

REPORT TO:	Portfolio Holder for Finance, East Lindsey District Council
DATE:	15 May 2024
SUBJECT:	HOUSEHOLD SUPPORT FUND (fifth round)
PURPOSE:	To accept the funding allocation from Lincolnshire County Council as part of the Department for Work and Pension's Household Support Fund 1 April 2024 – 30 September 2024 to deliver the scheme at a local level.
KEY DECISION:	Yes
PORTFOLIO HOLDER:	Cllr Richard Fry, Portfolio Holder of Finance
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

In the Spring 2024 budget, the Government confirmed that a further £421 million would be made available to county councils and unitary authorities in England via the Household Support Fund (HSF) for the period 1 April to 30 September 2024. The fund is intended to support vulnerable households most in need with the cost of essentials.

Following the publication of the scheme guidance on 2 April 2024, this report sets out details of the delivery of the £5,464,685.20 Lincolnshire allocation for the benefit of residents most in need of support.

This is the fifth round of funding and as with earlier rounds, Lincolnshire County Council are required to collaborate with district councils and third sector partners to effectively deliver the scheme.

As with previous rounds, funding has been allocated to schools and early years providers to distribute to targeted cohorts and to support eligible care leavers in supported living accommodation. The remainder will be allocated to District Councils using the Indices of

Multiple Deprivation (IMD), to support the delivery of an application-based element and locally determined schemes that meet the specific needs of communities.

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.

RECOMMENDATIONS

- To accept the funding allocation from Lincolnshire County Council as part of the Department for Work and Pension's Household Support Fund 1 April 2024 – 30 September 2024 to deliver the scheme at a local level. This is an indicative total of **£445,918** for East Lindsey.
- To give delegated authority to the Assistant Director (Wellbeing & Community Leadership) in consultation relevant Portfolio Holders to implement the policy in respect of administration and local distribution of the funding.
- To utilise local allocation to meet local need and support vulnerable households in-line with the Household Support Fund grant conditions:
 - 50% allocated via grant donation to Lincolnshire Community Foundation to administer public facing application-based scheme to provide crisis support to vulnerable households in most need with the cost of essentials
 - 40% allocated via grant donation to local food banks, charities, NHS Neighbourhood Teams to support clients, patients and residents
 - 5% allocated to South & East Lincolnshire's Home Energy Advice & Retrofit Team (HEART) to support vulnerable households with energy vouchers
 - 5% to support the administrative and staff costs

REASONS FOR RECOMMENDATIONS

- Accepting access to this local allocation of Government funding will ensure the Council can support residents in the most need with household essentials.
- Previous HSF rounds have been successfully delivered by this model. Relationships with delivery partners and mechanisms are now well established with learning taken from previous funding rounds.
- Working with third sector organisations with reputable record of delivering grants and emergency support to residents in need ensures as vulnerable households as possible are identified, engaged and supported.

OTHER OPTIONS CONSIDERED

- Do nothing and decline the grant. The grant is paid in arrears and there is no requirement to draw down the funding. To not utilise the funding would be detrimental to households at a time when many continue to experience financial pressures and is not considered an option.
- To administer the application-based scheme in-house. Due to limited capacity and timescales this is not recommended. S&ELCP have an established relationship with Lincolnshire Community Foundation to deliver local grants. They are a reputable Lincolnshire based grant-maker with the network and experience to efficiently deliver public-facing schemes.

1. BACKGROUND

- 1.1 In the Spring Budget on 6 March 2024 the Government announced that a further £421 million would be made available to county councils and unitary authorities under the Household Support Fund.
- 1.2 This represents the fifth round of funding since the scheme was launched in October 2021. Lincolnshire has received an allocation of £5,464,685.20 to be utilised between 1 April 2024 and 30 September 2024 to provide crisis support to vulnerable households in most need with the cost of essentials.
- 1.3 On 4 April 2024, The Department for Work and Pensions (DWP) provided guidance to Councils detailing the principles of the scheme and the types of support which may be offered. The objective of the HSF is to meet immediate needs and help those who are struggling to afford household essentials including energy and water bills, food, and wider essentials.
- 1.4 Whilst in two tier areas the funding is 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. District Council and charitable organisations that have the reputation, knowledge and relationships to identify and help the most vulnerable residents.
- 1.4 S&ELCP has been working with Lincolnshire County Council, Lincolnshire District Councils and third sector partners to ensure a collective response to equitably distribute funds.
- 1.5 The main principles of the HSF5 guidance are summarised below:
 - 1.5.1 The HSF is intended to support a wide range of low-income households including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people, larger families, single-person households, and those struggling with one-off financial shocks or unforeseen events and is not limited to those in receipt of benefits.
 - 1.5.2 The scheme may be delivered through a variety of routes including: proactive support, application-based support or by issuing grants to Third Party Organisations to provide support on their behalf. Every Authority must operate at least part of their scheme on an application basis throughout the duration of the HSF, either continuously over the majority of the period or at regular intervals throughout the scheme.

- 1.5.3 Authorities have flexibility and can use discretion to identify and support those most in need. Individual awards can be whatever type and amount is deemed appropriate, bearing in mind the overall scheme criteria. There is no requirement to undertake a means test or conduct a benefit check unless this specifically forms part of the Authority’s local eligibility criteria.
- 1.5.4 There must be a clear rationale or documented policy/framework outlining the approach, including eligibility and how households access the HSF. The support must be clearly advertised, inclusive and accessible.

2. ALLOCATION OF HOUSEHOLD SUPPORT FUND IN LINCOLNSHIRE

- 2.1 The latest government allocation of HSF must be distributed between 1 April 2024 and 30 September 2024. Due to the pace required to deliver, it is challenging to develop alternative distribution models with partners. It is therefore proposed that the distribution formula used in Lincolnshire for previous HSF funding is used as the basis for the latest round.
- 2.2 Lincolnshire County Council have confirmed provisional local allocation:
- 64% of the total funding to proactively target children via schools and early years providers, for children eligible for Free School Meals (FSM) Early Years Pupil Premium', (EYPP) and families with a 2-year-old eligible for 'Early Years Entitlement' (EYE). This will be transferred to schools and Ealy Years providers to be distribute in the best way to meet local needs. It is estimated that over 32,000 children and young people will receive this support.
 - 1% of the funding to care leavers in supported living accommodation.
 - 1% to cover administrative costs
 - 34% will be made available to the seven district councils to distribute under local arrangements. This will include an application-based process, in line with grant conditions, to meet the needs of their local populations. Any associated administration costs will be met from individual district allocations. The anticipated amounts to be made available to each district council will be based on the Indices of Multiple Deprivation (IMD) weighted by population.
- 2.3 The indicative allocation to the South & East Lincolnshire Council Partnership is £185,799 for Boston, £445,918 for East Lindsey and £222,959 for South Holland. This is an indicative total of **£854,676** for the sub-region.

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

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

	Indicative local allocation of HSF5
Boston	£185,799
East Lindsey	£445,918
South Holland	£222,959
S&ELCP	£854,676

3. **HOUSEHOLD SUPPORT FUND DELIVERY IN SOUTH & EAST LINCOLNSHIRE COUNCILS PARTNERSHIP**

3.1 District Councils will have discretion deliver local schemes in accordance with the scheme guidance and are required to provide an application-based process to residents to access.

Following discussions with Portfolio Holders, local stakeholders, charities, community support partners and internal teams supporting vulnerable residents, the local allocation S&ELCP will be distributed:

- 50% allocated via grant donation to Lincolnshire Community Foundation to administer public facing application-based scheme to provide crisis support to vulnerable households in most need with the cost of essentials
- 40% allocated via grant donation to local food banks, charities, NHS Neighbourhood Teams to support clients, patients and residents
- 5% allocated to South & East Lincolnshire's Home Energy Advice & Retrofit Team (HEART) to support vulnerable households with energy vouchers
- 5% to retained to cover administrative, staff and transaction costs

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.

5. **CONCLUSION**

5.1 The Household Support Fund will provide valuable help to vulnerable households in most need with the cost of essentials.

6. **EXPECTED BENEFITS TO THE PARTNERSHIP**

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

- That vulnerable households are identified using local knowledge, relationships and understanding of our communities

- That vulnerable households in most need of help will the costs of essentials will be supported
- That working with community support partners and charities 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’

South & East Lincolnshire Council Partnership – ‘Healthy Lives’

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 delegated authority for the Council’s Section 151 officer to accept grant where there is no impact on the Councils budget in order to facilitate its delivery.

11. DATA PROTECTION

- 11.1 All personal data will be administered following data protection legislation.
- 11.2 Reporting from third sector partners and grant recipients will be for statistical purposes only and will include no personal data.

12. FINANCIAL

- 12.1 There is no impact on the Councils budget; the scheme is fully externally funded by DWP via LCC. Reimbursement of District spend will be made from LCC in arrears following submission of funding returns:

MI Return	Reporting period: from	Reporting period: to	Deadline
Interim 1	1 April 2024	30 June 2024	21 July 2024
Final Return	1 April 2024	30 September 2024	25 October 2024

12.2 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 Household Support Fund spend to central government.

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

13. RISK MANAGEMENT

13.1 By accepting the grant allocations through delegated authority for the Council's Section 151 officer to accept grant, the delivery of the scheme 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 Portfolio holders with responsibility for Health & Wellbeing, Communities and Partnerships have been briefed on the delivery of the Lincolnshire scheme.

14.2 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 (fifth 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. LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

MISSIONS	
This paper contributes to the follow Missions outlined in the Government's Levelling Up White paper.	
Living Standards	By 2030, pay, employment and productivity will have risen in every area of the UK, with each containing a globally competitive city, with the gap between the top performing and other areas closing.
Health	By 2030, the gap in Healthy Life Expectancy (HLE) between local areas where it is highest and lowest will have narrowed, and by 2035 HLE will rise by 5 years.
Wellbeing	By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing.
Local Leadership	By 2030, every part of England that wants one will have a devolution deal with powers at or approaching the highest level of devolution and a simplified, long-term funding settlement.

22. 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


A report on this item has not been previously considered by a Council body.

APPENDICES

NONE

BACKGROUND PAPERS

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>Lincolnshire County Council Overview and Scrutiny Management Board (25 April 202)</i>	https://lincolnshire.moderngov.co.uk/documents/s62049/Household%20Support%20Fund%20Grant%20Utilisation%20-%20Complete%20report.pdf
<i>Lincolnshire County Council letter outlining countywide delivery of Household Support Fund 5 (10 May 2024)</i>	 Letter to Chief Executives HSF5 10.0

REPORT APPROVAL

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Signed off by:	Emily Spicer, Assistant Director – Wellbeing and Community Leadership John Medler, Assistant Director – Governance and Monitoring Officer John Leach, Deputy Chief Executive – Communities Christine Marshall, Deputy Chief Executive, Finance (S115)