

Report To: Cabinet

Date of Meeting: 6 June 2022

Report Title: Household Support Fund

Report By: Peter Grace (Chief Finance Officer)
Scott Herridge (Benefits Team Leader)

Key Decision: Yes

Classification: Open

Purpose of Report

The purpose of this report is to advise the Cabinet and Council of the launch of a second phase of the grant scheme for the period April 2022 to 30 September 2022. The Council will be in receipt of grant funding from East Sussex County Council (ESCC) amounting to £412,280 for the government's Household Support Fund scheme. The funding will assist with energy, water, and food costs to those claiming benefits.

Recommendations

1. To agree the actions taken by the Council's officers, in consultation with lead Councillors, to launch, and administer a second phase of the Household Support Fund scheme.
2. To continue to administer payments to residents who qualify in accordance with the scheme's revised eligibility criteria.

Reasons for Recommendations

1. To advise the Council of urgent actions taken in the administration and distribution of the Household Support Grant to qualifying vulnerable households in the Borough, in order to support those most in need with the rapidly rising cost of essentials.

Introduction

1. On the 23 March 2022 the Department for Work and Pensions (DWP) announced an extension to the Household Support Fund designed to assist vulnerable households with the rapidly rising cost of essentials such as fuel, water, and food. The Household Support Fund has had to be set up and delivered quickly, with the grant to be spent by 30 September 2022.
2. East Sussex County Council have received funding of £3,896,783.88 and they have requested assistance from the East Sussex District and Borough Councils to distribute approximately £1,590,083.
3. Wealden DC have led a Task and Finish group with support from Rother, Hastings, Eastbourne, and Lewes to design a support scheme that meets the DWP guidance and supports vulnerable households.
4. The scheme has been authorised on the grounds of urgency, with no perceived net cost to the authority, and in consultation with the lead member of each of the political groups following the recent election.
5. Whilst there is no net cost, there is an impact on resources and the delivery of existing services particularly within the Revenues and Benefits team and backfilling of posts is required.
6. The Council will distribute the monies received less 12% - which is towards administration costs.

Eligibility and Award levels

7. The Household Support Fund provides additional financial support for households struggling to meet the costs of utilities and essential supplies. The government's fund guidance identifies that the following could be covered by the grant:
 - a) **Energy and Water** – the Fund should primarily be used to support with energy bills for any form of fuel that is used for the purpose of domestic heating, cooking, or lighting, including oil or portable gas cylinders. It can also be used to support with water bills including for drinking, washing, cooking, and sanitary purposes and sewerage.
 - b) **Food** - the Fund should also primarily be used to provide support with food whether in kind or through vouchers or cash.
 - c) **Essentials linked to energy and water** - the Fund can be used to provide support with essentials linked to energy and water (including sanitary products, warm clothing, soap, blankets, boiler service/repair, purchase of equipment including fridges, freezers, ovens, etc.), in recognition that a range of costs may arise which directly affect a household's ability to afford or access food, energy and water.
 - d) **Wider essentials** - the Fund can be used to support with wider essential needs not linked to energy and water, should Authorities consider this appropriate in their area. These may include, but are not limited to, support with other bills including

broadband or phone bills, clothing, and essential transport-related costs such as repairing a car, buying a bicycle, or paying for fuel.

8. The Task and Finish Group concluded that the Fund should initially focus on the two primary support measures a) and b) – Energy and Water and Food. However, the project will be closely monitored and the wider aspects c) and d) considered if appropriate and subject to funding being available.

9. Eligibility criteria

Applicants must be over the age of 18

Resident in East Sussex (and resident in the LA to which they are applying), and

In receipt of one of the following means tested benefits –

- a. Universal Credit
- b. Housing Benefit
- c. Pension Credit
- d. Council Tax Reduction
- e. Working Tax Credit
- f. Income Support
- g. Income Based Job-Seeker's Allowance
- h. Income-related Employment and Support Allowance

10. Officers have set up a new application process using the Ascendant system. The Ascendant system was also used for the Household Support Fund that ran very successfully from October 2021 to March 2022.
11. Whilst the application process is being administered and assessed by the Revenues and Benefits team, they are being supported by the Community Hub/Contact Centre, and the Finance team who will issue payments for Energy and Water. At the time of drafting this report (19 May 2022) the funding from ESCC is awaited – expected shortly.
12. The Fund is being launched across the whole of East Sussex using the same eligibility criteria and level of award. The Council's communications team are again involved on website and media messaging.
13. The level of awards are detailed briefly below and in Appendix 1 to the report. In brief the payment levels are lower from the last round in order that the monies reach more people.

Energy and Water costs – Support will be provided for the following

- Utility bills for gas (mains or LPG), oil, or electricity
- Water and/or sewerage bills

There will be one award of £50.00 for energy and water costs.

Food – Support with the costs of food will be provided in vouchers which can be spent in all the main supermarkets. Vouchers will be administered via [Huggo](#)

The following allowances for food vouchers will be given:

Child	£30 each child in the household
Adult	£50 each adult in the household

Multiple applications

Applicants can make one application to the council for both the food scheme and the utilities during the lifetime of the scheme.

Implications

Financial

14. The council will receive £412,280 of the Household Support Grant from ESCC and redistribute to residents. All distributing councils are able to retain 12% of the grant to cover the administration costs involved, resulting in a grant funding pot of £362,807. The Council has already paid £6,700 for the cost of the Ascendant software solution – this is licenced for 1 year and is not due to expire until November 2022.
15. The funding scheme is being designed to be available to more applicants and over a longer timescale; this will result in greater staff time being incurred by the Council. The 12% is expected to fully cover the costs of staff time and associated payment and administration costs but may not do so in practice.

Legal

16. The administration of the Household Support Grant was developed by District and Borough Councils (housing and benefit officers) to ensure it meets the requirements established by Central Government and the Council's powers under the Localism Act 2011.

Anti-poverty

17. The Household Support Grant is designed to help the most vulnerable households in the Borough. The government guidance states that at least one third of the total funding must be ring-fenced to support households with children, at least one third of the total funding must be ring fenced to support pensioners and up to one third of the total funding is to be administered to other households genuinely in need of support . In order to meet these requirements East Sussex County Council will primarily focus on households with children while District and Borough Council's will run separate schemes for the pensioner and working age groups. The funds will be available to pension and working age households both with and without children as well as single applicants.

Organisational consequences

18. Several teams across the Council have urgently prioritised work to support the implementation of this new scheme in a matter of days, including Revenues and Benefits, ICT, Legal, Transformation, Communications, Financial Services, and the Community Contact Centre. The costs of staff resources will be met by the Household Support Grant as part of the administration charge. However the diversion of senior staff onto this and other grant schemes is already impacting on other work – particularly within Revenues and Benefits.

Risk Management

19. This is effectively an extension to the Household Support Fund scheme that has been run successfully to date, which involves distribution of financial assistance and food vouchers. There are Fraud assurance checks built into the systems and procedures in place. Should the take up of the scheme be lower than anticipated then it will be possible to amend the eligibility for the scheme in conjunction with the other authorities within East Sussex and subject to the determination by ESCC.
20. A risk log is being maintained with the project documentation. Additional staffing resources are being identified within the existing Revenues and Benefits team and further backfilling of posts may well be required.

Wards Affected

All

Policy Implications

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues & Climate Change	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	No
Anti-Poverty	Yes
Legal	Yes

Additional Information

Appendix 1 – Local Eligibility Framework

Officers to Contact:

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HOUSEHOLD SUPPORT FUND LOCAL ELIGIBILITY FRAMEWORK

EAST SUSSEX DISTRICT AND BOROUGH COUNCILS

Introduction

On 23 March the government announced a further Household Support Fund to support those most in need. The grant will run from 1 April 2022 to 30 September 2022 and East Sussex County Council has been allocated **£3,896,783.88**. The Department for Work and Pensions has set out how the scheme should be allocated. The criteria include a requirement for at least one third of the total funding to be spent on pensioners; at least one third of the total funding to be spent on vulnerable households with children; the remainder to be spent on other vulnerable households; and there is a stronger emphasis on energy bills.

East Sussex County Council have allocated Hastings Borough Council **£412,280** to provide support to vulnerable households and cover the Council's administration costs.

One half of the funds allocated to Hastings Borough Council are to be spent on pensioners and the remainder is to be spent on other vulnerable households. The funds will be available to households both with or without children as well as single applicants.

There will be separate Food and Energy/Water schemes for State Pension age and Working Age applicants.

The schemes will be open to all applicants that meet the eligibility criteria below-

Eligibility criteria

- Applicants must be over the age of 18
- Resident in East Sussex (and resident in the LA to which they are applying)
- In receipt of one of the following means tested benefits –
 - Universal Credit
 - Housing Benefit
 - Pension Credit
 - Council Tax Reduction
 - Working Tax Credit
 - Income Support
 - Income Based Job-Seeker's Allowance
 - Income-related Employment and Support Allowance

Scheme criteria

1. Energy and Water costs – Support will be provided for the following

- Utility bills for gas (mains or LPG), oil, or electricity

- Water and/or sewerage bills

There will be one award of £50 for energy and water costs.

2. Food – Support with the costs of food will be provided in vouchers which can be spent in all the main supermarkets. Vouchers will be administered via [Huggg](#)

The following allowances for food vouchers will be given:

Child	£30 each child in the household
Adult	£50 each adult in the household

Multiple applications

Applicants can make one application to the council for both the food scheme and the utilities during the lifetime of the scheme.

If an applicant moves to another authority area, they can claim again subject to eligibility.

Housing costs in exceptional circumstances

Websites will be updated to direct those who identify themselves at risk of losing their home to contact Housing Options (referral link provided on webpage)

Complaints and appeals

There is no right of appeal under this scheme. All decisions are final. Any complaints should be directed to [Our Customer Promise | East Sussex County Council](#)