

Report to: **Executive**  
Date: **1 December 2022**  
Title: **Cost of Living Crisis: Plans for Household Support Fund Allocation**  
Portfolio Area: **Cllr Nicky Hopwood**  
**Executive Lead: Cost of Living**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

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#### **RECOMMENDATIONS:**

##### **That the Executive:**

- 1. instructs officers to take immediate steps to progress support payments of £650 to working age households not receiving passported benefits on 1 December 2022;**
- 2. instructs officers to take immediate steps to progress support payments of £300 to households in receipt of council tax disabled band reduction on 1 December 2022;**
- 3. Instructs officers to work with partners to distribute slow cookers and cookbooks, electric blankets, warm clothing and sleeping bags to households based on need. It is recommended that £10,000 from the Fund is ring-fenced for this purpose; and**
- 4. Approves the use of the balance of the funding for an open application process from low income households most in need of support.**

#### **1. Executive summary**

- 1.1 The government has made more money available to local councils to support households with the increasing cost of living during the autumn/winter period. The Council has been allocated £187,311

by Devon County Council and the funding must be spent during the period 1 October 2022 to 31 March 2023.

- 1.2 The Council also received funding for two previous schemes; Household Support Fund 1 and Household Support Fund 2. Devon County Council allocated funding of £83,407 for HSF1 and we were able to support 291 residents. We received a larger allocation of £273,395 from HSF2 and were able to provide timely and effective support to 2,433 residents.
- 1.3 The latest fund must be used to support households in the most need; particularly those who may not be eligible for other support government has recently made available but who are never the less in need.
- 1.4 A variety of support options have been considered and the recommended options strike a balance between providing direct support to households who may not have received any other support and the option to apply for support through an application process.
- 1.5 The recommendation to provide support through the issue of slow cookers and electric blankets, will also deliver longer term and sustainable options to residents dealing with higher energy costs.

## **2. Background**

- 2.1 £421m has been made available to County Councils and Unitary Authorities in England to support those most in need to help with global inflationary challenges and the significantly rising cost of living. This funding covers the period 1 October 2022 to 31 March 2023.
- 2.2 The Council has been allocated £187,331 and the expectation is that the Fund should be used to support households in most need; particularly those who may not be eligible for other support the government has recently made available, but who are nevertheless in need. There are no DWP funding targets in terms of supporting certain cohorts of the population, however at least part of the scheme must be on an application basis so there is an opportunity to ask for support
- 2.3 The Fund 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.
- 2.4 Energy bills may be of particular concern to low income households during the period of the Fund and the Government guidance requires local authorities to prioritise supporting households with the cost of energy.
- 2.5 Authorities should also consider providing support to disabled people in their area as they 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.
- 2.6 Authorities have flexibility to identify which vulnerable households are in most need of support and we can use our own discretion and datasets when identifying eligibility.

### **3. Outcomes/outputs**

- 3.1 The expectation is that the Fund should be used to support households in most need; particularly those who may not be eligible for other support the government has recently made available, but who are nevertheless in need. There are no DWP funding targets in terms of supporting certain cohorts of the population, however at least part of the scheme must be on an application basis so there is an opportunity to ask for support.
- 3.2 The Council is proposing the following use of the Household Support Funding for the period 1 October 2022 to 31 March 2023.
- Making support payments of £650 to working age households not receiving passported benefits on 1 December 2022. It is estimated that 21 households will benefit as a result.
  - Making support payments of £300 to households receiving council tax disabled band reduction on 1 December 2022. It is estimated that we will be able to support 235 households as a result.
  - Providing funding of £10,000 to help partners provide slow cookers and cookbooks, electric blankets, warm clothing and sleeping bags to individuals and households identified as being in need.
  - Using the balance of the funding to offer an open application process to provide support to low income households and others in financial need.
- 3.3 Getting the funding out to residents as quickly as possible is a key measure of success and the Council has a proven track record in this area.
- 3.4 As part of the funding arrangements, the Council is required to provide management information to Devon County Council on the delivery of the Fund. This will in turn be used by DCC to inform the Department for Work and Pensions on the speed of delivery.

### **4. Options available and consideration of risk**

- 4.1 In formulating the recommendations, a wide range of options have been considered and discounted. These are set out below:
- (a) Various options using existing benefits datasets including nil qualifiers for council tax reduction and those households only receiving housing benefit. Due to the level of work involved in identifying these cases, it was determined that the cost in officer time outweighs any benefits to households.
  - (b) LHA shared room rate. This was discounted as a viable option as there was no shortfall in rent and it mainly affects pensioners living with landlords.

- (c) Support for households in unaffordable housing or Devon Home Choice applicants who have indicated they need to move because their current home is in poor condition. This was discounted as a viable option as we do not have enough information to make a decision and most of the residents are likely to be receiving relevant benefits. This means they will have already received support through other channels.
  - (d) Households which have received a disabled facilities grant. Data protection restricts the Revenues and Benefits team accessing this information. Environmental Health would need to write to recipients inviting them to apply for a payment from the Household Support Fund. This is administratively complex and, as many will have already received support through other channels, we have again discounted this option.
  - (e) A payment for properties with an Energy Performance Certificate (EPC) rating of E to G, where G is the least efficient, through a simple application process. This option was discounted as not all properties are required to have a certificate and there would also not necessarily be any correlation with low income. Officers are recommending, however, that where applicants to the Household Support Fund can demonstrate they meet the low income criteria we will make a top-up payment if they can also demonstrate the property has an EPC rating of E to G.
- 4.2 In evaluating the options, engagement has taken place with service leads across the Council and other relevant officers and Members.
- 4.3 There is a risk that the Council does not fully spend its allocation by 31 March 2023. Due to the likely continuing impact of the Cost of Living Crisis, an underspend is not considered to be a significant risk. There will be regular monitoring of spend and take-up and if an individual element of the programme is likely to underspend, consideration will be given to reallocating to areas with greater demand.

## **5. Proposed Way Forward**

- 5.1 The recommendations in this report will provide support in different ways to different households with particular focus on supporting those who may be just above income thresholds meaning they do not qualify for other support.
- 5.2 The proposals will help deliver our vision of Better Lives for All through providing a broad range of support including help with energy cost and essential living costs. They are also targeted at those most in need due to the cost of living crisis, including those with higher energy costs due to disabilities and those who may have missed out on other government support.

## 6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The Department for Work and Pensions (DWP) has provided funding to County Councils and Unitary Authorities (including Metropolitan Councils and London Boroughs), under section 31 of the Local Government Act 2003, to administer The Fund and provide assistance to households most in need.</p> <p>The Household Support Fund (1 October 2022 to 31 March 2023): final guidance for county council and unitary authorities in England states that authorities must work together with district councils to ensure the funding meets its objectives by identifying those most in need.</p>
Financial implications to include reference to value for money		<p>The Council will receive £187,331 from Devon County Council to deliver the Household Support Fund.</p> <p>The fund must be spent/committed between 01/10/22 and 31/03/23, with any committed spend actually being spent in a reasonable timeframe thereafter, in line with the purpose for which it was initially committed.</p> <p>Partners will be required to complete MI returns within clear timeframes. Payment from DWP will be in arrears following receipt of satisfactory MI from DCC and its partners (via DCC). Reasonable administration costs will be covered by the fund.</p>
Risk		There is a reputational risk if the Council does not deliver support in a timely and responsive manner.
Supporting Corporate Strategy		Wellbeing
Consultation & Engagement Strategy		There is no requirement to consult however engagement has taken place with service leads and other relevant parties across the council.
Climate Change - Carbon / Biodiversity Impact		None as a direct result of this report.
<b>Comprehensive Impact Assessment Implications</b>		
Equality and Diversity		Equality impact assessments will be completed if required.

Safeguarding		None as a direct result of the report, however some actions will help keep vulnerable children and adults safe.
Community Safety, Crime and Disorder		None as a direct impact of this report, however some of the recommendations may help to reduce crimes such as domestic violence.
Health, Safety and Wellbeing		Financial wellbeing is crucial to the wellbeing of our residents and the recommendations in this report are designed to support this.
Other implications		None.

**Supporting Information**

**Appendices:**

None.

**Background Papers:**

None.