



City of Westminster Cabinet Member Report

Decision Maker: Cabinet Member for Finance and Smart City

Date: November 2021

Classification: General Release

Title: Household Support Fund

Wards Affected: All

Financial Summary: There are no financial implications for the council as the council's expenditure, including for administration, will be met by the government's grant funding allocation. There will be a minor cashflow implication, as the government's funding is to be paid in arrears

Report of: Gerald Almeroth: Director of Finance & Resources

1. Executive Summary

1.1 This report seeks approval for a number of processes to allocate the government's new Household Support Fund to the borough's most vulnerable residents.

1.2 A summary of proposed spend is below:

	£
TARGETTED HELP	
1. Families eligible for free school meals during the holiday period (includes support to those: with pre school children, children with special educational needs at independent schools and families supported by the council with no recourse to public funds)	£840,000
2. Households identified to be in hardship through the Lower Income Family Tracker (LIFT)	£700,000
APPLICATION / CRITERIA BASED HELP	
3. Local Hardship Fund with Citizens Advice Westminster	£250,000
4. Grants to food charities	£30,000
5. Local Support Payment Scheme	Flexible (subject to need / monitoring)
OTHER	
6. Contingency	£91,507
7. Administration	£40,000
TOTAL	£1,951,507

1.3 Help is mainly in the form of supermarket vouchers and voucher amounts for 2 and 3 above reflect the average increase in fuel costs to households over the winter and then scaled to their particular needs.

2. Recommendations

2.1 That approval is given to utilise each of the processes outlined in Section 4 of this report to allocate the council's funding allocation (£1,951,507) to the borough's most vulnerable residents.

2.2 That delegated authority is given to the Director of Finance & Resources to flex the level of funding allocated to each process, including voucher amounts, in order that the council's funding allocations is fully utilised before the government's deadline of 31 March 2022 and to respond to any changing circumstances.

3. Government Guidance

3.1 The government has provided local authorities with a broad discretion as to how to allocate their funding. The key points that local authorities should seek to meet are as follows:-

- Local authorities should ensure that the grant is primarily allocated to residents to support with the costs of food, energy (for heating, lighting and cooking), water (for household purposes, including sewerage) and other essential living needs
- In exceptional circumstances of genuine emergency, the Authority may allocate grant funds to support with housing costs as set out in the Scheme guidance
- At least 50% of funding should be allocated to families
- The fund can be used for low wage non-benefit residents and for residents with no recourse to public funds.

3.2 It is not proposed to make direct payments to the residents, as this increases the risk of fraud and also increases the risk that the payments will not be utilised for the intended purposes. Whilst the government have asked local authorities to seek to cover food and energy costs, there are unfortunately no fuel vouchers (other than for prepaid meters) and as such the council proposes to pay more in supermarket vouchers, i.e. the additional savings made by the resident on food costs can be utilised by them towards their energy costs.

4. Proposed methods of allocation (the local delivery framework)

TARGETED SUPPORT

These allocations are based on recognised indicators of need.

4.1 Free School Meals (for holiday periods)

4.1.1 **Eligibility Criteria/Data Sources:** Based on the national criteria¹, 7,200 Westminster children are eligible for free school meals (FSM) as their families have low incomes. These families will receive help for the holiday periods based on FSM methodology. All holidays from October 2021 to April 2022 (with the help for the Easter holiday paid in March 2022) will be covered.

4.1.2 To provide equivalent help to other low income families with pre-school children, children with special educational needs at independent schools (identified through being known to the council's short breaks service) and those supported by the council with no recourse to public funds will also receive help.

¹ www.gov.uk/apply-free-school-meals

Method: Supermarket Vouchers

Value: £840,000

Timescale: Vouchers will be sent before the holiday periods in October 2021, December 2021, February 2022 and March 2022 (for easter). Vouchers may be issued at other times to families identified in 4.1.2

Administered by: Children services who previously administered the school vouchers element of the previous COVID Winter grant scheme

4.2 **Households identified to be in financial hardship**

4.2.1 **Eligibility Criteria/Data Sources:** Households in receipt of benefits from all tenures and composition will be identified for help using the Lower Income Family Tracker (LIFT) data platform and the methodology established by Policy and Practice² to identify those potentially in financial difficulty. Their methodology identifies three groups of household, those 'in crisis', 'at risk' and 'struggling' and each of these groups will receive help.

4.2.2 Although the numbers could change, and subsequently the value below could change, depending on when the data is extracted, at September 3,621 households were identified in these categories:

- Households with children or large households: 461
- Singles / couples: 2,293
- Households which include an older, disabled person or a carer: 867

Method: Supermarket Vouchers

Value: £700,000

Indicative voucher amounts: The amounts below are based around the estimated increase in household fuel costs and then inflated due to particular circumstances.

Household type	£
Singles	£150
Couples	£180
Pension age person in household	£250
Disabled person in household	£250
Carer in household	£250
Children in household	£300
Large households (over 4 people)	£320

Timescale: December 2021, with potential for further vouchers to be issued if more households within the three groups are identified in early 2022 and subject to the available budget

Administered by: A range of council officers

CRITERIA / APPLICATION BASED SUPPORT

4.3 Local Hardship Fund

In addition to the targeted support, a local fund will be available for those that have not been identified for the targeted help in 4.2 or are still struggling after it.

4.3.1 Eligibility Criteria/Data Sources: Citizens Advice Westminster (CAW) and its partners will recommend low income households in financial difficulty for the fund to the council for help. The fund will generally be available to households with incomes of £21,500 or below or that are in receipt of a welfare benefit, but further households will be considered in exceptional circumstances.

Method: Supermarket Vouchers

Value: £250,000

Voucher amounts: As is 4.2 above

Timescale: November / December 2021 – March 2022

Administered by: Partnership between CAW and the council's Local Support Payment Team (LSPT). Following recommendations from the CAW, the LSPT will conduct checks and issue the vouchers

4.3.2 In order to make sure the government funding reaches as many vulnerable households as possible, it is proposed that each household will only receive one set payment via LIFT or the Hardship Fund (FSM vouchers are in addition). Citizens Advice Westminster will retain discretion however to recommend that a further set allocation of vouchers in deserving cases, but not until one month after the initial allocation.

4.4 Local Support Payment Scheme (LSPS)

The council has an established scheme to help people in receipt of certain benefits in emergencies³, with a budget of £550k for 2021/22. An allocation from the Household Support Fund may be used to increase its capacity, subject to an available budget and demand over the winter.

³ www.westminster.gov.uk/benefits/apply-local-support-payment

4.4.1 Eligibility Criteria/Data Sources: Help for tenants is generally limited to supporting them with emergency expenses related to moves i.e. with white goods, essential items and removals etc. Families and vulnerable people facing exceptional hardship can apply for help with various emergency costs like replacement of essential white goods and clothing. There is overlap between the help people can receive through the LSPS and the Household Support Scheme.

Value: Flexible (subject to budget availability / monitoring)

Payments: Support is generally in the form of vouchers for goods or replacement second hand goods / furniture

Timescale: Flexible (subject to budget availability / monitoring)

Administered by: The Local Support Payment Team

4.5 **Food Charities (Pantries)**

There are two food Pantries in Westminster: the Westbourne Park Pantry⁴ and the Abbey Centre Pantry⁵.

4.5.1 Eligibility Criteria/Data Sources: Under the pantry model low income people can join and access discounted food for a small fee. To apply people need to explain the areas in which they are struggling. The overall aim is not to set criteria which is overly burdensome and restrictive.

Method: One off grant to each of the food pantries in Westminster with outputs and monitoring arrangements set in a Service Level Agreement

Value: £30k (£15k to each Pantry)

Timescale: December 2021

Administered by: The council's Policy and Projects and Westminster Connects Teams. Progress will also be reported to the Westminster Food Network

⁴ www.yourlocalpantry.co.uk/find-a-pantry/westbourne-park-pantry/

⁵ www.yourlocalpantry.co.uk/find-a-pantry/the-abbey-centre-pantry/

OTHER

- 4.6 **Contingency:** £91,507 has been set aside in order to have some ability to use the funding flexibility and to address any new or exceptional circumstances as they arise.
- 4.7 **Administration:** £40,000 has been identified for administration which is less than 5% of the overall budget.
- 4.8 It should be noted that the voucher amounts for 4.2 and 4.3 could be subject to change as the number of households to receive support identified by LIFT may change and this will affect overall spend.
- 4.9 It is proposed that there will be no formal appeal process, but it will remain open to raise a complaint if households feel that the council has not administered the process fairly through The Council's Corporate Complaints policy⁶.
- 4.10 The council will maintain records of allocations in accordance with the government's requirements as outlined in the guidance document. This will include ensuring that at least 50% of the funding is used to support families as outlined in the government guidance. The estimated split of spend is:
- Households with children 60%
 - Other households 40%.

5. Consultation

- 5.1 This report has been reviewed and agreed by senior officers and the relevant Cabinet Members in the following directorates:
- Finance & Resources
 - Children services
 - Adult services.
- 5.2 CAW have also been consulted on the development of the process outlined at 4.3 of this report and the Hardship Fund has been discussed with the Food Network. The processes in 4.5 have also been discussed with the pantries.

6. Communications

- 6.1 Vouchers to households identified as financially struggling (in 4.2 above) will be accompanied by a letter, which will as far as possible, signpost recipients to other advice and support available such as the Warm Homes Discount⁷.

⁶ www.westminster.gov.uk/about-council/complaints#complaints-policy

⁷ www.gov.uk/the-warm-home-discount-scheme

6.2 Details of the criteria based Hardship Fund will be on the council's website and it will be widely promoted through CAW and its partners to ensure it reaches all sections of the community. Further promotion / communications will be done if needed.

7. Equalities implications

7.1 An Equalities Impact Assessment (EIA), initial screening, has been completed on the proposed spend and it has identified groups, using benefit data, that are more likely to have low incomes, compared with the population overall in Westminster and benefit from the fund. These are:

- People in the 45 – 64 and over 65 age groups
- Non white households
- People with disabilities / or in poor health
- Adult only households.

7.2 However the EIA also considers wider data and identifies that other households are also more likely to have low incomes and benefit from the fund:

- Younger people
- Women
- Men over 50
- Households with children
- Those from a Black, Asian and Other ethnic background.

7.3 The voucher amounts in 4.2.2 are intended to reflect the increase in household energy costs and the EIA notes that certain groups, such as the elderly and households including those with disabilities are more at risk if they live in cold homes.

7.4 Where vouchers are issued, there will be alternative provision for those without the internet, who are more likely to be older.

7.5 The Hardship Fund will be monitored monthly to ensure all sections of the community can access it and it is anticipated to have a broad reach given that CAW is well linked to a wide range of community organisations across the city that support diverse groups.

8. Financial Implications

8.1 There are no financial implications on the council's General Fund, including for administration, as the maximum amount payable, including administration costs, will met by the government's grant funding allocation. There will be a minor cashflow implication, as the government's funding is to be paid in arrears.

9. Legal Implications

9.1 Under Section 31 of the Local Government Act 2003 ‘A Minister of the Crown may pay a grant to a local authority in England towards expenditure incurred or to be incurred by it.’

9.2 In addition to this, the council has a general power under Section 1 of the Localism Act 2011 to do anything that an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act. Therefore, the council is able to receive and accept the grant and utilise it as per the contents of the report and in line with the principles set out in the government guidelines.

10. Risk management

	Risk	Mitigation
1.	As the fund has to be spent by March 2022 to meet immediate needs, a full means test cannot be established in the timescale. There is always a risk that help based around indicators of need doesn't reach everyone in hardship	Indicators of need follow established methodologies i.e. for FSM A mixed approach to the fund has been taken to capture as many households in need as possible Households not identified for targeted help can apply to the Hardship Fund or the Local Support Payment Scheme
2.	There is a risk of duplicate support	The timescales of the various processes should enable checks for awards for households across more than one award type
3.	The number of households identified for help using LIFT will change depending on when data is extracted. There is potential for household circumstances to worsen as the winter progresses	Households not identified for targeted help can apply to the Hardship Fund Subject to the available budget further households could be identified for support using LIFT in early 2022
4.	Help is via supermarket vouchers so may not meet direct needs i.e. with energy bills	Other types of payments have been considered and discounted. It is anticipated that help with food will free up money for other things and they can be used for wider essentials available at some supermarkets. This risk cannot be fully mitigated
5.	People are still struggling following the awards if energy bills etc. rise further	This cannot be fully mitigated given Westminster's allocation, although more than one application to the Hardship Fund is possible in some circumstances
6.	The fund is not fully utilised given the short timescales	Spend will be monitored monthly and some flexibility on spend is proposed

11. Reasons for Decision

- 11.1 The recommended processes outlined in section 4 of this report seek to deliver support in accordance with the government's guidance to the council's most vulnerable residents taking account of a limited funding envelope.

For completion by the **Cabinet Member for Finance, and Smart City**

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____ Date: _____

NAME: _____

State nature of interest if any

.....

.....

(N.B: If you have an interest you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled

Household Support Fund

Signed

Cabinet Member for Finance, and Smart City

Date

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

.....

.....

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Head of Legal & Democratic Services, Chief Operating Officer and, if there are resources implications, the Director of Human Resources (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.