

BRIEFING REPORT

Children and Families Committee

Date of Meeting:	10 January 2022
Report Title:	Children and Families Winter 2021 Active Grant Briefing
Report of:	Deborah Woodcock, Executive Director of Children's Services

1. Purpose of Report

- 1.1** This report provides an update to committee on government grant funding for children and families. Information is provided on active grants over the winter period (Household Support Grant and Holiday Activity Fund) and the impact of grants over summer 2021 (please see the impact report at Appendix 1). This report is for information for the committee and is for noting, it does not require a decision.

2. Executive Summary

- 2.1.** 2020/21 has presented unique challenges for families, central government, and local government. The government response provided high levels of grant funding to local authorities to mobilise efficient and targeted responses. As part of the wider poverty package, the Department for Work and Pension's (DWP) 'Household Support Fund' (HSF) and the Department for Education's (DfE) 'Holiday Activity Fund' (HAF) were targeted at supporting children and families to combat food poverty, with wider support and education included. The two grants equate to a total of approximately £2.45m between the winter months of October 2021 and March 2022.
- 2.2.** The Household Support Grant was awarded by the DWP in October 2021. Cheshire East's allocation is £2,203,892.10. The funding will be used to support households in the Cheshire East borough with food, utilities, housing costs, white goods, and other essentials over the winter period.
- 2.3.** The Holiday Activity Fund was awarded by the DfE in March 2021, with Cheshire East's allocation totalling £881,340. The programme has run in the Easter and summer costing £630,000 with the final portion over winter

costing approximately £250,000. The programme has the aim of providing support to vulnerable children in receipt of benefits-related free school meals (FSM).

3. Background

- 3.1.** During the pandemic, several temporary grants and funding initiatives were introduced in recognition of the hardship this placed upon families and individuals. This included the 'COVID Winter Grant Scheme' (December 2020 – April 2021) and the 'COVID Support Grant' (April 2021 – September 2021). These grants distributed e-vouchers via early years settings, schools, and colleges to families and adults who were vulnerable to financial hardship due to the impact of the pandemic. Approximately 10,000 children and families across Cheshire East were supported via these grants, with a total of over 65,000 vouchers provided. The council also ensured that families in need of replacement goods, such as fridges, cookers and washing machines, were also helped, and benefited from a partnership involving schools, colleges, the NHS, council services and third sector organisations to identify families in need. Please see Appendix 1 for more information on the impact of the Covid Support Grant.
- 3.2.** In October 2021, the government announced that a new Household Support Fund grant would be made available to councils in England to support those most in need this winter. This new grant will run from 6 October 2021 to 31 March 2022 and totals £421m in England. Cheshire East's allocation is £2.2m. This is a new scheme, and the council cannot carry forward any underspends from previous DWP grants.
- 3.3.** The aim of the Household Support Fund is to provide support to vulnerable households in most need of support this winter as the economy recovers. In Cheshire East we are proposing to use the £2.2m fund to support vulnerable households with food, utilities and other essentials between October 2021 and March 2022.
- 3.4.** At least 50% of the total funding must be spent on families with children. The council is encouraged to work closely with local partners to identify a broad range of vulnerable households across their local area. The proposal is to split the administration of this grant approximately in half between Children and Families using the existing COVID support grant systems and the Benefits Service to extend the Hardship Support payment system for adults.
- 3.5.** The Holiday Activity Fund programme has the purpose of providing healthy meals and enriching activities for benefit related free school meal eligible young people during the Easter, summer and Christmas holidays in 2021. The programme has run successfully in Easter and summer, with eligibility for the programme requiring a minimum of 85% of the programme to be delivered to benefit related free school meal eligible young people with 15%

of the programme available for young people with identified needs by providers/professionals. The funding was available to support clubs in offering comprehensive, inclusive, and accessible offers and to support quality improvements.

- 3.6.** A total of £592,535 was spent during Easter (£64,320 to providers and £6,400 on administration) and summer rollout (£474,815 to providers and £47,000 on administration). This funded a total of 40 providers in 70 locations. This was spread across the Cheshire East geography, with a particular concentration in Crewe, Macclesfield, and Congleton. The programme supported over 2,130 young people, equating to 1,667 in summer and 463 in Easter. 90% of grant funds are allocated to funding places, with 10% being used to cover administration costs by Cheshire East Council.
- 3.7.** To receive funding for the scheme, providers were required to bid via the Community Response and Recovery Grant. Offers were funded if providers were able to evidence their offer provided enriching activities, healthy meal provision, suitable attendee exposure/interest within a location in Cheshire East for a fair, market appropriate price alongside satisfactory operational and health and safety policies. For more information on the impact of the Holiday Activity Fund, please see Appendix 1.

4. Briefing Information

Household Support Grant

- 4.1.** The Household Support Fund was awarded by the DWP in October 2021. Cheshire East's allocation is £2,203,892. The funding will be used to support households in the Cheshire East borough with food, utilities, housing costs and other essentials over the winter period.
- 4.2.** Below is a funding breakdown of the overall programme (please note these figures are indicative and the funding may be used flexibly within the categories):

Food	£1,500,000
Utilities	£350,000
Housing Payments	£50,000
Boiler Payments	£50,000
White Goods	£50,000
Admin	£203,892
Total:	£2,203,892

- 4.3.** The Household Support Fund rollout with young people will be in line with the previous children's voucher schemes (COVID Support Grant and COVID Winter Grant Scheme). This process will supply over 50,000 e-

vouchers to children, and families with children, for the holidays between October 2021 and March 2022, with an inclusion of Easter in April 2022. Funding will total six weeks of funding which includes October half term (one week), Christmas holidays (two weeks), February half term (one week) and Easter Holidays (two weeks). Each voucher will equate to £20 worth of funding for food for one week, with a total of six weeks being provided to pre-existing known eligibility groups. Pre-existing groups include free school meal eligible young people, young people not in education, employment and training (NEET), care leavers, and children in receipt of the early years pupil premium (EYPP).

- 4.4.** In addition to the school holiday voucher rollouts, additional referrals are accepted via the online inquiry form. Within this form trusted professionals/practitioners can apply for support for food (£20 voucher per week per child), utilities (£100 voucher per household per week) and white goods (one application per household). Applications for the inquiry form are considered on a case-by-case basis, with a limit of one utilities voucher, one white goods claim and three additional food vouchers. These funding limits will be reviewed and evaluated throughout the delivery of the scheme.
- 4.5.** The children’s portion of the programme will be managed directly by a project manager from the Children’s Development and Partnerships Service. Two grant administrators (subject to recruitment) will be recruited to assist with the school holiday e-voucher rollouts and with the administration of the inquiry forms, release of vouchers/referral to partners and design/amends to project documentation. Support for the voucher rollouts will also be required from various teams across Children’s Services. The project sits within Early Help and Prevention and steering groups are held bi-weekly with a range of partners to track and progress the fund.
- 4.6.** The funding breakdown of the children’s portion of the Household Support Fund is set out below (please note these figures are indicative and the funding may be used flexibly within the categories):

Childrens:	Food	£1,200,000
	Utilities	£100,000
	Food (inquiry)	£50,000
	White Goods	£25,000
	Admin	£103,892
	Total:	£1,478,892

- 4.7.** The Holiday Support Fund has additional scope from previous schemes to include adults. Support for adults will be available for food (totalling £40 voucher per single adults and £60 per adult couple one off payments) and utilities (£98 energy voucher per household one off payments), boiler support (subject to evidenced need), housing payments (rent contribution

with a £500 limit). The above payments are contributions to support recipients, with payment sizes proportioned as per expected volumes.

- 4.8.** Applications for the inquiry form are considered on a case-by-case basis, with a limit of one utilities payment per household, one food payment, one boiler support payment per household, one white good request and one housing payment per household. These funding limits will be reviewed and evaluated throughout the delivery of the scheme.
- 4.9.** Inquiry forms will be completed by trusted professionals/practitioners from organisations including the Citizens Advice Bureau, Housing Associations, the Winter Wellbeing Group and AgeUK. However, we will accept referrals from a wide range of trusted practitioners. The inquiry form is only open to professionals/practitioners to avoid fraudulent claims. The information the form records also enables organisations to engage in further dialogue with the claimant and ensure any other needs are being met.
- 4.10.** Eligibility for food, utilities, white goods, and boiler support will be in cases where individuals can evidence 'genuine need' and the trusted professionals/practitioner recognise said need e.g., in receipt of universal credit, in receipt of housing benefit, in receipt of council tax support, evidence of financial vulnerability. Eligibility for housing payments will only be in cases of 'genuine emergency' where the existing schemes of universal credit, housing benefit or discretionary housing payments have not met the need.
- 4.11.** To deliver the food, utilities, and white goods payments/support, we will follow the existing inquiry form process, which will be tracked separately from the children's requests, with duplication checks conducted when appropriate. Housing payments will also be received via the inquiry form, with details passed onto the Discretionary Housing Payment (DHP) scheme to conduct necessary checks on eligibility. If successful, the payments will be made via a DHP payment. If ineligible for a DHP, but they have evidenced financial vulnerability, individuals will be provided with one week's worth of food and utilities support via the scheme and considered for a £500 rent arrear payment. Boiler support will be accessed via Cheshire East's Housing Department, who will be using the funding to extend their 'affordable warmth grant' programme. The boiler support will only be provided in cases once all other available options via the 'affordable warmth grant' have been exhausted, at which point the Household Support Fund programme will support the shortfall. The above process will be piloted until January 2022, at which point demand will be evaluated. In the situation of low demand, we will have the option to conduct a bulk food release to those known to the DHP programme and emergency assistance applicants, values subject to remaining funding.
- 4.12.** Management of the adult's portion will also be managed by a project manager from the Children's Development and Partnerships Service within Early Help and Prevention. The adult's section will also require recruitment

of two grant administrators to assist with the school holiday e-voucher rollouts and with the administration of the inquiry forms, release of vouchers/referral to partners and design/amends to project documentation (so there will be a total of four grant administrators for the children and adults delivery). Adults' payment records will be held within the Adults Screening department within Benefits, which will be reported on to the steering group on a biweekly basis. Eligibility checks will be conducted by Benefits and Housing as appropriate.

- 4.13.** The funding breakdown for the adults portion is shown below (please note these figures are indicative and the funding may be used flexibly within the categories):

Adults:	Food	£250,000
	Utilities	£250,000
	Housing Payments	£50,000
	Boiler Support	£50,000
	White Goods	£25,000
	Admin	£100,000
	Total:	£725,000

- 4.14.** Reporting requirements will be managed by the project manager with DWP reporting templates utilised in our returns. Reports will be checked and signed off by Cheshire East Council's 151 finance officer, and the senior responsible officer for the project before submissions will be made. Two management information returns are required on the 21 January 2021 (reporting period 6 October 21 to 31 December 2021) and 22 April 2022 (reporting period 6 October 2021 to 31 March 2022).

Holiday Activity Fund

- 4.15.** The Holiday Activity Fund (HAF) is now entering its final winter rollout. The winter rollout period will be delivered over the Christmas holidays, where providers are expected to deliver four days of sessions lasting four hours, including enriching activities, healthy meals (which meet DfE food standards) in largely an indoor setting or with special consideration for winter conditions. The grant is open for bids between 18 October and 5 November 2021. We are expecting to build upon established relationships with providers from summer, and forge new partnerships to strengthen our offer. Previous and current partners include Everybody Sport and Recreation, Cheshire East's Children Centres, the police, Congleton Education Partnership, many Cheshire East schools, specialist SEND providers and many others.
- 4.16.** Management of HAF is carried out by a project manager from the Children's Development and Partnerships Service within Early Help and Prevention. HAF is also assisted by one project officer from the same service and one HAF administrator. The steering group meets biweekly with a range of

partners, alongside the Household Support Fund project, to track and progress the fund.

- 4.17. Reporting requirements will be managed by the project manager, who will use the DfE reporting templates. Reports will be checked and signed off by the council's finance department and senior responsible officer for the project before submission. One report is due to the DfE on 29 January 2022 with a statement of grant usage alongside. This report will include details of the entire HAF programme from Easter 2021 to December 2021.

5. Implications

5.1. Legal

- 5.1.1. The Household Support Grant has been determined by the Secretary of State for Work and Pensions in exercise of the powers conferred by section 31 of the Local Government Act 2003.
- 5.1.2. The purpose of the grant is to provide support to certain local authorities in England for expenditure lawfully incurred or to be incurred by them in accordance with the Grant Conditions to provide support to 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.
- 5.1.3. Approval of a Supplementary Revenue Estimate requires adherence to the provisions of the Financial Procedure Rules as set out in the Constitution

Funded from Additional Grants

Directors may make applications for grants, where the application does not create a financial or any other commitment, in consultation with the Chief Finance Officer. However, if the application is for a grant in excess of £1m, or if any match funding will be required, then CLT must be consulted in advance.

Successful grant applications will require a supplementary estimate to incur spending, in line with the approval limits set out in the table below.

If grant application or receipt commits expenditure outside of the Control Totals then a Virement or Other Supplementary Estimate will also be required.

Amount of grant to be received	Approval Level
Up to and including £100,000	Officers
Between £100,000 and £500,000	Relevant Member of CLT in consultation with Chair of the relevant Committee and Chair of Finance Sub-Committee
£500k and up to £1m	Committee
£1m and above	Council

and specifically the provisions of Chapter 3 Part 3 at para 19 shall apply: it being noted that the level of grant funding (£2,203,892.10) required Council approval. The relevant section from the Constitution is shown below:

- 5.1.4.** The determination by which the grant funds are awarded in exercise of the powers conferred by section 31 of the Local Government Act 2003 apply conditions. Legal have reviewed the conditions; it being noted that the conditions are directed to ensuring that the council acts to apply a scheme that ensures the council uses the grant funding “*to provide support to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional circumstances of genuine emergency) this winter as the economy recovers.*” The conditions require the council to report its application of the funds in a Statement of Grant Usage; and requires the council to deliver additional information in the form of progress report and management information return as required. Overall, the council is obliged to maintain a sound system of internal governance and financial controls in relation to the grant.
- 5.1.5.** It should be noted that the conditions provide for clawback in the event of breach:

Breach of Conditions and Recovery of Grant

20. If the Authority fails to comply with any of these conditions, or if any overpayment or underpayment is made in relation to this grant or any amount is paid in error, or if any of the events set out in paragraph 21 occurs, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid, as may be determined by the Secretary of State and notified in writing to the Authority. Such sum as has been notified will immediately become repayable to the Secretary of State who may set off the sum against any future amount due to the Authority from central government.

21. The events referred to in paragraph 20 are:

- a) the Authority purports to transfer or assign any rights, interests or obligations arising under this Determination without the prior agreement of the Secretary of State,
- b) any information provided in any application for grant monies payable under this Determination, or in any subsequent supporting correspondence is found to be significantly incorrect or incomplete in the opinion of the Secretary of State,
- c) it appears to the Secretary of State that other circumstances have arisen or events have occurred that are likely to significantly affect the Authority's ability to deliver the Scheme,
- d) the Authority's Section 151 officer is unable to provide reasonable assurance that the Statement of Grant Usage, in all material respects, fairly presents the eligible expenditure in the Grant Period in accordance with the definitions and conditions in this Determination, or
- e) the Authority fails to provide the Statement of Grant Usage and a Progress Report and Management Information Return in accordance with the Grant Conditions.

5.1.6 The Holiday Activities and Food Fund grant has been determined by the Secretary of State for Work and Pensions in exercise of the powers conferred by section 31 of the Local Government Act 2003.

5.1.7 The purpose of the grant is for local authorities to make free places at holiday clubs available in the Easter, summer, and Christmas school holidays in 2021. This will be made available to children in the local authority area who are eligible for and receive benefits-related free school meals.

5.1.8 Approval of a Supplementary Revenue Estimate requires adherence to the provisions of the Financial Procedure Rules as set out in the Constitution and specifically the provisions of Chapter 3 Part 3 at para 19 as quoted above (5.1.3) shall apply.

5.1.9 The determination by which the grant funds are awarded in exercise of the powers conferred by section 31 of the Local Government Act 2003

apply conditions. Legal have reviewed the conditions; it being noted that the conditions are directed to ensuring that the council acts to apply a scheme that ensures the council uses the grant funding “to make free places at holiday clubs available in the Easter, summer and Christmas holidays 2021 to children in their local authority who receive benefits-related free school meals”. The conditions require the council to report its application of the funds in a Statement of Grant Usage; and requires the council to deliver additional information in the form of progress report and management information return as required. Overall, the council is obliged to maintain a sound system of internal governance and financial controls in relation to the grant.

5.1.10 It should be noted that the Conditions provide for clawback in the event of breach:

Recovery of Grant

24. If the Authority fails to comply with any of these conditions, or if any overpayment is made under this grant or any amount is paid in error, or if any of the events set out in paragraph 25 occurs, the Secretary of State may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid, as may be determined by the Secretary of State and notified in writing to the Authority. Such sum as has been notified will immediately become repayable to the Secretary of State who may set off the sum against any future amount due to the Authority from central government.

5.1. Finance

5.2.1. Expenditure on the Household Support Fund will be fully funded by a government grant of £2.2m. The duration of the scheme is from 6 October 2021 to 31 March 2022. The current understanding is that the grant can also be used to cover Easter 2022.

5.2.2. The expectation is that the council will spend the grant in accordance with the conditions and not exceed the amount advised by the DWP. There will not be any unfunded ongoing commitments because of this expenditure. It is not yet known if any funding will be provided after 31 March 2022 to continue this scheme or something similar.

5.2.3. The council will be required to provide two management information returns outlining their grant spend and the volume of awards as follows:

- An interim management information return for the period 6 October 2021 to 31 December 2021 will be due 21 January 2022.
- A final management information return for the period 6 October 2021 to 31 March 2022 will be due 22 April 2022.

5.2.4. Grant payments will be made in arrears on receipt of a fully completed and verified management information return.

5.2.5. If the council has not spent the grant in accordance with the conditions, then there is scope for clawback. The service will manage that risk.

5.2.6. The supplementary revenue estimate for Holiday Activity Fund was approved at Cabinet on 13 April 2021. The council will spend their HAF allocation in full, including administrative costs as planned and this will be fully funded by the grant.

5.3. Human Resources

5.3.1. There will be a need for additional capacity to administer both grants. Reasonable administration costs are funded as part of the grant funding and we will ensure that the full costs of any additional staffing are offset against the grant.

Access to Information	
Contact Officer:	Doug Hubbert Douglas.hubbert@cheshireeast.gov.uk
Appendices:	Appendix 1: Summer Grant Impact Report
Background Papers:	Report to Cabinet where the supplementary revenue estimate for the Holiday Activity Fund was approved Report to Full Council where the supplementary revenue estimate for the Household Support Grant was approved