

THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

Title of meeting:	Cabinet
Subject:	Household Support Fund
Date of meeting:	21 June 2022
Report by:	James Hill, Director of Housing, Neighbourhood and Building Services
Report 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 DWP 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 Portsmouth City Council used the full allocation available between October 2021 and March 2022 of £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'.

3.1.3 Appendix 1 includes a breakdown of how the funds were used to support residents over this period.

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- 3.1.4 In March, as part of the Spring Budget, the government announced that local authorities would receive another round of HSF, for the period April to September 2022.
- 3.1.5 On 20 April, the DWP provided the final guidance to local authorities on this round of HSF, including confirmation that another £1,888,214.70 is available for Portsmouth.
- 3.1.6 The objective of the HSF remains the same as in the previous round; to provide support to vulnerable households in most need of support to help with significantly rising living costs.
- 3.1.7 In the previous round of HSF, at least half of the funds had to be used to support families with children. 86% of Portsmouth's total spend for that period went to families with children.
- 3.1.8 In this round, at least a third must be used to support families with children, and at least a third must be used to support people over the state pension age.
- 3.1.9 In Portsmouth, less than 20% of the adult population is above state pension age, and therefore this round of funding is heavily weighted towards older people in financial hardship.
- 3.1.10 HSF provides significant short-term funding to support residents in financial hardship. However, to put it in context, following the £20 per week reduction in Universal Credit entitlements from October 2021, around 17,000 households in Portsmouth lost £86.67 a month, a total reduction of income of around £1.47 million each month.
- 3.1.11 The funding available for six months under HSF therefore equates to around six weeks of the reduction in Universal Credit last October.
- 3.1.12 In April 2022, Universal Credit and other means-tested benefits were uprated by 3.1%, however, the Consumer Price Index rose by 9.0% in the 12 months to April 2022.
- 3.1.13 In this context, it is essential that we make full use of the Household Support Fund to benefit residents.

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3.1.14 Portsmouth City Council provides a range of support to low income households, including funding independent money advice focussed on three key outcomes:

3.1.14.1 Ensuring people receive all the income they are entitled to

3.1.14.2 Reducing household expenditure

3.1.14.3 Finding solutions to unmanageable debt.

3.1.15 Delivery of HSF aims to strengthen and support the wider work around money advice and income maximisation.

3.2 Delivering assistance to residents

3.2.1 In May, Portsmouth City Council's Pandemic Business Continuity 'Gold Command' meeting approved plans for the use of this round of HSF, outlined at Appendix 2.

3.2.2 The main principles informing our approach are to deliver:

3.2.2.1 Two large, targeted schemes for children eligible for free school meals and older people on low incomes, to reach a large number of residents and meet the DWP demographic requirements.

3.2.2.2 A range of other schemes that aim to reach those who are missing out either because their income is just over the other eligibility thresholds, or because they are not claiming their other entitlements.

3.2.3 From December 2020, Portsmouth City Council worked with schools to provide vouchers for children eligible for free school meals during the school holidays. However, with no long term funding available to continue this, families and schools were informed that Easter 2022 would be the last school holiday period when these vouchers could be provided.

3.2.4 The new round of HSF funding does not provide enough resource to reinstate school holiday vouchers, but we will use our relationship with schools and experience of providing holiday vouchers to provide a voucher for every child eligible for free school meals during the summer term, and us that opportunity to promote uptake of HAF Fun Pompey, the holiday activities and food programme for the summer holiday.

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- 3.2.5 The scheme to provide £100 to every household of state pension age that is in receipt of either Pension Credit, Council Tax Support, or both, is new, and a project team is developing our process for communicating with and making payments to eligible recipients.
- 3.2.6 However, we estimate that over £6 million in Pension Credit goes unclaimed every year in Portsmouth. Those households who are missing out on Pension Credit will also miss out this £100 payment, and therefore we have allocated £60,000 of funding to provide small grants to older people in financial hardship who are missing out on benefit entitlements, alongside support to maximise their income.
- 3.2.7 The HSF schemes we are delivering build on our relationships with local partner organisations, including HIVE Portsmouth and the wider voluntary and community sector.
- 3.2.8 £100,000.00 has been allocated to support the work of community larders and pantries, foodbanks and community meals, which all serve people in need of support with the cost of food, offering a range of local provision that can respond flexibly to local needs.
- 3.2.9 £300,000.00 has been allocated to a discretionary grant scheme for food, energy and other essential costs. This is significantly less than the amount allocated through discretionary grants and energy vouchers in the last round, due to the stipulation on supporting pension age households.
- 3.2.10 The discretionary grant scheme will be a referral scheme, ensuring that we work with partners who understand the needs of their service users, and that grant support is not a one-off, but part of a wider offer of support, focussing on money advice and income maximisation.
- 3.2.11 The allocation also includes £50,000 for voluntary sector organisations supporting people in need. This will provide some resilience in prioritising support for people not receiving support through other HSF schemes. The Administration have expressed concern to officers about the resilience in the food bank and pantry network to meet demand. The allocation here could be used to provide additional support.

3.3 Support during Autumn and Winter

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3.3.1 On 26 May, the government announced that a further round of HSF would be provided to local authorities, to extend the scheme from October 2022 to March 2023. We do not yet have any guidance regarding this extension, but this provides some certainty in providing local welfare assistance in Portsmouth this winter, with more time to develop our interventions than under previous rounds of funding.

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

Appendices:

- Appendix 1: Household Support Fund expenditure October 2021 to March 2022**
- Appendix 2: Household Support Fund expenditure plan April to September 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 (1 April 2022 to 30 September 2022): final guidance for county councils and unitary authorities in England	Household Support Fund (1 April 2022 to 30 September 2022): final guidance for county councils and unitary authorities in England - GOV.UK
Cost of living support factsheet: 26 May 2022	Cost of living support factsheet: 26 May 2022 - GOV.UK