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Title of meeting:	Cabinet Member for Communities and Central Services
Subject:	How the council is using the Household Support Fund to assist residents in financial hardship
Date of meeting:	Tuesday 22 February 2022
Report by:	James Hill - Director for Housing, Neighbourhood and Building Services
Author:	Mark Sage - Tackling Poverty Coordinator
Wards affected:	All

1. Requested by Councillor Chris Attwell, Cabinet Member for Communities and Central Services

2. Purpose

2.1 To outline the assistance being provided to residents of Portsmouth in financial hardship, making use of the Household Support Fund made available by the Department for Work and Pensions (DWP).

3. Information Requested

3.1 Background

3.1.1 On 6 October 2021, the Department for Work and Pensions announced a new £500m Household Support Fund (HSF) for County Councils and Unitary Authorities in England, to support those most in need this winter due to financial hardship.

3.1.2 On 5 November, DWP published the final guidance for local authorities¹ outlining how the funds could be used.

¹ <https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/household-support-fund-final-guidance-for-county-councils-and-unitary-authorities-in-england>

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- 3.1.3 Portsmouth City Council (PCC) can receive up to £1,888,214.70 to support households in the most need with food, energy and water bills, by paying for those items or 'wider essential costs'.
- 3.1.4 In exceptional circumstances of genuine emergency, rent and service charge costs can be included, if no other form of assistance is available to cover the cost.
- 3.1.5 The provision of money advice and assistance with household mortgage costs are specifically excluded from this scheme.
- 3.1.6 HSF is similar to previous grants issued to local authorities; Covid Winter Grant Scheme (CWGS) (December 2020 - March 2021, then extended to April 2021) and Covid Local Support Grant (CLSG) (April - June 2021, then extended to September 2021). In July 2021, local authorities were notified that there would be no further CLSG funding after September 2021.
- 3.1.7 PCC made use of the full allocation of funding available under CWGS and CLSG.
- 3.1.8 While previous grants focussed on the impact of Covid on families, with a requirement that at least 80% of grants must go to families with dependent children, HSF was launched following the reduction in Universal Credit (UC) entitlements of £20 per week, which took effect from October 2021. At least 50% of HSF grants must go to families with dependent children, so up to 50% can go to other types of household.
- 3.1.9 The reduction in UC affected around 17,000 households in Portsmouth, a loss of income of around £1.47m per month.
- 3.1.10 This loss was partly mitigated for some households on UC by the reduction in the taper rate (the amount of UC deducted for every £1 earned), with all households on UC earning more than £1,316 seeing their UC increase by at least £20 per week from December 2021. However, there was no increase for any out of work households.
- 3.1.11 Other grant funding is also being used to support people in financial hardship currently:
 - 3.1.11.1 An additional allocation of Homelessness Prevention Grant (HPG) is being used to help people in the private rented sector with rent arrears due to the impact of the pandemic.



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3.1.11.2 In partnership with this, the Discretionary Housing Payments (DHP) team are working to identify people who would be eligible for either DHP or HPG to cover unmet housing costs and prevent homelessness.

3.1.11.3 £50,000 Practical Support Fund is being used to assist people in financial hardship who need to self-isolate due to Covid.

3.2 Priorities for support

- 3.2.1 The provision has been designed to cover a wide range of needs, and can be accessed in a number of ways.
- 3.2.2 Due to the short timescale for which the grant will be available, it was not possible to implement a single scheme that could receive applications, make an assessment of need, and make decisions on providing financial support.
- 3.2.3 Working in partnership with other agencies in the city, and providing support in a range of ways, has enabled us to build on the relationships that already exist between local agencies and people in Portsmouth facing financial hardship, minimising the necessary administration costs to maximise the funding available to support residents.
- 3.2.4 Communications have focussed on a consistent message around income maximisation and access to specialist money and debt advice via council-funded services at Advice Portsmouth and the Area Housing Offices, and also via Citizens Advice Portsmouth.
- 3.2.5 HSF has enabled the council to continue providing support to families of children eligible for free school meals during the school holidays, when loss of income and additional costs place an extra burden on lower income households. The scheme to provide supermarket vouchers is delivered in partnership with schools, and has also been used to promote the council's holiday activities and food programme, HAF Fun Pompey.
- 3.2.6 The council's partnership with HIVE has enabled the delivery of a discretionary grant scheme, providing vouchers for food, furniture and other household essentials, and items of white goods. Grants are awarded based on referrals from a wide range of council teams and voluntary sector partner agencies.
- 3.2.7 Switched On Portsmouth provides a wide range of support to help people save energy and save money, working with The Environment Centre, a charity based on Southampton. In addition to advice and referrals for home improvements, The Environment Centre are delivering a voucher scheme for anyone struggling

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with the cost of their energy, providing meter top-up vouchers for pre-payment customers, and supermarket vouchers for those who pay for their energy monthly or quarterly. This offers immediate relief to top up the meter or pay a bill, alongside advice and support that can reduce household energy costs longer term.

- 3.2.8 The council works closely with foodbanks, community meals and pantries, which have played a vital role throughout the pandemic in supporting residents facing income or cost shocks. Funding has enabled these services to purchase additional food and other essentials to enable them to meet the current high levels of need.
- 3.2.9 HSF has been used to purchase additional items for the HIVE's School Uniform Sharestore, to ensure a full range of items to meet the needs of parents accessing the service.
- 3.2.10 The council's Play and Youth sites are located in areas with higher levels of deprivation and have used HSF funding to purchase food and other items for children accessing these services.
- 3.2.11 Some lower income families with a young person attending college require support from the council for their transport to college. Following the reduction in UC entitlements, a number of these families were having difficulty meeting their contribution to transport costs, potentially putting the young person's participation in education at risk. HSF was provided to these families to meet the transport costs contribution for the Spring term.

3.3 Impact of providing support

- 3.3.1 The table in Appendix 1 outlines the support provided up to the end of January, and the anticipated spend to the end of the scheme.
- 3.3.2 The discretionary grant scheme and energy voucher scheme both opened at the end of November and in the first month of operation received 616 referrals for support from agencies working with people in financial hardship in Portsmouth.
- 3.3.3 This highlights the high level of need in the city, and the number of agencies seeking additional help to meet their service users' needs.
- 3.3.4 218 households received a discretionary grant, with a total value of £77,650 of vouchers for food and other essentials, and £43,228 of white goods being provided. This included 53 cookers, 47 fridges or fridge freezers, and 36

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washing machines. All of these items will have a significant impact on the health and wellbeing of the households who were unable to afford these essential items. 129 of these households included dependent children, and 32 reported that a member of the household had a serious physical or mental health condition or disability.

- 3.3.5 398 households received a voucher to help with the cost of their energy, at a time when many were facing higher energy bills due to the rise in the energy price cap in October, and the onset of colder weather.

3.4 Additional provision from February

- 3.4.1 Additional provision is being added to the existing schemes outlined above, to meet further needs and ensure the best use of the available funds.
- 3.4.2 The additional provision includes; free half term holiday activities for children eligible for free school meals, a scheme to provide carpets or other suitable flooring for vulnerable residents who cannot afford this, financial support for council tenants struggling with the cost of their heating charges, an exceptional hardship fund for Council Tax customers who are unable to afford their payments and where all other forms of support have been exhausted, a scheme to pay Debt Relief Order or Bankruptcy registration fees where this cost is the only barrier blocking someone from achieving the right debt solution, funding for additional communication to inform residents where they can access free and independent money advice and how this could help.

3.5 Support for people in financial hardship from April 2022

- 3.5.1 To date, the DWP has made no announcement of any funding for local authorities to support residents in financial hardship after April 2022.
- 3.5.2 If no further funding is provided, the council will continue to work with partners to meet the needs of residents, through the provision of practical assistance and money advice.
- 3.5.3 Information on advice and assistance available to residents will continue to be published on the council's website at [portsmouth.gov.uk/money](https://www.portsmouth.gov.uk/money).

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Signed by James Hill - Director of Housing, Neighbourhood and Building Services

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Appendices:

Appendix 1 - Household Support Fund expenditure plan 1 February 2022

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Household Support Fund: final guidance for County Councils and Unitary Authorities in England	Household Support Fund: final guidance for County Councils and Unitary Authorities in England - GOV.UK (www.gov.uk)