

Cabinet
Council

14 March 2023
21 March 2023

Name of Cabinet Member:

Cabinet Member for Strategic Finance and Resources – Councillor R Brown

Director Approving Submission of the report:

Interim Chief Executive (Section 151 Officer)

Ward(s) affected:

All

Title:

Household Support Fund Grant Acceptance

Is this a key decision?

Yes - the proposals involve financial implications in excess of £1m per annum and are likely to have a significant impact on residents or businesses in two or more electoral wards in the City.

Executive Summary:

Since October 2021 the Council has been supporting Coventry households with the costs of food, fuel and related essentials through the Household Support Fund grant provided by the Department for Work and Pensions.

A new phase of Household Support Fund is due to commence from 1st April 2023 lasting until 31st March 2024, this report requests acceptance of the £6.4M grant funding and sets out the planned approach to deliver this support. The report also requests delegated authority to agree the final arrangements for delivery of the scheme.

Recommendations:

Cabinet is requested to recommend that Council:

- 1) Note the content of the report and approve acceptance of the amount of the grant funding received from the Department for Works and Pension for financial year 2023/24 which shall be utilised towards the principles of the Household Support Fund scheme as outlined in the report.
- 2) Delegate authority to the Interim Chief Executive (Section 151 Officer), following consultation with the Cabinet Member for Strategic Finance and Resources and Cabinet Member for Housing and Communities, to agree the final arrangements for the delivery of this scheme, within the grant allocation provided, and in line with the scheme guidance published on 20th February 2023.

Council is recommended to:

- (1) Note the content of the report and approve acceptance of the amount of the grant funding from the Department for Works and Pension for financial year 2023/24 which shall be utilised towards the principles of the Household Support Fund scheme as outlined in the report.
- (2) Delegate authority to the Interim Chief Executive (Section 151 Officer), following consultation with the Cabinet Member for Strategic Finance and Resources and Cabinet Member for Housing and Communities, to agree the final arrangements for the delivery of this scheme, within the grant allocation provided, and in line with the scheme guidance published on 20th February 2023.

List of Appendices included:

None

Background papers:

None

Other useful documents

None

Has it been or will it be considered by Scrutiny?

No

Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

Yes – 21 March 2023

Report title: Household Support Fund Grant Acceptance

1 Context (or background)

- 1.1 In response to the Covid-19 pandemic the Council provided support to Coventry households that were experiencing or at risk of food or fuel poverty between December 2020 September 2021 through two government grants; the Covid Winter Grant Scheme (WGS) and the Covid Local Support Grant (LSG).
- 1.2 In October 2021 the Department for Work and Pensions (DWP) launched a further 6-month grant called the Household Support Fund (HSF) which was to provide support to those most in need with their food, energy and water bills over winter 2021/22, during the next stage of economic recovery. Since that point there have been two further extensions of the Household Support Fund to provide help with inflationary challenges and the cost-of-living crisis which emerged during 2022.
- 1.3 Councils have discretion over how these funds can be used (within the scope of the grant guidance) but in the main councils have been asked to prioritise support with the costs of food and energy, essential costs related to food and energy, and with wider essential costs.
- 1.4 Support for these schemes was provided to households through a variety of routes. Application-based support has been delivered through the Community Support Customer Service team which has provided financial support for energy & utility bills, domestic appliances, warm clothing, and food parcels through voluntary sector partners. Support has also previously been provided in the form of supermarket vouchers directly targeted to families of children eligible for Free School Meals, pensioner households and households in receipt of council tax support.
- 1.5 Over the course of the Household Support Fund period, and as the cost of living increasingly impacted on households, the level of demand for support has been increasing, particularly through the Council's application-based support process, where applications per day have risen from an average of 20 per day in spring 2022 to 80 per day in winter 2022. Alongside this, each time an extension was delivered the grant guidance was amended.
- 1.6 In his Autumn Statement on 17th October 2022 the Chancellor set out a further, 4th phase of the Household Support Fund with £1Bn of national funding to cover April 2023 to March 2024. In grant documentation published on the 20th February, Coventry was allocated £6.4M – the same amount of funding as the previous year's HSF schemes.
- 1.7 Whilst inflation continued to grow throughout the majority of 2022/23 there are signs it is now stabilising and is forecast to decrease during 2023/24. With benefits also set to rise by 10.1% from April 2023 we would expect demand on the grant to begin to reduce but will need to keep this under review.

2 Options considered and recommended proposal

- 2.1 Coventry City Council could decide not to accept the grant. The consequence would be that without these financial resources Coventry households would lose out on the financial support that the Council has been able to provide to vulnerable households. This is not the recommended option.
- 2.2 It is recommended that the Council accepts this grant, at a value of £6.4M, and provides support to Coventry households during 2023/24 based on the principles outlined below:

- Application-based or direct support to vulnerable households with the costs of Food, Energy and related essentials. This may be either directly provided by the City Council or via other voluntary sector partners.
- Direct award of supermarket voucher support to families with children eligible for Free School Meals (FSM), and equivalent to FSM for Early Years age children.
- Scheme to be delivered within the £6.4M grant allocation.

2.3 It is also recommended that authority is delegated to the Interim Chief Executive (Section 151 Officer), following consultation with the Cabinet Member for Strategic Finance and Resources, and Cabinet Member for Housing and Communities, to agree the final arrangements for the delivery of the scheme in line with the scheme guidance which was published on the 20th February.

3 Results of consultation undertaken

3.1 No consultation has been completed in relation to this latest allocation. The Council has engaged with voluntary sector partners over the course of the Household Support Fund period as part of the set-up and delivery of the schemes.

4 Timetable for implementing this decision

4.1 The scheme is due to commence from 1st April 2023.

5 Comments from Interim Chief Executive (Section 151 Officer) and Chief Legal Officer

5.1 Financial implications

The value of the Household Support Fund grant for 2023/24 is £6.4m. With any scheme such as this which is demand driven within a set of eligibility criteria, there is a fine balance to be found in setting the level of support when the demand is unknown.

As set out within the report, the final arrangements for the delivery of this scheme will be determined once the Department for Work and Pensions has published the 2023/24 allocation and grant guidance, however it will be necessary to continue to monitor spend throughout the year, and modify the delivery plan as necessary, to ensure that the Council can deliver the scheme within the resources available.

With funds only confirmed for 2023/24 it is important that the scheme design does not create long term dependence on what is ultimately a short-term service.

5.2 Legal implications

The Council has no specific statutory duty to deliver supplementary welfare support to Coventry households.

By section 31(3) and 31(4) of the Local Government Act 2003 (Power to pay grant) the Department for Work and Pensions has made grant provision available to enable local authorities to provide support to households, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency), to help them with significantly rising living costs.

The Grant Determination sets out the conditions upon which the grant has been made available and to which the local authority must comply.

Law and Governance support the recommendations outlined in this report and will support the process, ensuring the interest of the Council are protected.

6 Other implications

6.1 How will this contribute to the Council Plan (www.coventry.gov.uk/councilplan/)?

By the nature of this scheme the Household Support Fund will contribute to the Council's objectives of protecting our vulnerable people, enabling them to exercise choice and control in their daily lives and improving health and wellbeing by supporting them when they need help.

6.2 How is risk being managed?

The final scheme will not be designed until the grant guidance is available to ensure that the scheme is compliant with the grant conditions. Whilst the service is demand driven, which by its nature creates a financial risk, the scheme will be designed to manage this where possible and spend will be closely monitored to ensure it remains within the allocation awarded.

6.3 What is the impact on the organisation?

The delivery and management of the HSF scheme requires the involvement a number of officers from across the council both in terms of the administration of the grant and the front-line delivery of awards to households.

6.4 Equality Impact Assessment (EIA)

An EIA has been completed. It identified both positive and negative impacts for protected groups and plans have been introduced to address these by putting in place mitigating action to reduce digital barriers to accessing support and reducing inequality of access amongst underrepresented groups. The HSF scheme will also be involved in the Council's Equality Objective 1 project which aims to create a foundation to drive improved access to services through better use of equalities data.

6.5 Implications for (or impact on) climate change and the environment

Where households are supported with the award of a replacement of a white good, the company that provides and installs the replacement white good is also contracted to remove and recycle the broken appliance.

Where households that apply to the HSF scheme are in need of energy efficiency support, they are referred to the Council's energy partner Act on Energy who provide advice and can support eligible households to access energy efficiency grants.

6.6 Implications for partner organisations?

Partner organisations who provide cost of living support will benefit from the local authority accepting the grant as they may benefit from an award of funds from it or alternatively the demand on their services may be reduced where other support is made available.

Report author(s):

Name and job title:

Christopher Whiteley
Finance Manager

Service Area:

Financial Management

Tel and email contact:

024 7697 2191

Christopher.Whiteley@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Service Area	Date doc sent out	Date response received or approved
Contributors:				
Michelle Salmon	Governance Services Officer	Law and Governance	17/02/2023	17/02/2023
Adrienne Bellingeri	Head of Customer Service	Customer Services	20/02/2023	20/02/2023
Ewan Dewar	Head of Finance	Finance	17/02/2023	17/02/2023
Oluremi Aremu	Head of Legal and Procurement Services	Law and Governance	17/02/2023	17/02/2023
Names of approvers for submission: (officers and members)				
Barry Hastie	Interim Chief Executive (Section 151 Officer)	Finance	17/02/2023	17/02/2023
Julie Newman	Chief Legal Officer	Law and Governance	17/02/2023	17/02/2023
Councillor R Brown	Cabinet Member for Strategic Finance and Resources	-	20/02/2023	20/02/2023

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