

<b>CABINET</b>	<b>AGENDA ITEM No. 8</b>
<b>MARCH 2023</b>	<b>PUBLIC REPORT</b>

Report of:	Adrian Chapman, Executive Director Place & Economy	
Cabinet Member(s) responsible:	Cllr Steve Allen, Deputy Leader and Cabinet Member for Communication, Culture and Communities: Cllr Lynne Ayres, Cabinet Member for Childrens Services, Education, Skills and University.	
Contact Officer(s):	Matt Oliver, Head of Think Communities	07919213962

## HOUSEHOLD SUPPORT FUND ROUND 4

RECOMMENDATIONS	
<b>FROM:</b> Corporate Leadership Team	<b>Deadline date:</b> N/A
<p>It is recommended that Cabinet.</p> <ol style="list-style-type: none"> <li>1. Approves the overall approach to the delivery of the Household Support Fund extension including the spend proportions and areas of focus.</li> <li>2. Delegates authority to the Executive Director for Place, Economy and Communities, in consultation with the Executive Director for Corporate Resources and the Cabinet Members listed above, to finalise the detailed arrangements for all aspects of the scheme within the guidelines of the scheme and up to the grant determination limit of £3.65m.</li> </ol>	

### 1. ORIGIN OF REPORT

1.1 This report is submitted to Cabinet following a referral from the Corporate Leadership Team (CLT) on 21 February 2023.

### 2. PURPOSE AND REASON FOR REPORT

2.1 This report provides information on the proposed allocation of the next round of Household Support Fund Round 4 (HSF 4). Cabinet is asked to provide views on the proposed plan for spend and focus of the fund, and to endorse the continued development of the delivery model of household support fund.

2.2 Government guidance and grant determination has been received for the next funding period from 1 April 2023 to 31 March 2024.

2.3 This report is for Cabinet to consider under its Terms of Reference No. 3.2.2, 'To take collective responsibility for any Executive decision that has significant implications across two or more portfolios,' and 3.2.3, 'To determine any key decision (as defined in Article 11 – Decision Making), with the exception of any time-critical, operational, or routine decision, which may be determined by the relevant portfolio holder.'

### 3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	<b>N/A</b>
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#### **4. BACKGROUND AND KEY ISSUES**

4.1 In November 2020, the Government announced funding for Local Authorities to support families and communities through the challenges of Covid-19. Since this time, there has been a succession of further schemes intended to extend support to financially vulnerable households. These have included the Winter Support, and Local Authority Covid-19 Support Grants as well as the Household Support Fund.

4.2 Further to the above the November 2022 Autumn statement saw the Government announcement of a further £1 billion of funding, enabling a twelve-month extension of the scheme to help Local Authorities assist households that are financially vulnerable, and which might otherwise fall through the cracks.

4.3 As mentioned in 2.2 of this report, confirmation of the grant determination (£3,649,252) and guidance for the scheme was received on 21 Feb 2023.

4.4 Each of the previous scheme's guidance has offered local discretion around the allocation of the grant and which has been used to target household groups and individuals within the city considered to be financially vulnerable.

The primary focus of the present scheme HSF 3 has been to support households in the most need, particularly those including households with children, pensioners and those with a disability who are struggling to pay for energy, food, water and essential supplies.

The flexibility to use the fund for housing costs, in exceptional cases, where there is a genuine emergency and where existing housing support schemes do not meet this exceptional need is also built into the government guidance.

4.5 Guidance for HSF 4 ask councils to continue the focus as described in 4.4 also noting that we should consider those who are eligible for, but not claiming, qualifying benefits as well as those claiming housing benefit.

For Household Support Fund 4 we therefore intend to continue the focus on a wide range of low-income households including families with children, pensioners, carers, care leavers and people with disabilities. building on the learning, networks, touch points and relationships from the previous schemes to ensure there is a no wrong door approach to accessing the funds alongside other support for cost of living that is appropriate to individual cohorts.

4.6 Government guidance for the present round gave Local Authorities the scope to deliver the scheme through a variety of routes including;

- Directly issuing vouchers to households
- Application-based voucher schemes to households
- Making third party payments to enable direct provision of food, essential supplies, and support,

The council has used this guidance to best effect and has delivered support through those stated routes via free school meals direct holiday vouchers, 2 application-based elements and third part grants to local grass roots organisations to enable winter support hubs.

The new guidance now mandates councils to facilitate an application-based element of the scheme and therefore we will retain this function going forward.

- 4.7 As in previous rounds the new guidance states that appropriate administrative costs can be claimed against the grant.

The council will always strive to disseminate the maximum amount of funding to residents from the grant given and, in the past, has operated on an administrated amount of around 5%.

As the scheme develops, we aspire to move from short term voucher giving to ensure that HSF forms part of a wider cost-of-living support model that effectively enables positive change for financially vulnerable households. To achieve this an increased investment in administration, in the region of 10% of the total fund will be required to achieve maximum reach and a joined-up approach.

4.8 **Proposed Delivery**  
**Peterborough Children and Young Peoples Holiday Voucher Scheme (Direct Voucher Award)**

It is proposed that voucher amounts be set per eligible child for the following holiday periods:-

£30 at Easter	3 <sup>rd</sup> – 16 <sup>th</sup> April 2023
£10 May Half Term	29 <sup>th</sup> May – 2 <sup>nd</sup> June 2023
£60 Summer	20 <sup>th</sup> July – 1 <sup>st</sup> Sept 2023
£10 October Half Term	23 <sup>rd</sup> – 27 <sup>th</sup> Oct 2023
£30 Christmas	21 <sup>st</sup> Dec – 3 <sup>rd</sup> Jan 2023
£10 February half term.	19 <sup>th</sup> – 23 <sup>rd</sup> Feb 2023

Therefore, the projected total cost based on indicative numbers of those eligible will be in the region of £2,082,627.00

4.9 **Eligibility Criteria**

The criteria for the holiday voucher scheme will remain as HSF 3 and will cover:

- Children eligible for 2-year-old free entitlement
- 3- and 4-year-olds eligible for the Early Years Pupils Premium
- Children eligible for free school meals
- Pupils eligible for the post-16 bursary fund (including those with SEND who meet the criteria). The scheme covers those from ages 2 to 19. A letter will be sent to parents prior to each round of the scheme once the details are agreed.

- 4.10 Any unclaimed vouchers will be refunded back to the council with a reconciliation taking place after each holiday ensuring that we can redistribute funding back into the system.

For each round (holiday period) vouchers will be sent on the last day of the term prior to the holiday. The council has direct access to schools' data so there is little administrative burden on schools.

- 4.11 Utilising available family data to allocate vouchers to those households who are eligible due to specific circumstances remains a valued elements of our scheme alongside the suite of delivery describe in this report and the council proposes to retain this function in HSF 4 with the possibility of enhancement if increased funds allow.

4.12 **Pensioner and Vulnerable Household Voucher Scheme.**

During previous round so the scheme the council was required to set up a specific scheme which targets pensioners and ringfences a third of the funding for this use. To meet this requirement the council commissioned Age UK to provide staffing with specialist skills in working with older people to help them to access the funds available and support them to access wider services available. This way of working has been successful in supporting in the

region of 8000 pensioners to access vouchers since April 2022, an arrangement which continued through HSF 3 in the scheme known as “Pensioner Voucher Scheme”.

This element of the fund has been administered through Cambridgeshire County Council antipoverty hub for the past 12 months an historical arrangement at the cost of 46k.

- 4.13 Through HSF 3 we continued to operate a similar arrangement with Citizens Advice Peterborough (CAP) for a separate application voucher scheme called the “Vulnerable Household Voucher Scheme”. The partnership with CAP has supported access to approximately 5000 vouchers over the past 10 months and enabled the council to build a good working relationship which takes advantage of the expertise of Citizens Advice Peterborough to offer wider financial information advice and guidance.

This element of the fund has been administered internally through Peterborough City Council alongside the free school meals voucher scheme.

- 4.14 It must be noted that the demand for Citizens Advice services over the last 12 months has far outweighed the funding and resources available and to support the council Cost of Living response alternative external funding has now been allocated to support the recruitment of 4 benefits and debt advisers for 12 months to work in tandem with HSF to maximise the impact of any monetary support allocated to households.

#### 4.15 **Moving to Single Voucher Administration System**

Although certain elements of HSF 2 and 3 have been successful as described in 4.13 it is proposed to move to a single voucher processing administration arrangement which will see all voucher processing taken back in house through Peterborough City Council sitting alongside the existing free school meals and vulnerable households scheme resource to create further integration with the wider work the council is undertaking around the Cost of Living.

This will provide a more efficient arrangement for the council, due to aligning to a single voucher provider and one which will also be a more effective interface for our trusted partners and officers.

#### 4.16 **Building our Trusted Partner Network**

The past delivery of Household Support Fund has shown that our work with community groups, specialist organisations and our own internal services has been successful in increasing the councils to reach out to those that are financially vulnerable. The present scheme has seen local community groups supporting around 4000 households with access to food, fuel and essentials in locations which are within their local communities.

- 4.17 As well as this our relationships with specialist partners such as Age UK, Citizens Advice Peterborough, Childrens and Adults Early Help, Housing Needs and Health are helping to integrate the Household Support Fund offer alongside wider preventative support.

- 4.18 It is proposed to continue to invest in this way of working, allocating a proportionate amount of Household Support Fund 4 to trusted partners. This will include funding for local community groups to:-

- Delivery direct support for fuel, food and essential supplies
- Support those with access barriers to apply for vouchers
- Carry out an initial screen/triage to identify wider support
- Make a warm referral to the Councils Cost of Living Support Hub based in the Central Library
- Take appropriate referrals back from the Cost-of-Living Hub.

- 4.19 It is proposed to spend £500k in this element of the scheme to ensure that we can achieve the outputs described above and to support our outcomes around reaching out early, supporting

accessibility and community links to the councils Cost of Living work as described in 4.32 of this report.

#### 4.20 **“Here to Help” Voucher (Application Based)**

As set out in section 4.15 of this report it is proposed to move to a single administration process of HSF 4 vouchers.

It is therefore proposed that the existing eligibility criteria from the individual HSF 3 schemes are retained, aligned, and combined into a single scheme supporting swift access to practical financial support.

4.21 However, to ensure that our approach takes every opportunity to enable longer term positive change for those households that need it, the fund will only be accessible through our Trusted Partner Organisations, or the Councils Cost of Living Hub as opposed to an open application form hosted on the council website.

4.22 This approach will allow us to continue to develop our ability to have deeper screening and triage conversations with residents supporting them to plug in to wider services alongside access to the voucher support, rather than allocate vouchers in isolation in a fire and forget approach.

4.23 For example, this will support residents that have applied more than once for HSF vouchers to access the face-to-face debt advice, access to benefits and income maximisation support recently commissioned through Citizens Advice Peterborough as well as other support services such as energy efficiency schemes and other community solutions.

4.24 Working alongside the council's wider cost of living work we are keen to build an approachable brand for the application-based voucher scheme and therefore we are intending to communicate the scheme as the “Here to Help” voucher scheme.

#### 4.25 **Combined Eligibility Criteria**

In reviewing the previous elements of the Application Voucher Scheme it is proposed that the following criteria in 4.26 be used for a combined scheme. The rationale in setting out the criteria below is to ensure that residents who may not be eligible for other government support can be helped as part of this scheme, this recognises our preventative principles within this fund ensuring we can help those that may be experiencing financial stress for the first time.

- 2.26
- Be a resident in Peterborough
  
  - Be in receipt of, or in the process of applying for, any means tested benefit (universal credit / income support / child tax benefits) personal independent payment or disability living allowance.
  
  - Or
  - Be living in a ‘low-income’ household – if you are a single person earning less than £25,500 per year or if you are living as a couple and earn a combined income of less than £43,400 (includes those living in houses of multiple occupancy)
  
  - Or experiencing financial hardship (as determined by our staff or trusted partner)

4.27 The fund is also accessible to care leavers, asylum seekers, those with right to remain, no recourse to public funds or of no fixed abode and should be used alongside other services such as housing needs where appropriate when other funding is not available.

#### 4.28 **Voucher Amounts and Restrictions on Applications**

It is expected that the individual voucher amount be set at £75 and it is proposed to limit applications to one every two months up to the total limit of £300 per household or 4 vouchers.

4.29 The proposed allocation for the “Here to Help” Voucher Application Scheme is £946k which would enable around 12,600 individual vouchers to be disseminated, which would support around 3,100 households if all claimed the maximum financial limit.

4.30 We will also be asking all those applicants who have benefited from Household Support Fund more than one to attend a session with a Citizens Advice Peterborough debt adviser to investigate ways to increase income and manage debt.

4.31 In some cases, we will need to flex the amounts and restrictions to be responsive to individual need and demands on the scheme and will ensure that this is clearly communicated.

**4.32 Peterborough City Council Cost of Living Hub Trial and Household Support Fund.**

Over the last 12 months Peterborough City Council has been drawing together services, resources and interventions focused on the Cost of Living as part of a coordinated response to the crisis, the household support fund being one such intervention.

4.33 In recognition of the impact the cost-of-living crisis will have on our residents the council is committed to doing everything possible to develop services which will meet the needs of our residents moving forward and as part of our corporate priority around Prevention, Intervention and Resilience within our communities.

4.34 As such, the council is developing a Cost-of-Living Hub Trial which will draw together a multi-disciplinary team, based in the Central Library offering a coordinated response with a face-to-face support offer for those that are struggling financially.

4.35 Key elements of the Household Support fund such as the trusted partner and community delivery network as well as the “here to help” voucher scheme are set out in this report to directly align with the trial to support the outcomes and benefits set out below:-

- Reduction in problematic debt
- Building financial resilience in the households
- Maximise income and successful applications for benefits and funds
- Develop better access to Digital and physical resources
- Improved staff and resident experience
- Reduce continual signposting
- Reduced inappropriate referrals into statutory services

4.36 As part of our cost-of-living support trial we will ensure that the Household Support Fund “Here to Help” voucher scheme eligibility criteria is added to the entitled to benefits checker and we will be using a case management system to start to track outcomes and impact.

4.37 The overall proposed allocation of the HSF can be seen in the table below. Officers will continually monitor demand changes within these schemes and re-allocate funding if appropriate. Officers will also monitor administration costs and adjust as appropriate to ensure best use of public funds, in line with the grant guidance.

	Children and Young People Holiday Voucher Scheme (*)	“Here to Help” Voucher Scheme	Trusted Partners and Direct Community Support	Total
Direct cost of scheme	£2,057,627.00	£946,625	£300,000	£3,304,252
Administration / management fees	£25,000	£120,000	£200,000	£345,000

Total projected spend	£2,082,627	£1,066,625	£500,000	£3,649,252
% direct delivery	56%	26%	8%	91%
% Administration	1%	3%	5%	9%

(\*) Ongoing reconciliation of previous scheme spend will be undertaken and all unclaimed voucher money this will be used to increase the CYP voucher amount during Christmas as we know this is a significant period.

#### 4.38 **Key Statistics / Performance Round 3**

At the time of this report, round 3 is still live so we are unable to report final figures but can provide the following interim reporting information:

Household Type	Number	Volumes	Spend £
Households with Children Supported	9122	22156	252,762.87
Households with Pensioners Supported	1477	3649	38,409.26
Households with a disabled person supported	2606	5115	129,583.82
Other Vulnerable Households Supported	2508	5781	100,919.84

Support Category	Households Helped
Energy and Water	782
Free School Meals	4900
Essentials	1748
Food Support	8283

## 5. CORPORATE PRIORITIES

5.1 The recommendation links to the following of the Council's Corporate Priorities:

1. The Economy & Inclusive Growth
2. Our Places & Communities
3. Prevention, Independence & Resilience

Further information on the Council's Priorities can be found here - [Link to Corporate Strategy and Priorities Webpage](#)

## 6. CONSULTATION

6.1 This decision does not require any public consultation in line with grant guidance. However, we have worked with organisations across Peterborough to develop the proposed schemes, including Age UK, Citizens Advice, local food banks, Cross Keys Homes, the local voluntary and community sector forum, the Safer Peterborough Partnership, and Peterborough Council for Voluntary Service.

6.2 This recommendation been considered by the Corporate Leadership Team.

## 7. ANTICIPATED OUTCOMES OR IMPACT

7.1 The immediate hardship facing many Peterborough families due to the current cost of living crisis will be alleviated through the provision of food vouchers and support with utility bills and other

household support options as well as more direct support through communities for essential supplies.

## **8. REASON FOR THE RECOMMENDATION**

8.1 The grant is flexible, and we have targeted it at the areas that we consider to be the greatest need.

## **9. ALTERNATIVE OPTIONS CONSIDERED**

9.1 A number of options for delivery were explored:

### **Option 1**

Continue with the existing arrangements for elements of the scheme including delivery by Cambridgeshire County Council for pensioner elements. This option would not facilitate the direction of travel for the council in terms of shared services coming to an end and also would not yield the efficiencies set out in the report meaning that more of the fund would be spent on administration – therefore this option has been discounted.

### **Option 2**

Do not draw down the funding or deliver any of the elements of the scheme, due to the adverse impact on households who are experiencing financial hardship as well as the preventative effect this funding will have in other areas of our residents' lives such as impact on children's learning and wellbeing, mental health and wider health issues this option has been discounted.

### **Option 3**

Deliver the full funding through free school meals or through a larger application-based voucher scheme. The 3 elements of the Peterborough HSF have been developed over the last 18 months through the learning of what works and how to target different sections of our residents, the model described in this report is the most balance and therefore option 3 has been discounted.

## **10. IMPLICATIONS**

### **10.1 Financial Implications**

An estimated £2,057,627 will be spent on children and young people vouchers, and £946,625 on other application-based vouchers through Crown Commercial Service (Wonde LTD).

£500k will be spent on direct delivery through the third party delivery element of the funding as set out in government guidance which is known as trusted partners and community support in this paper.

£345k (9%) of the fund is allotted to administration

The financial demands have been modelled based on previous delivery through HSF 3.

All funding spent on the scheme will be from the external Household Support Fund grant with MI data returns overseen by internal audit and signed off by the section 151 officer in order to draw down allocated funding.

### **10.2 Legal Implications**

Legal colleagues will be fully consulted on any procurement arrangements, so they meet the requirement of the grant conditions and procurement legislation.

The Council intends to use the voucher framework procured by Crown Commercial Service (RM6255) which allows for both mini competition and direct award, providing this is evidenced as the best value option for the procuring Authority.

The framework guidance states:-

### **Direct Award**

This is suitable if there is only one supplier that meets your needs, or you can clearly see which supplier is the most beneficial to you.

To place a direct award you will need to:

- develop a clear specification of your needs
- use the Framework specification or Framework tender to show that the mandatory requirements fulfil your needs, and to determine which supplier provides the most economically advantageous solution (MEAT)
- make sure all of your proposed contract terms are laid down in the framework contract agreement
- make sure the contract terms need no amendments or any supplementary terms and conditions

In following these guidelines, it is likely that the Council will seek to award a further contract for the delivery of food vouchers to the incumbent supplier on the grounds that

a) the service is no cost to the Council and b) that the award to the incumbent will provide continuity of service and ensure that systems are in place to identify those who need this assistance and efficient and effective delivery of same.

### **10.3 Equalities Implications**

The financial limitations of the grant have meant we have had to restrict the scheme in the area of Direct Holiday Vouchers. Our proposal outline fits within the requirements of the grant conditions. All documentation will be shared with councillors so they can support their ward residents.

Translation of communications to key groups regarding HSF 4 will be made available through schools and our community champions, provisions for those who are digitally excluded will also be made to ensure everyone can access the support if they need it.

We will ensure a variety of access methods such as email, landline freephone, online form as well as consider our delivery channels (postal vouchers).

As well as this we will commission and work with trusted partners from key isolated communities to ensure support and access to the fund.

### **11. Carbon Impact Assessment**

In considering the carbon impacts of the application of this fund there are opportunities to support initiatives which help our residents to become more efficient with the use of energy. Although priorities are likely to be on other more pressing needs, previous guidance of the fund has asked the LA to consider actions such as funding the insulation of boilers tanks, changing to more efficient light bulbs as well as installing other measure such as draft excluders.

We will also take the opportunity to work in conjunction with local schemes to support residents to take advantage of wider works to homes for solar panels and larger insulation work.

### **12. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

12.1 None.

**13. APPENDICES**

13.1 None.