

Report of the Strategic Director Health & Wellbeing to the meeting of Executive to be held on 4 April 2023

BK

Subject:

Household Support Fund and the Council's Approach to the Cost of Living Crisis

Summary statement:

To seek endorsement for the council's approach to the cost of living crisis including use of the latest Household Support Fund government grant for 2023/24, which will provide £11.39m to Bradford District in 2023/24.

EQUALITY & DIVERSITY:

Anti-poverty work is a key component of realising the Council's equality objectives, combating disadvantage and increasing the life chances of all protected groups. Low income is a locally agreed protected characteristic. This work has been developed with local communities, empowering people and a commitment to openness, transparency and involvement, to address health inequalities in keeping with the objectives set out statute.

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Portfolio: Healthy People and Places

Overview & Scrutiny Area: Corporate

1. SUMMARY

- 1.1 Poverty and the cost of living crisis is impacting families, communities and organisations and creating a new poverty landscape. In Bradford we know we have higher deprivation, lower overall educational attainment and lower quality housing stock and the district will be impacted more by poverty. The new strategy aims to address this. It sets out an ambitious vision, based on achieving four core goals: protection, prevention, pathways and participation. The accompanying action plan is based around seven work themes; each with plans, actions and outcomes.
- 1.2 Our strategy aims to protect our most vulnerable and poorest communities through the cost of living crisis and, in the longer term, provide people with pathways out of poverty and help prevent people falling into poverty.

2 BACKGROUND

- 2.1 The cost of living crisis is being driven both by higher prices, especially energy, fuel and food, and a real-terms fall in incomes. Whilst the Government have provided for an energy price cap, including a £400 payment to all households in October 2022, fuel bills have risen by more than 50% and have become a large proportion of household expenditure; leaving many households in fuel poverty.
- 2.2 The latest report from the Joseph Rowntree Foundation, 'UK Poverty 2023', gives a similar picture to previous reports in terms of the groups most likely to be in poverty. The reduction in average income also caused the relative poverty line to fall. Poverty for families receiving Universal Credit or equivalents remained very high, at 46%. Poverty rates continued to be highest for people in the social rented and private rented sectors, and much higher for households including a disabled person or an informal carer.
- 2.3 Families with three or more children still clearly had the highest poverty rate by family size. Nationally around half of all people in households headed by someone of Bangladeshi ethnicity were in poverty in 2020/21, with rates for people in households headed by someone of Pakistani or Black ethnicity also having very high poverty rates of more than 4 in 10. In Bradford District, we also have high rates of poverty in households headed by someone of white ethnicity in specific geographies.

3 BRADFORD'S ANTI-POVERTY STRATEGY

- 3.1 Since the adoption of the strategy in October 2022, there has been a commitment from system partnerships including the NHS, voluntary, community and faith sector leaders and the wider public sector to adopt the strategy and work in partnership to support the households most at risk in Bradford District.
- 3.2 The strategy sets the following vision: "By working together, we want to make sure that Bradford District is a place where everyone, regardless of background, can realise their potential and lead fulfilling and prosperous lives free from the scarring effects of poverty and inequality."

- 3.3 To realise this vision, the strategy joins up all district wide work under four goals:
- **Prevention:** through early intervention and support which helps to build the resources, skills and capacity our people and communities need to avoid falling into poverty
 - **Protection:** from the harms of poverty through maximising income, minimising expenditure and providing access to goods, services and opportunities that ensure our poorest citizens can live a decent and secure life
 - **Pathways:** to help people out of poverty through providing clear pathways that develop the skills, capacities, jobs and opportunities through which people can prosper. For example, ensuring digital inclusion, developing the skills necessary to progress in the workplace and providing decent, well paid jobs
 - **Participation:** to ensure our poorest citizens can take part in the full social, political, economic and cultural lives of their communities. This means expanding the public realm – providing goods, services and facilities that ensure all our citizens can participate in their communities.
- 3.4 To work toward these goals, there are seven work themes. The themes are designed to read across to the District Plan and key district wide strategies. The themes are:
- Financial inclusion
 - A great start and a great education
 - Better skills, good jobs and a growing economy
 - Better health, better lives
 - Better housing and inclusive and sustainable communities
 - Supporting vulnerable groups
 - Participation and voice
- 3.5 At the District’s Wellbeing Board in December 2022, leaders asked that where possible, a greater emphasis should be placed on the ‘prevention’ and ‘pathways’ goals in the strategy whilst continuing to ‘protect’ and encourage ‘participation’ from communities most impacted by poverty and the cost of living crisis.

4 WHAT HAVE WE DONE? Oct 2022–Mar 2023

Delivering the Household Support Fund (HSF).

- 4.1 This is a national grant from the Government that is locally designed and delivered. Introduced in October 2021, initially for six months, it has since been extended twice. In total, almost £17m worth of support has been delivered from October 2021 to March 2023 in Bradford and District.
- 4.2 Grant conditions for the October to March 2023 phase of the fund were announced in the last week of September 2022 (see Appendix A) and a plan was formulated based on a needs analysis, feedback from previous schemes and councillor involvement. The latest tranche of funding has fewer grant conditions but an element of the scheme must have an application process for those experiencing the greatest hardship.

Household Support Fund Projects from October – March 2023 (6 months):

- **Voluntary and Community Sector Funding (£1.1m).** Focused on food provision, around 100 voluntary and community organisations have been mobilised across the district. They have been tasked with working with vulnerable/disadvantaged families in need of food and are providing healthy food hampers both for collection and by direct delivery.
- **Warm Spaces Initiative (£230k).** Over 170 local groups with premises signed up to the branding and intentions of this initiative over the winter months and thousands of local people have been involved as volunteers or recipients. Applications for a one-off £500 or £1,000 grant enabled them to provide access to a warm space and hot drink for local people.
- **Support for our foodbanks (£300k).** Funding provided to Storehouse to ensure foodbanks are able to support our most vulnerable residents. There is a specific focus on supporting the faith sectors and underrepresented groups such as BAME, LGBT, refugee and asylum seekers and Roma communities.
- **Smaller schemes for specific groups (£510k).** We have identified specific groups of people who will need additional support and have partnered with VCS organisations to provide a specific offer. These include family carers with Bradford Carer's Resource, school uniform savers with the Credit Union (570 families saved last year), Warm Homes, Child Safe Sleeping with Baby Bank, care leavers and a fuel assistance / white goods scheme with an application process for those most in need through the council's Revenues and Benefits Service.
- **Direct assistance with Fuel Costs (£3.55m).** The majority of the grant was spent on direct payments to support low income households with the cost of energy and food. The scheme made a payment of £65 to all households in receipt of council tax reduction towards increased fuel costs with an additional £20 one-off payment per child in the household for food. Post office vouchers for both sums were posted in December 2022 – or by direct BACS for customers where bank details were known.

Welfare Assistance and Advice

- 4.3 A £2m funding package has been provided to recommission welfare advice services across the district and reconfigure how such advice and guidance is provided. Public Health commissioners are funding a comprehensive information, welfare advice and guidance service. The West Yorkshire Mayor announced a cost of living crisis scheme in October 2022 and the £220k received by Bradford District was added to these contracts to augment the huge increase in demand for welfare benefits advice.

Cost of Living Public Information Campaign

- 4.4 75,000 copies of the Bradford cost of living guide booklet was printed and distributed widely across the District from October 2022 in partnership with CABAD. The booklet and its associated mobile website was adopted by partners and has been short-listed for a national award.

Financial Inclusion

4.5 In addition, we supported a range of projects aimed at maximising people's incomes and reducing the costs they face. In the longer term, we aim to bring all projects together into one, coherent and complimentary district wide financial inclusion strategy. Key projects:

- **Bradford Credit Union:** continues to develop its membership – now at 9,000. Of these, 2,500 members would face total financial inclusion without the support of the credit union. The credit union, supported by the Council and working with a range of partners, has developed and continues to develop a range of schemes.
 - For the academic year 2021-2022 a Uniform Savers project supporting 285 families has been running. This has been nationally acclaimed.
- **Poverty Proofing the School Day:** this project is currently running with 18 schools and is developing ways of reducing the costs of schooling for our poorest communities.
- **Warm Homes/Health People:** this programme combines national and local funding and has been extended for 2022-2025.

5. HOUSEHOLD SUPPORT FUND 2023/24

4.6 A fourth tranche of this national grant was announced in late 2022, with grant conditions for councils published in February 2023 (see excerpt in Appendix A). It is proposed to continue with the successful schemes that have demonstrated impact in Bradford District thus far – and introduce a new targeted scheme for foster carers. This £11.39m grant (similar funding as received previously) is for a 12-month period rather than two 6-month periods, so it is proposed to provide ONE larger direct payment to low income households in December 2023 to assist with food and fuel costs over winter.

4.7 A new scheme for 2023/24 offers support to foster carers:

- **Supporting Bradford's foster carers with fuel costs - £330k over 12 months** – to allow for two £300 direct payments for Bradford Council's 550 foster carer families in April and December to support with the cost of fuel bills.

4.8 The previous Household Support Fund schemes supported a notional 90% of spend against the Anti-Poverty Strategy's 'protection' goals with 10% against 'prevention' goals. The latest plan shows a respective 80% and 20% approximately - a small shift towards more preventative schemes proposed during 2023/24 with short term monies.

Table 1: Description of schemes planned for 2023/24 Household Support Fund

HSF 2023/24 Scheme Name	Scheme Description	Anti-Poverty Strategy Goal (anticipated)	Previous six month Oct 22 – Mar 23	Full Year 2023/24
Local Voluntary and Community Sector Funding	Focused on food provision, around a 100 voluntary and community organisations are tasked with working with vulnerable / disadvantaged families in need of food and are providing healthy food hampers. Additional resources provided for cost of food and increased activity levels.	80% Protection 20% Prevention	£1.1m	£3.2m
Additional support for our foodbanks	Funding provided to Storehouse to ensure foodbanks are able to support our most vulnerable residents. There is a specific focus on supporting the faith sectors and underrepresented groups. An alternative funding stream of £150,000 will be available to food banks who do not use Storehouse to claim up to £10k for the year to buy suitable provision.	66% Protection 33% Prevention	£0.3m	£0.8m
Welcoming Spaces (summer) / Warm Spaces (winter) Initiative	This will provide for smaller community and faith organisations not delivering as part of the funding provision above to apply for a one-off £500 or £1,000 grant to enable them to provide access to a warm space for local people.	50% Protection 50% Prevention	£0.23m	£0.46m
Smaller schemes for specific groups at risk of poverty	We have identified specific groups of people who will need additional support and have partnered with VCS organisations to provide a specific offer. These schemes allow us to trial prevention schemes for consideration about future-funding on the basis of reduced demand elsewhere in the council:			
	Bradford Carer’s Resource (inc PH contribution)	100% Protection	£0.05	£0.10m
	Warm Homes, Healthy People	100% Prevention		£0.04m
	Child Safe Sleeping with Baby Bank	100% Prevention	£0.03	£0.146m
	Support for Care Leavers	100% Prevention	£0.02	£0.04m
	Fuel top-up assistance / essential household goods scheme with an application process for those most in	100% Protection	£0.20	£0.75m

HSF 2023/24 Scheme Name	Scheme Description	Anti-Poverty Strategy Goal (anticipated)	Previous six month Oct 22 – Mar 23	Full Year 2023/24
	need.			
	Supporting Bradford's foster carers with fuel costs	100% Protection	Nil	£0.33m
	Support for local VCS projects through Area Committees	100% Prevention	Nil	£0.181m
Direct payments for fuel costs	The remainder of the grant will be spent on direct payments to support low income households with the cost of energy and food. To ensure we support as many people as we can, this scheme will make one Winter payment of around £110 plus £25 per child.*	100% Protection	£3.55m	£5.24m

*Indicative figure, depending on caseload at the time and any underspending schemes prior to Dec 2023 will have funding diverted here to increase the household direct payment for fuel costs.

West Yorkshire Mayor Cost of Living Fund

- 4.9 In addition to the national Household Support Fund, the West Yorkshire Mayor is making £439,000 available to Bradford & District schemes to alleviate the cost of living crisis for local residents. It is proposed to distribute this funding, augmented by funding from the Household Support Fund as set out in Table 1 to the voluntary, community and faith sector through Bradford & Districts existing Area Committees. These five Area Committees are chaired by elected members and it is proposed that they are tasked with distributing monies to projects to support local needs in line with HSF grant conditions.
- 4.10 The cost of living fund will also cover the cost of the Credit Union schemes. These are:-
- Family loans project with Bradford Credit Union - £80,000 over 12 months. Small family loans of up to £500 for households who would usually be considered high risk for credit and may turn to loan sharks. This will give the opportunity for the Credit Union to analyse repayments and adjust their risk scores for the future.
 - Uniform Savers Project. £40,000 over 12 months to operate an extension of the current scheme to create savings schemes to support with the cost of uniforms.

6. FINANCIAL & RESOURCE APPRAISAL

- 4.11 Proposals will be funded from the Household Support Fund 2023/24. The Household Support Fund is a Department for Work and Pensions grant of £11.39m from April 2023 - March 2024 with grant conditions, all of which are met in the plan described above.
- 4.12 Executive should note the Household Support Fund is short term grant funding to March 2024 and on its expiry the schemes will no longer be funded and therefore activities will need to cease unless alternative funding is identified.
- 4.13 The West Yorkshire Mayor has also signalled an intention to continue funding cost of living crisis schemes in 2023/24, with an anticipated £439,000 of funding being provided from May 2023 - April 2024.

7. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 4.14 Final grant determination documents for the Household Support Fund were received by councils in mid-February 2023. A Grant Offer Letter from the Mayor's Office was received on 5 December 2022. A governance structure is in place to monitor spending and reconcile expenditure with partners.

8. LEGAL APPRAISAL

- 4.15 There are no direct legal implications arising from the report. The creation of an anti-poverty strategy will assist the Council in meeting its statutory obligations to residents in need of support.
- 4.16 Any such strategies that allow the Council to meet needs and reduce future needs in a more cost-effective way is a recognition of the Council's fiduciary duty to act prudently and in a financially responsible manner.

9. OTHER IMPLICATIONS

- 4.17 Experiencing financial hardship and poverty has an impact on emotional health and wellbeing and hence on motivation, quality of life and opportunity. This strategy will support intervention at the appropriate level to provide financial support where needed, either directly or through our partner organisations. The strategy aims to support and empower individuals to build their own resilience through accessing support.

10. SUSTAINABILITY IMPLICATIONS

- 4.18 No sustainability implications arise from the recommended decisions.

11. GREENHOUSE GAS EMISSIONS IMPACTS

- 4.19 No greenhouse gas emissions implications arise from the recommended decisions

12. COMMUNITY SAFETY IMPLICATIONS

- 4.20 There is a correlation between deprivation and areas of our district that experience the highest level of crime. This has increased the need for focus on prevention of poverty within the district's new strategic approach.

13. HUMAN RIGHTS ACT

- 4.21 The Anti-Poverty strategy is a key priority to mitigate inequalities caused by financial deprivation and poverty. The strategy sets out the long term vision for the city working with partners to improve the lives of all those living in the city and is centred on tackling poverty and inequality. The proposed strategy offers an opportunity to adopt a more personalised and empowering approach to engage with individuals and groups to ensure accessibility to services offered and remove barriers to accessing support and advice. The key principles of the strategy will ensure the diverse needs of the residents of our city are met, leaving no one behind.
- 4.22 Establishing the Anti-Poverty Strategy 2022 embeds a collaborative approach based on work with local communities, empowering people and a commitment to

involvement, to address the cost of living crisis and greater inequalities which is in keeping with the Human Rights Act 1998.

14. TRADE UNION

4.23 No trade union implications arise from the recommended decisions in this report.

15. WARD IMPLICATIONS

4.24 The Anti-Poverty Co-ordination Group will work directly with Council officers with a direct remit for developing and monitoring ward action plans.

16. AREA COMMITTEE ACTION PLAN IMPLICATIONS (for reports to Area Committees only)

4.25 As at Section 5.4 above, Area Committees will be provided with funding to distribute to local schemes with the proposed criteria listed.

17. IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

4.26 Children in Care are one of a number of groups most affected by poverty and reduced life chances. The report identifies specific measures to support children in care and care leavers. The lump sum payment also supports children in low income households.

18. ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

4.27 None.

19. NOT FOR PUBLICATION DOCUMENTS

4.28 None.

20. OPTIONS

4.29 See recommendations below.

21. RECOMMENDATIONS

4.30 Executive are recommended to:

1. Agree the expenditure plans for the Household Support Fund 2023/24, in line with national grant conditions.
2. Agree the expenditure plan for the West Yorkshire Mayor's Cost of Living Emergency Fund within Bradford District.

3. Note and comment on the council's approach to anti-poverty and the cost of living crisis for residents.

22. APPENDICES

- Appendix A – Excerpt from grant conditions for HSF 2023/24
- Appendix B – Grant conditions for the Mayor's Cost of Living Emergency Fund

23. BACKGROUND DOCUMENTS

[Household Support Fund: guidance for local councils - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/household-support-fund-guidance-for-local-councils)

APPENDIX A – GRANT CONDITIONS FOR THE HOUSEHOLD SUPPORT FUND 2023/24 AND WEST YORKSHIRE

The expectation is that The Fund should be used to support households in the most need; particularly those who may not be eligible for the other support government has recently made available but who are nevertheless in need and who require crisis support. This includes the Cost of Living Payments and the energy support we are providing for 2023/24 set out on [17 November 2022](#) (information on these schemes can be found at Annex A).

For the Cost of Living payments this may include, but is not limited to, people who are entitled to but not claiming qualifying benefits, people who are claiming Housing Benefit (HB) only and people who begin a claim or return to payment of a benefit after the relevant qualifying date. There may be groups who are vulnerable to rising prices even though they are supported through these schemes, for example large families or single-income families. It is important to stress that 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 disabled people.

Energy bills may be of particular concern to low income households during the period of The Fund and Authorities should prioritise supporting households with the cost of energy. Support which can make a quick but sustainable impact on energy costs is particularly encouraged; for example, the insulation of hot water tanks, fitting draft excluders to a door, or replacing inefficient lightbulbs or white goods. The Fund 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. The Fund can additionally be used to support housing costs where existing housing support schemes do not meet this need.

Authorities should also consider providing support to disabled people in their area. Disabled people in particular may be facing acute challenges due to the disproportionate impact that rising costs bring for the additional services they need in order to manage their conditions, remain independent and avoid becoming socially isolated. For example, some disabled people may have increased utility bills due to the usage of equipment, aids or adaptations associated with their disability. They may also have additional heating, water or transport costs. Authorities are therefore strongly encouraged to explore ways in which this group may be supported.

Authorities should also consider providing support to people with caring responsibilities in their area. People with caring responsibilities may be facing acute challenges incurred through their fulfilling these responsibilities for vulnerable citizens due to the disproportionate impact that rising costs may bring for the additional services they need. For example, they may have additional heating, water or transport costs. Authorities are therefore encouraged to explore ways in which this group may be supported.

Authorities have the ability to deliver the scheme through a variety of routes including providing vouchers or cash to households, making direct provision of food and goods, or issuing grants to third parties. Every area must operate at least part of their scheme on an

application basis - in other words, 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 Authority. We expect Authorities to offer application-based support throughout the duration of The Fund, either continuously over the majority of The Fund Period or in regular intervals throughout the scheme.

APPENDIX B – EXCERPT FROM GRANT CONDITIONS FOR THE MAYOR’S COST OF LIVING EMERGENCY FUND

In accepting the Grant, the Partner Council agrees to the following conditions:

1. The Grant shall be used to provide emergency local services and support during the cost of living crisis, specifically food banks/parcels, warm places/ banks, and advice and support such as mental health and debt.
2. The nature and blend of the services and support delivered using the Grant is to be locally determined following approval by the Combined Authority and commissioned through the local Voluntary, Community, and Social Enterprise (“**VCSE**”) sector.
3. The target beneficiaries of the funded support are to be the following:
 - a. workless households (i.e. those households where at least one person is aged 16 to 64 and is either unemployed or economically inactive), and
 - b. those experiencing in-work poverty.
4. A minimum of 732 unique target beneficiaries in total are to be supported, and appropriate and legally compliant systems for keeping a record of this information must be in place.