

## Household Support Fund 6 for Leeds

Date: 9<sup>th</sup> October 2024

Report of: Chief Officer Community Hubs, Welfare and Business Support

Report to: Director of Communities, Housing and Environment

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

### Brief summary

This report is to gain approval for Leeds City Council to accept £7,098,648.16 from the Department for Work and Pensions Household Support Fund round 6 (HSF6) to support vulnerable residents with the costs of food, fuel and other essentials between 1<sup>st</sup> October 2024 until 31<sup>st</sup> March 2024.

When administering The Fund, Local Authorities are encouraged to adopt the following principles: *use the funding for the period 1 October 2024 to 31 March 2025 to meet immediate needs and help those who are struggling to afford household essentials including energy and water bills, food, and wider essentials. Authorities can also use funding to support households with housing costs where existing housing support does not meet this need, and to supplement provision with signposting, advice and preventative support.*

This report outlines the proposal for distributing the HSF6 across the city to support vulnerable households. These proposals aim to ensure residents most in need receive support directly and quickly. The proposals are based on the experience of running the Household Support Fund between October 2021 and September 2024. The revised and current full guidance can be found here: [1 October 2024 to 31 March 2025: Household Support Fund guidance for county councils and unitary authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/1-october-2024-to-31-march-2025-household-support-fund-guidance-for-county-councils-and-unitary-authorities-in-england)

To ensure that the Council is able to start to allocate this funding as soon as possible the funding needs to be accepted, and the approach agreed on how the funding is allocated.

### Recommendations

- a) Accept the allocation of £7,098,648.16 HSF from the Department for Work and Pensions (DWP), to be used between 1<sup>st</sup> October 2024 and the end of March 2025.
- b) Accept the proposed levels of expenditure as outlined in this report to ensure that the funding meets the grant criteria to support vulnerable pensioners, families and individuals.
- c) Agree that the amounts per expenditure type may be varied to ensure that the funding is appropriately utilised and spent within the allowable grant criteria provided by Government.

## What is this report about?

- 1 This report is to gain approval for Leeds City Council to accept £7,098,648.16 from the Department for Work and Pensions Household Support Fund (HSF) to support vulnerable residents with the costs of food, fuel and essential items until the end of March 2025. A Key Decision (D55289) was taken in May 2022 to accept Household Support Fund monies from April to the end of September along with any further extensions of funding through the Household Support Fund.
- 2 The report also proposes how the funding will be utilised in accordance with the guidance provided by Government.
- 3 The Household Support Fund (HSF) has been extended from 1st October 2024 to 31<sup>st</sup> March 2025. As previously, the fund will be made available to local authorities in England.
- 4 Leeds City Council has been allocated £7,098,648.16 to spend between 1st October 2024 and 31<sup>st</sup> March 2025.
- 5 Although this is an extension to the HSF, local authorities are not allowed to carry forward any underspends from the previous rounds of HSF, the last of which ended on 30<sup>th</sup> September 2024.
- 6 Final guidance from the Department for Work and Pensions (DWP) on how the funding should be spent was received on 24th September 2024.
- 7 There are some changes to the guidance compared with previous schemes, although these have minimal implications for the actual delivery of support to households. The amendments can be summarised as follows:
  - A clarification of support which may be offered to households with **No Recourse to Public Funds** has been given but does not actually change the nature of the support which can be provided to households subject to NRPF, and
  - **The inclusion of a specific route for Preventative Support.** *The Fund may be used to prevent poverty locally and build local resilience. This enables Authorities to fund activity which prevents vulnerable residents from falling into – or falling further into – crisis. This could include specific support to individual households or wider support within the broader community, such as warm spaces. This could include providing funding to local community groups who deliver preventative services. This is not mandatory activity, and we still expect the Fund to primarily provide crisis support to those most in need. We would not expect a large portion of funding to be spent on preventative support.*
8. **Local Authorities are encouraged to adopt the following principles:** *use the funding for the period 1 October 2024 to 31 March 2025 to meet immediate needs and help those who are struggling to afford household essentials including energy and water bills, food, and wider essentials. Authorities can also use funding to support households with housing costs where existing housing support does not meet this need, and to supplement provision with signposting, advice and preventative support.*
9. Local Authorities have been asked to aim to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period.
10. To ensure that the Council is able to start to allocate this funding as soon as possible the funding needs to be accepted and the approach agreed on how the funding is allocated.

11. For Leeds, it is proposed the funding is allocated as follows:

12. Direct cash awards to Council Tax Support (CTS) recipients: £3.2m

13. Based upon the HSF5 scheme the total number of households across the city in receipt of Council Tax Support is approximately 62,759. Of these households, there are 43,203 working age households, including those with dependent children, a further 11,662 pensioner households are in receipt of both CTS and Pension Credit, and 7894 pensioner households in receipt of CTS but **not** Pension Credit. In terms of allocations, all households who are working age and pensioner households in receipt of both CTS and Pension Credit will receive a direct award of £40. Pensioner households in receipt of CTS but not Pension Credit will receive £150. This is in recognition that these pensioner households remain on a low income as they are eligible for Council Tax Support but are not in receipt of Pension Credit and, therefore, will not qualify for a Winter Fuel Payment for 2024-25. These households will have received the Winter Fuel Payment in previous years and may have budgeted for support with their utility bills on the basis of the Payment being received. (During HSF5 households with children did receive a higher award in recognition of similar exceptional circumstances, namely the delivery period coinciding with the lengthy summer school holiday.)

14. It is proposed that cash awards are again made via the Post Office Payout Scheme. Letters containing a barcode will be sent directly to households and these can be exchanged for cash at the Post Office upon provision of identification. This scheme has been used successfully during previous Household Support Fund initiatives.

15. Local Welfare Support Scheme £200k

16. The council has a well-established Local Welfare Support scheme, subject to eligibility criteria, which offers emergency and crisis support to people in need of food, fuel and essential items.

17. The LWSS is accessible by application and will, therefore, fulfil the requirement to offer an application process for at least a proportion of the funding. The allocation of funds to this scheme will ensure that people coming forward for crisis and emergency support who may not have received support from other areas of the scheme can also receive some support.

18. Cash payments for people claiming Discretionary Housing Payments £100k

19. Throughout the previous Household Support Fund initiatives, people claiming Discretionary Housing Payments because of financial hardship were assessed for further support and awarded a £200 cash payment via the Cash Perks scheme. This scheme was well received. It is proposed that this scheme is renewed until 31<sup>st</sup> March 2025 continuing the increase in the award value to £250 for households with children introduced during HSF5 and reflecting the higher outgoings for larger households.

20. Children's Services £350k

21. It is anticipated that funding will be used to support vulnerable families accessing Children's Centres and specialist services, Foster Carers, Care Leavers and through Section 17 support. More detailed proposals will be agreed.

22. Support to Housing Leeds tenants £225k

23. In cases where existing housing support schemes are unavailable to meet exceptional need, the HSF can be used to support housing costs. Housing Officers who identify tenants in financial crisis will be able to credit payments to tenants within the scope of the above criteria. This may include tenants with high debts/rent arrears and a sudden loss of income and tenants who have suffered fire/flood damage.

24. Support to those engaging with Leeds Housing Options £225k

25. Support will be made available to individuals and households engaging with Leeds Housing Options and with a view to preventing or alleviating homelessness. Examples of support provided during HSF4 and 5 include: the provision of meals for those placed in hostel or hotel accommodation; support with food and energy costs to free up income for housing costs for those threatened with homelessness and furniture packages for those housed in temporary accommodation and to support move on.

26. Support for Public Health Priority Projects £40K

27. In rounds HSF rounds 3, 4 and 5, Public Health have been funded to work with clinically vulnerable individuals and families, principally in relation to addressing high energy costs and this funding will enable them to build upon this area of work and with their target cohorts.

28. Third Sector support £1.65m

29. Through the Covid Winter/Local Support Grants and the last five tranches of the Household Support Fund, a proportion of the funding has been used to support third sector organisations and charities in the city. This ensures that people in vulnerable households who do not engage with the Council receive support. It is proposed that approximately £1.65m be made available through organisations including:

- The Leeds Food Aid Network
- Voluntary Action Leeds
- Forum Central
- Advice agencies and charities able to support with fuel and energy, food and household items.

30. Conversations with partner organisations will be undertaken to ensure they are to meet the criteria of the scheme and the monitoring requirements within the timescales.

31. Welcome Spaces – £230,000

32. This funding will facilitate the provision of the Welcome Spaces Network over the winter months ensuring vulnerable households and target cohorts are able to access a warm space alongside other sources of support. Welcome Spaces provide immediate help for those struggling with utility bills in the colder winter months as well as offering the opportunity for social engagement and signposting, thereby offering preventative support through the reduction in the need for crisis interventions.

33. Welcome Spaces will operate through third sector deliver partners overseen by Voluntary Action Leeds as well as the network of Council Hubs and Libraries.

34. Emergency Fund – £168,000

35. This fund will be reserved to allow a degree of flexibility, reduce any risk of overspend and meet the needs of any individuals or groups who need support and do not qualify under the above schemes.

36. Administration- £700k

37. Approximately 10% of the total funding will be used to administer the various schemes and include the cost of staffing; post office charges and other costs associated with the distribution of the HSF.

**What impact will this proposal have?**

38. The HSF funding of £7,098,648.16 will provide support with the costs of food, fuel and essential items to vulnerable families and individuals in Leeds between October 2024 and March 2025.

39. The area of highest spend will be through the Council Tax Support related scheme. This will ensure that households on some of the lowest incomes in the city receive support directly, without the requirement for an application process.

40. Funding welfare support through the existing Local Welfare Support Scheme, applications for Discretionary Housing Payments, support for Council Tax Support reduction and through Section 17 arrangements as well as through Housing Leeds and Leeds Housing Options will enable more households in financial hardship to receive support.

41. Third sector support will enable locally based, targeted support to be delivered, including to people who do not wish to engage with the Council.

**How does this proposal impact the three pillars of the Best City Ambition?**

Health and Wellbeing

Inclusive Growth

Zero Carbon

**What consultation and engagement has taken place?**

Wards affected:

Have ward members been consulted?

Yes

No

42. All relevant Executive Members have been briefed on the guidance and remit of the funding and proposed spending allocations.

**What are the resource implications?**

43. The grant funding guidance allows the Council to allocate a specified amount of funding to cover administration costs of the scheme.

**What are the key risks and how are they being managed?**

44. Leeds City Council will ensure that the provision of support undertaken meets the objectives and criteria set out by the Department for Work and Pensions.

## **What are the legal implications?**

45. A Key Decision (D55289) was taken in May 2022 to accept Household Support Fund monies from April to the end of September 2022 along with any further extensions of funding for the Household Support Fund. A Decision is now required to accept this extension to the funding and agree how the funding is allocated.

46. Leeds City Council will adhere to the guidance of the funding provided by the Department for Work and Pensions and will ensure monitoring requirements are met by council services and third-party organisations.

## **Options, timescales and measuring success**

### **What other options were considered?**

47. None

### **How will success be measured?**

48. The HSF will be distributed in full to vulnerable households across the city in accordance with Government guidance.

### **What is the timetable and who will be responsible for implementation?**

49. From 1<sup>st</sup> October 2024 to 31<sup>st</sup> March 2025.

## **Appendices**

- EDCI

## **Background papers**

- None