

The Rt Hon Mel Stride MP
Department for Work and Pensions
Caxton House
7th Floor
6–12 Tothill Street
London
SW1H 9NA

Also by email:
mel.stride.mp@parliament.uk

Councillor Steve Pitt

Civic Offices
Guildhall Square
Portsmouth
PO1 2AL

Phone: 023 9283 4551

Email: Cllr.steve.pitt@portsmouthcc.gov.uk

Ref: SPOUT059

Date: 15 December 2023

Dear Secretary of State,

I am writing to you as we are deeply concerned that the Government's Autumn Budget Statement contained no announcement of funding for the Household Support Fund (HSF) from April 2024. The Minister for Social Mobility, Youth and Progression reiterated in Parliament on 28 November that no further decisions have been taken on the Household Support Fund, but that "the government continues to keep all its existing programmes under review in the usual way".

It is clear that cost of living pressures continue to have a significant impact on Portsmouth residents. The council's most recent resident survey told us 80% of our residents are concerned about the rising cost of living, with the impact felt disproportionately on the most vulnerable in our communities, including those with disabilities, those from minority ethnic groups and those already on low incomes, including families. In Portsmouth, almost a quarter of children were living in families in relative poverty in 21/22. Young people (aged 16-24) are also struggling, with 65% reporting they are unable to meet their day-to-day living costs.

I am seeing resulting high demand across our systems of support from the council's dedicated cost of living helpline and support work to the advice services and food support services provided by the local voluntary sector. This high demand for support is further indication of the level of need in the city, as our residents are struggling to make ends meet and need help with necessities.

I am concerned that the ability of our residents to meet their basic day-to-day living costs will be further diminished this winter. Many households will face higher energy bills following the removal of the Energy Bill Support Scheme and an increase in standing charges, forcing more people into fuel poverty. In our most recent resident survey, 44% of respondents told us they are using less fuel in their home because of rising costs. Food price inflation remains at over 10% and existing high prices are now baked in, which means more families in Portsmouth are turning to the food bank network for support.

Concerningly, one in five respondents to our most recent resident survey told us they are missing meals to save money. Last year 7,600 food parcels, providing three days food for a family, were given out by one foodbank provider in the city, an increase of 51% from 2021/22, and the demand for food is continuing to rise.

Meanwhile, higher interest rates are pushing people further into debt, with almost a quarter of our residents reporting that they are using credit cards to help them manage the rising cost of living and more borrowing from family and friends.

Far from disappearing in April 2024 when the current HSF comes to an end, the pressures on household budgets and the resulting impact on already struggling families and communities in our city, are predicted to continue through 24/25. The council and the voluntary sector are predicting a further increase in demand without commensurate resources to meet that demand.

The HSF has made a significant difference to residents in Portsmouth, and I am concerned about the impact on the most vulnerable in our communities if the funding does not continue.

The previous three rounds of HSF enabled the council to help residents in need more than 85,000 times in 18 months, working in partnership with local agencies and targeting support for those most in need as well as those who don't quite qualify for other forms of support. Through the HSF, we have also provided a comprehensive advice and guidance service that enables residents, assisted by a dedicated support worker, to navigate the sources of help that already exist.

Recognising the levels of need in the city, a significant amount of HSF funding has been targeted to bolster our food support services, including foodbanks, community meals and pantries, who are experiencing growing demand and reducing supply, with individual donations and surplus from the food system now wholly insufficient to meet the need in our communities.

Again, targeted to meet the specific need in Portsmouth, our HSF scheme also helps low-income families with children in the form of supermarket vouchers, provides financial support to low-income households who did not qualify for the DWP's cost of living payments and helps households at risk of fuel poverty to make their home warmer and reduce their energy bills. In line with the new criteria introduced by DWP for this round of funding, we have also made a significant proportion of our fund available to residents directly through a bespoke application process.

While the announced increase to Local Housing Allowance rates is welcome and may help to reduce some of the demand for Discretionary Housing Payments, I am concerned that this is simply not an adequate replacement for the level of support that comes from the HSF. Similarly, increasing working age benefits by 6.7% in April will also go some way towards helping some households but will not resolve the underlying increased cost of living and associated deprivation issues for residents.

We trust this letter has highlighted the vital importance of the HSF in meeting the needs of our residents and the support that will cease to exist if the funding does not continue in 2024/25. It is equally important that local authorities have certainty around funding to enable us to plan strategically to deliver the services and support that our residents so desperately need.

Yours sincerely

Councillor Steve Pitt

Leader of the Council

Cabinet Member for Culture, Leisure & Economic Development