

Report to the Cabinet

Meeting to be held on Thursday, 11 April 2024

Report of the Director of Public Health, Wellbeing and Communities

Part I

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Caring for the vulnerable;

Household Support Fund

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Brief Summary

An extension to the Household Support Fund has recently been announced by the Chancellor of the Exchequer. Associated grant funding from the Department for Work and Pensions is being provided for a further six months from 1 April 2024. The report provides details of the proposed approach and updates the governance arrangements.

This is deemed to be a Key Decision and the requirements of Standing Order C18 have been complied with.

Recommendation

Cabinet is asked to:

- (i) Approve the proposed approach to the allocation of the Household Support Fund detailed in the report; and
- (ii) Authorise the Director of Public Health, Wellbeing and Communities, in consultation with the Cabinet Member for Resources, HR and Property (Deputy Leader), to approve the final detail of the scheme, and any subsequent Household Support Fund schemes in line with the principles set out and relevant government guidance.

This decision should be implemented immediately for the purposes of Standing Order C28(3) as any delay could adversely affect the execution of the county



council's responsibilities. The reason is to expedite implementation of the decision as there is an expectation that the scheme is implemented from 1 April 2024, providing support to some of the most vulnerable households in Lancashire.

Detail

A further tranche of Household Support Fund was announced in the budget speech by the Chancellor of the Exchequer on 6 March 2024. Consequently, the Department for Work and Pensions will be providing grant funding for Household Support Fund 5 from 1 April until 30 September 2024.

Lancashire County Council received the initial Household Support Fund allocation effective 1 October 2021 for six months. Further allocations have been received on a rolling six-month basis, with the 2023/24 Household Support Fund 4 allocation of £19,356,470 provided for a twelve-month period until 31 March 2024.

On 26 March 2024, it was confirmed that Lancashire County Council was to receive an allocation of £9,678,235 for the six-month period from 1 April 2024, this amount of funding being allocated on a pro-rata basis similar to that received previously; and the associated guidance being broadly the same.

The most recent [guidance](#) includes the following principles that Authorities are encouraged to adopt when administering the fund:

- Use discretion on how to identify and support those most in need, taking into account a wide range of information.
- Use the funding to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials. Authorities can also use the funding to support households which are struggling to afford wider essentials including housing costs where existing housing support does not meet this need.
- Work together with district councils and third parties including, where necessary and appropriate, other local services. This may include social workers, housing and family support services and local charities.

When deciding how to help people, Authorities should consider how they plan to provide support to vulnerable households, such as by paying into bank accounts, use of cash and vouchers, or direct provision of goods.

Authorities should ensure that they consider the needs of various households including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people.

Appropriate types of support identified in existing guidance include:

- **Energy and water.** The fund should primarily be used to support 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 water bills including for drinking, washing, cooking, as well as for sanitary purposes and sewerage.

- **Food.** The fund can be used to provide support with food, whether in kind or through vouchers or cash.
- **Essentials linked to energy and water.** The fund can be used to provide support with essentials linked to energy and water (for example warm clothing, blankets, the purchase of equipment such as fridges, freezers, ovens, slow cookers), in recognition that a range of costs may arise which directly affect a household's ability to afford or access energy, food and water. Authorities are encouraged to consider supporting households on low incomes to repair or replace white goods and appliances with more energy efficient ones, or to invest in simple energy efficiency measures which will pay back quickly, such as insulating a hot water tank, fitting draft excluders to a front door, or replacing inefficient lightbulbs or white goods. The intention of this is to provide sustainable support which could result in both immediate and long-lasting savings for the household.
- **Wider essentials.** The fund can be used to support 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, period and hygiene products, essential transport-related costs such as repairing a car, buying a bicycle, or paying for fuel. This list is not exhaustive.
- **Advice services.** The Fund may be used to provide supplementary advice services to award recipients, including debt, benefit and/or employment advice, where Authorities consider this appropriate. The primary intention of the fund is to provide crisis support for households, and it is expected that any advice services would complement this.
- **Housing costs.** The fund can be used to support housing costs. However, where eligible, ongoing housing support for rent must be provided through the Housing cost element of Universal Credit and Housing Benefit rather than the fund. In addition, eligibility for Discretionary Housing Payments must first be considered before housing support is offered through the fund. The Authority must also first consider whether the claimant is at statutory risk of homelessness and therefore owed a duty of support through the Homelessness Prevention Grant. It is expected that the focus of support should be on bills and that support for housing costs should only be given where existing housing support schemes do not meet need.
- **Reasonable administrative costs.** This includes reasonable costs incurred administering The Fund. These include for example:
 - Staff costs.
 - Advertising and publicity to raise awareness of The Fund.
 - Web page design.
 - Printing application forms.
 - Small IT changes, for example, to facilitate production of management information.
 - Reasonable costs for evaluating the impact of the scheme at a local level, should Authorities wish to do so.

Authorities have discretion to assess what is reasonable to assist those in genuine need with regard to the examples above.



County council officers have worked with district council colleagues to distribute previous allocations of funding in line with guidance and according to local need; whilst also working across the whole county to provide food vouchers during holiday periods for those eligible for free school meals, together with some energy and household goods support.

It is proposed that the principles and general approach outlined above continue to be followed in relation to the Household Support Fund 5 allocation; and in particular to continue working with district council colleagues in distributing the funding at a local level.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal

Utilisation of the funding must meet grant conditions. It is proposed that grant agreements be utilised to distribute the funding.

Financial

The Household Support Fund allocation to Lancashire County Council has been confirmed as £9,678,235, for the six-month period from 1 April 2024. It will be managed as a ring-fenced grant for the purposes identified in the grant conditions.

Risk management

As with previous allocations a proportion of the funding will be utilised on a county wide basis through Lancashire County Council, with the remainder proposed to be allocated to district councils for distribution. Given the short run-in period, the funding will not be fully available to households across the whole county from 1 April 2024. In particular, some district councils will need to recruit temporary staff to administer distribution of the funds. There is also a need to ensure appropriate governance through grant agreement processes.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

