

From: Zena Cooke – Corporate Director Finance

To: Roger Gough – Leader of the Council

Subject: **Household Support Grant**
Decision number: 21/00107

Key Decision: *Affects more than 2 Electoral Divisions and involves expenditure of over £1m*

Classification: Unrestricted

Past Pathway of Paper: **None**

Future Pathway of Paper: **Implementation of the decision**

Electoral Division: All

Summary: This report advises of the new Household Support Grant provided by Government, its intended purpose, and proposals for its spend. It provides background on similar previous grants received and how these were utilised.

Recommendations: The Leader is asked to:

- 1) Confirm and endorse the arrangements put in place via Officer Decision 21/0008, taken under delegated authority arising from Key Decision 21/00062 by the Corporate Director for Finance, to accept the Household Support Grant in full for use in accordance with the guidance published by Department of Work and Pensions and relevant terms and conditions.
- 2) Note that Officer Decision 21/0008 committed £750k of the accepted grant to the provision of supermarket vouchers to families with children in receipt of benefits-related Free School Meals or families in need of support through KSAS during the October 2021 school.
- 3) Approve use of the grant to support the provision of vouchers to families with children in receipt of benefits-related Free School Meals or families in need of support through KSAS during the Christmas 2021, February and Easter 2022 school holidays
- 4) Agree the proposed use of the remainder of the Household Support Grant over the winter period to the end of March 2022 as set out in section 3.
- 5) Authorise the Corporate Director Finance, in consultation with the Leader to take any other actions, within the scope of the grant management framework, needed to ensure that the grant is spent in full by the date stipulated by the Department for Work and Pensions, including reviewing, revising and amending the funding allocations set out in the Executive Decision Report.

6) Authorise the Corporate Director Finance in consultation with the Leader, to take other necessary actions, including but not limited to entering into contracts or other legal agreements, as required to implement this decision.

7) Authorise the Corporate Director Finance in consultation with the Leader, to accept and administer any further grant monies providing they are given by government on very similar terms of reference and that they can be appropriately managed under the funding / governance framework put in place by this decision.

1. Introduction

1.1 Urgent Decision **20/00110** was taken in November to accept the Government's £4.5m Covid Winter Grant and allocate it as follows:

- £2.5m on providing vouchers during the Christmas and February school holidays to families with children in receipt of benefits-related Free School meals, and other low-income families
- £900k to be allocated to Districts, on the same funding formula used by DWP, to target vulnerable households in their areas
- £800k to be used by KCC services to distribute to families in financial hardship
- £500k to be earmarked for low-income families who need help with food and utilities bills

The grant had to be spent between early December 2020 and 31 March 2021.

1.2 On 2 March 2021, the Department of Works & Pensions (DWP) wrote to advise it was extending the period in which the COVID Grant should be spent from 31 March to 16 April and was awarding KCC a further £1.5m. A further Key decision (**21/00038**) was taken to accept the money in full and allocate it to the provision of supermarket vouchers for the families of children in receipt of benefits related free school meals during the Easter holidays 2021.

1.3 Just before the end of the grant extension period, on 14 April 2021, the DWP wrote again, to say it was renaming the grant to the Covid Local Support grant and awarding KCC a further £1.06m to be spent in the period 16th April to 20 June 2021.

1.4 The DWP issued a draft letter to LAs on 21 June 2021 informing them that the Covid Local Support grant will be extended for a final time over the summer break, awarding KCC a further £4.2m, with funding to be spent by 30 September 2021. The Leader took an urgent decision, **21/00062**, accepting the additional grant of £4.239m, confirming spend in accordance with key decision 21/00038, authorising the provision of free school meals support through the summer holidays, and delegating authority to the Corporate Director Finance to take the necessary actions to spend the grant money in line with the grant conditions and implement the decision, together with authority to accept any

future grant provided for similar purposes and to spend this in accordance with the governance framework put in place by the decision.

- 1.5 The week after the end of the grant period, the DWP issued draft grant determination letters and guidance relating to the new Household Support Grant. Kent County Council's allocated sum is £11.065m. The purpose of this grant is almost identical to those of the previous Winter and Covid Support Grants. Accordingly the Corporate Director Finance in consultation with the Leader, approved accepting the grant and allocated £750k to the provision of support for benefits related free school meals families during the October half term (OD - **21/0008**). This paper proposes how the remainder of the grant will be used.

2. Household Support Grant

- 2.1 The purpose of the grant is *“to support households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional cases of genuine emergency) this winter as the economy recovers.”* Eligible spend includes:

- Food.
- Energy and water (including sewerage).
- Essentials linked to energy and water (including sanitary products, warm clothing, soap, blankets, boiler service/repair, purchase of equipment including fridges, freezers, ovens, etc.).
- Wider essentials including but are not limited to, support with other bills including broadband or phone bills, clothing, and essential transport-related costs such as repairing a car, buying a bicycle or paying for fuel.
- Housing Costs in exceptional cases of genuine emergency (eligibility for Discretionary Housing Payments must first be considered and whether the claimant is at statutory risk of homelessness and therefore owed a duty of support through the Homelessness Prevention Grant).
- Reasonable administrative costs.

- 2.2 Councils have the ability to deliver the scheme through a variety of routes including providing vouchers to households, making direct provision of food, or issuing grants to third parties (with the exception of debt advice provision). County Councils are expected to work together with District Councils to provide support and ensure the funding meets its objectives by identifying those most in need. Funds should be spent or committed before 31 March 2022 and cannot be held over for future usage. All Councils are encouraged to ensure that any vouchers issued are redeemed before the end of the scheme, or shortly thereafter, or consider recycling unused vouchers.

- 2.3 At least 50% of the funding is for vulnerable households with children. The remainder of the funding (up to 50%) is available for vulnerable households without children (including individuals). There is no requirement for councils to undertake a means test or conduct a benefit check.

3. Proposals for Spend

- 3.1 The Corporate Director Finance in consultation with the Leader, made the decision to allocate £750k towards providing free school meals support during October half-term. This would have been the first school holiday for one year which did not have this financial support had this action not been taken. It coincided with the ending of the furlough scheme, the removal of the additional £20 per week universal credit payment, energy price rises, fuel shortages and general cost of living pressures.
- 3.2 It is proposed that benefits related free school meals (FSM) support, is provided during Christmas 2021, February half term and Easter 2022. This will commit a further £3.75m. Easter holidays 2022 commence 1 April 2022, but vouchers would be issued in advance and would be redeemed before or soon after the 31 March 2022 end date for grant spend and conform to the grant conditions set out in 2.2 above. Approving the provision of FSM support now will give families and schools reassurance and certainty.
- 3.3 It is proposed that £2.5m of the Household Support Grant is used by KCC services including the Kent Support and Assistance Service and other services to distribute to families in financial hardship.
- 3.4 It is proposed that the remaining £4.065m is allocated for households who need support with energy and water, and essentials linked to energy and water. In keeping with the strong partnership approach adopted by all partners throughout the Covid-19 pandemic, some of the funding may be devolved to District and Borough Councils based on the previously agreed methodology (the methodology previously used allocated 50% according to population, 25% for deprivation and 25% for the prevalence of covid) to ensure the most appropriate local method of delivery for this funding to residents in need.

Table 1 below provides the breakdown of the spend against the Winter Grant and the Covid Local Support Grant (CLSG) between food & utilities and other essential spend (such as white goods, furniture etc). There is an overspend against the CLSG which is to be funded from the Contain Outbreak Management Fund (COMF), which has also been included below.

Table 1

	Food & Utilities	Other	Total (excl admin)
Winter Grant	£5,425,707	£363,809	£5,789,516
Covid Local Support Grant	£5,252,867	£24,069	£5,276,936
COMF (CLSG overspend)	£549,649	£233,095	£782,744
Total	£11,228,223	£620,972	£11,849,195

Table 2 provides the numbers of households helped broken down between families with children and families without children/individuals.

Table 2

	Families with Children	Families without Children/ Individuals	Total
Winter Grant	167,166	11,073	178,239
Covid Local Support Grant	99,205	153	99,358
COMF (CLSG overspend)	2,567	1,536	4,103
Total	268,938	12,762	281,700

3.5 Over the last 18 months, the cohorts of people within the community most impacted by the pandemic, and the types of support most needed as a result, have evolved considerably and are anticipated to continue to do so. The future work programme therefore requires Kent County Council to maintain a degree of flexibility in how it manages and utilises resources such as the Household Support Fund and the Helping Hands scheme, to ensure the response effort is as efficient and as effective as possible to meet the rapidly changing needs and demands.

4. Monitoring impact, and adjusting allocations

4.1 The monitoring of this expenditure will take place as set out in the decision report for the first tranche of the Winter Grant Fund. It should also be noted that the final grant funding is still to be paid in arrears based on evidence of spend via the monitoring returns. Monitoring and compliance checks will be applied to all areas of spend, to allow for informed Officer decision-making as part of the ongoing implementation of this Key Decision. All spend will be monitored as part of compliance checks to ensure adherence to the DWP terms and conditions associated with the grant. Regular monitoring reports will be produced and shared with the Leader.

5. Eligibility

5.1 There is a balance to be struck between making it straightforward for those in genuine hardship to get the support they need, without generating unmanageable demand on the fund. Whilst the funding will not be widely advertised among the general public, the support available will be widely highlighted to relevant staff and partner organisations who are most likely to be in contact with the most vulnerable households as to how those households can be helped.

5.2 The fundamental eligibility requirement is current financial hardship. For the supermarket vouchers to families, the eligibility will be:

- children in receipt of benefits-related free school meals
- low income families whose children currently do not have a school place
- low income families whose children are home-educated

- low income families whose children are under five, but are known to the council via Early Help, Free for Two, or via Health Visitors.

5.3 For the remaining elements of the fund, recipients will:

- not have access to resources to meet the cost of essential goods or services in the event of crisis or exceptional pressure (whether or not caused by the pandemic)
- be in receipt of means-tested benefits OR can otherwise evidence current financial hardship (e.g. recent loss of income before benefits have been accessed, loss of employment) OR are fleeing domestic abuse

5.4 Information about individual households is not routinely shared between different organisations so it is not possible to definitively avoid households being helped via different routes of the Fund, and indeed sometimes this would be entirely warranted (e.g. a family in particular financial crisis receiving free school meals vouchers should still be able to receive further support with food and fuel costs). The way in which the different funding streams are targeting households in need should increase the prospect of those most in need being identified and supported, without there being inappropriate duplication.

6. Increasing Opportunities, Improving Outcomes: Kent County Council's Strategic Statement (2015-2020)

6.1 This contributes to the strategic outcome of "Children & Young People in Kent get the best start in life", by helping to keep vulnerable families out of crisis.

7. Options considered but rejected

7.1 The option of turning down the grant was rejected as there are many Kent families in need who will benefit from receiving this support.

7.2 We considered providing all funding to Districts to deliver through localised solutions however there are some elements of support that would be best provided at a county level, for example Free School Meals.

8. Financial Implications

8.1 The Household Support Grant provides the Council £11.065m to support the most vulnerable residents in the County over the winter period without a direct impact on the Council's budget. There is a risk, however, that the costs slightly exceed the amount given, for example if the number of families entitled to free school meals and families in need has increased. In this event, the County Council may have to allocate some of its other Covid related grant funding to cover the additional cost.

9. Legal Implications

9.1 Funding must be used in accordance with the guidance set by government, and the terms and conditions of the grant. KCC will apply appropriate legal mechanisms as part of issuing or deploying any grant monies to ensure any partners or third parties in receipt of grant funding remain compliant.

10. Equality Implications

10.1 Funding will be allocated to pupils eligible for FSM, or who prior to becoming home educated or without a school place received FSMs, for which there is clear, unambiguous eligibility criteria. KSAS will allocate funds following referrals made by practitioners, working with families, who have assessed that family finances negatively impact on their ability to regularly and consistently provide nutritious meals for their children.

11. Governance

11.1 By approving the acceptance of the grant and the recommended deployment of the funds, the Corporate Director Finance confirms that the responsibility and accountability for management of the funds will sit with Kent County Council.

11.2 The delegations put in place confirm that authority for ongoing management of the grant funding will be vested in the Corporate Director, Finance, in accordance with the agreed funding framework, spend areas and eligibility criteria. This delegation includes reviewing the spend arrangements and approving changes after consultation with the Leader and Corporate Directors for Children Young People Education and Adult Social Care.

11.3 All spend will be monitored as part of compliance checks to ensure adherence to the DWP terms and conditions associated with the grant. Regular monitoring reports will be produced and shared with the Leader.

12. Recommendations

12.1 The Leader is asked to:

1) Confirm and endorse the arrangements put in place via Officer Decision 21/0008, taken under delegated authority arising from Key Decision 21/00062 by the Corporate Director for Finance, to accept the Household Support Grant in full for use in accordance with the guidance published by Department of Work and Pensions and relevant terms and conditions.

2) Note that Officer Decision 21/0008 committed £750k of the accepted grant to the provision of supermarket vouchers to families with children in receipt of benefits-related Free School Meals or families in need of support through KSAS during the October 2021 school.

3) Approve use of the grant to support the provision of vouchers to families with children in receipt of benefits-related Free School Meals or families in need of support through KSAS during the Christmas 2021, February and Easter 2022 school holidays

4) Agree the proposed use of the remainder of the Household Support Grant over the winter period to the end of March 2022 as set out in section 3.

5) Authorise the Corporate Director Finance, in consultation with the Leader to take any other actions, within the scope of the grant management framework, needed to ensure that the grant is spent in full by the date stipulated by the Department for Work and Pensions, including reviewing, revising and amending the funding allocations set out in the Executive Decision Report.

6) Authorise the Corporate Director Finance in consultation with the Leader, to take other necessary actions, including but not limited to entering into contracts or other legal agreements, as required to implement this decision.

7) Authorise the Corporate Director Finance in consultation with the Leader, to accept and administer any further grant monies providing they are given by government on very similar terms of reference and that they can be appropriately managed under the funding / governance framework put in place by this decision.

13. Background Documents

COVID Winter Grant Scheme Extension Letters issued by Department for Work & Pensions

COVID Winter Grant Scheme: - Guidance for County Councils and Unitary Councils (issued by Department for Work & Pensions)

COVID Winter Grant Scheme monitoring form

Draft Household Support Grant Determination Letter issued by Department for Work & Pensions

Draft Household Support Grant: Guidance for County Councils and Unitary Councils (issued by Department for Work & Pensions)

Draft Household Support Grant monitoring form

14. Report Author

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