 (whilst complying with the grant conditions set by the DWP for delivery of the grant to provide support with food, energy and water bills, household items & other essential items).
- (c) £0.250m to be allocated to the Holiday, Activities and Food Programme for the purpose of extending the scope of the HAF Programme to provide support to vulnerable children and young people who would not otherwise be eligible under the criteria set by the national programme during the period 1st April 2023 to 30th September 2023.
- (d) £0.300m to be allocated to the charity known as Severn Wye Energy Agency for the provision of energy related support to Gloucestershire residents and those in need following a referral by Gloucestershire County Council's (GCC's) HSF team and/or any of the District Councils during the period 1st April 2023 to 31st March 2024.
- (e) £0.165m to be held by GCC in reserve, to allow GCC to assess progress with the above schemes and make further allocations in response to need in accordance with the terms and conditions imposed on GCC by the DWP in relation to GCC's use of the Extended 2023/24 HSF Funding.
- (f) £4.330m to fund the supply and/or distribution of food vouchers, fuel vouchers, white goods and household emergency support during the period 1st April 2023 to 31st March 2024 under the call-off contract(s) for which delegated authority is sought under Recommendation 2 below.

2. Delegates authority to the Executive Director of Children's Services in consultation with the Cabinet Member for Children's Safeguarding and Early Years to award a call-off contract(s), under the council's Welfare Support Services Framework Agreement, to the sole appointed provider thereunder, namely Auriga Services Limited, for the supply

	<p>and/or distribution of the following food vouchers, fuel vouchers, white goods and household emergency support during the period 1st April 2023 to 31st March 2024:</p> <p>(a) £2.040m in fuel vouchers, food vouchers, white goods, and household emergency support in response to applications received from residents of Gloucestershire for such vouchers, white goods and emergency support; and</p> <p>(b) £2.291m in food vouchers to children and young people who are eligible to receive free school meals, in order to provide holiday food support during school holidays and provide directly targeted support to low-income households.</p> <p>3. Delegates authority to the Executive Director of Children’s Services in consultation with the Cabinet Member for Children’s Safeguarding and Early Years to determine the proportions in which the funding described in Recommendation 1(b) shall be allocated to each of the six District Councils in Gloucestershire following the conclusion of a planning exercise to determine the most effective method for providing localised schemes to target the needs of the most vulnerable.</p>
<p>Reasons for recommendations</p>	<p>On the 17th November 2022, the Chancellor announced a further HSF funding allocation (the Extended 2023/24 HSF Funding) to Gloucestershire County Council amounting to £7,384,966. Allocations were confirmed on 20th February 2023. The purpose of providing such funding is to provide assistance to vulnerable households particularly affected by the rise in living costs during the period 1st April 2023 to 31st March 2024 (the “Extended 2023/24 HSF Funding”). DWP made it a condition of such funding that the Council should start making immediate preparations to administer such funding.</p> <p>The recommendations in this report meet the criteria set by the DWP in respect of such funding. Those criteria provide GCC with a broad discretion as to the types of support that can be provided through the grant that focuses on those who are of particular concern such as (but not limited to) households with children, pensioners, those with a disability, unpaid carers and care leavers.</p> <p>Based upon quantitative and qualitative data available to GCC through its experience of delivering previous HSF grants, the above recommendations have been made with a view to providing a balanced spectrum of support to the cohorts of people that are in need of financial support (i.e., households with children, pensioners, those with a disability, unpaid carers and care</p>

	leavers) whilst endeavouring to ensure that such funding is also made accessible to a broad range of people who are in need.
Resource Implications	<p>The Extended 2023/24 HSF Funding (amounting to £7,384,966) will be provided to GCC by the DWP. The allocation of such funding, on the basis described in this report, will be carried out in accordance with the DWP's grant conditions, under which progress on spend will need to be tightly monitored by GCC to ensure that the DWP's stipulated ratios of grant allocations to households are adhered to.</p> <p><u>Recommendation 1(a) to (e) above:</u> The total amount of funding to be allocated to those eligible for support for the provision of fuel vouchers, food vouchers, white goods, and household emergency support described in Recommendation 1 above is £3.054m.</p> <p><u>Recommendations 1(f) and 2 above:</u> The total amount of funding to be allocated to those eligible for support for the provision of fuel vouchers, food vouchers, white goods, and household emergency support via the call off contract described in Recommendation 2 above is £4.330m.</p> <p>Such allocations will be reviewed by GCC as part of its management responsibilities in respect of the Extended 2023/24 HSF Funding.</p>

<p>Background Documents</p>	<p>Guidance document from the DWP:</p> <ul style="list-style-type: none"> • Department for Work and Pensions (DWP) Household Support Fund: guidance for local councils <p>Cost of living support scheme:</p> <ul style="list-style-type: none"> • https://www.gov.uk/government/publications/cost-of-living-support/cost-of-living-support-factsheet-26-may-2022 • https://www.gov.uk/guidance/cost-of-living-payment • https://www.gov.uk/guidance/getting-the-energy-bills-support-scheme-discount <p>Previous Cabinet Decisions:</p> <ul style="list-style-type: none"> • COVID-19 Emergency Assistance Fund for Food and Essential Supplies (Date of Decision: 30/07/2020) • COVID Winter Grant Scheme – 2020/21 (Date of Decision: 26/04/21) • Government COVID Local Support Grant and Extension 2021 (Date of Decision: 09/12/2021) • Household Support Fund (HSF) – 6th October 2021 to 31st March 2022 (Special Urgency Rule) (Date of Decision: 26/11/2021) • Household Support Fund (HSF) Grant Extension – 1st April 2022 to 30th September 2022 (Date of Decision: 12/07/2022) • Household Support Fund (HSF) Grant Extension – 1st April 2022 to 30th September 2022 – Award of a Call-off Contract to Auriga Services Ltd for Welfare Support Services (Date of Decision: 25/07/2022) • Household Support Fund (HSF) Grant Extension (HSF3) – 01st October 2022 to 31st March 2023 (Date of Decision: 01/11/2022)
<p>Statutory Authority</p>	<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.</p>
<p>Divisional Councillor(s)</p>	<p>ALL</p>

Officer	Name: Chris Spencer, Executive Director of Children's Services Tel. no: 01452 583578 Email: Chris.Spencer@gloucestershire.gov.uk
Timeline	N/A

Background & Scope:

1. Since 2020, the government has been providing to County and Unitary Councils additional money to support people through the COVID-19 pandemic.
2. This has evolved over time and through the provision of various grants, is increasingly moving towards supporting people with the rising cost of living.
3. 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 during winter. This grant ran from 6th October 2021 to 31st March 2022 and totalled £500m nationally.
4. Under the above Household Support Grant, Gloucestershire County Council was allocated further funding, amounting to £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.
5. A Cabinet Member decision on 26 November 2021 ratified decisions made and approved further recommendations in relation to the distribution of the Household Support Fund allocation (£3.692m) between October 2021 – March 2022. Throughout the COVID-19 pandemic, notification of grant funding allocations had been provided at very short notice and as such, the time to implement standard procurement routes has been difficult. As part of the recommendations in November 2021, approval was sought to enter into a framework agreement in order to be able to call off services at short notice and mitigate potential risk of procurement challenge.
6. On the 30th March 2022 the Government announced a further extension to the Household Support Fund (HSF) grant to be made available to County Councils and Unitary Authorities in England. This grant ran from 1st April 2022 to 30th September 2022 and totalled £500m.
7. Under the said 30th March 2022 extension to the HSF, Gloucestershire County Council was allocated £3,692,483.14, to provide assistance to vulnerable households particularly affected by the rising cost of living during the period 1st April 2022 to 30th September 2022 in Gloucestershire. This was primarily for the purpose of assisting vulnerable households in Gloucestershire 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.
8. The said 30th March 2022 HSF extension was distributed by County Councils and Unitary Authorities in England. Shire Councils were encouraged to work closely with District Councils and other local partners to identify a broad range of vulnerable households across their local area. Support was available from April and Authorities aimed to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period.

9. Household Support Funding from Government for allocation by the council in the period April 2022 – September 2022 amounted to £3.692m. Government also announced a further commitment to provide additional Household Support Funding for allocation by County Councils in England for the period October 2022 – March 2023.
10. On 26th May 2022, the Chancellor announced, as part of a number of measures to provide help with global inflationary challenges and the significantly rising cost of living, that the Household Support Fund (HSF) would be extended again from 1st October 2022 to 31st March 2023 (the “Extended 2022/23 HSF Funding”).
11. The said 26th May 2022 HSF extension was distributed by County Councils and Unitary Authorities in England. Shire Councils were encouraged to work closely with District Councils and other local partners to identify a broad range of vulnerable households across their local area. Support was available from October and Authorities aimed to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period.
12. On 17th November 2022, the Chancellor announced, as part of a number of measures to provide help with global inflationary challenges and the significantly rising cost of living, that the Household Support Fund (HSF) would be extended again from 1st April 2023 to 31st March 2024 (the “Extended 2023/24 HSF Funding”).
13. Local Authorities have discretion in deciding exactly how the Extended 2023/24 HSF Funding will be used, provided it is used within the scope of the DWP grant determination and guidance. It is the DWP’s expectation that the Extended 2022/23 HSF Funding should be used to support households in the most need – particularly those who may not be eligible for the other support government has recently made available, including the Cost of Living Payments set out in government guidance (a copy of which is provided in the Background Documents to this Report) on 26th May 2022 and the energy support set out in government guidance (a copy of which is also provided in the Background Documents to this Report) on 3rd February.
14. The Extended 2023/24 HSF Funding is intended to provide support for a wide range of low-income households in need including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.
15. Energy bills may be of particular concern to low-income households during the period of the Extended 2023/24 HSF Funding, hence Local Authorities should prioritise supporting households with the cost of energy. Support which can make a quick but sustainable impact on energy costs is particularly encouraged – for example, insulation of hot water tanks, fitting draft excluders to a door, or replacing inefficient lightbulbs or white goods. The Extended 2023/24 HSF Funding can also be used to support households with the cost of food and water bills, essential costs related to energy, food and water, and with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to

support housing costs where existing housing support schemes do not meet this exceptional need.

16. Authorities have been granted a discretion by the DWP to deliver the HSF through a variety of routes including the provision of vouchers to households, making direct provision of food or goods, or issuing grants to third parties (with the exception of grants for advice provision). Every participating council must operate at least part of their scheme on an application basis i.e. residents should have the opportunity to come forward to ask for support.
17. Gloucestershire County Council will receive Extended 2023/24 HSF Funding amounting to £7,384,966 which will cover the period 1st April 2023 to 31st March 2024 inclusive.

Options

Option One:

18. To approve the proposals set out in the Recommendations section of this report.

Option Two:

19. To agree an alternative way of allocating the funding.

Option Three:

20. To reject the recommendations in this report.

Preferred option: Option One

21. This option will enable the council to deliver the Extended 2023/24 HSF Funding within the timescales set by the DWP.
22. Our needs analysis has informed the proposed allocation, including in particular, the recommendation to extend HAF beyond the core FSM cohort, and to specifically allocate some of the funding to fuel poverty.
23. The main reason for awarding the call-off contract(s) described in Recommendation 2 is that the sole supplier under the council's Welfare Support Services Framework Agreement, is performing well. Moreover, the proposed call-off contract award(s) would meet public procurement law requirements, hence a new competitive procurement process would be unnecessary. If the Council were to undertake a new procurement process in respect of the supply and/or distribution of food vouchers, fuel vouchers, white goods and household emergency support, there would be a significant delay in funds being distributed compared to the proposal under Recommendation 2 above to award a call-off contract(s) to Auriga under the Welfare Support Services framework agreement with Auriga Services Limited.

24. Working with district councils and third-party organisations on the basis described in Recommendation 1(b) is strongly recommended by the DWP as per the guidance issued by the DWP and the grant determination letter. By distributing parts of the grant to our district councils and key partners, it ensures that support can be community based and targeted to those that may not come forward for support and also ensures support is county wide.
25. To ensure that the fund from the DWP is appropriately delivered by GCC, it is essential that we have additional council staff in order to provide administration support in relation to the distribution of such funding as describe in Recommendation 1(a). Necessary administration costs are an appropriate spend and the costs described in Recommendation 1(a) ensures we have the staff in place to administer the central fund held by GCC as well as the necessary admin costs associated with providing vouchers to beneficiaries.
26. Allocated funding to the Holiday, Activity and Food (HAF) programme described in Recommendation 1(c) will provide the Council's HAF team with the flexibility to continue to extend and enhance the programme, ensuring that all children and young people have access to nutritious food throughout the period 2023/2024
27. The reserve allocation as described in Recommendation 1(e) allows the grant delivery team to ensure that, as the fund continues throughout the year, there are some reserves to allocate accordingly based on need and demand and as part of the ongoing review and monitoring of spend.
28. The alternative options to working with district councils and third-party organisations are to distribute, fully, the grant to district councils and third-party organisations or by not distributing any funds and keeping the fund fully centralised by GCC. These options have been rejected as the current and previous delivery plans for the distribution of the HSF have worked well and ensures both a targeted and universal approach which is in line with the DWP guidance.

Risks

Do nothing

29. 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

30. 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.

31. 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 meet the grant criteria.

Fraudulent activity:

32. The risk of fraudulent applications or referrals to the fund is mitigated by the strict checking process overseen by the Household Support Fund central team, which is also reviewed against other schemes funded by the same grant.

Procurement Risk

33. The Welfare Support framework agreement described in Recommendation 2 of this Report was procured and awarded in line with the Public Contract Regulations 2015 (“PCRs”), thereby minimising any procurement challenge risk. The residual risk of a successful challenge is therefore very low.

Financial Implications

34. There is no net financial impact on the County Council. The Department for Work and Pensions (DWP) will provide HSF funding to the County Council under section 31 of the Local Government Act 2003, who will administer the scheme.

35. Extended 2023/24 HSF Funding amounting to £7,384,966 has been provided by the DWP. The proposed spend is in accordance with the DWP’s grant conditions, though progress on spend will need to be tightly monitored to ensure that the ratios of grant spend to households with children and pensioners are adhered to.

36. Authorities will be required to provide four management information (MI) returns outlining their Extended 2023/24 HSF Funding spend and the volume of grant awards:

37. HSF funding payments will be made by the DWP to local authorities in arrears on receipt of a fully completed and verified MI returns as outlined.

MI Return	Reporting period: from	Reporting period: to	Deadline
Interim 1	1 April 2023	30 June 2023	21 July 2023
Interim 2	1 April 2023	30 September 2023	20 October 2023
Interim 3	1 April 2023	31 December 2023	26 January 2024
Final Return	1 April 2023	31 March 2024	26 April 2024

38. A requirement to complete MI returns will be part of each delivery partner agreement to ensure that funds are drawn down based on demand and that funding allocations are spent within the time restriction. District and Boroughs will submit this regularly to ensure that the level of demand can be tracked throughout the delivery period.
39. Allocations will be reviewed as part of management of the grant with final allocations being determined once the final cost of holiday food vouchers is confirmed and demand against other allocations. This will ensure that the grant is fully spent; however, each scheme will need to be monitored closely to ensure that expenditure is maintained within budget and that the grant is utilised or committed before 31st March 2024.

Climate change implications

40. No disproportionate impact has been identified.

Equality implications

41. The Extended 2023/24 HSF Funding continues to follow the inclusive qualification criteria as previously described in the assessment carried out under the Local Support Grant & extensions. This has been updated through a revised equality impact assessment 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.
42. This programme will be offered to households who fit the qualifying criteria to receive Extended 2023/24 HSF Funding and will also provide additional support to HAF programme.
43. 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.
44. The provision reaches out to households from underrepresented communities, from diverse backgrounds accessing support in Gloucestershire.
45. Districts will be supported centrally by the HAF and HSF Project Teams and use the online tool which will streamline the processes and create a no-stigmatised offer to all families accessing the provision.
46. Support will be available to applicants when making an application – largely through existing established routes.

47. 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.

Data Protection Impact Assessment (DPIA) implications

48. There is already a DPIA in place for the Winter Emergency Assistance Grant (EAG) and the original welfare contract and the DPIA has been updated to reflect the Household Support Grants. This DPIA has recently been reviewed by IMS in light of the single supplier framework which came into place in July 2022.

Social value implications

49. Considering the urgency to put support in place, we were not able to contractually oblige social value considerations upon the provider.

50. As this grant is over 12-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.

51. No disproportionate impact identified.

Consultation feedback

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

Officer recommendations

53. That Cabinet 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

54. The council's Extended 2023/24 HSF Funding project team will be accountable to the Head of Service – Children's Commissioning and will follow daily, weekly and monthly monitoring regime through dashboards that keep track of spend.

55. Expenditure against the Extended 2023/24 HSF Funding 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.

56. Required Monitoring and Delivery plans returns will be provided in line with DWP requirements.

MI Return	Reporting period: from	Reporting period: to	Deadline
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Interim 1	1 April 2023	30 June 2023	21 July 2023
Interim 2	1 April 2023	30 September 2023	20 October 2023
Interim 3	1 April 2023	31 December 2023	26 January 2024
Final Return	1 April 2023	31 March 2024	26 April 2024

57. Robust monitoring frameworks are still in place, for the delivery of the Extended 2023/24 HSF Funding.

58. The call-off contract(s) described in Recommendation 2 of this Report will continue to be monitored regularly by the Head of Service, Children's Commissioning, reporting to the Executive Director of Children's Services.