

**TITLE OF REPORT:**           **Household Support Fund**

**REPORT OF:**                   **Colin Huntington, Strategic Director, Housing,  
Environment and Healthy Communities**

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### **Purpose of the Report**

1. To seek Cabinet's approval of the Council's proposal for the distribution of the Household Support Fund (HSF) for the period 1<sup>st</sup> October 2022 to 31<sup>st</sup> March 2023.

### **Background**

2. The Department of Work and Pensions (DWP) Household Support Fund has been extended until 31<sup>st</sup> March 2023, providing £1,836,629.95 of funding. The spirit of the fund remains the same, namely, to support those at risk of going cold or hungry.
3. The expectation is that the HSF should be used to support households in the most need and in particular those who may not be eligible for the other support government has recently made available. This may include but is not limited to:
  - people who are entitled to, but not claiming, qualifying benefits,
  - people who are claiming Housing Benefit only,
  - people who begin a claim or return to payment of a benefit after the relevant qualifying date
  - people who have fuel costs but who cannot access the £400 of energy support from the Energy Bill Support Scheme or the equivalence package confirmed on 29 July.
4. There may, however, be groups who are vulnerable to rising prices even though they are supported through these schemes, for example large families or single-income families. The Fund is intended to cover a wide range of low-income households in need including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.
5. Energy bills may be of particular concern to low-income households during the period of the fund and Local Authorities should prioritise supporting households with the cost of energy. Support particularly encouraged can include insulation of hot water tanks, fitting draft excluders to a door, or replacing inefficient lightbulbs or white goods. The HSF can also be used to support households with the cost of food and water bills, essential costs related to energy, food and water, and with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet exceptional circumstances.

6. New guidance for round 3 of the HSF scheme has to be followed and includes the requirement that every area must operate at least part of their scheme on an application basis i.e. residents should have the opportunity to come forward to ask for support. There is flexibility on exactly how this can be run, including through third parties rather than directly by the Local Authority

### **Proposal**

7. Based on the revised guidance from the DWP and the lessons learned from implementing round 2 of the HSF the following allocations are proposed.

### **Children**

8. It is proposed Gateshead continues to support children through the free school meals provision. This will require an estimated £465,000 to cover the two half terms (October and February) and the Christmas break.
9. Further the proposal would be to allocate £30,000 grant to the Jewish Community Council of Gateshead (JCC) to support children in Jewish schools who do not access free school meals.

### **Support to households through existing and new projects**

10. Support to households through the following:
  - £30,000 (£10,000 x 3) Food Co-ops
  - £15,000 Gateshead Foodbank
  - £10,000 Feeding families
  - £5,000 Supply of baby milk
  - £32,500 existing Warm Spaces
  - £15,000 new Warm Spaces
  - £1,500 refreshments in Council Warm Spaces
  - £50,000 Warm Box project
  - £50,000 Food Network Grant Programme
  - £60,000 reconnection of energy (estimates of 240 households at £250 for reconnection)

### **Remaining funding is estimated at £1,072,629 subject to administration costs**

11. The new guidance states that every area must operate at least part of their scheme on an application basis i.e. residents should have the opportunity to come forward to ask for support. There is flexibility on exactly how this can be run, including through third parties rather than directly by the Local Authority.
12. It is suggested that an application process is put in place operated by Citizens Advice Gateshead (CAG). It is suggested the following principles for the basis of the allocation:
  - The allocation is based on principles in the current Council's Local Discretionary Grants Fund
  - Applications are administered by CAG
  - An application process is developed by the Council based on set criteria to help target those residents highlighted in paragraph 3 and 4 of the report.

- Awards are based on need and are between £50 - £200 unless there is an exceptional case
- Levels of award over £100 are authorised by a manager
- A more holistic support package is offered by CAG if necessary
- Payments are made on a first come, first served basis
- Payments where possible will be made by either the existing voucher system or through Post Office payments
- The scheme to be promoted through the website, existing Council Communication channels and the voluntary and community sector

## Recommendations

13. It is recommended that:
- (i) Cabinet support the proposal to support low income families identified through free school meals.
  - (ii) Cabinet supports the proposal to make a grant to the Jewish Community Council, recognising the Jewish community does not access free school meal provision
  - (iii) Cabinet supports the proposals to support the new and existing projects detailed in paragraph 10.
  - (iv) Cabinet supports the proposal to implement an application process based on the DWP guidance to be administered through CAG.
  - (v) Cabinet supports the proposal to claim a 5% administration fee to support the process.

For the following reason:

Targeting the groups identified will meet our Thrive policy objectives

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## APPENDIX 1

### Policy Context

1. Gateshead residents like many throughout the United Kingdom, are experiencing significant cost of living rises, to include increases in fuel, interest rates and escalating energy costs.
2. The driver for this work is the Thrive Policy Framework, in particular: -
  - Put people and families at the heart of everything we do
  - Tackle inequality so people have a fair chance
  - Support our communities to support themselves and each other
3. These proposals have regard to the Health and Wellbeing Strategy for Gateshead and the principle of targeting those in greatest need.

### Background

4. The Department of Work and Pensions (DWP) Household Support Fund has been extended until 31<sup>st</sup> March 2023, providing £1,836,629.95 of funding. The spirit of the fund remains the same, namely, to support those at risk of going cold or hungry.
5. Energy bills may be of particular concern to low-income households during the period of the fund and Local Authorities should prioritise supporting households with the cost of energy. Support particularly encouraged can include insulation of hot water tanks, fitting draft excluders to a door, or replacing inefficient lightbulbs or white goods. The HSF can also be used to support households with the cost of food and water bills, essential costs related to energy, food and water, and with wider essential costs. In exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet exceptional circumstances.

### What's different this time?

6. The expectation is that the HSF should be used to support households in the most need and in particular those who may not be eligible for the other support government has recently made available. This may include but is not limited to:
  - people who are entitled to, but not claiming, qualifying benefits,
  - people who are claiming Housing Benefit only,
  - people who begin a claim or return to payment of a benefit after the relevant qualifying date
  - people who have fuel costs but who cannot access the £400 of energy support from the Energy Bill Support Scheme or the equivalence package confirmed on 29 July.
7. There may, however, be groups who are vulnerable to rising prices even though they are supported through these schemes, for example large families or single-income families. The Fund is intended to cover a wide range of low-income

households in need including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.

8. New guidance for round 3 of the HSF scheme has to be followed and includes the requirement that every area must operate at least part of their scheme on an application basis i.e. residents should have the opportunity to come forward to ask for support. There is flexibility on exactly how this can be run, including through third parties rather than directly by the Local Authority.

### **Consultation**

9. The Leader and Deputy Leader of the Council have been consulted on this report.

### **Alternative Options**

10. In previous rounds we have relied more heavily, although not exclusively, on VCSE partners to distribute the funds on our behalf, but the demand for service placed an intolerable pressure on VCSE agencies and visibility of potential duplication was much restricted. If we were to take this approach again, we would need to resource the VCSE agencies – on previous occasions they worked within their existing resources. However, in smaller agencies it is likely recruitment to short term employment opportunities may be problematic in the current job market, whereas the Council is more likely to be able to resource the work from its much bigger workforce.
11. There are many ways this money could be distributed, but we have used our learning from previous rounds to formulate these proposals. Further, enquiries with neighbouring authorities and our participation in national networking calls suggest our approach is similar to others.

### **Implications of Recommended Option**

12. **Resources:**
  - a) **Financial Implications** – The Strategic Director, Resources and Digital confirms all grant money must be spent, not just allocated, by the end of March 2023. Any underspend must be returned to national government, there is no provision for roll over to future programme activity.
  - b) **Human Resources Implications** – We will need to identify and deploy employees to support this work within the administration fee of 5%.
  - c) **Property Implications** - None identified.
13. **Risk Management Implication** - Monitoring of spend is essential to ensure all funds are distributed in a timely fashion to Gateshead residents. Any under-spend needs to be returned to national government.
14. **Equality and Diversity Implications** - Using our network of partners and professional advisers within the Council, the intention is to identify people who may be vulnerable or just coping using a direct

referral system. However, there will be people within these groups who may not be visible to us.

15. **Crime and Disorder Implications** – None identified
16. **Health Implications** – There are health implications for a vulnerable person living in a cold home, it increases their chance of serious illness or death. They are at higher risk of a heart attack or stroke, breathing problems, flu, depression and falls<sup>1</sup>. Further, research has found that food insecurity is associated with increased risk of some birth defects, anaemia, lower nutrient intakes, cognitive problems, and aggression and anxiety<sup>2</sup>.
17. **Climate Emergency and Sustainability Implications** - 9 in 10 households rely on gas boilers and lots of gas boilers need lots of gas; UK households consume more of it than almost all their European peers, at around twice the EU average. Gas burned in households now equates to half of all imports – that is why any spike in gas prices immediately translates into higher heating bills for the UK.  
  
Adequately insulating homes is a key component of managing energy prices. The charity National Energy Action has noted that between 2012 and 2019 the number of home insulation installations dropped by 95%, and at current rates it would take nearly a century to properly insulate all the current fuel-poor homes in the country.
18. **Human Rights Implications** - None identified
19. **Ward Implications** - None identified

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<sup>1</sup> National Institute for Health and Care Excellence, Helping to Prevent Winter Deaths and Illnesses Associated with Cold Homes

<sup>2</sup> Health Affairs, Food Insecurity and Health Outcomes