

# **Household Support Fund**

## **October 2022 – March 2023**

### Allocation Proposal

*November 2022*

## **Background**

In October 2021 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 September 2022, Croydon supported 66,791 residents with food, fuel, white goods, beds, wider essentials, and housing costs.

With the rise in energy cost and cost of living going up the Government recognised the need for the support to continue; and on 30<sup>th</sup> September 2022, the government announced the Household Support Fund would be extended for the period 1<sup>st</sup> October 2022 to 31<sup>st</sup> March 2023.

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 1<sup>st</sup> October 2022 and 31<sup>st</sup> March 2023.

Croydon has over 31,000 low-income households (these are households that get some sort of benefit from us, so we have all of their details). 7,028 of these households have income levels below their estimated costs.

- 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 1,108.
- If costs increase by £200 a month, then it increases by 2,797.

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 provided emergency support using the Household Support Fund as shown in the table below.

### Direct applications for food & fuel

	<b>October 2021 – March 2022</b>		<b>April 2022 – September 2022</b>	
	<b>Spend</b>	<b>%</b>	<b>Spend</b>	<b>%</b>
<b>Food</b>	£119k	23%	£102k	21%
<b>Fuel</b>	£163k	31%	£271k	57%
<b>Total</b>	<b>£282k</b>	<b>54%</b>	<b>£373k</b>	<b>78%</b>

Although there has been a slight decline in direct applications for food, there has been a notable increase in support required for fuel. This is expected to increase with the winter months approaching.

Information in Appendix 2 shows the highest level of fuel poverty is in the following wards:

- Waddon
- New Addington
- Broad Green
- Selhurst
- Shirley North
- South Norwood
- Thornton Heath
- West Thornton
- Norbury & Pollards Hill

The extension of the Household Support Fund will help to address the financial pressures that these residents are facing.

### **Criteria of the Grant**

The emphasis remains on supporting households with fuel and in particular fuel debt. 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

There are also some other changes to this Household Support Fund:

- No ringfence of any proportion of funding for any particular cohort of people,
- A requirement for all Authorities to operate at least part of their scheme on an application basis so that residents have the opportunity to come forward to ask for support. Croydon will continue to offer this option.
- An expectation of Authorities to particularly consider those groups who may not have benefitted from any of the recent wider support available to address cost of living including the:
  - Energy Bills Support Scheme and the equivalence package confirmed on 29 July 2022
  - Council Tax Rebate and the associated £144 million Discretionary Fund
  - Cost of Living Payments for those on means tested benefits
  - £150 Disability Cost of Living Payment
  - One-off £300 Pensioner Cost of Living Payment (through the Winter Fuel Payment)

As the schemes listed above do not cover everyone, Authorities have been asked to consider prioritising those households, who (for example):

- are eligible for but not claiming qualifying benefits
- become eligible for benefits after the relevant qualifying dates
- are in receipt of HB only
- are ordinarily eligible for benefits but who had a nil award in the qualifying period due to, for example, a fluctuation in income
- have fuel costs but who cannot access the £400 of energy support from the Energy Bill Support Scheme or the equivalence package confirmed on 29 July 2022

This list is not exhaustive and there may be some households that are affected by rising costs despite being in receipt of the government support available who will benefit from the support provided through the Household Support Fund

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



FINAL Household  
Support Fund Launch



FINAL Grant  
Determination - Hous



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Support Fund Guidan

## **Internal Stakeholders**

Part of the success of the previous fund was due the collaborative work across the council. Although there are some changes to the criteria of the grant, the approach for delivery 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
- Revenues
- Housing
- Healthy Homes

(This is not an exhausted list and as with previous fund may change as discussions continue.)

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 March 2023.

## **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 the first point of contact.

There will also be engagement with residents, schools, charities, and other 3<sup>rd</sup> party organisations that work with vulnerable residents to promote the support 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 a 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 discussion with a number of services, the requirement of the fund and the previous fund, below is the full proposed allocation.

## **Education**

### Proposed allocation

£1,610,000

### Breakdown of allocation

- £1,340,000 to be given to schools to fund 5 weeks of £15 food vouchers for families in receipt of Free School Meals (FSM)
- £270,000 to be given to schools to provide discretionary awards for food for families not in receipt of Free School Meals (FSM)

### Overview

The allocation has been agreed with Education. Croydon has previously worked with schools to administrate funds to support families over the school holidays.

The Household Support Fund will be given to schools, enabling them to offer a £15 a week supermarket vouchers for each FSM pupil, for 5 weeks school holidays. The amount per pupil has been determined by the 2 factors below:

- The Household Support Fund is awarded to support all residents with more emphasis on food. This means the budget is limited. Providing FSM holiday vouchers currently costs £268,000 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 above means that all FSM pupils will receive a total of £75 food voucher.

Although most of the 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.

## **Discretionary Support Team (direct applications)**

### Proposed allocation

£ 527,340.49

### Breakdown of allocation

- 477,340.49
  - £286,404.39 for fuel
  - £119,335.06 for food
  - £71,601.04 for essential white goods
- £50,000 for food and fuel for carers

### 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

There will be some changes to the previous scheme to help manage demand and support more residents. White good applications will be restricted to one white good and the Fund will be targeted to cover the following:

- Fuel – 60%
- Food – 25%
- Essential white goods – 15%

This is to ensure that the scheme meets the grant criteria by spending a large proportion of the fund on fuel and food.

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 as we have done with the previous funds. Family Fund is a provider that works with suppliers to purchase and supply residents with 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.

Under the last Household Support Fund, carers were identified as one of the groups that are unable to increase their income to meet the increasing energy costs. As there are no wider government support targeted at this group, £50,000 has been allocated to support

carers who make direct applications for food and fuel. This will be publicised through the organisations that work with carers to raise awareness of the Household Support Fund.

## **Housing**

### Proposed allocation

£366,781

#### Breakdown of Allocation

- £200,000 to provide one off payment of £400 for residents under 65 paying utilities directly to the council
- £55,500 to provide an addition £150 to residents in the wards with the highest fuel debt
- £111,281 as a discretionary pot to support residents in council accommodation with rent arrears and fuel debt

#### Overview

There are currently 500 households under 65 in emergency/temporary and Council accommodation who are liable for utility services charges. As these residents pay their utility bills directly to the Council, they will not qualify for the Energy Bill Support Scheme or the One-off £300 Pensioner Cost of Living Payment (through the Winter Fuel Payment). £200,000 will provide a one off £400 payment in line with the amount awarded under the Energy Bill Support Scheme.

A further £55,500 will be made available to provide an additional £150 payment to the households that are living in the wards with the highest fuel debt who pay utility charges to the council.

£111,281 will be used as a discretionary pot that can support residents in emergency and temporary accommodation who are struggling with rent payments and unable to get support through other schemes.

The payment will be cashless and made directly to the residents rent accounts.

## **Revenues**

### Proposed allocation

£300,000

#### Overview

As with the previous Household Support Funds Revenues will target residents that need support and help towards their council tax bills to assist vulnerable residents who are struggling with current year Council tax bill. Residents will be identified by the Revenues team and an award can be made to help reduce the bill.

## **Children Social Care**

### Proposed allocation

£65,000

#### Overview

The allocation will be used to support vulnerable families. This may include but not limited to:

- Residents with health conditions where a warm home can contribute to improvement in their conditions
- Residents known to the above service who require assistance with essential goods

The approach will be similar to the previous Household Support Fund. Children Social Care will have access to the fund to support residents they identify. The service will use their discretion to award the fund in line with grant guidance. This approach will ensure that residents who need this support are not excluded.

### **Regina Road Residents' Fund**

#### Proposed allocation

£50,000

#### Breakdown of allocation

- £22,000 for fuel
- £8,250 on Argos vouchers for essentials linked to fuel
- £19,750 for discretionary support

#### Overview

There are three tower blocks on Regina Road with residents paying high heating bills due to the type of heating systems in the properties. The proposal is to provide a one-off payment of £200 to support these residents with fuel cost over the winter. This will be an additional payment to the £400 Government's Energy Bill Support Scheme.

Residents will also be awarded a one off £75 Argos voucher to purchase additional essential items such as warm bedding.

There are currently 110 residents who would be eligible for this support. These residents will be notified in writing of the total award of £275 that they will receive. Taking this approach will ensure that only the residents who are occupying the building receive this targeted support.

It is also proposed that a discretionary allocation be made available to cover other associated emergency costs based on individual needs or circumstance. The awards will be made at the discretion of the Service.

### **Healthy Homes (Energy efficiency advice)**

#### Proposed allocation

£50,000

#### Overview

In addition to financial support, Healthy Homes will work with Housing and the Discretionary Support team to develop information to help residents to be more energy efficient.

The information packs will cover advice, guidance, and signposting for energy cost savings. The information will be made available on the Household Support webpage for ease of access in addition to services circulating it where possible. A publicity campaign will also be targeted to the residents living in and around the areas where there is a high percentage of households in fuel poverty.

### **Admin costs**

#### Proposed allocation

£44,568

#### Breakdown of allocation

- £35,568 to cover two grade 6 Business Support Officers 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 it is anticipated that there will be additional demand on the Discretionary Support Team. During the last Household Support Fund, the team received a high volume of 1,551 direct applications which resulted in a backlog and this channel was closed before the end of the period. To address this, the fund will be used to recruit the additional staff at the outset.