

Household Support Fund April – September 2022

Proposal

June 2022

Background

Last October the Government announced the Household Support Fund (HSF). The fund's aim was to support vulnerable residents across the country over the winter. Between October 2021 and March 2022, Croydon supported 34,365 residents with food, fuel, white goods, beds, wider essentials, and housing costs.

The Household Support Fund was due to end in March however, with the rise in energy cost and cost of living going up the Government recognised the need for the support to continue; and on 23rd March 2022, the government announced the Household Support Fund would be extended from 1st April 2022 to 30th September 2022.

As with the previous fund the purpose is to provide targeted financial support for vulnerable resident over the next six months. Croydon has been awarded £3,013,689.49 to be used between 1st April 2022 and 30th September 2022.

Croydon currently has over 34,000 low-income households (these are households that get some sort of benefit from us so we have all of their details)

- If costs go up £50 a month for everyone then this increases by 705.
- If costs go up £100 a month then it increases by 1,212.
- If costs increase by £200 a month, then it increases by 1,845.

Since October 2020, Croydon has been supporting residents with government funding while they manage with financial struggles due to covid, changes in benefits and now the fuel & cost of living crisis. Over the past 2 years Croydon has seen the need for emergency support. During the last Household Support Fund, £282k was spent on direct applications for food and fuel, 54% of the total spend of £520k. Since the emergency support has gone live (20th May 2022) the team has received high volumes of calls and emails requesting support with food and fuel.

On 26th May, the Government announced a further £421m to extend the Household Support Fund. Following this announcement, the Department of Work and Pensions has confirmed more information will follow. This will be an opportunity to develop the offer we provide residents over the upcoming months and help to tackle the financial pressures that residents are facing.

Criteria of the Grant

There are some changes to this Household Support Fund. At least 33% of the fund must be spent on families with children under 19 or over 19 in receipt of child related benefits. At least a further 33% of the fund must be ringfenced for residents at state pension age. The remaining fund to be allocated to those genuinely in need of support. The fund is not restricted to vulnerable households in receipt of benefits, however there is a greater emphasis on providing support to households who are unable to increase their income through work (unpaid carers and residents with a disability).

The primary use of the fund is for food, energy and water bills, and this will need to be the focus. However, the fund can also be used for the following:

- Essential costs linked to energy and water bills (i.e. sanitary products, warm clothing, soaps, blankets)
- Wider essential costs not linked to energy & water (i.e. bills, clothing, essential transport cost)

- Housing Costs in exceptional cases of genuine emergency. (see guidance for full details)
- Reasonable administrative costs

Enclosed is the final launch letter, final grant determination and final guidance for further details.



FINAL Launch letter - Household Support Fi



FINAL Grant Determination - Hous



FINAL Guidance - Household Support Fi

Internal Stakeholders

The success of the previous fund was partly due to the collaborative work across the council. Although this grant is different and the services that will be needed to deliver it will change, the approach will remain the same.

Like before, collaborative work is being done with relevant services who can identify the residents that would most benefit from the fund. Conversations are taking place with these services to identify the needs of residents and how they could use the fund to support them.

Services that have been identified:

- Education
- Discretionary Support Team
- Adult Social Care
- Revenues
- Public Health
- Housing
- Children Social Care

These services will be key to administrating the fund and ensuring that we support as many residents as possible and spend the fund in the given time.

In addition to the services mentioned above all front facing service will be crucial in promoting the fund among residents to maximise take up between now and 30th September 2022.

External stakeholders

Under the grant guidance, councils can choose to work with multiple organisations to deliver the fund. In the past Croydon has chosen to work with Schools to deliver part of the fund to families in the borough (more detail provided below). This approach has proven successful as schools are typically well-placed to know the families most in need and for many households their school is a good first point of contact.

There will also be engagement with residents, schools, charities and other 3rd party organisations that work with vulnerable residents to promote the assistance that will be available to support residents in accessing the fund.

Grant allocation proposals

The proposal is for Croydon to replicate the same approach as before and have both an application process and do targeted work. Some of the targeted work will be based on set eligibility criteria and others will be at the discretion of service, but all residents targeted will be assessed as financially vulnerable. Services will identify residents through the work they are doing and access discretionary funds to provide support. This approach has worked in the past.

Based on ongoing conversations, the requirement of the fund and the previous fund, the below is the proposed allocation.

Education

Proposed allocation

£1,321,000

Breakdown of allocation

- £1,080,000 to be given to schools to fund £60 food vouchers for families in receipt of Free School Meals (FSM)
- £216,000 to be given to schools to provide discretionary awards for food for families not in receipt of Free School Meals (FSM)
- £25,000 to support the setup of Felix Project food stops within schools.

Overview

The allocation has been agreed with Education. Croydon has previously worked with schools to administrate funds to support families over the school holidays. There is ongoing work to align the Household Support Fund and Holiday Activities and Food Programme (HAF) to ensure as many families are supported over the school holidays.

The Household Support Fund will be providing funding to schools, enabling them to offer a £60 supermarket voucher for each FSM pupil, for the summer holidays 2022. The £60 will be paid to each family in one voucher, before the summer holidays commence. The amount per pupil has been determined by the 3 factors below:

- The Household Support Fund is awarded to support all residents, with at least a third dedicated to children and families. This means the budget is limited. Providing FSM holiday vouchers currently costs £265,000 per week.
- Each school also receives a discretionary pot of funding (based on a percentage of their FSM total). This allows schools to use their discretion to offer additional support that is most needed in their school and to the families most in need of support. This must be used to offer food support and is often used by schools to offer additional vouchers, food hampers or free meals to those most in need (not just FSM).
- The Holiday Activities and Food Programme (HAF) is also offering free Croydon holiday clubs across the summer period and is targeted primarily at FSM pupils, offering them a free meal every day plus a range of activities at each club. All schools will receive full details of these clubs, to share directly with eligible pupils. Some Croydon HAF clubs will also receive free surplus food from The Felix Project which can then be disseminated amongst families most in need.

The above means that all FSM pupils will receive a £60 food voucher plus the opportunity to engage in free activities and access free meals throughout the summer period.

Although most of this allocation will be used to support children entitled to Free School Meals it is essential that support is being provided to families not in receipt of FSM. Previous experience has highlighted a need to support families on the cusp of poverty that are unable to access other funds due to benefit eligibility. The discretionary element of the award will help to address this issue and enable schools to work with families that traditionally have not been able to access support. It will be the responsibility of the schools to decide which families are entitled to the discretionary fund. However, it is recognised that this fund is limited and may not be enough. To help tackle this schools will be made aware of the application channel of the Household Support Fund. Families can also be signposted to make a claim to the council (Discretionary Support Team) where schools are unable to assist.

These grants provide much needed assistance for residents, but they are temporary. Therefore, long term sustainable models are needed to ensure that we can continue to support families in need after the fund ends. The Felix Project is London's largest surplus food redistribution charity and has worked within Croydon to support families in need of food for a few years. The fund will extend the current weekly deliveries from 12 schools to 24 school. The funding will be used to support schools with start-up cost including purchasing large fridge/freezers. Schools can decide on the best model of distributing food to families. But are encouraged to run a weekly food stall for all families (offering produce for a token amount) and offer weekly food parcels to targeted families who are most in need.

Pensioners

Proposed allocation

£1,004,563.16

Breakdown of allocation

- £148,950 to award £150 for residents meeting the following criteria:
 - In receipt of Council Tax Support (CTS)
 - State Pension age
 - Council tax band E and over
- £705,613.16 to go to Adult social care to support pensioners with fuel and other essentials.
- £150,000 to support pensioners in Sheltered accommodation and Extra Care with fuel and other essentials.

Overview

Joint work is being done by Revenues & Benefits, Adult Social Care and Housing to identify and create an offer to support financially vulnerable pensioners in the borough. Although discussions are still ongoing on how pensioners will be supported by the fund most of it will be allocated for fuel assistance. Fuel costs have risen, and the grant emphasises the need to support with fuel. For pensioners there is the additional pressure as the Winter Fuel Payment of up to £300 is received in November or December.

The council tax rebate provides a payment of £150 to households living in council tax bands A – D. However, this excludes low-income residents living in band E and over properties. The Household Support Fund will support pensioners in receipt of CTS who would not be eligible for the £150 rebate.

£705,613.16 will be used to provide targeted support for pensioners identified by Adult Social Care, and £150,000 will be used for residents living in Sheltered and Extra Care Accommodation. The support provided will focus on fuel but there will be discretion to use

the fund for other support allowed under the grant. As it will be a targeted approach eligibility for the fund will be decided by the services administrating the fund, as they know what residents need support. This approach was used in the previous HSF.

Targeted work for other vulnerable residents

Proposed allocation

£203,372.50 to be used as a discretionary pot for Adult Social Care, Children Social Care & Housing.

Overview

The £203,372.50 allocation will be used to support vulnerable residents under pensionable age. This may include but not limited to:

- Residents with health conditions that require them to have warm homes to manage their conditions
- Residents known to the above services who require assistance under pensionable age
- Support for unpaid carers
- Residents in council accommodation

The fund will be made available to Adult Social Care, Children Social Care and Housing. This will mirror the approach used in the previous HSF. Services had access to the fund and supported residents they identified. The services had full discretion on what they awarded in line with grant guidance. By taking this approach residents that would have been missed could access the support.

Discretionary Support Team

Proposed allocation

£440,185.83

Overview

In addition to targeted work an application process will be set up. Residents will be able to make direct applications to the council for help with food, fuel & essentials linked to fuel/food:

- Fridge/freezer
- Cooker
- Microwave (where a cooker is not suitable)
- Boiler repairs

This will be a different scheme to the previous Household Support Fund. To help manage demand and ensure that the scheme meets the grant criteria we are suggesting restricting goods. The scheme will be focused on emergency support for food/fuel and goods that help reduce the cost on food and fuel. We will also offer financial support towards boiler repairs as part of the scheme.

The scheme will not be assessed based on eligibility for benefits but on affordability. Light touch affordability check will be done to ensure that applicants do not have the means to afford these items themselves.

Awards will be administrated though Family Fund. Family Fund is a provider we use that works with suppliers to purchase and supply residents the items they have been awarded. Awards are cashless but the system does have the flexibility to make cash awards where needed. Family Fund is a tried and tested partner that has been working with the Discretionary Support Team for many years to supply residents with support under the:

- Croydon Discretionary Support scheme
- Covid Winter Grant

- Covid Local Support
- Household Support Fund.

Using Family Fund will allow us to get the fund up and running quickly.

The Discretionary Support Team will administrate the application process. The team has a great deal of experience administrating discretionary funds for the above. The team have knowledge and experience:

- Administrating limited funds
- Ensuring that the funds are spent within given time frames
- Conducting affordability checks on applications
- Safeguarding funds against fraudulent claims

The team will also work with residents in receipt of Discretionary Housing Payment to provide additional support through the fund to help provide financial stability.

As well as direct applications the Discretionary support team will support residents referred by 3rd party organisations including but not limited to Job Centre Plus, South West London Law Centre, Age UK, Family Justice Centre, Stepping Change, Alzheimer's society, Mind.

Admin costs

Proposed allocation

£44,568

Breakdown of allocation

- £35,568 to cover 2 grade 6 BSO for 6 months.
- £9,000 to pay for any transactional fees incurred when purchasing food, fuel and goods through Family Fund.

Overview

Due to the scope and publicity of this fund there will be additional demand on the Discretionary Support Team. During the last Household Support Fund the team received 1,172 applications and the demand resulted in a backlog of applications and the fund being closed before 31st March. To meet the expected demand additional resource will be required.

Sub-total £3,013,689.49

How the fund is paid

We will be paid in arrears following the below management information (MI) returns being submitted and endorsed by our S151 officer.

- Interim MI return
 - Covering 01 April 2022 – 30 June 2022
 - Deadline: 22 July 2022
- Final MI return
 - Covering 01 April 2022 - 30 September 2022
 - Deadline: 21 October 2022

As payments are in arrears the funds will be required from the council upfront and reimbursed by Department of Work and Pensions (DWP) at a later date. This poses a

financial risk to the council if the DWP do not reimburse the funds. Reimbursement is due to the DWP being satisfied with the returned MI and as stated in the guidance payment can be delayed or refused.

Communications

All services receiving grant money are being met with to discuss proposal and plan. Conversations will continue to ensure that the services are ready when the fund is made available.

To ensure that residents are made aware of the Household Support Fund information will be sent to 3rd party organisations that engage with vulnerable residents. This will include but not limited to Job Centre Plus, Age UK, Family Justice Centre and South West London Law Centre.

There will be additional work done to promote the scheme among pensioners and organisations that support them.

The Croydon Council web pages has been updated with a Household Support Fund webpage with details of the fund and how to apply.

Awareness will also be raised internally with communication being sent out to all front facing service about the fund and how to apply.

Administration and tracking

The same approach as last time will be taken to administrate and track the fund. A cost code has been created for the Household Support Fund (C13803). All spend relating to the fund will be made against the cost centre to enable easier tracking of the spend. As with the previous fund the Single Point of Contact (SPOC) and Finance will be working closely. Monthly meetings will be set up so the cost centre and spend can be monitored, and issues can be highlighted and mitigated quickly.

Service will be responsible for recording and tracking their day to day spend from the fund. This will be to allow monitoring of what the fund is being spent on (DWP return) and how much is left in each areas budget. Work will be done with individual services to establish the best practice for tracking and reporting, based on how and what they are awarding. This may include but not limited to; getting reports being created or using existing systems that are already in place. Many services have experience in administrating the grant funding and have established auditing and reporting mechanism.

Although all services will be responsible for tracking their own spend, they will need to supply monthly spend reports to the SPOC. The SPOC will be responsible for over-seeing and monitoring the fund and it's spend as well as completing and returning MI.

Due to the delay in going live there is a risk that not all the funds will be spent by September. We will be using many of the services and individuals involved in the last Household Support Fund and using their past experience and knowledge to mitigate this and ensure the full allocation is spent by September. To help mitigate the risk of underspend the monitoring process will also identify underspending in services that can be used in other areas. There may also be opportunities to amend the schemes by increasing the awards if take up is low. This approach has proven successful in the past and was the reason why Croydon was able to spend the full allocation in 3 and half months. Flexibility will be crucial to getting the Household Support fund spent before September.

Recommendation

In light of the Government's announcement on the 27th April the recommendation is to continue with above proposal based on the Spring Statement. Due to the limited information provided following the announcement it would be a risk to delay rolling out the HSF. In the past the DWP have not allowed us to roll over funds. Therefore, we need to take the approach that this will still be the case, and all funds will need to be spent by 30th September 2022.

The recommendation will be to roll out the above proposal in two stages, with flexibility to amend over the upcoming weeks based on further information provided by the DWP.

The first will be to provide emergency or time sensitive support. The recommendation will be to make a total of £185,568 available immediately. £125,000 of the Discretionary Support allocation to be made available to the service now with the agreement that they can start taking application for food and fuel only. A further £25,000 to be made available to Education to start the setup of the Felix project in schools. As the Felix Project is a collaboration piece with schools, we have a limited window when we can start the project. Schools are unavailable between mid-July to early September which only allows us from April to June to start the set up. Any delays could put us at risk of not getting the allocation spent by the September deadline. A final amount of £35,568 to cover cost to recruit 2 BSO officers to support with applications and avoid delays in recruitment.

The second phase would be to proceed with allocating the remaining funds as mentioned above with the agreement of the Mayor.

A robust monitoring process will be emplaced to monitor and ensure maximum benefits to the residents and no financial risk to the council. The monitoring process will be developed and worked on with services to ensure that the correct information is being captured and reported.