

REPORT OF THE INTERIM SERVICE DIRECTOR, PLACE AND COMMUNITIES**HOUSEHOLD SUPPORT FUND – PHASE FOUR UPDATE****Purpose of the Report**

1. To give an overview of the Household Support Fund and how it is being utilised in the Council.
2. To update on the current progress of the Household Support Fund Phase Four.
3. To request an increase to the upcoming Winter Support Payments to ensure the entirety of funding is utilised by 31 March 2024.
4. To request an increase to the funding allocated to white goods, in order to continue offering the same level of support for the entirety of the fund.
5. This is a Key Decision because it will result in expenditure of £1 million or over and it will have significant effects on two or more electoral divisions.

Information

6. The Household Support Fund (HSF) is delivered in line with the Department of Work and Pensions (DWP) guidance and is promoted on a dedicated webpage which includes:
 - Clear statements that the funding is provided by the UK Government.
 - Eligibility of the fund and how to apply.
 - Funding stages and timeframes of each phase.
 - Links to the Government's Cost of Living Hub.
 - Information of other support and guidance available.
7. As with the first three phases of the fund, the Household Support Fund team works collaboratively with partners from Local Authorities within the County. The Household Support Fund Steering Group continues to meet on a weekly basis to ensure that the criteria of eligibility for the fund provides the right level of support to those in immediate need across the County.
8. The DWP are keen for all local authorities to consider how best to connect people to opportunities in the Job Centre Network and local employment services. A representative from the Job Centre is an active member of the HSF steering group and further opportunities are being explored regarding this.
9. The Government's Household Support Fund commenced in October 2021, and has continued to help ease the Cost-of-Living pressures with a phased funding system approach, shown as follows:

Phase	Date	Amount	Total Spent*
One	01.10.21 - 31.03.22	£5,646,450	99.6%
Two	01.04.22 - 30.09.22	£5,646,450	100%
Three	01.10.22 - 31.03.23	£5,646,450	100%
Four	01.04.23 - 31.03.24	£11,292,900	(Current prediction) 72.7% **

*Whilst the funding allocation of each Phase is confirmed, it is not received by the Council until the DWP receives confirmation of each phased spend. Carry over of unspent allocations is not permitted.

**The 72.7% is based on the current and the committed spend, not taking into account recommendations within this report.

10. On 1 April 2023 Nottinghamshire County Council received £11,292,900 for the Household Support Fund Phase Four, to cover a full year from 1 April 2023 to 31 March 2024.
11. Phase Four of the fund is being delivered in two separate tranches, providing Summer Support Payments (1 April to 30 September 2023) and Winter Support Payments (1 October 2023 to 31 March 2024). To provide consistency across all eligible households, payments are made on a per household basis as opposed to a per person basis.
12. Residents who applied for support from the fund before the summer deadline of 30 September 2023 will automatically receive a Winter Support Payment without the need to reapply. This will be provided via the same method as was requested for the Summer Support Payment.
13. Schools Census data and data provided by the DWP was utilised to identify households in receipt of Free School Meals and Pension Credits respectively. 18,063 Free School Meal eligible families and 14,557 pensioner households have been contacted.
14. Any resident not in receipt of free school meals or pension credits can still request support via either a professional currently supporting them (Housing Officer/Social Worker) or their local District or Borough Council. Eligibility checks take place with each application and support will be provided where appropriate.

Learning from the Summer Phase of the Fund (1 April to 30 September 2023)

15. As per the previous iterations of the fund, any learning, such as communication and accessibility of the fund, as well as internal processes and information via the webpage, have been reviewed and adopted. All data that is available is being utilised to ensure that all eligible households are supported.
16. The Household Support Fund team is working collaboratively with local District and Borough Councils, as well as local voluntary and professional frontline services, to ensure that those who are in immediate need, and not already known to the Council, can receive support.
17. During the Summer Phase a total of 32,620 letters were sent to eligible families in Nottinghamshire. 15,281 letters were sent inviting residents to apply for the fund, and 17,339 letters were sent informing residents of an incoming automatic bank transfer, as their details were retained from previous phases of the fund.

18. There are 7,920 households that were invited to apply who did not apply before the Summer deadline of 30 September 2023. Support will be issued to those who have not yet applied by providing vouchers or cheques to their address, ensuring all households who are eligible are provided with support.

Review of Summer Payments and Fund Overview

19. Approval was given for the division of the £11,292,900 funding spend by the Cabinet Member for Communities on 10 May 2023.

20. A summary of how the fund has been allocated is outlined in the table below, with the total amount being divided into two separate payments for Summer and Winter:

a) Those households in receipt of free school meals	£3,230,966
b) Those households with one or more people of pensionable age in receipt of pension credit	£3,230,966
c) Support for other households identified as being in need of immediate support by the HSF partnership	£3,230,966
d) White goods	£ 400,002
e) Discretionary Housing Payments	£ 500,000
f) Admin costs (NCC/District/Boroughs)	£ 700,000
Total	£11,292,900

21. Due to the increased number of households eligible for free school meals, there has been an increase in funding support of £100,000 on top of the expected £1,615,483 in the Summer Phase for this cohort.

22. The support provided for the ‘other households’ has been significantly lower than expected, with only £596,850 support provided from the planned £1,615,483.

23. There has been a greater than predicted spend on white goods, resulting in the spend for the first six months of Phase Four totalling £382,396. This is likely due to the fact that the referral network was widened to other public sector and voluntary organisations.

24. The Summer Discretionary Housing Payments (DHP) issued to District and Borough Councils have been committed and spent, illustrating the need for winter support to be provided as originally planned.

25. The current position of the Household Support Fund Phase Four (financial year 023/24) spend is as follows:

a) Total amount allocated to NCC	£11,292,900
b) Amount spent Summer Support (including admin costs and DHP Payments)	£ 4,337,645
c) Amount committed Winter Support (including predicted admin costs and DHP payment)	£ 3,982,645
Total unallocated (to 31.03.2024)	£ 2,972,610

Proposals to Amend the Distribution of Spending

26. Following a review of the spend during the first six months of Phase 4 allocated funds, it is recommended that a number of alterations are made to the distribution of the funds for the remaining period to ensure it is fully utilised, to provide support to those in need.
27. As with previous phases of the fund, should any eligible household not apply for summer support, a cheque will be sent to that household so that they will still receive financial support. This ensures that all measures have been taken to maximise use of the fund and support is given to those who are eligible.
28. Due to the underspend for the “other” cohort in the Summer Phase it is proposed to increase the value of all Winter Support Energy Payments by £30 per household.
29. Due to the high level of requests for white goods support, it is proposed to increase the allocation to from £400,000 to £600,000 to allow the support to be provided in line with the demand seen in the previous six months.
30. Based on previous experience from the completed three phases of the fund, it is estimated that there will be a total of £300,000 worth of new applications received through the winter months, with additional applications of £100,000 from Free School Meal eligible families, £150,000 from Professional Referrals, and £50,000 from Pensioner applications.
31. Following on from the previous three phases of the fund, it is recommended that all Winter Support Payments be delivered to households before Christmas, instead of the ‘5 months after initial payment’ that was originally proposed. This is due to the additional financial pressures that many families will be faced with during the Christmas period.
32. A summary of planned activity to manage the projected underspend is as follows:

a) Cheques for those eligible who did not apply	£ 757,500
b) Estimated Winter applications (at existing rate)	£ 300,000
c) Predicted admin costs for Winter period (NCC/District/Boroughs)	£ 250,000
d) Increase to White Goods allocation	£ 200,000
e) CA funding (pending approval)	£ 120,000
f) £30 increase to Winter Payments (pending approval)	£1,345,110
Total planned activity	£ 2,972,610

33. Citizens Advice (CA) have approached Nottinghamshire County Council in light of an increased demand on their services supporting people combat the cost-of-living pressures and the impact this is having on their resources.
34. CA play a significant part in supporting Nottinghamshire residents with a wide range of advice services including financial advice, supporting individuals who are at crisis point. **Appendix A** gives an overview of the support given and the positive impact this has on an individual and their families.
35. Due to the pressures that the CA are facing with a growing number of residents in financial difficulty brought on by the Cost-of-Living pressures, it is recommended that £120,000 of the

Household Support Fund budget be provided as a one-off payment to support the six CAs, to be divided equally (£20,000 each).

Other Options Considered

36. To not fully utilise the Household Support Fund to provide support to residents in Nottinghamshire. £11.3m of funding that is available is much needed for the residents of Nottinghamshire to ease the current cost of living pressures. Therefore, this option is not recommended.
37. A second alternative would be changing the proportion of funding proposed for each area of spend. The proposals within the report align with the experience of previous phases of Household Support Fund spend, so any alternative proposals would not follow the available data.

Reasons for Recommendations

38. To ensure that the entirety of the available £11.3m funding that is provided to Nottinghamshire County Council is utilised and provided to those residents that are in immediate need of financial support.
39. During the winter months households see an increase in energy costs, and the increase in the energy support payment will help to reduce the impact on those families identified as being in need.
40. The level of requests for support for white goods has been higher than expected, and an increase in the level of spend would continue for the duration of the fund, until 31 March 2024.
41. Each of the six CAs are reporting that demands for their services has increased by an average of 30%, year on year, with more people reaching out for advice and support. Additional funding to support the needs of each locality would help the CAs to offer more in-depth advice and support and reduce waiting times for appointments by adding additional resources. **Appendix A** is a report provided by CA in support of the additional funding.

Statutory and Policy Implications

42. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

43. The Council will only receive the funding on confirmed spends. Currently £2,972,610 remains available and the recommendations in this report will fully utilise this available amount. Unspent monies are not permitted to be carried over into further phases of the fund.

Consultation

44. Input from the HSF Steering Group and its members' experiences have informed the proposals.

Safeguarding Children and Vulnerable Adults

45. The Household Support Fund reaches out to the most vulnerable cohorts across the County. As part of the support given to these cohorts by the HSF Team, safeguarding concerns are immediately acted upon.

Data Protection and Information Governance

46. The Household Support Fund uses data that has been provided by the Department for Work and Pensions, to target specific households that are known to be in immediate need of support, by using Pension Credits as a proxy for eligibility to the fund. There is a Memorandum of Understanding between the Department for Work and Pensions and Nottinghamshire County Council that has been signed off by internal Information Governance colleagues and the Section 151 Officer.

47. There are also signed Information Sharing Agreements that allow for local District and Borough Councils to share specific data with Nottinghamshire County Council in order for the Household Support Fund Team to issue funding support.

Equality and Diversity

48. The HSF criteria and eligibility ensures that any person with an identified need is supported in making an application and receives the appropriate financial support.

RECOMMENDATIONS

That the following changes to the funding allocations are approved:

- 1) An increase of £30 per household to the Winter Support Payments.
- 2) An additional £200,000 allocated towards white goods support.
- 3) £120,000 funding to be provided to the Citizen Advice as a one-off payment to enable them to continue providing financial advice across the County.

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Constitutional Comments (GMG 26/10/2023)

49. This key decision falls within the remit of the Cabinet Member for Communities to determine (see Section 5, Part 2, paragraph 7 of the Council's Constitution at page 79).

Financial Comments (KRP 26/10/2023)

50. The financial implications are set out in the report with all costs associated with the Household Support Fund fully reimbursed by Government. The proposed changes to the scheme will fully utilise the remaining unallocated phase 4 funding.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- [Household Support Fund Phase One Committee Report](#)
- [Household Support Fund Phase One Update Committee Report](#)
- [Household Support Fund Phase Two Cabinet Report](#)
- [Household Support Fund Phase Three Cabinet Report](#)
- [Household Support Fund Phase Four Cabinet Report](#)
- [DWP Household Support Fund Guidance for Local Councils](#)

Electoral Division(s) and Member(s) Affected

- All

Nottinghamshire Citizens Advice

The six Local Citizens Advice (LCA) offices in Nottinghamshire are pleased to support Notts County Council, offering Nottinghamshire residents a pathway through our services to apply for the Household Support Fund (HSF).

This direct contact with vulnerable households enables our LCA teams to reach those people in need of crisis support, with the aim to identify the root cause of their financial difficulties and engage those households into the relevant service support, such as debt and benefit advice.

Each of our six LCAs are finding that demands for our service have increased by an average of 30%, year on year, with more people reaching out for our advice and support.

Additionally, our LCAs are now being contacted by many people now finding themselves in a 'negative budget' due to rising costs for essential expenses. This is affecting many working age people, who are working or have health issues and are unable to work. We define a negative budget as the household income being less than their essential/priority expenditure, which includes rising energy, food, rent, mortgage and childcare costs. The complexities faced by households is greater, with an average of 4 issues per household - prior to the pandemic this was an average of 2 issues per enquiry - meaning that more time is taken in providing the advice and support needed to empower people and to get them back-on-track.

Meeting these additional demands is proving to be challenging, as our resources are already stretched to the limit. Each LCA has different locality needs, due to the different needs of their residents, but also relating to the delivery projects and funding streams in place.

Additional funding to support the needs of each locality would help to support more people with more in-depth advice and support and reduce waiting times for appointments by adding additional resources. At a critical time when LCAs are facing more demand from clients with more complex problems, this is essential expansion services to meet those challenges.

The common aim for each LCA is to support more people affected by the Cost of Living crisis, the way in which this need will be met will vary by each LCA, but will cover:

- additional staffing hours for recruitment, training and supervision of volunteers - to enable more people to be supported
- provide more opportunities to reach people in rural parts of our community by additional outreach events
- more capacity to answer calls to our telephone advice lines, webchat and email channels
- more capacity to enable people to access our service through face-to-face delivery

- Support for overhead technology costs such as communication costs, additional laptops/licences for the extra delivery

Expected outcomes for beneficiaries:

- **Improved financial stability:** Supporting beneficiaries in a negative budget - by providing additional support to manage their finances, maximise their income by checking eligibility for welfare benefits, reducing debt and where possible more financially stable, reducing the need for emergency assistance in the long run.
- **Reduction in Poverty:** As individuals gain financial literacy, and access to income maximisation, reduced and prevented debts - this initiative aims to reduce the overall poverty rate within the county.
- **Increased self-sufficiency:** Beneficiaries gained the skills, knowledge, and confidence to support themselves and their families.
- **Better physical and mental health:** Improved mental health and reduced stress, together with partnership referrals to healthcare and wellness programs leading to healthier, happier lives.
- **Community engagement:** more engaged in their communities, giving back through volunteering and advocacy -reached by the recruitment, training and supervision of new/existing volunteers.

We will report:

- additional contacts facilitated
- the increased financial outcomes expected as a result of our interventions
- number of additional volunteers recruited
- trends - to highlight key issues, such as council tax arrears, energy debt, rent/mortgage areas
- case studies - one per Local Citizens Advice (LCA)
- the impact in terms of the difference that we have made as a result of this additional funding
- social value as a result of this project - per LCA and collectively

In addition to the collaborative working of our six Local Citizens Advice in Nottinghamshire, we each work closely with our many local partners in mutual support to our residents to ensure a holistic and joined-up service, making every contact count. This additional countywide advice and support initiative will not only help those in hardship achieve self-reliance but also showcase the power of collaboration and community support in transforming lives and building a stronger, more resilient county for all.