

North Yorkshire County Council

Report to Councillor David Chance, Executive Member for Corporate Services

23 March 2023

Initial Deployment of Household Support Fund phase 4

1. Purpose of the Report

- 1.1. To seek approval for the initial deployment of part of the Household Support Fund allocation from the Department for Work and Pensions for the period 1 April 2023 to 31 March 2024.

2. Background

- 2.1. The Department for Work and Pensions (DWP) is making available to local authorities a fourth phase of the Household Support Fund (HSF4). This phase will run for a year, previous phases have run for six months.
- 2.2. The allocation for North Yorkshire for HSF4 is £7,075,100 for the year, in previous phases the allocation was £3,537,549.92 for six months.
- 2.3. The DWP guidance is available at <https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils>.

3. Key points in the DWP guidance for HSF4

- 3.1. The objective of HSF4 is to provide crisis support to vulnerable households in most need of support to help with significantly rising living costs.
- 3.2. HSF4 should be used to support households in the most need; particularly those who may not be eligible for the other support government has recently made available but who are nevertheless in need and who require crisis support ... HSF4 is intended to cover a wide range of low income households in need including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people ... Support is not restricted only to households in receipt of benefits Local authorities should also use other sources of information to identify vulnerable households ... Energy bills may be of particular concern to low income households during the period of HSF4 and local authorities should prioritise supporting households with the cost of energy ... Disabled people in particular may be facing acute challenges due to the disproportionate impact that rising costs bring for the additional services

they need in order to manage their conditions, remain independent and avoid becoming socially isolated. Local authorities are therefore strongly encouraged to explore ways in which this group may be supported.

- 3.3. Funds should be spent or committed before 31 March 2024 and cannot be carried over for future usage. It is acceptable for vouchers that have been purchased and delivered to households before the end of HSF to be spent shortly thereafter.
- 3.4. When administering HSF4, local authorities are encouraged to adopt the following principles:
 - use discretion on how to identify and support those most in need, taking into account a wide range of information
 - use the funding from 1 April 2023 to 31 March 2024 to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials. Local authorities can also use the funding to support households who are struggling to afford wider essentials including housing costs where existing housing support does not meet this need.
 - work together with third parties including, where necessary and appropriate, other local services. This may include social workers, housing and family support services and local charities. This may also incorporate intelligence and data from wider children's social care systems to help identify and support individuals, families and households within the scope of HSF4. It may also include receiving referrals for support and applications made on behalf of an individual from professionals working with vulnerable individuals such as social workers, keyworkers delivering early help and family support, health visitors and housing support officers.
- 3.5. When deciding how to help people, local authorities should consider
 - how they plan to provide support to vulnerable households, such as by paying into bank accounts, use of cash and vouchers, provision of goods. When determining the most appropriate mechanism of providing support for households, local authorities should consider any potential risks to vulnerable individuals, for example the risk of holding cash, as well as the risk of any potential for fraud
 - any fraud risks associated with these payment methods
- 3.6. Local authorities are required to complete a delivery plan to outline their intentions for HSF4, clearly setting out their priorities and approach for

use of HSF4, and to demonstrate the ways in which they intend to allocate their funding.

- 3.7. Local authorities are required to send the delivery plan to DWP by 17 May 2023. At the end of HSF4 DWP will also ask for a summary of spend against the final delivery plan with this due at the same time as the final management information (MI) submission in April 2024. Delivery plans must be signed off by the council's Section 151 Officer and responsible Executive Member before submission to DWP.
- 3.8. Local authorities are required to appoint an appropriate Senior Responsible Officer who will be accountable for ensuring a strong delivery plan is developed and agreed through necessary decision-making mechanisms including engagement with the relevant Executive Member and ensuring compliance with and progress against their commitments in the delivery plan.
- 3.9. Local authorities have the ability to deliver the scheme through a variety of routes including providing vouchers or cash to households, making direct provision of food and goods, or issuing grants to third parties.
- 3.10. Every area must operate at least part of their scheme on an application basis - in other words, residents should have the opportunity to come forward to ask for support. There is flexibility on exactly how this can be run, including through third parties rather than directly by the local authority. DWP expect local authorities to offer application-based support throughout the duration of HSF4, either continuously over the majority of HSF4 period or in regular intervals throughout the scheme.
- 3.11. Local authorities are expected to offer support throughout the duration of HSF4 and must develop their delivery plans to reflect this.
- 3.12. It is mandatory for local authorities to reference that the grant is funded by the Department for Work and Pensions or the UK Government in any publicity material, including online channels and media releases.
- 3.13. It is mandatory for local authorities to make public their plans for HSF4, including how and when they intend to deliver the application-based portion of their scheme. This should be through a dedicated website page headed with 'Household Support Fund' on the local authority website. This webpage must be easily accessible for residents and outline the local authority's plans for funding, including with details of who is eligible in the area, as well as how and when residents might be able to apply for the application-based element of the scheme. Links to the Government's Cost of Living Hub should be included, as well as a specific reference that the grant is funded by the Department for Work and Pensions or the UK Government.

3.14. Local authorities should consider inclusive and accessible ways in which they might advertise the availability of HSF4 to their residents for example in local family or community hubs and GP surgeries. DWP expects local authorities to advertise the scheme – and in particular the application-based element of their provision – through various channels and not just online.

4. Need for early decision on initial deployment of part of HSF4 allocation

4.1. North Yorkshire County Council, working in partnership with the seven Borough and District Councils, has successfully delivered the first three phases of HSF.

4.2. HSF4 will be delivered by North Yorkshire Council and will need to:

- take on board the lessons learnt from the first three phases of HSF, and
- take advantage of the additional opportunities of being a unitary council from 1 April 2023 to utilise data and intelligence to identify vulnerable households in most need of support and customer services to successfully deliver support to those most in need, and
- be available from 1 April 2023, as set out in the DWP guidance, at a time of significant change for local government in North Yorkshire.

4.3. For these reasons, it is proposed that an initial deployment of part of the HSF4 allocation is implemented with effect from 1 April 2023, whilst allowing time for officers to develop a delivery plan for the majority of the year and the majority of the funding allocation.

5. Proposal for initial deployment of part of HSF4 allocation

5.1. It is proposed Margret Wallace (North Yorkshire Council Assistant Director Customer, Revenue and Benefits) is appointed as Senior Responsible Officer for HSF4.

5.2. It is proposed that an initial allocation of HSF4 is used to provide additional support to vulnerable households from 1 April 2023 until 31 March 2024, unless terminated earlier, by meeting the additional cost of the North Yorkshire Local Assistance Fund (NYLAF) providing up to four emergency food and energy awards in a rolling 12 month period. NYLAF already provides up to two emergency food and energy awards in a rolling 12 month period vouchers and utility top-ups. Normal NYLAF eligibility criteria will continue to apply.

- 5.3. The estimated cost of this allocation for the year is £60k (out of the £7m HSF4 funding allocation).
- 5.4. Funding from previous HSF phases has been utilised to meet the additional cost of NYLAF providing up to four emergency food and energy awards in a rolling 12 month period, so this proposal will also provide some continuity from 1 April 2023.
- 5.5. Delivery through NYLAF also meets the DWP requirement that every local authority area must operate at least part of their scheme on an application basis, ie residents should have the opportunity to come forward to ask for support.

6. Financial Implications

- 6.1. HSF4 is funded by a section 31 grant from the Department for Work and Pensions and ring-fenced to be spent in line with the grant conditions. Payment of the grant will be in two parts in arrears after submission of interim and final MI returns
- 6.2. Payments by DWP to the local authority are dependent on the submission of the MI returns endorsed by the S151 Officer.
- 6.3. As with any payments, there is a risk of fraud. Risk management implications are discussed in section 10 of this report.
- 6.4. The total grant allocation for North Yorkshire is £7,075,100 and covers the period from 1 April 2023 to 31 March 2024.
- 6.5. The estimated cost of this initial deployment for the year is £60k and there is provision for this deployment to be terminated earlier, for example if alternatives are identified in the HSF delivery plan to be developed by officers for the majority of the year and the majority of the funding allocation. The HSF delivery plan will also require an Executive decision before it is submitted to DWP.

7. Legal Implications

- 7.1. This matter requires an urgent decision by the decision taker, and cannot reasonably be deferred, to enable the timely consideration and implementation of this matter and to meet Government deadlines to enable a service to be provided from 1 April 2023. It has been agreed that the decision proposed is reasonable under the circumstances and to it being treated as a matter of urgency (where any delay likely to be

caused by the call in process would seriously prejudice the Council's or the public interest). Therefore the call-in procedure should therefore not apply to the decision. See: [Urgency Notice](#) .

8. Equalities Implications

- 8.1. DWP has undertaken an equality impact assessment (EIA) on the national HSF scheme. EIAs have been undertaken for local implementation of the previous HSF phases in North Yorkshire, all of which have included additional emergency food and energy awards through NYLAF. No adverse impacts were identified as part of these EIAs. An EIA will be required for the HSF delivery plan to be developed by officers for the majority of the year and the majority of the funding allocation.

9. Environmental Implications

- 9.1. A climate change impact assessment was undertaken for local implementation of the previous HSF phases in North Yorkshire, all of which have included additional emergency food and energy awards through NYLAF. No adverse impacts were identified as part of these assessments. A climate change impact assessment will be required for the HSF delivery plan to be developed by officers for the majority of the year and the majority of the funding allocation.

10. Risk Management Implications

- 10.1. Given the late announcement of the scheme, there is a tight turnaround for the Council to deliver the scheme. Hence this proposal for an initial deployment of part of HSF4 allocation.
- 10.2. There is a risk of the cost of awards made through this initial deployment exceeding the estimated cost of £60k. The delivery plan to be developed officers for the majority of the year and the majority of the funding allocation will need to take this into account. There is also provision for the supply of additional emergency food and energy awards to be terminated earlier if necessary.
- 10.3. NYLAF has well tested measures in place to minimise the chance of fraudulent applications.

11. Recommendation

- 11.1. It is recommended that Executive Member for Corporate Services agrees:
 - the proposal for initial deployment of part of the HSF4 allocation as set in this report, and

- to officers developing a delivery plan for the majority of the year and the majority of the funding allocation, for Executive approval.

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23 March 2023