



## Report

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Date: 26<sup>th</sup> April 2023

To: The Mayor and Cabinet

Report Title: Household Support Fund 4

Relevant Cabinet Member(s)	Wards Affected	Key Decision?
Mayor Ros Jones	All	Yes

### EXECUTIVE SUMMARY

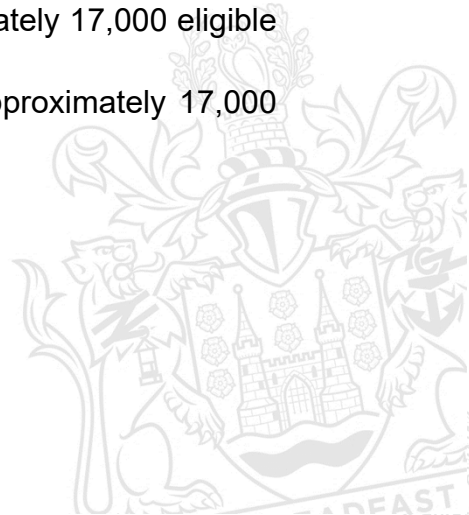
1. The government has made a further Household Support Fund (to be known as HSF 4) available to Authorities in England to support those most in need during the cost-of-living crisis from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024. The share of this fund for Doncaster Council is £5,978,546.15. The main purpose of the fund is once again to provide financial support to assist those most in need with higher cost energy and food. The Council has already agreed to urgently spend £510,000 of the Fund to provide a £15 a week payment for food over the school Easter Holiday break for an estimated 17,000 eligible children from a household currently in receipt of housing benefit, council tax reduction, universal credit (housing element) or means tested free school meals. This report now provides the recommended allocation of the remaining funds to be awarded throughout the 23/24 financial year in line with the government criteria.

### EXEMPT REPORT

2. Not applicable.

### RECOMMENDATIONS

3. For the Mayor and Cabinet to agree acceptance of the £5,978,546.15 funding with delivery of the following initiatives at the discretion of the Council to be funded by Household Support 4 in line with the government criteria:
  - May School Holiday £15 a week for 1 week to approximately 17,000 eligible children totalling £255,000.
  - Summer School Holiday £15 a week for 6 weeks to approximately 17,000 eligible children totalling £1,530,000.



- 38 Food Banks to receive funding through the 23/24 financial year from a total allocation of £190,000 based on take-up levels by referral for those in crisis. This will be held by the Council and paid upon the evidence provided.
- £25,000 to the national Hygiene Bank charity to provide hygiene products to those in need across their network of Doncaster's food banks, charities, schools and other organisations.
- £300,000 to top-up the over-subscribed Local Assistance Scheme for use throughout the year for emergency financial support relating to food, energy costs and housing support.
- A payment of £150 to 17,250 working age households in January 24 or 2 payments of £75 in Nov 23 and Feb 24 totalling £2,587,500.

In addition:

- Utilise the remaining £581,046 for new food and energy applications that arise throughout the year due to new benefit entitlements, moving into the borough or to those who have not identified themselves previously.
- The Director of Corporate Resources to decide how any remaining funds are spent in consultation with the Mayor.

## **WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?**

4. This will mean over 17,250 low income working age households in Doncaster on housing benefit, council tax reduction, universal credit (housing element) or means tested free school meals and therefore on the lowest incomes, will receive direct additional financial support towards the cost of food and energy. Extra food will be available via Doncaster's food banks and extra hygiene, baby and feminine products will also be available via the food banks and other organisations such as schools, for those in crisis. Additional emergency financial support will also be available via the Local Assistance Scheme for those that require emergency assistance and meet the criteria.

## **BACKGROUND**

5. Household Support Fund 4 has been made available to Councils in England to support those most in need to help with the continuing global inflationary challenges and the significantly higher cost of living. This further round of funding covers the period 1 April 2023 to 31 March 2024 inclusive and Doncaster Council's allocation is £5,978,546.15.
6. Councils have discretion on how this funding is used within the scope set out in the government grant determination and guidance which covers financial assistance with energy costs, food, water, housing support etc. The objective is to provide support to the most vulnerable households in most need of support and where possible to support those who are not already receiving the government's cost of living payments.
7. The main differences from the previous scheme and to be noted are:
  - Authorities must make sure that the mandatory element of application-based support delivered through the scheme is available throughout most of the fund period, either continuously or in regular intervals over the course of the scheme. This will be made available throughout the year.

- Details of the scheme must also be publicised on a dedicated website page with specific requirements set out in the guidance. This will be ensured.
  - Funding for supplementary advice services, including debt and benefit advice, is now considered eligible spend within the HSF scheme. As the primary focus of this grant is on practical support, expenditure on such services is expected to be limited and linked to the provision of practical support. (The Council is already funding the Doncaster Citizen Advice Bureau through various other sources of funding.)
8. For round one of the Household Support Fund for 1 October 2021 to 31 March 2022, at least 50% of the total funding had to be spent on families with children. In terms of type of support, the expectation was that the Household Support Fund should primarily be used to support households in the most need with food, energy and water bills. Therefore, the Council provided the following in line with the set government criteria:
- £15 a week school holiday food provision through to 31<sup>st</sup> March 2022 (October, December and February) to children currently in receipt of means - tested free school meals and to non-school age and other children where the household was in receipt of a council tax reduction or housing benefit due to low income.
  - A winter £142 fuel payment to the same families and to working age households who did not have children but were in receipt of a council tax reduction or housing benefit due to low income.
  - £5,000 food for each of the 21 food banks; and
  - £15,000 to the Hygiene Bank.
9. For round two of the Household Support Fund for 1 April 2022 to 30 September 2022, there were differences to the government criteria. The first was that at least one third of the allocation must be paid to pensioners. The second, at least one third of the allocation must be spent on vulnerable households with children. Therefore, the Council provided the following in line with the set government criteria:
- For Easter and May school holidays, the provision of £15 a week school holiday food vouchers to children currently in school and in receipt of means-tested free school meals or from a family in receipt of housing benefit or council tax reduction.
  - For Easter and May school holidays, a £15 a week payment for the same period to non-school age children where the household was in receipt of a council tax reduction or housing benefit due to low income.
  - A £100 payment to all Doncaster pensioners on housing benefit or council tax reduction.
  - A £70 payment to all working age households on housing benefit or council tax reduction.
  - £5,000 food for each of the 21 food banks; and
  - £15,000 to the Hygiene Bank.
10. For round three of the Household Support Fund for 1 October 2022 to 31 March 2023, the criteria were less specific, and the Council agreed to award a single payment for food and energy to all households on housing benefit, council tax reduction, universal credit (housing element), free school meals and/or pension credit based on household composition which equated to the following one-off payments:

1. £70 payment to single households.
2. £90 payment to couples.
3. £130 payment to households with 1 dependent child.
4. £190 payment to households with 2 dependent children.
5. £250 payment to households with 3 dependent children; and a
6. £310 payment to households with more than 3 dependent children.

In addition, £5,000 was awarded to each of Doncaster's 21 Food Banks and £15,000 to the Hygiene Bank.

### **School Holiday Food**

11. The Council has already agreed to fund school holiday food for approximately 17,000 eligible children (school and non-school age) on either means tested free school meals, universal Credit (housing element), housing benefit or a council tax reduction as it did last year for the Easter holidays and has also committed to do the same for the May Half Term in its Medium-Term Financial Plan. The estimated cost of this at £15 per week is £765,000 (£510,000 for Easter and £255,000 for May Half Term). This is being paid direct to the household by the Council for each eligible child due to the required information already being held and so it is more efficient to administrate. However, an on-line digital form will also be available for new applications.
12. There are a further 10 weeks school holidays in the 23/24 financial year and if the Council continues to fund for the entire year the estimated further cost would be £2,550,000. This is a total cost of £3,315,000 and equates to 55% of the total allocation. However, this would not leave enough of the fund for energy payments, therefore it is proposed that only the summer holidays are included in addition to Easter and May due to the length of the holiday and therefore the extent of extra cost incurred by families at this time.

### **Energy Costs**

13. Using data from Household Support Fund 3, approximately 26,250 households in Doncaster on either means tested free school meals, universal Credit (housing element), housing benefit or a council tax reduction are entitled to support with their energy costs if we use the same criteria. This was made up of 17,250 working age households and 9,000 pensioner households. Dependent upon circumstances, a household may receive any or all the below from the government in 23/24:
  - Cost of Living Payments for those on eligible low-income benefits – Eligible people will receive £900 in 23/24 paid as follows, £301 in Spring 23, £300 in Autumn 23 and £299 in Spring 24. To be eligible the household must be in receipt of one of the following benefits.
    - Universal Credit
    - Jobseekers Allowance (Income Based)
    - Employment Support Allowance
    - Income Support
    - Pension Credit
    - Child Tax Credit
    - Working Tax Credit

- Disability Cost of Living Payment – Eligible people will receive a lump sum payment of £150. To be eligible a person must be receiving one of the following benefits.
  - Attendance Allowance
  - Constant Attendance Allowance
  - Disability Living Allowance (Adult)
  - Disability Living Allowance (Child)
  - Personal Independence Payment
  - Armed Forces Independence Payment
  - War Pension Mobility Supplement
  
- Pensioner Cost of Living Payment – Eligible pensioners entitled to a Winter Fuel Payment for winter 2023 to 2024 will get an extra £150 or £300 paid from this.

14. It is proposed that the Council provides one payment of £150 to the 17,250 working age households in January 24 or 2 payments of £75 in Nov 23 and Feb 24 which totals £2,587,500. The rationale being that there is not enough funding to cover support towards food and energy throughout the whole year and energy costs are obviously higher in the winter months. There are also not enough funds to cover the pensioners unless the payment is much lower to all. The pensioner households will receive either £150 or £300 more from the government than the working age households. An on-line digital application will also be available for new applications throughout winter 23/24.

### **Food Banks & Hygiene Bank**

15. In previous rounds we have allocated £105,000 to share across 21 food banks at £5,000 each and £15,000 for the Hygiene Bank. In the last round, the number of food banks rose to 26, so the fund was shared across those. There are now 38 food banks, so the same amount would increase the funding requirement to £190,000. Given this funding is for a whole year and limited, the Council will allocate to food banks on a quarterly basis based on take-up levels and referred recipients based on information provided. This will ensure the funding is being utilised where it is most required. This will be a standard monitoring process across all so funding is not allocated if not required, the reason for the crisis resulting in use of the food bank can be identified and the right further referrals occur such as debt advice, cook and eat sessions etc. It is proposed that the Hygiene Bank has an increased allocation of £25,000. This is a national charity that has a distribution network across Doncaster organisations, charities and schools etc. and provides hygiene, baby and feminine products to those that cannot afford them.

### **Local Assistance Scheme**

16. The Local Assistance Scheme has been providing extra emergency financial support for individuals towards food and energy using various sources of extra funding since 2020 because of an increased need caused by the pandemic followed by the cost-of-living crisis. These extra sources of funding have now ceased; however, the scheme is still oversubscribed, therefore it is proposed that some of this fund is used for 23/24. In particular, for those individuals who are on a low income but just miss out qualifying for the current emergency assistance

available. It is not possible to quantify the number of households this would include so the sum allocated using data from previous years is £300,000.

## **New Applications & Surplus**

17. This leaves £581,046 to cover the cost of any new unknown applicants throughout 23/24 for all the elements above due to them being new residents to Doncaster or new claimants of any benefits that bring them into the required criteria. If there are any funds remaining after those, this would also allow for a further allocation as decided for either food banks, the hygiene bank, the Local Assistance Scheme or any other initiatives. It is proposed that the agreement of this is delegated to the Director of Corporate Resources in consultation with the Mayor to ensure all the fund is spent by 31<sup>st</sup> March 2024.

## **OPTIONS CONSIDERED**

### **18. Option 1**

To agree acceptance of the £5,978,546.15 funding with delivery of the following initiatives at the discretion of the Council to be funded by Household Support 4 in line with the government criteria:

- May School Holiday £15 a week for 1 week to approximately 17,000 eligible children totalling £255,000.
- Summer School Holiday £15 a week for 6 weeks to approximately 17,000 eligible children totalling £1,530,000.
- 38 Food Banks to receive funding through the 23/24 financial year from a total allocation of £190,000 based on take-up levels by referral for those in crisis. This will be held by the Council and paid upon the evidence provided.
- £25,000 to the national Hygiene Bank charity to provide hygiene products to those in need across their network of Doncaster's organisations, charities and schools.
- £300,000 to top-up the over-subscribed Local Assistance Scheme for use throughout the year for emergency financial support relating to food, energy costs and housing support.
- A payment of £150 to 17,250 working age households in January 24 or 2 payments of £75 in Nov 23 and Feb 24 totalling £2,587,500.

In addition:

- Utilise the remaining £581,046 for new food and energy applications that arise throughout the year due to new benefit entitlements, moving into the borough or to those who have not identified themselves previously.
- The Director of Corporate Resources to decide how any remaining funds are spent in consultation with the Mayor.

### **19. Option 2**




The other option considered was to fund food for all the school holidays in 23/24 and only provide an energy payment to approximately 3,500 households on housing benefit or council tax reduction only, who are not receiving the £900 government cost of living payment.






## REASONS FOR RECOMMENDED OPTION

20. Option 1 is recommended after considering the needs and feedback from Doncaster residents. Families having to buy extra food in the school holidays especially for those usually in receipt of means tested free school meals is a big financial pressure with the long summer holidays being especially difficult. The extra cost of fuel is a particular issue in the winter months and the fund allocation is not enough to cover both food and energy throughout the whole year. The increasing number of food banks and their use is another issue for the borough, but the Council wants to take care that the food and hygiene products are going to those most in need, not just provided to anyone. Those in need of emergency support throughout the pandemic followed by the cost-of-living crisis, has remained at a high level with about £900,000 per annum required from a scheme that only has a permanent budget of £300,000 per annum. Overall, this option will ensure additional support for all these circumstances to the level possible within the amount of funding provided.

## IMPACT ON THE COUNCIL'S KEY OUTCOMES

21.

Great 8 Priority	Positive Overall	Mix of Positive & Negative	Trade-offs to consider – Negative overall	Neutral or No implications
 <b>Tackling Climate Change</b>				✓
Comments:				
 <b>Developing the skills to thrive in life and in work</b>				✓
Comments:				
 <b>Making Doncaster the best place to do business and create good jobs</b>				✓
Comments:				

 <b>Building opportunities for healthier, happier and longer lives for all</b>	✓			
Comments: This initiative will provide direct financial assistance to pay for food and energy via various sources therefore positively contributing to the health and happiness of households in a financial environment where food and energy prices have increased at an unprecedented level due to global events.				
 <b>Creating safer, stronger, greener and cleaner communities where everyone belongs</b>				✓
Comments:				
 <b>Nurturing a child and family-friendly borough</b>	✓			
Comments: This package of financial assistance includes families with children who are on low incomes at the forefront to assist them to thrive and get through the current cost of living crisis.				
 <b>Building Transport and digital connections fit for the future</b>				✓
Comments:				
 <b>Promoting the borough and its cultural, sporting, and heritage opportunities</b>				✓
Comments:				
<b>Fair &amp; Inclusive</b>	✓			
Comments: This financial support package has been designed based on financial circumstances only meaning inclusivity and fairness to all within the funding envelope provided.				



## **22. Legal Implications [Officer Initials: SRF | Date: 27.03.23]**

Section 1 of the Localism Act 2011 gives the local authority the power to do anything that individuals may generally do. The funding must be spent in accordance with any guidance provided by Government.

## **23. Financial Implications [Officer Initials: CC | Date: 28.03.23]**

As indicated in the body of the report, Doncaster Council has been allocated £5,978,546.15 Household Support Fund (HSF 4) grant to cover the period from 1st April 2023 to 31<sup>st</sup> March 2024. The cost of these proposals to fully utilise the HSF 4 grant are detailed in the body of the report (final cost dependent upon eligibility). HSF 4 is a one-off ring-fenced grant that will be payable in arrears following the submission of quarterly returns outlining activity and spend. Spend must have been incurred in the period up to and including 31<sup>st</sup> March 2024 to be eligible to be funded from the HSF 4 grant.

The general principle applies that Local Authorities are responsible and accountable for the lawful use of funds under Section 151 of the Local Government Act 1972. The Section 151 Officer within the Local Authority is required to exercise their duties in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance, ensuring their oversight of the proper administration of financial affairs within the Local Authority including these grants

## **24. Human Resources Implications [Officer Initials: SH | Date: 24.03.23]**

There are no specific HR implications associated with this decision as it is anticipated that the administration will be managed within existing resources.

## **25. Technology Implications [Officer Initials: PW | Date: 27.03.23]**

No new technology is required to deliver this proposal. Digital application forms will be developed to make it as easy and swift as possible for any people who need to apply that are not in our records from previous payments.

## **RISKS AND ASSUMPTIONS**

26. The Council already holds the information to award these payments. However, there is always the risk that households have not applied for the relevant benefits and therefore not made themselves known either because they do not know they are entitled to them or due to the fact their circumstances have changed. They could also be new to the borough. To mitigate against this risk, application forms will be available throughout the year for new applicants and records will be continuously checked. Communications will also be issued on a regular basis.

## **CONSULTATION**

27. Colleagues have been consulted with regard to food banks and the hygiene bank. The needs of Doncaster residents and feedback from previous schemes has also been considered by portfolio holders.

## **BACKGROUND PAPERS**

28. Not applicable.

## **GLOSSARY OF ACRONYMS AND ABBREVIATIONS**

29. Not applicable.

## **REPORT AUTHOR & CONTRIBUTORS**

**Julie Grant, Assistant Director of Customers, Digital & ICT**

Tel 01302 862496 Email: [julie.grant@doncaster.gov.uk](mailto:julie.grant@doncaster.gov.uk)

**Debbie Hogg**

**Director of Corporate Resources**