



Cabinet Report

Purpose: For Decision

ISLE OF WIGHT COUNCIL

Date	9 MAY 2024
Title	SUPPORT FOR LOCAL COMMUNITIES - HOUSEHOLD SUPPORT FUND (5)
Report of	CABINET MEMBER FOR ADULT SOCIAL CARE AND PUBLIC HEALTH

Executive Summary

1. The purpose of this report is to outline the proposed approach to the Department for Work and Pensions (DWP) Household Support Fund (HSF) extension across the Isle of Wight. This report seeks approval from Cabinet for the mechanism to allocate grant funding to organisations in support of vulnerable households and community groups for this financial year in accordance with the conditions of the HSF.
2. Approval of the initiatives described in this report will enable vulnerable Island residents and community groups to be supported with the rising cost of living, financial pressures and to build both individual and community resilience for local people.

Recommendation

That Cabinet approves the following:

3. (a) To approve allocation of Household Support Funding and distribution in accordance with the process outlined in Appendix 1 and 2 to this report; and
4. (b) delegate approval to the Director of Adult Social Care and Housing, to allocate the Household Support Fund (including the reallocation of any underspend) to recipients that meet the criteria. This will ensure that the allocation of the funding meets the approvals set out in this report, the Isle of Wight Council can rapidly adapt the approach to ensure that local needs are met.

Background

Household Support Fund (5)

8. On 6th March 2024, the Government announced another extension to the Household Support Fund as targeted financial support for those in need over the first six months of the 2024/2025 financial year. Guidance and grant determinations were confirmed on 26th March 2024. Although this has been announced as an extension, unallocated funds from previous grant rounds are unable to be carried forward due to a change in the spend criteria, namely the reduction of the grant period from twelve months to six, and the addition to provide the ability to complete an in-depth evaluation are now included within the allowed criteria of the administration allocation.
9. The £421million Household Support Fund is being distributed through County and Unitary Councils and the objective of the fund is to provide crisis support to vulnerable households in most need with the cost of essentials to meet immediate needs and help those struggling to afford household essentials including energy and water bills, food and wider essentials. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.
10. Councils can use its discretion on how to identify and support those most in need, taking into account a wide range of information. Whilst immediate needs should be prioritised, Authorities are encouraged to use the Fund to provide support that has a long-term sustainable impact, for example household items which would reduce bills in the long-term. Subject to the considerations around advice services, this can include support with income maximisation through advice and signposting to benefit, debt and employment services.
11. The Department for Work and Pensions, the government department that is providing the funding, expects top tier local authorities to administer the scheme and provide direct assistance to vulnerable households setting out guidance and considerations in terms of types of support categories referred to above. In doing it so, it should work with local services which may include local charities.
12. Rather than focus on one specific vulnerable group, Authorities should use the wide range of data and sources of information at their disposal to identify and provide support to a broad cross section of vulnerable households in their area.
13. The Isle of Wight's share of the Household Support Fund is £1,131,576 to be spent between 1st April 2024 and 30th September 2024. Funds should be spent or committed before 30 September 2024 and cannot be carried over for future usage.
14. The Household Support Fund is similar to previous DWP funding through the Covid Winter Grant and the Covid Local Support Grant, administered by IWC and known as the former connect4communities programme.
15. The allocation and distribution proposal for the latest allocation of the Household Support Fund can be found at Appendix 1 and 2 to this report.

Corporate Priorities and Strategic Context

16. This project links to the Economic Recovery aspect of the Corporate Plan 2021-2025, addressing poverty and working towards reducing the number of residents who are living in poverty.
17. The recommendations also help to meet the Corporate Plan aspirations relative to strategic partnerships and Covid-19 recovery of addressing poverty and inequalities in the Island's most deprived areas and improving the Island's resilience to wellbeing relative to its position when national lockdown ended in July 2021.
18. The proposed delivery plan would also help to address the Corporate Plan aspirations around strategic finance, transformational change, and corporate resources by providing greater support to those on low incomes.
19. Relative to the Corporate Plan aspirations around adult social care and public health, approval of the recommendations would link to placing the health and wellbeing of residents at the centre of what we do and support the development of a co-produced Island Anti-Poverty strategy.

Responding to climate change and enhancing the biosphere

20. The Household Support Fund has a target to help low-income households manage energy costs through use of measures such as insulation, efficient LED lighting, draught proofing and provision of Air Fryers. Reducing energy use via these measures will also help to decrease carbon emissions from households. However, a precise estimate of emissions reductions cannot be given at this stage and will need to be assessed further as the programme progresses.
21. Through our work with established community pantries and additional pantries coordinating their activities through the Island Food Partnership Network we will help to explore opportunities to reduce the Island's food waste, working with Island supermarkets and food providers to promote the re-distribution of unused edible food.



Economic Recovery and Reducing Poverty

22. The project links to the Economic Recovery aspect of the Corporate Plan 2021-2025, addressing poverty and working towards reducing the number of residents who are living in poverty.
23. The primary purpose is to provide support to local residents in need. The council have devised schemes that will deliver rapid benefit for Island residents through Third Party Organisations (TPO's) to help with the cost of food, utility costs and wider essentials.

Impact on Young People and Future Generations

24. Allocation of the grant funds in line with the allocation and distribution processes should have a positive impact on reducing child poverty. Over the past rounds of Household Support Fund grants a reduction has been seen of around 500 households in the number of those meeting eligibility of the largest food voucher scheme compared to those meeting that same criterion in January 2022. Whilst

not all these households will be those with children, a number will be young families with children.

25. We have consistently supported the Island's Care Leaver cohort as Corporate Parents as part of our Local Offer to care leavers through this funding. The support provided to these young people is benefiting not only the Care Leavers themselves, but also their children.

Corporate Aims

26. The Corporate Plan is underpinned by the purpose to work with and support the Island's community, finding ways to help it to satisfy its needs independently or to provide services directly where necessary. In doing so the approach to this scheme set out in the recommendations support the core values of the corporate plan:
 - (a) **Becoming community focused** – putting the needs of our residents first by recognising that some are faced with poverty and cost of living challenges that requires both crisis support and sustainable support
 - (b) **Working together** – engagement with range of community partners to make the most of opportunities to help communities to help themselves. Looking at the means and ways to develop emergency support and sustainable solutions with funds available
 - (c) **Being effective and efficient** – Seeking to use our limited resources wisely and maximise the effect of funding available to aid our communities needs and required responses, while enabling community support to innovate and respond
 - (d) **Being fair and transparent** – Making decisions based on data and evidence of need in an open and accountable way through administration of the criteria to aid access to funding that can best serve the Island people's needs and how to sustain these through initial funding opportunities that may seed fund.

Consultation and Engagement

27. We have, in past rounds of the Household Support grant funding allocation processes held a number of stakeholder consultation meetings, both with internal Council colleagues as well as Town, Parish and Community council representatives, Citizens Advice IOW, Schools, Community and Voluntary Organisations to determine the wider need of specific cohorts and how best to utilise the funding. The output of these consultation meetings continues to shape the proposals for the Household support Fund.
28. In addition to these meetings, engagement has been undertaken with the existing community pantries to ascertain the required level of onward funding and considerations. A recent grant round consideration meeting was held 25th March 2024 with Aspire representing the community pantry network; voluntary sector and the Island Food Strategy Network; Citizens Advice as crisis support; Adult Social Care; Childrens Services; Footprint Trust; Southern Housing and the Revenues and Benefits Service, to review and discuss potential ongoing support needs from the new funding guidance. Other stakeholders were invited but unable to attend but offered the opportunity for written consultation of

considerations and needs.

29. Ongoing consultation will continue to aid shaping of specific grant needs for any funding rounds in terms of the Isle of Wight offer for these grant funds.

The IOW Offer Household Support Fund

36. It is recommended that Cabinet approve the Household Support Fund grant funding pot of £1,131,576 to be divided into the categories set out within Appendix 1.
37. The DWP criteria provides ability to support third party provisions that is intended to be applied through the proposed grant prospectus approach devised for the Household Support Fund.
38. As can be seen within Appendix 1, the allocation categories can be summarised as:
 - (a) Top Up Food Voucher scheme for those in crisis need
 - (b) Local Council Tax Support recipients eligible to a one-off food voucher of £25 per household
 - (c) Help Through Crisis grants to aid range of emergency need and support
 - (d) Community Pantries to aid reach within the community and build their sustainable model
 - (e) Community Grants to develop local initiatives where community and voluntary groups along with Town, Parish and Community Councils can apply for funding to support the community with food and fuel projects.
 - (f) Administration costs to oversee, and coordinate the prospectus, grant applications, reporting and grant monitoring arrangements.
39. Community organisations will be proactively approached and encouraged to apply for a proportion of the funds, along with those working with support from Town, Parish and Community Councils to encourage match-funding opportunities and how the support will be sustainable moving forward, after the end of the grant period.

Financial / Budget Implications

43. The Household Support Fund is provided from central DWP allocation of funds and the way these are intended to be distributed is set out within Appendix 1.

Administration and Communication Costs

44. The Household Support Fund allocation includes reasonable administration costs to enable local authorities to deliver the scheme and it is therefore permitted for IWC (and partners) to deduct estimated administration costs from the total allocation (guided at 5%) to determine the amount remaining.
45. IWC is seeking to minimise administration costs and funding of up to £68,333 from Household Support Fund will be top sliced from the IWC grant allocation to cover centralised administration costs which will include staff costs for overseeing the Household Support Fund and administration support, communications and marketing over the course of the HSF scheme.

46. A similar consideration will be applied to any grant applications by Third Party Organisations for administration costs towards the delivery of their schemes.

Legal Implications

47. Councils are limited to the use of the Household Support Fund within the restrictions of the DWP grant guidance, and must demonstrate compliance with these conditions with any such awards and use of funds.
48. All funding granted to third party organisations (including schools, colleges, and early years providers) will be supported by a grant agreement setting out the conditions of the funding as well as reporting requirements.
49. Third party organisations will be required to report to the Council on how they have spent the funding provided, in line with the relevant grant criteria set out in the appendices to this report.
50. Allocation of funding will be monitored to ensure spend remains compliant with the terms of the grant and delivers best value for the council.
51. Any data returns required in relation to the Household Support Fund will be completed as required.
52. One further level of detail that needs to be captured, where possible, is the number of individual households we have assisted. It is thought best to monitor this by individual organisation and then collated centrally.
53. Discussions with Procurement continue to establish the appropriate routes to market for sourcing required vouchers. The current provision expired on 31 March 2024 for new voucher awards, and it has been indicated that a waiver cannot be applied to extend this. This means a new procurement tender is being developed to aid this continued need.

Equality and Diversity

54. Consultation has been undertaken with community and voluntary organisations, town, parish and community council representatives, school representatives, internal council departments, and Citizens Advice IOW.
55. An Equalities Impact Assessment has been completed and is included as Appendix 3 to this report. The results can be summarised that no negative impacts on the protected characteristics are expected from the provisions being recommended within the documents.

Property Implications

57. There are no property implications associated with this funding due to the nature of the grant conditions.

Options

58. The options available to Cabinet are as follows:
- a) To approve allocation of Household Support Funding and distribution in accordance with the process outlined in Appendix 1 and 2 of this report; and
 - b) Delegate approval to the Director of Adult Social Care and Housing, to allocate the Household Support Fund (including the reallocation of any underspend) to recipients that meet the criteria. This will ensure that the allocation of the funding meets the approvals set out in this report, the Isle of Wight Council can rapidly adapt the approach to ensure that local needs are met.
 - c) Not to approve the recommendations proposed in this report but recommend an alternative delivery plan.
 - d) Not to approve the recommendations proposed in this report and to agree no further delivery of the Household Support Fund.

Risk Management

- 59. To mitigate risk of fraud as much as possible, we will ensure that any funded schemes are devised based on closed-loop vouchers or tangible items, as opposed to awarding cash or bank transfers.
- 60. Community and Voluntary Organisations along with Charities, Town, Parish, and Community Councils must apply for funding, detailing the delivery of the project, estimated beneficiaries and eligibility criteria. The application will follow the process outlined in this report and if approved, a grant agreement confirming grant instructions will be issued before funds are released.
- 61. Intermittent checks will be undertaken by the council to ensure grant conditions are being followed, and audits carried out at the end of the grant period.
- 62. There is a risk that if Cabinet do not approve the proposed delivery plan that Isle of Wight residents will not be supported with the rising cost of living, and the number of local people living in poverty will increase.
- 63. As with the granting of other discretionary schemes, the programme will only be delivered in line with the identified grant conditions.
- 64. There is a risk that when the funding provided by DWP stops for HSF, residents that have become reliant on the support will find themselves unable to afford basics. Encouraging match funding from the Town, Parish and Community Council's to aid their local communities' needs will aid the mitigation of this risk slightly, provided they are willing to review financial contributions, as they will be able to continue past the end of the fund, as is the intention with community pantries. In addition, Pantries are asked to seek additional grants from alternative sources that could aid them beyond any ending of current funding arrangements as the IWC cannot guarantee what levels of support may be offered in the future.

Evaluation

65. The proposed delivery plan is similar to schemes delivered through earlier rounds of the Household Support Fund, which has shown residents feel supported with the immediate benefit. We are aware that local residents do run the risk of becoming dependent on the vouchers, which is why an additional focus on building resilience is of increasing importance.
66. Providing financial assistance to local community groups through the grant funding now available, which provides a diversity in the offer and alternative forms of support will help to provide longer-term and more sustainable support for the Island.

Appendices Attached

67. Appendix 1 – allocation and distribution proposal for round 5 of the Household Support Fund.
68. Appendix 2 – Draft HSF Grant Process
69. Appendix 3 – Equalities Impact Assessment

Background Papers

70. This paper is based on the Department for Work and Pensions Household Support Fund (1 April 2024 to 30 September 2024) Final Guidance document. A link to the document can be found [1 April 2024 to 30 September 2024 Household Support Fund guidance for county councils and unitary authorities in England – GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/1-april-2024-to-30-september-2024-household-support-fund-guidance-for-county-councils-and-unitary-authorities-in-england)

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