

OPEN

**Destination of Report: Children and Families Committee (11 Nov 2024)**

**15 Sept 2024**

**Household Support Fund 2024/25 (HSF5 Review and HSF6 Proposal)**

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**Report of: Theresa Leavy, Interim 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 To receive endorsement of the Household Support Fund (HSF) 5 evaluation and approval for the proposed amendments for delivery of HSF6.

### **Executive Summary**

- 2 The Household Support Fund (HSF) has provided essential support to vulnerable households in Cheshire East since 2020, including food, utilities, housing assistance, and other necessities. As of 2024, HSF5 has transitioned from bulk payments to an enhanced referral system, aiming to reduce dependency and for more sustainable impact. Since then, the programme has processed over 6,640 referrals with a total spend of £2.2 million.
- 3 The HSF grant has now been extended for another 6 months, and will run until the end of March 2025 ([1 October 2024 to 31 March 2025: Household Support Fund guidance for county councils and unitary authorities in England - GOV.UK](#)).
- 4 Further to the above, the HSF was also 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](#)).

#### Key Outcomes:

- Spend & Referrals: The highest number of referrals (5,766) were for food and utilities, but housing costs and council tax arrears accounted for the largest financial spend. Average payment amounts varied, with housing costs significantly higher per referral (£5,175.90) compared to food (£126.87).
- Impact: HSF5 successfully addressed key community needs, including homelessness prevention and essential household costs, but some inefficiencies were identified, especially in administrative overheads and delays in processing.
- Staffing: The delivery of HSF5 required significant staffing, with over 100 hours of staff time per week. List 1 was identified as the most efficient in terms of financial distribution per hour of staff investment.

#### Consultation Feedback:

- 5 Stakeholders praised the grant's transformative impact on vulnerable families but noted administrative burdens and called for more streamlined payment processes. Feedback suggested the grant enabled early intervention, helping families avoid crises such as eviction and or placement breakdown.

#### Proposed Improvements for HSF6:

- A triage system will be introduced to direct referrals to appropriate teams, bypassing the centralised process and reducing delays.
  - Payments may be streamlined into a cash voucher system to simplify administration.
  - HSF6 will focus on maintaining effective delivery mechanisms while improving efficiency, particularly in supporting low-complexity cases quickly and allowing more time for complex cases.
- 6 The total projected spend for the next six months is £2.2 million, with the primary focus on food, utilities, wider essentials, and housing costs.

#### RECOMMENDATIONS:

Committee are recommended to:

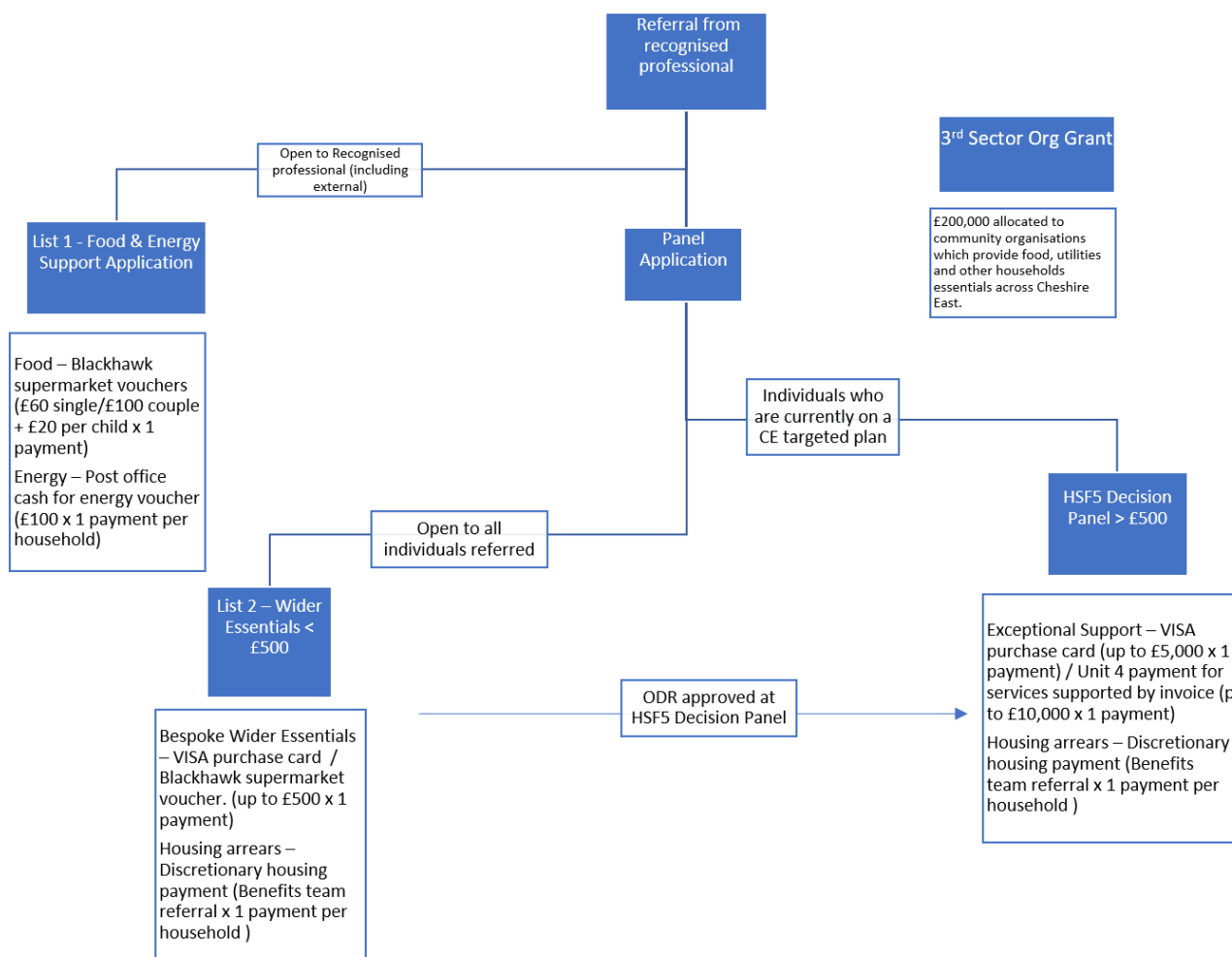
1. Recommend to full council to approve the supplementary estimate on the 11 December 2024.
2. Endorse the findings from the HSF5 evaluation.
3. Approve the HSF6 delivery model.

4. Delegate authority of the Household Support Fund delivery 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 & Covid Support Grant) has provided over £15m of support and over 100,000 separate payments to high priority groups within Cheshire East.
- 8 Prior to 2024/25, the HSF grant was delivered predominantly via a bulk payments system, accompanied by a referral process to support those who had not been captured by the bulk delivery process. The grant had significant success with delivering large amounts of funding to groups, but it became apparent from previous analysis that we were failing to have a sustainable impact, and arguably creating dependency within the community. Payments to each group were small because of the number of people being supported, e.g. a £20 food voucher or a one-off energy voucher.
- 9 As a result, the HSF5 delivery was approved to have an amended delivery process, which removed the bulk delivery process and enhanced the referral process. This approach was approved by Children and Families Committee.

10 Table 1 represents a flow chart of the HSF5 delivery model:



11 In summary, HSF5 was delivered over 3 referral mechanisms and a 3<sup>rd</sup> sector organisation grant. List 1 provided food and energy support, list 2 provided wider essentials support (under £500), list 3 provided exceptional support (over £500) and the 3<sup>rd</sup> sector grant provided food, utilities, and other household essentials.

### HSF5 Evaluation

12 Outcomes for the community of the model illustrated in table 1 are as follows: \*Figures as of 14.10.24

13 Table 2: List 1 outcomes:

	Number of referrals received	Number of referrals paid	Total Amount Paid

Food	3,052	3,052	£376,810.00
Utilities	2,714	2,714	£373,000.00
<b>Total</b>	<b>5,766</b>	<b>5,766</b>	<b>£749,810.00</b>

14 Table 3: List 2 outcomes:

	Number of referrals received	Number of referrals paid	Total Amount Paid	Number outstanding
<b>Total</b>	<b>447</b>	<b>304</b>	<b>£84,740.46</b>	<b>143</b>

15 Table 4: List 3 outcomes:

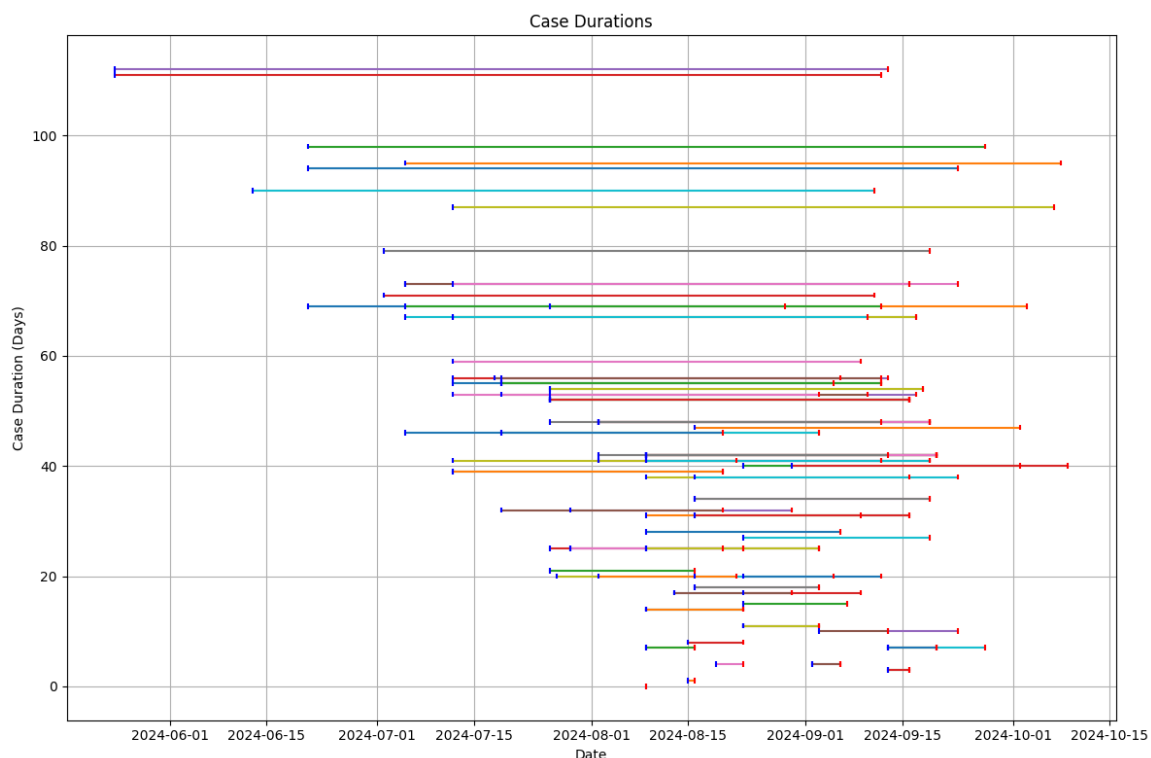
	Number of referrals received	Number of referrals paid	Total Amount Paid	Number outstanding
Wider Essentials	165	139	£158,815.44	26
Housing Costs	135	85	£439,951.38	50
CTAX Arrears	90	90	£204,332.33	0
Care Costs	20	11	£101,607.51	9
Food and Energy	17	12	£22,808.92	5
<b>Total</b>	<b>427</b>	<b>337</b>	<b>£927,515.58</b>	<b>90</b>

16 Analysis of the above data shows that we received a total of 6,640 referrals, with a total of 6,407 being paid (96.5% completion) and a total spend of £1,762,066.04. This represents approx. 276.7 referrals

received per week, 266.96 paid per week, with a weekly spend of £73,419.41.

- 17 When comparing the 3 lists, list 1 had the highest volume of referrals (5,766) and the second largest spend (£749,810.00). This gives an average spend per award of £130.
- 18 List 2 had the second highest number of referrals (447) but lowest of the 3 in terms of paid cases (304). List 2 had the lowest spend (£84,740.46), providing an average spend per award of £278.75.
- 19 Finally, List 3 had the lowest number of referrals, at 427, although the spend total for list 3 is the largest (£927,515.58), with an average spend per award of £2,752.27.

20 Table 5 - Case durations.



21 Tables 1, 2 and 3 show that most referrals were approved, however – they do show a significant number of referrals which are retained open (233).

22 Regarding these 233 open referrals, table 5 addresses case durations/time taken to close referrals. The average referral took 33.2 days, with the longest open referral 111 days, and the shortest 3 days.

23 Table 5 also demonstrates that cases are either open for a long time, or they are closed quickly, with the upper quartile average duration being 48 days, and the lowest quartile being 11 days. Demonstrating that 25% of referrals are closed within 2 weeks, but 75% take longer than this, with the slowest 25% taking almost 2 months to close. When explored, the data shows that the largest delay is when referrers are asked for clarifications by the central team.

24 The table is weighted towards longer referral closure times towards the start of the programme, with the average of the first 3 months of delivery (57.26 days), being twice the average of the second 3 months of delivery (24 days). This shows that as the programme progressed, the system matured, and we became more adept at closing referrals.

25 In addition to the above, we also supported the third sector in Cheshire East with a total of 20 organisations receiving £198,421.00. The

organisations we have supported include food support, housing support, advise and signposting organisations, white goods support, clothing support, warm spaces, and other combinations of the above which compromise a comprehensive support vehicle around our main delivery platform. A list of the organisations we have supported is below:

- 26 Alsager Community Support, Changing Live's Together, Citizen's Advice Cheshire North, Cre8, Macclesfield Limited Making Space, MHA Communities Cheshire East Disability Information Bureau, Hope Central Motherwell Cheshire CIO, One Project Macclesfield, Potential Brewed CIC, The Education & Community Partnership, The Pantry@Sandbach Hub and Sandbach Foodbank, The Wishing Well, Wesley Place Methodist Church Alsager, YMCA Cheshire, St Paul's Centre, Stable Minds CIC, Stable Minds CYP CIC, Ruby's Fund and Silklife.
- 27 Assessment of the impacts of the community grant delivery is ongoing.
- 28 Table 6: Total referral volumes and spend across spend categories:

Spend Category	Number of referrals	Spend	Spend as a %
Food	3,058	£388,214.46	20.20%
Utilities	2,720	£384,404.46	19.79%
Wider Essentials	443	£158,815.44	8.16%
Housing Costs	85	£439,951.38	20.70%
CTAX Arrears	90	£204,332.33	3.27%
Care Costs	11	£101,607.51	5.45%
Third Sector Grant	0	£198,421.00	10.64%
Admin	0	£220,000.00	11.79%
<b>Totals</b>	<b>6,407</b>	<b>£2,095,746.58</b>	<b>100.00%</b>

- 29 Analysis of table 6 shows we have 4 dominant spend categories, which are housing costs (439,951.38), food (£388,214.26) and utilities (£384,404.46). In terms of volumes, the largest volumes were food (3,060), utilities (2,718), with a notable drop in significance, to wider essentials (443). Other notable spends include council tax (CTAX) arrears (£204,332.33), admin (£220,000) and the 3<sup>rd</sup> sector grant (£198,421).
- 30 When comparing spend and volume, the average HSF award valued £327.10. Table 6 goes on to show care costs had the highest ratio, with an average payment (£9,237.05), housing costs was second (£5,175.90) and CTAX arrears third (£2,270.36). These payment ratios



are significantly higher than food (£126.87), utilities (£141.43) and white goods (£358.50).

31 In terms of analysis, housing, food, and utilities dominate the spending structure, with certain spend categories having a significantly higher cost per referral. The volumes in food and utilities suggest the grant has a very wide footprint in the community, whilst the cost of admin is also shown as a significant portion of the spend, highlighting an area where efficiencies could be made.

### 32 Demographics

33 Table 7 shows project spend against key demographic groups:

		Wider Essentials (list 2)	Food (list 1)	Energy (list 1)	Exceptional costs (list 3)	Totals
Pensioners	Volume	19	208	208	49	484
	Spend	£ 5,296.25	£ 27,040.00	£ 27,040.00	£ 134,861.23	£ 194,237.48
Children	Volume	185	1757	1446	153	3541
	Spend	£ 51,569.19	£ 208,460.00	£ 208,160.00	£ 421,097.90	£ 889,287.09
Disabled	Volume	100	972	945	135	2152
	spend	£ 27,875.00	£ 126,360.00	£ 122,850.00	£ 371,556.45	£ 648,641.45
Other	Volume	0	115	115	0	230
	spend	£ -	£ 14,950.00	£ 14,950.00	£ -	£ 29,900.00
Totals	Volume	304	3052	2714	337	6407
	Spend	£ 84,740.44	£ 376,810.00	£ 373,000.00	£ 927,515.58	£ 1,762,066.02

34 Table 7 demonstrates the split of spend across key demographics in Cheshire East. The table demonstrates that the children's cohort received the most funding (50.47%) and most amount of referrals (3,541), with households with disabled individuals receiving the second most spend (36.81%) and referrals (2,152), pensioners with the third most (11.02%) with significantly less referrals (484), and then the 'other' category with the smallest portion of spend (1.7%) and lowest number of referrals (230).

35 In terms of average spend per award by age group, table 7 shows that pensioners had the highest average award value (£401.32), followed by households with disabled individuals (£301.41), then children's (£251.14) and finally the 'other' category (£130).

36 Exploring why, an explanation is shown through the ratio of applications in higher average spend categories. With pensioners having the largest percentage of referrals in list 3 (10.12% of total pensioners referrals), households with disabled individuals having the second largest (6.27%) and then households with children having the second lowest (4.32%) and the 'other' category having none.

- 37 This suggests that different demographics have different needs. For example, it suggests that pensioners are more likely to require exceptional support (for something such as a house adaption), than they are for food or utilities support, and that the items they have requested have larger spend connotations than other demographics.
- 38 Outside of the above trend, the second most significant observation from table 7 is that most referrals in each category are for food and utilities (average 88.5%).
- 39 In terms of limitations, the data above separates households with disabled individuals from children's, pensioners, and 'other' households. It is important to note that they would be included within one of the other demographics if they were not separated at point of data collection.

40 Staffing

- 41 Full staffing breakdowns can be found in the appendices below; however, a summary is presented in table 8 below:

List 1 (Appendix 4)	0.915 FTE (32.75 hours)
List 2 (Appendix 2)	0.915 FTE (32.75 hours)
List 3 (Appendix 1)	1.129 FTE (41.77 hours)
Total	2.959 FTE (105.97 hours)

- 42 Analysis of the staffing data shows that the HSF5 delivery model required a significant portion of staff time at over 100 hours per week. Time wise, the costliest of the 3 lists, was list 3. List 3 consumed a total of 41.77 hours of staff time per week. List 2 and list 1 took identical amounts of time at 32.75 hours each.
- 43 When compared to delivery outcomes, list 1 is the most cost effective, achieving a total of £22,894.96 per hour of staff investment. List 3 would represent the second most cost effective, delivering a total of £22,205.31 per hour of staff investment. List 2 would have the lowest ratio, with only £2,587.50 delivered per hour of staff investment.
- 44 Analysis of the above would shows that list all 3 lists require a similar amount of time investment. List 1 is the most efficient mechanism of distribution, with list 3 a close second and list 2 having a significantly lower ratio of financial distribution to staff investment This relationship only demonstrates a time investment as an outcome measure, this

needs to be compared to impacts on family for a formative observation to be produced.

## **Evaluation of the Impact of HSF5**

- 45 The consultation and engagement process followed two main themes, outcomes for families and feedback on delivery mechanisms. The Consultation process aimed to include as wide a range of stakeholders from all levels as possible, thus we focussed on recipients of the grant, internal delivery stakeholders, external delivery stakeholders and referrers.
- 46 The consultation and engagement covered the following groups: homelessness prevention, CEC adult social care, CEC children's social care, CE schools (Churchlawton), CE housing associations (Plus Dane), NHS social prescribers, 3<sup>rd</sup> sector organisations (CAB, CGL, CW Carers, Trussell Trust, etc.). We also engaged with other internal CE departments including, housing, benefits, adults social care, homelessness prevention, children's social care and early help and prevention.
- 47 Engagement with these groups included, online meetings, case studies, an online survey, and a focus group.
- 48 Outcomes for families are tracked through appendix 4 - 8 which include a selection of case studies across all 3 lists, illustrating a picture of a significant need within the community that the HSF grant interventions were able to achieve.
- 49 One case study (appendix 4) demonstrates how the grant has prevented a family from going through a lengthy, stressful court case which would result in them losing their home and going into supported accommodation. This would result in significant disruption to family life, as well as incurring significant costs to the local authority. As all housing costs paid were aimed at removing the risk of homelessness in a sustainable tenancy, this would support housing costs as having a significant impact on our community.
- 50 The support provided by the food and utilities portion of the grant is shown in a case study from a 3<sup>rd</sup> sector carer organisation (appendix 5). The case study states that the food and energy supported helped a mother caring for her child with SEND. The monies supported her to keep on track with her bills which had increased, meaning she had to make a choice between building up heating debt, or washing her child properly. The support also translated to her being able to increase the quality of food which her child was receiving. Another supporting element for food and utilities, includes during a focus group with the CAB, where a representative said the support, the grant provides has

been *'huge'* for their families, and they regularly have families *'crying over the phone'* thanking them and explaining how crucial the intervention has been to their circumstance.

- 51 Appendix 8 provides further support to the food and utilities portion of the grant, describing how the scheme was a *'lifeline to many of the most vulnerable in our community.'*
- 52 Evidence of the impact of wider essentials can be seen in appendix 6, which shows how the items provided via the HSF programme supported a young person to be able to attend school and resolve a high intensity family crisis. This allowed the family to return to a level of normality, afford essentials, and address other areas of pressure such as school attainment and wellbeing.
- 53 Support for the council tax element can be seen in appendix 7, where CE social worker explained the crisis an individual in CE was in due to unpaid council tax, and how the HSF payment has prevented this crisis from escalating and allowed the individual to work on their mental health. In this instance, there were bailiffs attending the home of an individual who has significant struggles with their mental health. By removing this external pressure, the HSF was able to have a transformational impact on this person's life.
- 54 An online survey is currently on-going, and the results are expected shortly.
- 55 The second theme of the evaluation focussed on process and areas which we could streamline into the next grant delivery. These conversations were held as a focus group with internal CE delivery partners (housing, benefits, adults social care, homelessness prevention, children's social care and early help and prevention), and external partners (schools, Plus Dane CAB, CGL, CW Carers, Trussell Trust, etc.). We asked these partners to include as many representations from the community as possible.
- 56 From the minutes of the focus group, table 9 demonstrates a word cloud produced from these conversations.



allowing us to support families early – rather than waiting for an escalation. These successes are paired with themes which have been identified for improvement, these include streamlining payment processes, increasing the proximity between grant delivery and the community and reducing administrative strain.

## **Proposed Improvements and Efficiencies**

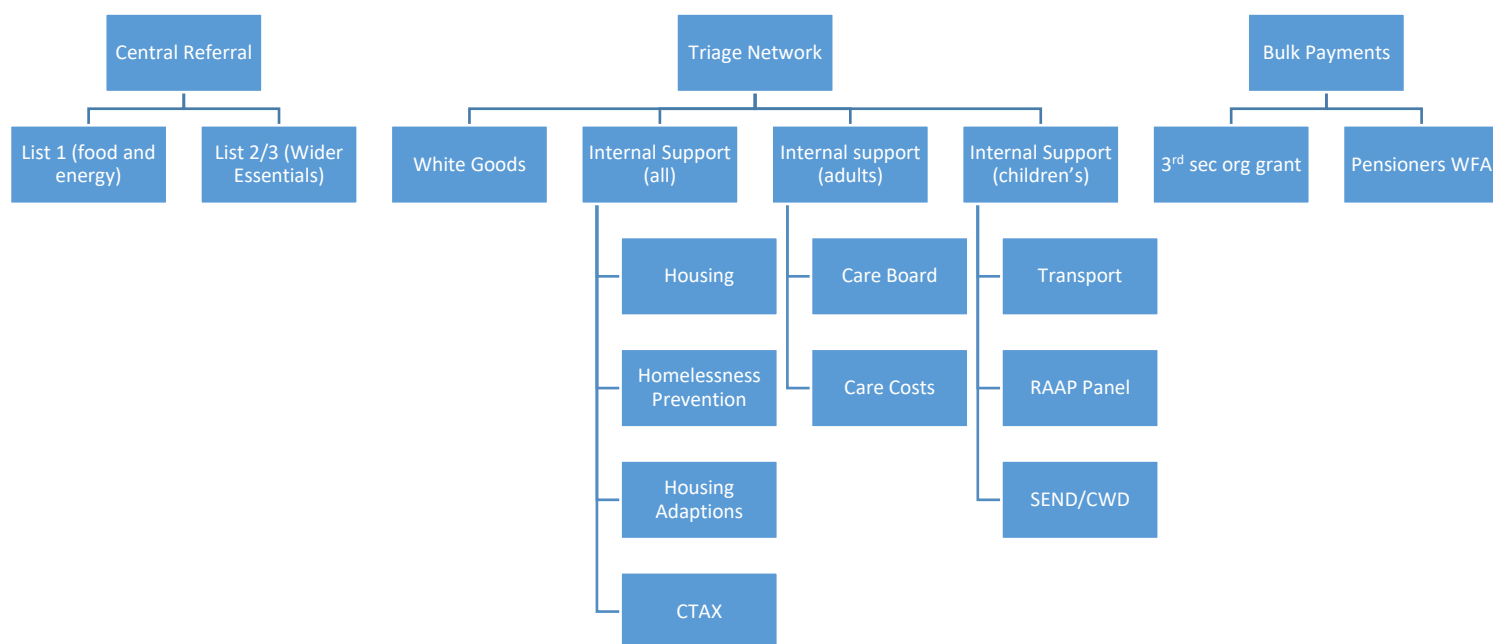
- 61 Applying the knowledge and data from the past 6 months has allowed us to identify areas where the project can be improved. The main goal of the listed efficiencies is to capture the successful elements of the HSF5 delivery process, whilst negating some of the challenges, with the goal of better meeting the needs of our community.
- 62 The main efficiency which is recommended is for the grant to establish direct referrals and utilise existing staff networks and payment pathways. This would allow for referrals to go direct to teams rather than through the HSF grant centralisation system. This would reduce the administrative bottleneck and allow for smoother processing.
- 63 By producing a triage network, we would send referrals directly to teams, avoiding unnecessary administration and delays. These teams also work directly with families, increasing our proximity to the community and ability to listen and provide the tailored support they require.
- 64 In terms of payments, there are multiple options, which include streamlining the payments into a cash voucher only model or constraining the items available for simpler payments. If vouchers or another alternative were adopted, it would save a significant portion of administration delivery time. However, they would carry a risk of the agreed items not being purchased, or in the worst-case scenario – fraud. These would need to be mitigated against before this option could be mobilised.
- 65 A final element of improvement for future grants, would be for the grant to address a gap in support left by winter fuel payment (WFP) eligibility amendments.
- 66 In previous iterations, delivery of a WFP payment to pensioners was a requirement of the programme, please see a link to HSF2 delivery guidance, where the DWP specify 33.3% of the programme must be delivered to households with pensioners ([Household Support Fund 2 management information for 1 April to 30 September 2022 - GOV.UK](#)). This requirement was removed after HSF2, but the DWP were explicit that they expected the HSF programme to support a wide range of households, with the new guidance stating the fund is intended to cover

*'a wide range of low-income households in need'* and the local authority are expected to include all ages in their delivery.

- 67 In a recent letter to the Government, the Social security advisory committee ([The Social Fund Winter Fuel Payments Regulations 2024: letter to the Secretary of State for Work and Pensions - GOV.UK](#)) explained that the Government have not completed a *'full assessment of the impact'* of removing the Winter Fuel Payments, so we do not have figures stating how many more pensioners may fall into poverty. However, there is research which suggests that WFPs had a positive impact on quality of life for pensioners in the lowest 20% of income households ([Evaluating the association between receipt of a winter fuel cash transfer and older people's care needs, quality of life, and housing quality: Evidence from England - ScienceDirect](#)).
- 68 In Cheshire East, there are approx. 8,000 pensioners in receipt of council tax support. This group qualify via assessment of a comprehensive, national implemented, evaluation tool. Of this group, 4,500 are in receipt of Pension Credit Guaranteed Credit (PCGC), who will continue to receive WFPs. To be eligible for PCGC, you must have a weekly net income of less than £218.15 (single person) or £332.95 (couple).
- 69 The 3,500 pensioners on council tax support, who will lose their WFP, have also been deemed vulnerable via the national assessment tool, however because of how the tool evaluates - there will be a scale of financial vulnerability within this group, meaning some of the cohort will be at a significant financial vulnerability, when others may not be in as critical a circumstance.
- 70 From a conversation with a think tank 'Policy in Practise' ([Household Support Fund 6 and the Winter Fuel Payment - Policy in Practice](#)) we have identified some further metrics which can be applied to our CTAX data, to increase the likelihood of financial vulnerability. These include, amount of capital held below threshold, weekly income and debt with the Local Authority.
- 71 Additionally, from a meeting with local authorities from within the North West area, it is a policy which many authorities are adopting, including Stoke, Cheshire West and Chester and Halton.

## **HSF6 Proposal**

- 72 The HSF6 proposed delivery model is illustrated in table 10:



- 73 The purpose of the updated model is to retain successful delivery elements from the previous process, whilst reducing strain on areas identified via the HSF5 evaluation.
- 74 Feedback from key stakeholder's states that for less complex cases, speed, and the time to support is a key priority and a key measure for success. However, for the more complex cases, our feedback suggests the best results were achieved through the time and respect that the multi-agency panel process was able to provide each case, chaired consistently by the Family Help Head of Service.
- 75 HSF6 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 3<sup>rd</sup> sector organisations and individual with a financial vulnerability as deemed by a professional or practitioner.
- 76 The concept behind the above process is to establish an automatic triage process, where referrers will access support largely via direct referrals to CE teams or 3<sup>rd</sup> sector providers. This would then leave a significantly reduced list of complex cases for the panel to review.
- 77 In short, this means low complexity cases are triaged and high complexity cases receive the time and consideration they require - meaning the key priorities are achieved for both groups.



- 78 The impact of this will be two-fold, firstly for families – they will access support quicker, and increase their proximity to delivery, because the triage teams have community footprints when the centralised process is a back-office function. Then secondly, process will also reduce the centralised administrative bottleneck which occurred during HSF5 delivery that led to some delays.
- 79 We have been able to do this by applying data from previous deliver to break down spend and assess what cases require consideration. For example, our previous delivery has shown us that 20.7% of payments were for homelessness prevention. The policy around grant delivery is clear for homelessness prevention – if the monies support a transformational change which removes a family from a crisis, and the tenancy is sustainable, then we can use the monies to support. Upon reviewing these cases, it is clear they do not require the same whole agency approach, and in these cases the priority is often speed to support (to block evictions, court cases, etc.). In these cases, our suggestion is, rather than homelessness prevention providing a referral, for us to review, approve/decline, and then for homelessness prevention to make the payment. Homelessness prevention would support the cases and then provide an update monthly, with a referral route for external referrers to homelessness prevention available.
- 80 This process would be repeated for other groups we have identified, including white goods, CTAX, etc. and other groups listed under direct referral in table 10.
- 81 This is not to say there are instances where a whole agency approach would add no value. To address this, we will establish a referral process from the triage network to the central referral process. This will ensure cases receive appropriate and proportionate amounts of consideration.
- 82 In terms of training the triage network these groups have all attended panel for the previous 6 months, so they have been close to the development of the programme and how it is delivered. In addition to this, the central team will hold training modules with all agencies, ensuring they are aware of grant conditions, reporting frameworks, support routes and escalation processes. Quality assurance will be conducted at our steering group, where quarterly dip sampling of cases will occur, providing scrutiny and assurance.
- 83 Going forward, as per feedback from key stakeholders and the community, we are suggesting a mixture of cash vouchers are utilised alongside the VISA payment card. The cash vouchers would be used in primary instances where the team have confidence the item will be purchased, with the VISA payment card retained for special instances.

- 84 For list 1, the process will remain the same – as per our delivery data and feedback this was an effective process. The main area of concern we are currently considering is amending our payment contract to provide additional fraud protection.
- 85 In addition to the central referrals and direct referrals, to ensure we provide fully comprehensive support to the community, we will also support a 3<sup>rd</sup> sector grant – providing food banks and other key community organisations to provide support.
- 86 The final element of support is a proposed winter fuel contribution to pensioners. The grant will provide a one-off payment to all pensioner households in receipt of council tax support who have lost their winter fuel payment because they don't receive PCGC, with the additional factors listed in point 90. This would total approximately 3,631 pensioners.
- 87 This means we will not double pay those who continue to be supported by the winter fuel payment, whilst ensuring the grant is still going to the most vulnerable. Logistically, we would provide the grant via the letters from the Post Office, which would include vouchers worth £100 – requiring a trip to the local post office as well as ID to cash. Previous HSF delivery protocols have used this method, and it was noted as a very effective way of delivering financial support to pensioners. Please note, these pensioners could also apply for list 1 support, meaning they could access additional food and energy support if required.
- 88 Governance will be conducted by a monthly steering group. This will be a multi-agency steering group, which will be attended by all our key stakeholders and the triage network. The meeting will require an update on case work (financial, volumes and outcomes), a chance to share any developing risks, and for multi-agency reviews of cases.
- 89 A breakdown of projected spend is available in table 11.

Spend Category	Projected number of referrals	Allocated spend	Spend as a %
Food	3,052	£300,000.00	13.62%
Utilities	2,714	£300,000.00	13.62%
Wider Essentials	505	£550,000.00	24.96%
Housing Costs	80	£300,000.00	13.62%

CTAX Arrears	30	£50,000.00	2.27%
Care Costs	5	£25,000.00	1.13%
Pensioners	3,631	£363,100.00	16.48%
Third Sector Grant	0	£100,000.00	4.54%
Admin	0	£214,992.00	9.76%
<b>Totals</b>	<b>10,017</b>	<b>£2,203,092.00</b>	<b>100%</b>

90 The above costs have been calculated by duplicating our previous spend and overlaying it into our new process for the next 6 months. Table 12 represents this breakdown across the referral routes:

<b>Category/Team</b>	<b>Predicted Volume</b>	<b>Forecasted Spend</b>	<b>% of total spend</b>
List 1	5,766	£600,000.00	27.23%
List 2 and 3	100	£200,000.00	9.08%
3 <sup>rd</sup> Sec - White Goods	300	£200,000.00	9.08%
Homelessness Prevention	60	£250,000.00	11.35%
Housing Adaptions	20	£50,000.00	2.27%
CTAX	30	£50,000.00	2.27%
Care Board	50	£100,000.00	4.54%
RAAP Panel	25	£50,000.00	2.27%
CWD Panel	25	£50,000.00	2.27%
Care Costs	5	£25,000.00	1.13%
Transport	5	£25,000.00	1.13%
3 <sup>rd</sup> Sector Grant	0	£25,000.00	1.13%
Pensioners	3,631	£363,100.00	16.48%
Admin	0	£214,992.00	9.76%
<b>Totals</b>	<b>10,017</b>	<b>£2,203,092.00</b>	<b>100.00%</b>

### **Other Options Considered**

91 We could continue with the existing delivery option; however this would require the LA to absorb the risks identified throughout the paper.

- 92 The project team could also explore alternative delivery options, such as returning to a bulk release process, as detailed in a previous paper of Children and Families committee for HSF4 - [Decision report template](#).

## Implications and Comments

### *Monitoring Officer/Legal*

- 93 Additional funding has been made available by the DWP to Local authorities and covers the period from 1 October 2024 to 31 March 2025.
- 94 When administering the funding, DWP guidance states that authorities are encouraged to adopt the following principles:
- (a) use the funding for the period 1 October 2024 to 31 March 2025 to meet immediate needs and help those who are struggling to afford household essentials including energy and water bills, food, and wider essentials. Authorities can also use funding to support households with housing costs where existing housing support does not meet this need, and to supplement provision with signposting, advice and preventative support.
  - (b) use discretion on how to identify and support those most in need, taking into account a wide range of information
  - (c) work together with third parties including, where necessary and appropriate, other local services. This may include local charities and community groups. This may also incorporate intelligence and data from wider children's social care systems to help identify and support individuals, families and households eligible to be funded via HSF. It may also include receiving referrals for support and applications made on behalf of an individual from professionals working with vulnerable individuals such as: social workers; keyworkers delivering early help and family support; housing officers; health visitors; and housing support officers
- 95 Whilst immediate needs should be prioritised, Authorities are able to use the Fund to provide preventative support and deliver provision which has a long-term sustainable impact, for example household items which would reduce bills in the long-term. Subject to the considerations around advice services, this can for example, include support with income maximisation through advice and signposting to benefit, debt and employment services as well as activity to build local resilience and prevent poverty.

- 96 HSF is expected to support vulnerable households and Authorities should prioritise support which offers immediate impact to those in need. Support can be delivered through cash, vouchers or in kind. There is no prescriptive list which provides a comprehensive definition of eligible spend, but it may include spend on energy and water, food, essentials linked to food and water, wider essentials, advice services, preventative support, housing costs all as detailed in the DWP guidance.
- 97 Underspends from previous schemes cannot be carried forward and funds should be spent or committed before 30 September 2024 as they cannot be held over for future usage (yet to be confirmed by DWP).
- 98 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.
- 99 Supplementary Estimates
- 100 Where services wish to undertake an activity not originally identified in the budget or incur additional revenue expenditure on an existing activity approval must be sought for a supplementary estimate in accordance with the tables below.

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 set out below shall apply. The level of grant funding (£2.2m) requires Council approval, or a decision under urgency powers on behalf of Council.

<b>Supplementary Estimate Amount</b>	<b>Approval Level</b>
Up to and including £250,000	Relevant member of CLT
In excess of £250,000 up to and including £500,000	Relevant Member of CLT in consultation with the Chair of the relevant Committee, Chair of Finance Sub-Committee and Chief Finance Officer
In excess of £500,000 up to and including £1,000,000	Committee
Over £1,000,000	Council

- 101 Expenditure on the Household Support Fund is fully funded by a government grant for a specified period. The grant received is typically £2.2m for a six-month period.
- 102 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.
- 103 The council will be required to provide management information (MI) returns outlining their grant spend and the volume of awards.
- 104 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.
- 105 HSF6 grant funding is for the period of October 2024 up until April 2025. It is not yet known if any further funding will be provided after this.

### *Policy*

- 106 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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organisation**

**Fair**

### *Equality, Diversity and Inclusion*

- 107 This scheme has an EIA in place for previous grant deliveries (please see [Covid Winter Grant Scheme 30.11.2020](#)). We are currently in the process of updating this EIA to reflect the current grant delivery mechanism.

### *Human Resources*

- 108 Cheshire East is allowed 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*

- 109 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.

- 110 Risks are routinely assessed and reported on at the monthly household support fund steering group, and remedial action is taken, as required. It is likely we will increase the frequency of these meeting to fortnightly for the first couple of months and at point of scheme exit.

### *Rural Communities*

- 111 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)*

- 112 Children and young people who suffer the greatest inequality in terms of lack of household income will directly benefit from this grant.

### *Public Health*

- 113 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*

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

<b>Access to Information</b>	
Contact Officer:	Douglas Hubbert, Business Development Manager <a href="mailto:Douglas.hubbert@cheshireeast.gov.uk">Douglas.hubbert@cheshireeast.gov.uk</a>
Appendices:	Appendix 1 – List 3 Staffing Appendix 2 – List 2 Staffing Appendix 3 – List 1 Staffing

	<p>Appendix 4 – Case Study from Homelessness Prevention</p> <p>Appendix 5 – Case Study from Schools</p> <p>Appendix 6 – Case Study from Schools</p> <p>Appendix 7 – Feedback from Cheshire East Adult Social Care</p> <p>Appendix 8 – Feedback from NHS Social prescribers</p>
Background Papers:	<p>Household Support Fund 6 – Department for Work and Pensioners Grant Guidance: <a href="#">1 October 2024 to 31 March 2025: Household Support Fund guidance for county councils and unitary authorities in England - GOV.UK</a></p>



## Appendix 1

### OPEN/NOT FOR PUBLICATION

By virtue of paragraph(s) X of Part 1 Schedule 1 of the Local Government Act 1972.

#### Appendix 1 - List 3 staffing

Task	FTE Equivalent	Current Owner
Panel agenda Prep and release	0.04 FTE (1.5 hours)	AN
HSF Rag Rating doc	0.01 FTE (30 mins)	AN
HSF RAG Rating	0.04 FTE (1.5 hours)	DH
List 3 Payments (emails to providers)	0.05 FTE (2 hours)	AN
List 3 Payments (internal payments)	0.05 FTE (2 hours)	AN
List 3 Payments (3 <sup>rd</sup> Sector Referrals)	0.04 (1.5 hours)	AN
Payments: External company payments	0.027 FTE (1 hour)	DH
Payments: Coding and audit	0.04 (1.5 hours)	DH
List 3 Spreadsheet maintenance (add new referrals, update existing referrals & update costings sheet)	0.2 FTE (7.5 hours)	AN
List 3 Friday Panel	0.24 (9 hours)	DH et al (6 attendees)
Outcome emails	0.05 FTE (2 hours)	AN
List 3 inbox queries and responses	0.27 FTE (10 hours )	AN
CTAX List Payment List	0.04 (1.5 hours)	AN

Housing Arrears Payment list	0.027 FTE (1 hour)	AN
Total	1.129 FTE (41.77 hours)	AN/DH

## Appendix 2 – List 2 staffing

Task	FTE Equivalent	Current Owner
HSF Pre Panel Approval Prep (Downloading Wider essential referrals, reviews the request, summarise requests onto pre-panel approval template, finalise list and upload.	0.08 FTE (3 hours)	AN
HSF Team Pre-panel approval	2 x 0.07 FTE (2.5 hours)	YF & DH
Pre-Panel Outcome responses: (Request reviews, approvals, further information, and declines) (REDUCTION TARGET)	0.14 FTE (5 hours)	AN (Assist YF)
Payments: 3 <sup>rd</sup> sector referral forms	0.07 FTE (2.5 hours)	AN (Assist YF)
Payments: HSF Team Payment Document production and tracking (REDUCTION TARGET)	0.035 (1.25 hours)	AN
Payments: Internal Journal requests	0.035 (1.25 hours)	AN
Payments: External company payments	0.07 (2.5 hours)	DH
Payments: Chasing/checking delivery dates/amending delivery with purchase organisation (REDUCTION TARGET)	0.035 (1.25 hours)	DH
HSF Decision Panel Inbox: General monitoring (list 2 updates from professionals, actions, professional queries, professional update requests, further information provided), proactive referrer updates.	0.14 FTE (5 hours)	AN (Assist YF)
SharePoint updates: List 2 outcomes (approved, payment type, if closed, if payment made, updates from professionals from inbox, delivery info)	0.08 FTE (3 hours)	AN (Assist YF)

Referrer updates: Contact referrers re: Delivery timescales (REDUCTION TARGET)	0.016 (30 mins)	AN
Finance Tracker monitoring and update	0.07 FTE (2.5 hours)	AN
Total:	0.915 FTE (32.75 hours)	

### Appendix 3 – List 1 Staffing

Task	FTE Equivalent	Current Owner
HSF family inbox – including referrer decline emails, query management – non received vouchers/PO, professional links, HSF general queries from professionals and public, complaints re: change of approach and out of area queries	0.5 FTE (18.5 hours)	KH
List 1 Duplication checks and approvals	0.25 FTE (9.25 hours)	KH (assist: JA/YF/DH)
List 1 Select Voucher List production and order	0.07 FTE (2.5 hours)	KH
List 1 Finance Tracker Update	0.03 (1 hour 15 min)	KH
Total	0.85 FTE (31.45 hours)	

### Appendix 4 – Case study from homelessness prevention

<b>Examples of how HSF fund has helped with homeless prevention.</b>
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<b>Scenario 1</b>
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Couple under threat of eviction due to arrears.

Privately renting tenants had received a notice to vacate due to rent arrears. The Landlord agreed to work with Housing Options and would not apply for possession if a solution could be found.

Tenant was doing shift work but due to caring responsibilities had to reduce their hours.

After realising that care would be required longer than expected they claimed Universal credit but were already in rent arrears by then. Also, UC could not cover the full rent as it was above Local housing allowance.

They had been advised to claim Personal Independence Payment, but this would take a few months before a decision would be made.

As part of the conversation with housing options the tenant explained that they were struggling with food until the next UC payment and needed to top up Gas and Electric.

A Housing Support Fund HSF application was done by Housing Options Advisor and food vouchers were provided along with help towards utilities from the fund along with a lump sum to landlord for the arrears.

When a family moves into temporary/supported accommodation the costs to the local authority are significant and it is very disruptive to family life.

**This enabled Housing Options to work with the tenant and landlord to sustain the tenancy until they could return to a normal shift pattern and prevented the occurrence of eviction proceedings.**

**Scenario 2**

Family with children facing eviction from a social tenancy.

Family on UC affected by Benefit CAP of £400 per month and under threat of homelessness due to arrears.

Mum was on a training course and would soon be in full time employment (which would lift the Benefit Cap). Housing Options were trying to stop the eviction and had managed to reduce the arrears but not clear the full amount. This meant that the housing association were still moving towards court action. (Which would have added costs to the debt).

The family were in extreme financial hardship and so an application for The Household Support Fund was made by a housing options advisor. The family received food vouchers and utility vouchers along with help toward housing costs from The Household Support Fund.

**Court proceedings were halted avoiding court costs and eviction and the family are receiving support moving forward to sustain the tenancy.**

#### Appendix 5 – Case Study from 3<sup>rd</sup> Sector (Carers)

##### Reflection on delivery from the 3<sup>rd</sup> sector

One lady I supported is recently single and having to support her two children alone with no support physically or financially. One of her children has complex needs and does not leave the house much due to these struggles. The items funded by HSF will give this little boy some quality of life and also allow mum and daughter to spend some 121 time together whilst the son is using the sensory items. The money for food and energy allowed her to get back on track with her heating bills due to increased costs due to washing more and bathing her child more. The food vouchers enabled her to stock back up so she could focus on other issues in her life that are taking up her energy and time.

If the HSF was not available then this carer/parent would be at risk of burnout both financially and mentally. Not being able to go out much due to her sons additional needs is a huge strain on the family. Having the items provided by HSF would reduce stress and provide a more calm and proper care.

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## Appendix 6 – Case Study from Schools

### Reflections on the impact of HSF

I have supported a few families with programme and I know it has had a positive impact on all of them. The one that is at the forefront of my mind is a family who have a lot of challenges (2 children, both autistic, have ADHD and additional needs, Mum suffers from crippling depression and Dad also has ADHD and poor physical health. Mum lost her job and Dad was off sick and money was extremely tight. Their child, who attends our school, was struggling with his mental health due to medical issues. These issues caused him to wet the bed every night, sometimes 2, 3, 4 times a night. As you can imagine, it was exhausting for Mum having to constantly wash the bedding and the mattress and ensure her son was showered and clean ready to come to school. She started using men's nappies but he still would wet them and it would soak through. The mattress ended up smelling and it was really getting the whole family down.

The cost was another thing, it was very expensive to keep buying the nappies and constantly having the washing machine on so it meant the world when we were able to help Mum with the costs and give her one thing less to worry about.

She was provided with a new mattress, fitted sheets, waterproof sheets and a supply of adult nappies which she has reported has taken a weight off her mind and has enabled her to use the money for heating bills etc.

The impact on Son has also been big. He is now having support from the continence nurse but he knows that, due to extra sheets, nappies etc., there is a little less work for Mum to do and she isn't quite so exhausted. He was really worried about Mum and this was impacting on his own mental health.

## Appendix 7 – Feedback from Cheshire East Adult Social care

### Reflections on impact of the HSF Grant

An individual residing in Cheshire East (CE) was facing a severe financial crisis due to unpaid council tax. The situation had escalated to the point

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where bailiffs were attending their home, adding significant external pressure. This individual was also struggling with significant mental health issues, which were exacerbated by the mounting financial stress.

**Challenge:**

The unpaid council tax debt was not only threatening the individual's financial stability but was also having a profound impact on their mental well-being. The presence of bailiffs created a hostile environment, increasing anxiety and worsening the individual's mental health. Without intervention, the crisis was likely to escalate, creating further harm.

**Intervention by CE Social Worker:**

A CE social worker, recognising the urgency of the situation, applied for assistance through the Household Support Fund (HSF). The fund was used to cover the unpaid council tax, removing the immediate threat of enforcement action, and providing the individual with relief from the external pressure.

**Outcome:**

The HSF payment had a transformational impact on the individual's life. By addressing the unpaid council tax, the bailiffs were no longer involved, and the individual was able to shift their focus from financial distress to their mental health recovery. This intervention provided the breathing space needed for the individual to begin working on their mental well-being, engage with debt support agencies - free from the burden of looming debt and enforcement action.

**Conclusion:**

This case highlights the significant role that the HSF can play in not only addressing financial crises but also in supporting individuals' mental health. By removing the immediate financial pressures, the fund allowed this person to stabilise their situation and focus on their long-term recovery, demonstrating the broader benefits of financial support in crisis situations.

Appendix 8 – feedback from NHS social prescribers

A cooker was provided and installed. The result is that the client can now cook from scratch and eat more nutritious foods than the ready meals he was previously purchasing. I believe that he will save money by changing his diet in this way. He will be able to take advantage of purchasing from the food pantries, which typically do not have ready meals.

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In this case, I believe there are potential health benefits for the client and potential cost savings for the NHS in the future.

### **Observations**

The HSF application is straight forward, and I am very appreciative of this as so many referrals can feel onerous. In addition, whenever I have needed to email an enquiry about a referral, I have always had a prompt response.

### **Suggestions**

I would feel much happier if the supermarket vouchers excluded the purchase of cigarettes/vapes and alcohol. Similarly, I think that a deposit directly to the patient's energy account would be better than the cash Post Office Payout. CAB did this when they had a scheme to support people needing support with heating costs.

I also think that the system is open to abuse. Many of my patients' vouchers are sent to my email address because they are unable to access them on a device, so I print them for the patient. Someone dishonest could decide not to pass the vouchers on. I have in the past created an acknowledgement slip which I have asked the patient to sign when they collected their vouchers from me. No one else in my team did this and so I stopped. I think there should be some process in place to prevent abuse of the system.

### **Conclusion**

This scheme is a lifeline to many of the most vulnerable in our community. I am very grateful that I can apply for this support for my patients.

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