



Rural and Communities Overview and Scrutiny Committee

Wednesday, 12 March 2025

Report of Councillor Virginia Moran
Cabinet Member for Housing

Cost of Living Team update

Report Author

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Purpose of Report

The purpose of this report is to provide the Committee with an update regarding the Household Support Fund, and the wrap around support provided by the Cost of Living team. This will detail the activity undertaken by the team, number of residents supported, value of support provided and an update regarding District, County and National activities.

In addition, the report also provides an update regarding the future of the team from 1 April 2025.

Recommendations

The Committee is recommended to:

- 1. Note the report and the Committee is asked to raise any matters arising from the report.**

Decision Information

Does the report contain any exempt or confidential information not for publication? **No**

What are the relevant corporate priorities? **Enabling economic opportunities
Effective council**

Which wards are impacted? **All Wards**

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The report sets out the specific schemes that are being implemented to support residents with the cost of living – both statutory and national initiatives.
- 1.2 The majority of the schemes identified in the report are not directly funded by the Council. For the administration of some schemes, new burdens funding is provided by central Government.
- 1.3 Those funded by the Council are the Council Tax Support Scheme and Discretionary Council Tax Payments.
- 1.4 The Cost of Living Co-ordinator is funded through the UK Shared Prosperity Fund to 31 March 2025. From 1 April 2025, following a successful budget bid, the two roles will be permanent.

Completed by: Richard Wyles, Deputy Chief Executive and s151 Officer

Legal and Governance

- 1.5 There are no specific legal implications connected with this report. Decision-making associated with financial support schemes should follow an agreed process and strong governance arrangements to support their implementation.

Completed by: Graham Watts, Monitoring Officer)

Diversity and Inclusion

- 1.6 Cost of living information is available in a variety of formats to ensure inclusivity. The Team ensures any engagement activity takes place within fully accessible venues. All reasonable adjustments continue to be made to meet the needs of residents who require support. Further diversity and inclusion considerations will be identified during the preparation of the action plan and complied with as each project/funding stream is accessed.

Completed by: Carol Drury, Community Engagement Manager

Mental Health and Emotional Wellbeing

- 1.7 The increasing cost of living is having a big impact on mental health and emotional wellbeing, and support in this area will therefore form a big part of the cost of living strategy. There will be links to the Mental Health Working Group, and these will be picked up as part of the actions for the new team from 1 April 2025.

Completed by: Sam Fitt, Senior HR Officer

2. Background to the Report

- 2.1. The Council has a clear commitment in its Corporate Plan 2020-2023 to ensuring healthy and strong communities and being a high performing council. This report, and the service provided through the Council's Cost of Living Team strives to deliver these priorities.

Household Support Fund – 1 April 2024 to 31 March 2025

- 2.2. One of the main responsibilities of the Cost of Living Team is to administer and distribute the Household Support Fund (HSF). It was first announced by Government in October 2021 with funding covering the period 6 October 2021 to 31 March 2022. Local Authorities had discretion on exactly how this funding was to be used (the scope set out in the national guidance and the accompanying grant determination). The expectation was that it should primarily be used to support households in the most need with food, energy, and water bills.
- 2.3. It was confirmed the funding would be awarded directly to Tier 1 authorities, this being Lincolnshire County Council (LCC), acting as the LA Single Point of Contact (LA SPOC). It was agreed LCC and Lincolnshire District Councils would form a Lincolnshire Working Group to discuss and agree a way forward for the distribution of the funding across the County. The Lincolnshire Working Group has continued to meet regularly since October 2021.
- 2.4. Since October 2021, there have been further HSF schemes announced and implemented. This report provides an update on the two schemes for 2024/25 (HSF5 and HSF6).
- 2.5. Both schemes may be delivered through a variety of routes including proactive support, application-based support or by issuing grants to Third Party Organisations to provide support. Every Authority must operate at least part of their scheme on an application basis throughout the duration of the HSF, either consistently over the period or at regular intervals throughout the scheme.

- 2.6. Councils have flexibility and can use discretion to identify and support those most in need. Individual awards can be whatever type and amount is deemed appropriate bearing in mind the overall scheme criteria. There is no requirement to undertake a means test or conduct a benefit check unless this specifically forms part of the Authority's local eligibility criteria. However, in relation to Housing costs, Authorities must establish whether other forms of support are available to the household such as Discretionary Housing Payments.
- 2.7. There must be a clear rationale outlining the approach including eligibility and how households access the HSF. The support must be clearly advertised, inclusive and accessible.

Household Support Fund (HSF5) – 1 April 2024 to 30 September 2024

- 2.8. In the spring budget on 6 March 2024, Government confirmed the extension of the Household Support Fund from 1 April 2024 to 30 September 2024, with the distribution of £421m to Local Authorities in England to help households to meet their immediate needs and help those who were struggling to afford household essentials.

Household Support Fund – current scheme 1 October 2024 to 31 March 2025

- 2.9. On 2 September 2024, Government confirmed the extension of the Household Support Fund (HSF) for a further 6 months from 1 October 2024 to 31 March 2025, with the distribution of a further £421m to Local Authorities in England to help households to meet their immediate needs and help those who were most vulnerable and struggling to afford household essentials.

Distribution of HSF funding across Lincolnshire (HSF5 and HSF6)

- 2.10. Lincolnshire's allocation of £10,929,370.40 was distributed evenly across both schemes, at a value of £5,464,685.20 per scheme. This was to support residents as set out within the guidance. The first grant period was from 1 April 2024 to 30 September 2024 (HSF5) and the second grant period is from 1 October 2024 to 31 March 2025 (HSF6).
- 2.11. Lincolnshire's approach to the distribution of the funding for both schemes has been:
 - 64% of the total funding was utilised by Lincolnshire County Council (LCC) to proactively target children via schools and early years providers, based on the number of children eligible for Free School Meals (FSM)

Early Years Pupil Premium, (EYPP) and families with a 2-year-old eligible for Early Years Entitlement (EYE). It was anticipated that this would be transferred via a single payment to providers to be distributed in the best way to meet local needs. In most cases this would be a voucher or cash. LCC worked with strategic partners to direct

- 34% would be made available to the seven District Councils to distribute under local arrangements, providing broad support across the county. This had to include an application-based process, in line with grant conditions, to meet the needs of local populations. Where an individual District Council did not fully utilise its allocation, it was intended that any remainder be redistributed across The Fund
 - 1% of the funding to care leavers in supported living accommodation
 - 1% of funding for local authority administration costs to support the differing delivery mechanisms. Districts were able to utilise a portion of their allocation to support associated administrative costs.

2.12. The level of funding distributed to each District is detailed in the table below:

District Area	% allocation of funding		Allocation (£)	
	HSF5	HSF6	HSF5	HSF6
Boston	10%	10%	TBC	£185,539.13
City of Lincoln	16%	16%	TBC	£296,862.61
East Lindsey	24%	24%	TBC	£445,293.91
North Kesteven	11%	11%	TBC	£204,093.04
South Holland	12%	12%	TBC	£222,646.96
South Kesteven	14%	14%	£223,371	£259,754.78
West Lindsey	13%	13%	TBC	£241,200.87
Total	100%	100%	TBC	£1,855,391.30

Delivery plan for SKDC residents

2.13. The criteria and distribution method was the same as previous years:

Criteria	Distribution
The allocation of HSF6 will be 100% application based	Residents can contact the Council directly by speaking to the Customer Services Team or being referred by an approved 3 rd party (front facing SKDC teams, SKDC Elected Members and Citizens Advice).

Criteria	Distribution
Eligibility criteria	<p>Any household that is struggling financially within the district with a household income of less than £50k will be eligible to apply.</p> <p>Priority will be given to residents that are going through a crisis or have a low income.</p>
70% of SKDC allocated funding will be distributed by the Cost-of-Living Team	<p>These will be for residents in receipt of a benefit. The resident will be able to speak to the cost-of-living team for additional advice and support.</p> <p>Supermarket / Energy /Cash vouchers will be issued to the applicant.</p> <p>HSF is not designed to be an emergency payment – other financial assistance is available for this – such as Foodbank referrals and support from third sector organisations.</p> <p>These will be purchased from Charis Grants (trusted administrator for many essential funds and grants) and awarded as either a single voucher or as a combination of vouchers up to the allotted value per household.</p> <p>Awarded at a value of</p> <ul style="list-style-type: none"> • £150 for single households • £250 for couples and families
30% of SKDC allocated funding will be distributed on behalf of SKDC by Lincolnshire Community Foundation (LCF).	<p>They will be reaching households that are not in receipt of an income related benefit and are in need due to financial crisis.</p> <p>LCF are well placed to undertake financial assessments for these residents and identify other support that would benefit them – this could be a mix of financial support, financial management mentoring, supporting with budgets and supporting with job seeking activities.</p>

Criteria	Distribution
	<p>Supermarket and energy vouchers will be issued</p> <p>Awarded at a value of</p> <ul style="list-style-type: none"> • £150 for single households • £250 for couples and families

Household Support Fund (HSF5) – 1 April 2024 to 30 September 2024 - £223,371

2.14. Total funding available for HSF5 was £223,371 and £220,471 was utilised during the HSF5 period – which is detailed as follows:

Available	Distribution	Purpose	Distributed up to 30 September 2024	
			Recipients	Value (£)
£9,000	Lincolnshire Community Foundation (LCF)	Contribution towards Warm Packs for 2025 – as part of county-wide 'Warm Welcome' working group	£9,000 funding issued to LCF with Grantham Jubilee Centre distributing	
£13,000	SKDC Administration	Various administration costs of the scheme – such as printing and posting of vouchers, admin costs associated with Charis vouchers and printing of resource material for staff and residents.	Not applicable – this is administration funding	
£80,000	HSF Vouchers – Lincolnshire Community Foundation (LCF)	Support for residents not in receipt of an income related Benefit that are struggling financially Priority 1 Priority 2 (income over £40-£50k)	270	£77,100 Underspend transferred to SKDC to issue payments
£121,371	SKDC HSF Vouchers – Cost of Living referral Team	Support for those specifically in receipt of an income related benefit that are struggling	596	£121,371

Available	Distribution	Purpose	Distributed up to 30 September 2024	
			Recipients	Value (£)
		<ul style="list-style-type: none"> • £200 for households with up to 2 residents • £300 for households with 3 or more residents 		

Household Support Fund – current scheme 1 October 2024 to 31 March 2025

2.15. Total funding available for HSF 6 is £259,755 and £127,181.80 has been utilised up to 21 February 2025 (£132,573.20 remaining) – which is detailed as follows:

Amount	Distribution	Purpose	Distributed as of 21 February 2025	
			Recipients	Value (£)
£9,000	Lincolnshire Community Foundation (LCF)	Contribution towards Warm Packs for Autumn/Winter 2025 – as part of county-wide 'Warm Welcome' working group	Not yet distributed The warm pack project is part of the county-wide Warm Welcome Spaces Working Group, with North Kesteven District Council taking the lead for Warm Spaces and Warm Packs	
£13,000	SKDC Administration	Various administration costs of the scheme – such as printing and posting of vouchers, admin costs associated with Charis vouchers and printing of resource material for staff and residents.	Not applicable – this is administration funding	
£70,000	HSF Vouchers – Lincolnshire Community Foundation (LCF)	Support for residents not in receipt of an income related Benefit that are struggling financially Priority 1	86	£27,300

Amount	Distribution	Purpose	Distributed as of 21 February 2025	
			Recipients	Value (£)
		Priority 2 (income over £40-£50k)		
£167,755	SKDC HSF Vouchers – Cost of Living referral Team	Support for those specifically in receipt of an income related benefit that are struggling £150 for household up to 2 £250 for household 3 or more	425	£86,881.80

Cost of Living Support (Advice and Referral Process)

- 2.16. The aim of the Cost of Living Team is to enable the Council's most vulnerable residents, who cannot access any other income, to sustain their home, health, family, and security. The Cost of Living Team is very aware of how important this support is to residents, and this is why the Council has had such a team in place since June 2023. One of the key activities for the team was to review the existing referral process from previous HSF schemes and to refine this process to ensure the best possible outcomes for the Council's residents.
- 2.17. An internal online form has been produced for SK Officers and Elected Members to complete, to refer a resident into the Cost of Living team for support. This support can take the form of general advice, referral to third sectors and assessment for a HSF voucher.
- 2.18. Each referral requires an initial 20 to 30 minute appointment with the resident to discuss their personal and household financial circumstances, to determine whether they are receiving all support available to them. The officer will discuss Council Tax Support, Housing Benefit, Foodbank vouchers, top-ups for shortfall in rent / council tax, tenancy support (if SKDC tenant – will be referred in to Tenancy Support Team) and other wider support such as referrals into Citizens Advice. The support provided is in-depth as the team has to make an assessment as to what is needed. The team –cannot offer a blanket response to all residents as their circumstances are on an individual needs basis.
- 2.19. Once the referral has been completed and the triage discussion has been undertaken with the resident, details are then passed to the HSF Officer (within the

Cost of Living Team) who will process the HSF voucher. The voucher is issued the same day it is processed.

Additional Financial Support (£118,791)

- 2.20. Of the residents who have been supported via the referral and HSF process, a total of £118,791 of additional wrap-around financial support has been identified by the team.
- 2.21. As a result, the residents have received additional financial support through a variety of avenues such as Discretionary Housing Payment, Foodbank vouchers, reduction in council tax, funding towards the purchasing of goods (through referral to third party), reduction in utility bills.

Additional community outreach and collaboration projects

- 2.22. In addition to the activities above, the team also ensures it is available to support residents across the district by:
 - Attending SKDC Sheltered Housing Schemes
 - Between August 2024 and December 2024 the team has visited 11 Sheltered Housing Schemes and have an additional 10 in the diary to attend in the coming weeks
 - These allowed the team to be able to discuss topical issues which were affecting residents – such as additional financial support, and take up of other benefits which were not in payment
 - Pension credit clinics (September 2024 to December 2024)
 - Visits to pensioners to undertake benefit checks and complete applications to ensure as many pensioners as possible met the deadline for the winter fuel payments
 - Posters distributed to doctors surgeries, libraries, cafes and other public locations.
 - Talks / Visits to discuss the objective of the team and 'spread the word' regarding the financial support that can be provided to residents. This included:
 - NHS Neighbourhood teams
 - Jobs 22
 - Veterans Open day - Jubilee Church
 - Applications for vulnerable residents to 3rd party organisations for household items such as Len Pick Trust, Bourne United Charities, BBC Children in Need.
- 2.23. The team also ensures it actively networks with external organisations. Meetings which the team have attended are:

- Lincolnshire Financial Partnership - quarterly meetings and receive the emails with additional support that the group provides
- Grantham Partnership - monthly meeting where they interact and maintain links with 3rd Party Organisations to which they refer the Council's residents.

Household Support Fund (HSF7) – 2025/26

- 2.24. On 30 October 2024, as part of the Autumn Budget, Government confirmed additional funding of £1bn to extend both the Household Support Fund (HSF) and Discretionary Housing Payment Fund (DHP) from 1 April 2025 to 31 March 2026. The extension of HSF will continue to help households facing the greatest hardship and financial crisis, including supporting them with the cost of essentials such as food, energy and water.
- 2.25. Full guidance relating to this funding has not yet been issued. Once guidance has been issued, the Lincolnshire County Working Group will review and discuss the development and implementation of HSF7.

The team and actions from 1 April 2025 onwards

- 2.26. Following a successful budget bid, it is extremely pleasing to report that the current Cost of Living Team will be funded as a permanent team from 1 April 2025.
- 2.27. The team will continue to be part of the Deputy Chief Executive Directorate and will report to Claire Moses, Head of Service (Revenues, Benefits, Customer and Community).
- 2.28. The two existing officers have completed an Expression of Interest to continue in the roles, both of which have been successful. The two officers are Funmi Reilly and Stella Darker.
- 2.29. In preparation for the future work of the team and to ensure its aims and objectives continue and grow, from 1 April 2025, the team will be renamed and referred to as the **Welfare and Financial Advice Team**.
- 2.30. Over the next eight weeks, the team will develop an action plan, which will include activities relating to HSF7; the re-use of un-spend vouchers; the development of an internal working group and much more. This action plan will be presented to the Committee in July 2025.

3. Key Considerations

- 3.1. Members of Rural and Communities Overview and Scrutiny Committee are asked to consider the report and are invited to ask questions regarding its content.

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- 3.2. It is recommended to Rural and Communities Overview and Scrutiny Committee that the Welfare and Financial Support Team continues to review the impacts of cost of living and implements activities within the action plan to support businesses and residents of South Kesteven.

4. Other Options Considered

- 4.1 There are no other options – this report is for information only.

5. Reasons for the Recommendations

- 5.1. The recommendation ensures Members continue to be aware of this support scheme and the team that administers it.