



REPORT TO:	Leader of East Lindsey District Council
DATE:	7 th July 2023
SUBJECT:	HOUSEHOLD SUPPORT FUND (fourth phase)
PURPOSE:	To accept the offer made by Lincolnshire County Council as part of the Department for Work and Pension's 'Household Support Fund' (fourth phase) and to establish and deliver support for our most vulnerable residents and communities.
KEY DECISION:	YES
PORTFOLIO HOLDER:	Councillor Craig Leyland, Leader of East Lindsey District Council
REPORT OF:	Emily Spicer, Assistant Director – Wellbeing and Community Leadership
REPORT AUTHOR:	Roxanne Warrick, Strategic Lead – Healthy Living, Wellbeing & Community Leadership
WARD(S) AFFECTED:	ALL
EXEMPT REPORT?	NO

SUMMARY

Following acceptance of Lincolnshire County Councils proposal, this report outlines the administration of the Household Support Fund (fourth phase) across the sovereign council areas of Boston, East Lindsey and South Holland that make up the South & East Lincolnshire Councils Partnership.

Due to the urgent need to administer the funding to our communities, each council is asked to support the recommendations as provided within this report. Whilst funding will be allocated to each sovereign council and dispersed to households in need within that district, a single policy and scheme has developed across the South & East Lincolnshire Councils Partnership to provide administrative efficiency and consistency in support for the most vulnerable residents in all our communities.

RECOMMENDATIONS

- To accept East Lindsey's provisional grant funding allocation of **£1,333,614** from Lincolnshire County Council as part of the Department for Work and Pension's Household Support Fund to deliver the Household Support Fund at a local level.
- To give delegated authority to the Assistant Director (Wellbeing & Community Leadership) in consultation with the Leader and relevant Portfolio Holder to implement the policy in respect of administration of the funding.
- To facilitate provisional allocation **£1,029,600** via grants to low-income residents in receipt of Housing Benefit only living in the local authority area via postal vouchers that are redeemable for cash at Post Office branches.
- To utilise local allocation of **£304,014** to meet local needs and support vulnerable households in-line with the Household Support Fund grant conditions:
 - 30% allocated to Food Banks and Community Larders for the provision of emergency food parcels
 - 40% allocated via grant donation to Lincolnshire Community Foundation to administer application-based scheme for households in need
 - 20% retained by to meet local welfare gaps as they arise through 2023/24
 - 10% retained to meet grant administration costs (including voucher transaction charges, third sector support and staffing)

REASONS FOR RECOMMENDATIONS

- Due to the urgent need to support struggling households with immediate increases in 'cost of living', delegation is required to sign off policy and procedure outside of the committee process in order to successfully deliver the local scheme from July 2023.
- The proposed scheme is a targeted approach to those in most need with consideration of households **who did not** benefit from other Government 'cost of living' support payments as required in the national guidance.
- Officers working with people and communities have the relationships with third sector partners supporting vulnerable residents to offer wider welfare and cost of living advice.
- Based on experience of delivering local Household Support Fund schemes since initial launch in September 2021 and feedback from third sector partners.
- Fulfil the Council's community leadership role, by working with third sector organisations with reputable record of delivering grants and emergency support to residents in need.

OTHER OPTIONS CONSIDERED

- Not accept Lincolnshire County Council's proposal to accept the Household Support Fund for the purposes outlined within this report.
- To deliver through other grant and voucher providers.
- To administer the application-based process in-house.

1. BACKGROUND

- 1.1 In February 2023, the Government announced that a further £842 million Household Support Fund (fourth phase) would be made available in England to support those most in need and to help with the significant rise in 'cost of living'. This funding must be utilised between 1 April 2023 and 31 March 2024 inclusive.
- 1.2 The Household Support Fund will be distributed by councils in England to directly help those who need it most. The grant will be distributed through small grant payments to support vulnerable households to meet the cost of essentials and to assist in preventing an escalation of financial problems.
- 1.3 Whilst in two tier areas the funding will initially be allocated to County Councils, guidance specifically outlines expectation for County Councils to work with District Councils to provide support. This is to ensure the funding meets its objectives by identifying those most in need. The guidance sets out required collaboration with District Council and charitable organisations that have the reputation, knowledge and relationships that make them well placed to identify and help the most vulnerable residents.
- 1.4 S&ELCP has been working with Lincolnshire County Council and other Lincolnshire District Councils and third sector partners to ensure a collective response to equitably distribute funds and co-ordinate the countywide scheme outlined in this report.

2. ALLOCATION OF HOUSEHOLD SUPPORT FUND IN LINCOLNSHIRE

- 2.1 **£10,929,370** has been awarded to Lincolnshire County Council under Section 31 of the Local Government Act 2001, to administer the Household Support Fund (fourth phase) and to provide assistance to households most in need across Lincolnshire.
- 2.2 The objective of the fund is to provide support to vulnerable households in most need of support with significantly rising living costs. Although considered an extension of the previous Household Support Funding, it is a new grant subject to its own conditions.
- 2.3 Household Support Fund eligibility is not restricted to households in receipt of benefits and is not conditional on employment or immigration status, but the expectation is that the fund should be used to support households **in the most need**; particularly those **who may not be eligible for the other support government**.
- 2.4 This includes prioritising residents who will not benefit from this year's 'cost of living support' payments. This is a payment made to people in receipt of certain means tested benefits and tax credits – paid in 3 instalments of £300 to residents in receipt of Universal

credit, Income-based Job Seekers Allowance, Income-related Employment and Support Allowance, Income Support, Pension Credit, Child Tax Credit and Working Tax Credit.

- 2.5 The Department for Work and Pensions recognised that those in receipt of Housing Benefit **only** (and no DWP or HMRC administered benefit) were not included in the 'cost of living payment' list and have asked Local Authorities to prioritise supporting this cohort as part of this funding.
- 2.6 To identify and help those children, families and individuals most in need, Lincolnshire County Council has taken a blended approach, working with District Councils and third sector partners to identify those families who may require additional support with food, utility costs and other essentials. This presented to [LCC's Overview and Scrutiny Management Board](#) in April 2023.
- 2.7 Lincolnshire County Council will be delegating **43%** of the county allocation to schools and Early Years Providers to provide additional support to families with children eligible for Free School Meals / Early Years Pupil Premium and families with 2-year-old eligible for Early Years Entitlement with support out of termtime.
- 2.8 In addition, **1%** of the funding will provide financial support to eligible care leavers in supported living accommodation via county council commissioned providers.
- 2.9 1% of the grant will retained to cover countywide administration of the grant.
- 2.10 Each District has provisional allocation proportionate to the number of low-income residents in their area in receipt of Housing Benefit **only** who do not benefit from the national cost of living support scheme, totalling an estimated **44%** of overall Lincolnshire funding.
- 2.10 Of the remaining countywide funds, **11%** will be allocated to District Councils based on Indices of Multiple Deprivation methodology for local scheme to support vulnerable households.
- 2.11 There is a requirement that District Councils **must** operate an application-based scheme, which can be delivered directly or by a third-party organisation.
- 2.11 The indicative allocation to the South & East Lincolnshire Council Partnership is **£562,273** for Boston, **£1,333,614** for East Lindsey and **£648,807** for South Holland a potential total of **£2,544,694** for the sub-region. This a provisional allocation only as funding will be drawn down based on actual spend and subject to eligible households throughout the grant period.

Allocations for South & East Lincolnshire Council's Partnership are shown in **Table 1**:

Table 1 – South & East Lincolnshire Councils Partnership’s Household Support Fund 4 Allocation

	Allocation for households in receipt of Housing Benefit only	Allocation for other households in need	Total
Boston	£435,600	£126,673	£562,273
East Lindsey	£1,029,600	£304,014	£1,333,614
South Holland	£496,800	£152,007	£648,807
S&ELCP	£1,962,000	£582,694	£2,544,694

3. HOUSEHOLD SUPPORT FUND DELIVERY IN LINCOLNSHIRE

3.1 Due to limited timescales and pressure to meet the immediate needs of vulnerable residents, **Household Support Fund (fourth phase) is being delivered in 3 parts:**

1) Families with Children Eligible for Free School Meals/Early Years Pupil Premium – Provision of Vouchers via Lincolnshire County Council/Schools

Lincolnshire County Council Children’s Services will fund non-term time ‘cost of living support’ vouchers for parents or carers of children and young people eligible for Free School Meals and the Early Years Pupil Premium. This will continue to be delivered via schools.

2) Low-income Households in receipt of Housing Benefit only – Provision of Vouchers via District Councils

District Councils will facilitate vouchers to low-income households in receipt of Housing Benefit only who did not receive the ‘cost of living support payment’. PSPS Revenues and Benefits department are making local data available for this purpose which provides a defined co-hort of eligible residents.

Lincolnshire households in recipient of Housing Benefit **only** (and no other DWP means tested benefits) will receive **3 x £300 grants** to align to the national cost of living support payments. Analysis of caseload has initially identified **circa 5000** eligible households in Lincolnshire.

Allocations for South & East Lincolnshire Council’s Partnership are shown in Table 2:

Table 2 – South & East Lincolnshire Councils Partnership’s Housing Benefit only caseload

	Housing Benefit only caseload	x £900 per eligible household
Boston	484	£435,600.00
East Lindsey	1144	£1,029,600.00
South Holland	552	£496,800.00
S&ELCP	2180	£1,962,000.00

Source: PSPS Revenues and Benefit Housing Benefit only caseload July 2023
(low-income households not in receipt of 7 main DWP/HMRC means tested benefits)

3) Support for other households in need – facilitated by District Councils

District Councils will continue to apply countywide principles for use of their allocations but will have discretion to meet local welfare needs in line with the national guidance.

District Councils and third sector organisations will provide an application-based process to ensure this funding is distributed through local channels in line with the grant conditions.

Following discussions with local stakeholders, charities, community support partners and internal teams supporting vulnerable residents, the local allocation for Districts will be used for:

- Food Banks and Community Larders – due to increased demand and reduced donations, grants funding will be made available for the provision of emergency food parcels to residents referred for support.
- Grants by application – it remains at the discretion of authorities to establish their local eligibility, delivery and way to identify those most in need in their area.
- Winter welfare needs – proportion of funding to be retained as arise throughout 2023/24 grant period.
- Grant administration costs (including staff/transaction costs/third sector support)

4. HOUSEHOLD SUPPORT FUND ADMINISTRATION IN SOUTH & EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

4.1 Whilst each council will receive its allocation separately, one process will be utilised across the Partnership to ensure administration efficiencies and consistency of approach. The basic outline being our approach is based on:

- We are building on our **previous experience** of delivering discretionary grants to vulnerable residents including lessons learnt around managing demand, fastest way to get support out to our communities whilst ensuring good governance
- Ensuring our scheme has **flexibility** to use local budget and for us to support the most vulnerable households in our communities
- Supporting our third sector **partners** to help the most vulnerable residents in our communities
- Engaging **local charities** to administer the scheme, to both reach households that would not normally approach the Council and reduce demands on internal resources

4.2 The administration of the scheme will be through the Healthy Living & Communities Team within the Wellbeing and Community Leadership Directorate.

4.3 Housing Benefit Only households

- Vouchers for residents in receipt of Housing Benefit only will be facilitated through the through the [Post Office 'Payout'](#) service as it is a reputable brand, familiar to residents which offer good value for money.
- The process will be managed by District working group to ensure consistent communications and co-ordinated timing to minimise resident queries regarding when vouchers will be received.
- Between July 2023 and March 2024 there will be three agreed dates for Housing Benefit only case load data extraction. This will be the eligibility date for countywide consistency and in-line with other cost of living support schemes.
- The voucher letter will include signposting advice and information. A single point of contact 'community support' e-mail address will be provided for enquiries and queries.

4.4 Food Banks and Community Larders

- Local food banks continue to report increased demand and reduced donations; with bulk supplies becoming more difficult to secure to maintain adequate stock.
- Based on successful scheme in previous round of HSF, small grants will be made available to local food banks for the provision of emergency food parcels throughout the grant period.
- Healthy Living and Communities team have existing relationships with established food banks and have grant agreements to ensure:
 - organisation is not for profit
 - have appropriate data protection and safeguarding policies
 - the grant is used only for the intended purpose
 - organisations inform Councils of progress and provided data as required for reporting purposes

4.4 [Lincolnshire Community Foundation](#) application-based grant scheme

- Grant donation to established Lincolnshire charity to facilitate application-based scheme open to all residents
- Based on successful pilot in previous round of HSF, applications are assessed on need and reach different households, including those that are not usually eligible for other government support (for example, homeowners and those in employment)
- Grant management costs of 15% will be taken from allocation
- Applications can be made via web-form and telephone; all applications are anonymised and assessed by independent approver before awarded.
- Grants of up to £200 awarded as vouchers for food, utility support or other household essentials.

4.5 Provisional allocations for East Lindsey Household Support Fund 4 scheme are shown in **Table 3** below:

Table 3 – Provisional allocation for ELDC 2023/24 Household Support Fund scheme

ELDC allocation other households in need	100%	£304,014
Lincolnshire Community Foundation	40%	£121,605.60
Food Banks / Community Larders	30%	£91,204.20
Welfare needs winter 2023/24	20%	£60,802.80
Administration (staff/third sector/ transaction charges)	10%	£30,401.40

5. CONCLUSION

5.1 The Household Support Fund will provide valuable help to vulnerable households struggling with significant increases in living costs. Small payments received as vouchers through this funding will help meet household essentials such as food and utilities.

6. EXPECTED BENEFITS TO THE PARTNERSHIP

6.1 The following benefits are anticipated through delivery of the Household Support Fund:

- That the delivery of a comprehensive scheme can commence across the South & East Councils Partnership
- That vulnerable households are identified utilising local knowledge and understanding of the community
- That vulnerable, low-income households will be supported with significant rising living costs
- That the utilisation of community support partners will enable wider support to be provided to vulnerable households over and above the Household Support funding
- Single scheme ensures administration efficiencies and consistency of approach

7. IMPLICATIONS FOR SOUTH AND EAST LINCOLNSHIRE COUNCILS' PARTNERSHIP

7.1 A single policy and scheme across the South & East Lincolnshire Councils Partnership will provide administrative efficiency and consistency in support for the most vulnerable residents in our communities.

8. CORPORATE PRIORITIES

8.1 The following Corporate Priorities are supported through the administration of the Household Support Fund:

Boston Borough Council – 'Priority 1 - People Focused'

East Lindsey District Council – 'Maximise healthy and active lives'

South Holland District Council – 'Your health and wellbeing'

9. STAFFING

9.1 This externally grant funding can be used to cover all staffing and associated administrative costs to support efficient and effective distribution of funds.

10. CONSTITUTIONAL AND LEGAL IMPLICATIONS

10.1 Due to the urgency of the administration of the Household Support Fund this decision is made under general exemption rule with the appropriate notifications of intentions made to the Chair of the Council’s Performance and Monitoring Panel in line with the Council’s Constitution.

11. DATA PROTECTION

11.1 All personal data will be administered following data protection legislation.
11.2 Each Council has agreed an Information Sharing Agreement with Lincolnshire County Council to access Department for Work and Pension Data provided for this purpose.

12. FINANCIAL

12.1 Provisional allocations for each Council within the South & East Lincolnshire Council Partnership for spend up to end of March 2024 are shown in **Table 4** below:

Table 4 – S&ELCP – Provisional Household Support Fund 4 allocation for each Council

	Allocation
Boston	£586,573
East Lindsey	£1,509,114
South Holland	£670,407
S&ELCP	£2,766,094

** Note the table indicates **provisional allocation only** as grant payment drawn down on actual spend only and subject to change throughout grant period.*

12.2 The funding must be utilised by 31 March 2024. LCC will reimburse each DC with the actual expenditure incurred in accordance with the scheme. The payments will be made in arrears following the submission of the returns.

12.3 The returns will require both financial and non-financial information. This data will be consolidated with the other categories of spending, to form part of Lincolnshire's overall return on the Household Support Fund utilisation to central government.

12.4 All staffing and administrative costs to deliver this scheme are externally funded and must be taken from local allocation.

12.4 **The scheme is fully externally funded.** Reimbursement of District spend will be made from LCC in arrears following submission of funding returns:

Return	Reporting period: from	Reporting period: to	Deadline
Interim 1	1 April 2023	30 June 2023	21 July 2023

Return	Reporting period: from	Reporting period: to	Deadline
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

13. RISK MANAGEMENT

13.1 By accepting the grant allocations through ‘special urgent’ exemption, the administration of the funding can commence. This will ensure the funding can be utilised by vulnerable households without delay whilst mitigating against the risk of not drawing down funding made available to Lincolnshire.

14. STAKEHOLDER / CONSULTATION / TIMESCALES

14.1 Due to the urgency of the administration of the Household Support Fund this decision is made under ‘special urgency’ rule with the appropriate notifications made to the Chair of the Overview Committee.

14.2 In line with the Constitution, the Chair of the Overview Committee has agreed that due to the above urgency reasons the decision may be taken to accept the funding outside of the budgetary framework.

14.3 Key stakeholders including local charities, food banks and internal services supporting vulnerable residents have been consulted as part of the development of this scheme.

15. REPUTATION

15.1 By delivering the Household Support Fund to eligible households facing significant increases living costs, the Councils maintain their reputation of community leadership, for supporting vulnerable residents and delivering trusted welfare support.

16. CONTRACTS

16.1 All appropriate procurement exemption notices and grant agreements have been applied in line with the sovereign council’s individual constitutions.

17. CRIME AND DISORDER

17.1 It is in the report authors opinion that there are no crime and disorder implications associated with accepting this grant funding.

18. EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

18.1 The scheme is being developed with regard to the legislative duties of Equality Act 2010. Grants will be available to all residents regardless of their age, disability, gender, marital status, race, religion, sex or sexual orientation.

18.2 Supporting residents vulnerable to financial hardship is a preventative approach to safeguarding.

19. HEALTH AND WELL BEING

19.1 The Household Support Fund (third phase) will be available to help residents with poor physical or mental health. Support with household essentials will alleviate poor health related financial stress and fuel poverty.

20. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

20.1 It is in the report authors opinion that there are no climate change and environmental implications associated with accepting this grant funding.


21. ACRONYMS

DWP – The Department of Work and Pensions

LCC – Lincolnshire County Council

PSPS – Public Sector Partnership Services Ltd

SELCP – South & East Lincolnshire Councils Partnership

CHRONOLOGICAL HISTORY OF THIS REPORT	
<i>A report on this item has not been previously considered by a Council body.</i>	
APPENDICES	
NONE	
BACKGROUND PAPERS	
<i>(If none then insert the working 'No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.' Also delete the below text/boxes.)</i>	
Background papers used in the production of this report are listed below: -	
Document title	Where the document can be viewed
<i>Household Support Fund Guidance</i>	https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils
<i>Cost of Living Payment Guidance</i>	https://www.gov.uk/guidance/cost-of-living-payment
<i>Lincolnshire County Council Overview and Scrutiny Management Board (27 April 2023)</i>	https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=553&Mid=7430
<i>Lincolnshire County Council letter outlining countywide delivery of</i>	 final DC letter HSF4 20230605.pdf

*Household Support Fund 4
(5 June 2022)*

REPORT APPROVAL

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