

OPEN

Children and Families Committee

07 April 2025

Delivery proposals for the Household Support Fund (HSF7) 2025/26.

Report of: Theresa Leavy, Executive Director of Children's Services

Report Reference No: CF/45/24-25

Ward(s) Affected: All

For Decision or Scrutiny: Decision

Purpose of Report

- 1 Approval of the Household Support Fund (HSF) 7 Delivery proposal for 2025/26.

Executive Summary

- 2 The HSF has provided essential support to vulnerable households in Cheshire East since 2020, including food, utilities, housing assistance, and other necessities. As of April 2024, HSF5 (1st April 2024 to 30th September 2024) transitioned from bulk payments to an enhanced referral system, aiming to reduce dependency and to promote sustainable impact.
- 3 From the 1 October 2024 to 31 March 2025 the HSF continued with this approach. There have been over 9,000 referrals supported, with a spend of £1.9m (figures as of 03 March 2025).
- 4 The HSF was included within the autumn budget speech, which announced a further £1bn in national funding for the programme (Please see: section 4.111 in [Autumn Budget 2024 – HC 295](#)).
- 5 On the 05 March 2025, Cheshire East received grant documentation from the Department for Education, which confirmed our funding allocation is £3,884,294.39.

- 6 This figure is approximately £600,000 less than this year, which is a 15% reduction from our previous budget. This is a nationwide reduction and has not just applied to Cheshire East.

RECOMMENDATIONS:

The Children and Families Committee are recommended to:

1. Endorse the proposed delivery model of the Household Support Fund for 2025/26.
2. Delegate authority of the grant to the Executive Director of Children's Services.

Background

- 7 The HSF has been delivering food, utilities, white goods, housing support, and other household essentials since December 2020. During this time, the HSF programme, and its variants: Covid Winter Grant Scheme and Covid Support Grant, have provided over £17m of support and over 100,000 separate payments to high priority groups within Cheshire East.

HSF7 Proposal

- 8 The proposed model will include the following:
- (i) Provide targeted bulk delivery, to a range of highly targeted cohorts in the children and adults spheres - such as, children in need (CiN) and child protection (CP) care leavers, children with disabilities (CWD), children open to early help services, and to pensioners who no longer receive a winter fuel payment.
 - (ii) Operate an online referral form for application-based support where support for food, energy, wider essentials, housing and exceptional cost payments can be accessed.
 - (iii) Provide a portion of the funding as a third sector grant, targeting local voluntary, community and faith sector (VCFS) groups such as food banks and other third sector organisations who work with vulnerable residents.
- 9 HSF7 will retain the same target cohorts, focussing on Cheshire East's most vulnerable individuals. These cohorts include, care leavers, young carers, financially vulnerable individuals, individuals known to Cheshire East professionals, individuals known to third sector organisations and individuals with a financial vulnerability as deemed by a professional or practitioner.
- 10 Governance will be via a monthly multi-agency steering group, attended by all our key stakeholders and the triage network. The meeting provides

an update on case work (financial, volumes and outcomes), a chance to share any developing risks, and for multi-agency reviews of cases.

- 11 A breakdown of proposed spend is available in table 1.
- 12 Please note, the funding amounts proposed in table 1 are indicative and reflect the volumes the programme has received in prior iterations. The final spend may differ from this amount if demand for another area of support increases.
- 13 Final grant conditions and allocations were received on the 05 March 2025, and can be found here ([Household Support Fund: guidance for local councils - GOV.UK](#)).

Other Options Considered

- 14 Two other options were considered to deliver the HSF programme, these are detailed below:
- 15 Targeted bulk delivery with basic referral routes and third sector grant.
 - (i) Provide the majority of support via bulk release to targeted groups in the form of supermarket vouchers during key periods of need throughout the year.
 - (ii) Operate an online referral form for application-based support for food, energy, wider essentials, and housing payments.
 - (iii) Deliver to a large population of key groups such as income related free school meal, child in need and child protection, care leavers and SEND (list not exhaustive).
 - (iv) Provide a portion of the funding as a third sector grant, targeting local VCFS groups, food banks and other third sector organisations who work with vulnerable residents.
- 16 Enhanced referral routes with VCFS grant.
 - (i) Operate an online referral form for application-based support where support for food, energy, wider essentials, transport, housing adaptations and exceptional costs can be accessed.
 - (ii) Provide a portion of the funding as a third sector grant, targeting local VCFS groups, food banks and other third sector organisations who work with vulnerable residents.
 - (iii) This option would deliver the majority of the funding through the online referral form and replicate how we have delivered for the past 6 months.

- 17 The option selected combines the benefits for both above, whilst ensuring administrative efficient delivery.

Implications and Comments

Monitoring Officer/Legal

- 18 Pursuant to section 31 Local Government Act 2003, the Secretary of State has determined that additional funding will be made available by the DWP to Local authorities and covers the period from 1 April 2025 to 31 March 2026 inclusive.
- 19 Local authorities have discretion on how the funding is to be used as long as it is in accordance with the guidance set out in the household support fund grant determination.
- 20 Local authorities are expected to administer the HSF and provide support to households to support vulnerable households in the most need with the cost of essentials and to provide preventative support to prevent vulnerable households from falling into (or further into) crisis. This includes support; to those households who struggle to pay essential utility bills, or to meet essential living/housing costs, or to buy food and to promote or undertake activities that prevents households from facing similar hardship in future.

Even though this is an extension to the previous household support fund schemes, it is a new grant subject to its own grant conditions as is set out in the grant determination letter. Underspends from previous schemes cannot be carried forward and funds should be spent or committed before 31 March 2026 as they cannot be held over for future usage.

- 21 When administering the fund, 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 for the period 1 April 2025 to 31 March 2026 to help vulnerable households in the most need with the cost of essentials and wider essentials;
 - Consider offering some level of preventative support, which has a longer-term sustainable impact alongside the provision of crisis support;
 - Also use funding to support households with housing costs where existing housing support does not meet this need;

Note: this includes payments made, or committed to, by the authority or any person acting on behalf of the authority, from 1 April 2025 to 31 March 2026.

- work together with district councils and third parties, including where necessary and appropriate other local services. This may include social workers, housing and family support services, and may incorporate intelligence and data from wider children's social care systems to help identify and support individuals, families and households within the scope of the fund.
- 22 Local authorities must ensure that they have a clear rationale or documented policy/framework defining eligibility and how households access the fund. Local authorities are expected to review their existing approach including how they define eligibility.
 - 23 Rather than focus on one specific vulnerable group, local authorities should use the wide range of data and sources of information at their disposal to identify and provide support to a broad cross section of vulnerable households to prevent escalation of problems. Authorities should ensure that they consider the needs of various households including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.
 - 24 Authorities should particularly consider how they can support those vulnerable households who are ineligible for other government support with the cost of living.
 - 25 The authority must ensure MI returns are signed off by S151 officer & submitted to DWP before the deadlines in order to receive the tranches of payments. Any delay may result in a delayed payment or the payment being refused. The deadlines are as follows:
 - a) Interim 1 – 1 August 2025;
 - b) Interim 2 - 31 October 2025;
 - c) Interim 3 – 6 February 2026
 - d) Final – 8 May 2026
 - 26 The authority must not deliberately incur liabilities for eligible expenditure before there is an operational need for it to do so.
 - 27 The authority must ensure that HSF funding is spent on Eligible Expenditure. The authority must ensure grant monies are used as follows::

a) The authority is to ensure that the grant is primarily allocated to support with the costs of energy (for heating, lighting and cooking), food, water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance;

b) in exceptional circumstances of genuine emergency, the authority may allocate grant funds to support with housing costs as set out in the Scheme guidance;

c) the authority is to use best endeavours to facilitate applications for assistance under the scheme from individuals who are eligible for assistance in their area.

d) The Authority may, in accordance with the Scheme guidance, allocate a portion of the grant to provide support that will improve, beyond the Grant Period, the financial resilience of households, including those households who are not struggling to meet their immediate essential living costs, and prevent vulnerable households from falling into, or further falling into, crisis. Such activities may include the provision of advice to individuals in meeting their essential living needs. For the avoidance of doubt, this does not include using the Fund to deliver and maintain activity for which the Authority is already receiving funding from HM Government.

- 28 The Authority must comply with the conditions within the grant determination letter, including (but not limited to) the provisions of paragraph 21 of the grant determination letter. Failure to do so (or in the event there is an overpayment/underpayment, or if there is an error in payment), DWP may reduce, suspend or withhold grant payments or require the repayment of the whole or any part of the grant monies paid. Any such incident will be at the determination of the Secretary of State and will become immediately repayable or off-set against any future sums payable to the authority.

Section 151 Officer/Finance

- 29 Expenditure on the Household Support Fund will be fully funded by a government grant which is expected to be lower than previous allocations. The Medium-Term Financial Strategy included an estimated value of £3.967m for a full year (£1.983 for half a year). The allocation to Cheshire East has now been confirmed at £3.884m.
- 30 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 2025/26 to continue this scheme or something similar.

- 31 The council is required to provide management information (MI) returns outlining their grant spend and the volume of awards.
- 32 The grant payments will be made in arrears on receipt of a fully completed and verified MI return.
- 33 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.

Policy

- 34 The HSF grants are part of the government's package of support, targeted at those vulnerable families and adults who are most in need, to help them to cope with the cost of essentials.

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Equality, Diversity and Inclusion

- 35 This scheme has an EIA in place for previous grant deliveries (please see [Covid Winter Grant Scheme 30.11.2020](#)). A new EIA has been completed and is currently being uploaded to the Cheshire East website.

Human Resources

- 36 The grant conditions enable Cheshire East to take a portion of the grant for administration. We have already taken steps to extend temporary contracts to ensure the programme is staffed going forward.

Risk Management

- 37 As with any welfare payment to vulnerable recipients there is a risk of fraud, as recipients might appear to be in financial need when they are not. We have tried to mitigate this risk by accepting funding requests via the panel by trusted practitioners and professionals who work directly with those in need.
- 38 Risks are routinely assessed and reported on at the monthly household support fund steering group, and remedial action is taken, as required.

Rural Communities

- 39 Children, families, and adults in rural areas of the council will directly benefit from receipt of the new grant in line with financial need. There is

no restriction on funding decisions dependent on where service users live.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

- 40 Children and young people who suffer the greatest inequality in terms of lack of household income will directly benefit from both of these grants.

Public Health

- 41 Poverty poses a threat to the public health of our residents as they are less likely to be able to access the conditions that promote a healthy physical and mental lifestyle. An adequate income can help people to avoid stress and feel in control, to access experiences and material resources, to adopt and maintain healthy behaviours, and to feel supported by a financial safety net.

Climate Change

- 42 There are not expected to be any climate change implications from the Household Support Grant.

Access to Information	
Contact Officer:	Douglas Hubbert, Business Development Manager Douglas.hubbert@cheshireeast.gov.uk
Appendices:	Appendix 1 – HSF6 Evaluation Table 1 – HSF7 Spend Proposal Table 2 – HSF Spend update Table 3 – Case studies
Background Papers:	HSF6 paper - Agenda for Children and Families Committee on Monday, 11th November, 2024, 2.00 pm Cheshire East Council

Appendix 1

HSF6 Outcomes and Impact update

- 43 An overview of HSF6 spend from 01 October 2024 to 03 March 2025 is shown below in table 2. The table demonstrates a total spend of £1.9m. When planned expenditure is included, the grant is on track to spend its entire allocation.
- 44 As well as providing food and energy support, since October the HSF programme has been able to prevent many families from being going through lengthy and costly court cases and evictions (136), supported young people to get to school who otherwise would have missed their education (3), repaired heating in homes which would have been cold during the winter (11), provided a home adaption that was preventing an individual for accessing vital home care and placing them in immediate danger (3), provided care leavers with white goods so they have the best opportunity in their new homes (4), cleaned homes which were unsafe for children to live in, allowing families to return (15), and providing families with beds who otherwise would have had children sleeping on the floor (36). This is just a snapshot of the impacts this money has had.
- 45 Many of these activities have also had avoidant impact, keeping families together, young people in school and young people in placements.
- 46 The HSF team have been in contact with a wide range of the triage network, including internal colleagues, third sector referrers and NHS referrers. Unanimously, they believe the programme is designed well and our current operational model is the best we have had to date. We have also received very good feedback from the community, stating that the programme has been a critical lifeline and has averted major crisis. Further feedback has been included within table 3, which details a range of case studies from across the programme.

Table 1

Spend area	Volumes	Spend
Food	10,000	£1,350,000.00
Energy	10,000	£1,350,000.00
Wider Essentials - Triage Network	1,000	£750,000.00
Wider Essentials - Exceptional Costs	50	£34,294.39
Prevention - 3rd Sector Grant	0	£200,000.00
Admin	0	£200,000.00
Total	21,050	£3,884,294.39

Table 2 – HSF6 Spend update (October 2024 to 03 March 2025)

Spend area	Volumes	Spend (as of 03/03/25)
Food	3,625	£379,996.00
Energy	5,497	£928,558.00
Triage Network	473	£369,664.78
Exceptional Cost	27	£14,633.00
Admin	0	£220,000.00
Total	9,622	£1,912,851.78

Table 3 – Case studies

Team	Feedback
Housing Prevention	<p>Vulnerable single mother of twins, complex mental health and learning disability. In a dire financial situation due to not understanding the benefits system due to her mental health and had to receive food parcels, emergency payments from charities and HSF food and energy referral from her housing provider just to make it to the end of the month. Another case which received a full package of advice and support from our Welfare Advice officer at a point where if left would of escalated to a full blown crisis situation and, loss of the home and a vulnerable mum with children left homeless. With financial support from HSF we have managed to stop any further escalation around eviction, saving the tenancy, freeing up funds for sustainability/day to day living expenses and eliminating the massive amount of stress exacerbated by mental health this situation was having on this single mother. The workers ability to tap into the HSF was recognised by the housing provider who sent the below</p> <p><i>"Another big thank you so much for your help with this one. Shauna is so relieved!"</i></p>
Homelessness prevention	<p>A partially sighted mother of adult children who bring their own set of challenges to her. One of her children is diagnosed with Schizophrenia and serving a prison sentence and the other is in rehab. She had been served with a notice of seeking possession and while the housing provider had done everything they could to assist including pulling in their Financial Wellbeing Services Manager it was heading towards court. HSF with support from housing allowed the tenancy to be saved and completed avoided</p>

	<p>further escalation towards crisis. The customer fed back directly to their housing provider:</p> <p><i>"this decision has relieved so much pressure and stress I have been facing at the thought of losing my home, I can barely afford to live and I buried my head not knowing what to do or where to turn. I cannot thank you and Wendy enough for the help and hope you have given me and I do not know what I would have done without this help"</i></p>
Homelessness prevention	<p>Single mother was living with her uncle who was having his property repossessed in a matter of days (waiting for bailiffs to execute the warrant) HSF allowed the family to accept an offer of long term suitable social housing before the repossession and completely prevent homelessness for her and her child. X made contact to say</p> <p><i>"I have signed the documents, I am so over the moon I love the house so much!! I am so happy with it."</i></p>
White goods	<p>I recently referred a client for a new cooker, bed frame and a chest of drawers. She is on a low income and has never been able to afford these items due to financial abuse from relatives and having moved areas due to domestic abuse. This client had been sleeping on a mattress on the floor and living off microwave/air fryer meals before I began supporting her.</p> <p>This client had no idea of the support available in the community. When I referred her into this scheme she simply couldn't believe she could get these things with no cost involved. I visited this client after the cooker had been installed and the bed frame and chest of drawers was delivered. To say she was elated and overwhelmed was an understatement. Throughout the entirety of the visit, she kept thanking myself for referring her and how much it meant to her. The impact on this client's mental wellbeing has exceeded expectations.</p>
Wider Essentials	<p>One of my prevention cases was a single parent with a young baby and currently on Maternity Leave. No family around locally.</p> <p>She had been served a Section 21. The white goods belonged to the landlord so was unable to take with her.</p>

	Her expectations were so minimal yet by providing white goods really made a huge difference to her and baby in her new home.
Transport	15 year old permanently suspended from a mainstream school and therefore attending a pupil referral unit which is within the statutory walking distance of home. X is vulnerable and at risk of criminal exploitation. Police had lent him a bike to get to school but he was regularly arriving late. Through HSF we have paid for a "spare seat" on existing transport which means X gets to school safely and on time.
Transport	Vulnerable young carer (has an EHCP) is being supported by aunt as his only parent has gone into hospital. CEC do not support travel to Supported Internships (SI) but HSF has meant that we can support him with a bus pass to get to his placement and continue to be supported by his SI.