

## CABINET

<b>DATE</b>	16 <sup>th</sup> July 2025
<b>REPORT OF</b>	Councillor Ron Shepherd, Portfolio Holder for Safer and Stronger Communities
<b>RESPONSIBLE OFFICER</b>	Katie Brown Director of Adults, Housing and Communities
<b>SUBJECT</b>	Household Support Fund 7
<b>STATUS</b>	Open
<b>FORWARD PLAN REF NO.</b>	CB 07/25/01

### CONTRIBUTION TO OUR AIMS

The Household Support Fund is aimed at supporting low-income households with the rising cost of living by providing support for the cost of energy, food, essentials linked to energy and water, wider essentials and the provision of supplementary advice services linked to practical preventative support.

### EXECUTIVE SUMMARY

In the 2024 Autumn statement, the Chancellor announced that the Household Support Fund will be extended for another 12 months from April 2025 to March 2026. Further details and government guidance was released during the closing period of tranche 6. This report outlines how the Council intends to use the grant of £2.7m in line with the eligibility guidance from the Department for Work and Pensions.

### RECOMMENDATIONS

It is recommended that Cabinet:

1. Approves the high-level delivery plan set out in Appendix 1 of this report.
2. Delegates authority to the Director Adults , Housing and Communities, in consultation with the Portfolio Holder for Safer and Stronger Communities to govern and administer the fund based on the needs of our community over the period of available funding.

### REASONS FOR DECISION

The Household Support Fund is the latest in a line of welfare grants that have been awarded to the Council to support low-income households with the cost-of living crisis. This seventh tranche of funding is to be issued by the Department for Work and Pensions under the Household Support Fund, which began in October 2021. North East Lincolnshire Council have taken the elements that have been most effective from those schemes to propose the approach for use of this continued funding.

## **1. BACKGROUND AND ISSUES**

- 1.1 The government has awarded all Local Authorities an amount of funding to be used to support low-income households between April 2025 to March 2026.
- 1.2 The allocation to the Council is £2,748,862.64 and will be used to support people with food and utility costs, essentials linked to energy and water, wider essentials and the provision of supplementary advice services linked to practical preventative support.
- 1.3 The Department for Work and Pensions has provided supporting guidance, and we have developed a delivery framework based on that guidance taking in to account the needs of our community and lessons learned from previous iterations of the funding. Our proposed approach is to use the funding for the following:
  - Vouchers for families in receipt of free school meals to support them with food costs during targeted school holidays.
  - Targeted grants to trusted frontline Voluntary and Community Sector (VCS) organisations to help them support households working with them who are facing financial hardship.
  - The continuation of a grant application process, set up in an earlier tranche of HSF allocation, which allows trusted referral agencies and frontline public sector services such as social workers to enable households in need of support to receive a grant.
  - Direct grants to specific groups including people with caring responsibilities, disabilities, care leavers and older people.

## **2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES**

- 2.1 As with previous grant schemes there is risk of fraud, which we will mitigate through the tested referral route administered by trusted partners and front-line services who work with households and know their personal circumstances. Data verified and supplied by the Department for Work and Pensions will also help to mitigate against the risk of fraudulent claims, ensuring targeted support goes to those who are genuinely in need.
- 2.2 Four years of DWP Household Support Funding, totalling £11.1m, has undoubtedly helped support thousands of households across North East Lincolnshire, who have experienced hardship due to cost-of-living pressures. However, this challenge is ongoing and public expectations that support will continue, will prompt resident queries and requests for assistance which the Council does not have the finances or capacity to continue to provide without this level of grant funding.
- 2.3 An opportunity within Tranche 7 is to explore and resource more community-led preventative measures. Learning and insight from grant funded VCS partners will develop a greater understanding of the wider determinants of health, informing commissioned services that support the Council Plan. This includes the Food Poverty Assessment conducted by Public Health.
- 2.4 As part of Tranche 7 we are reviewing and implementing further quality assurance and performance reporting so that can continue to have full

oversight of the impact of the grant.

### **3. OTHER OPTIONS CONSIDERED**

3.1. We are limited by the DWP guidance, but other options include:

- 3.2. **Allocate all funding to households eligible for free school meals** – this would disadvantage vulnerable residents and households who do not have children.
- 3.3. **Allocate all funding to the VCS** – the VCS have successfully delivered significant proportions of grants on our behalf in recent years, but this method of delivery is not without its challenges. We will liaise with the sector about their capacity to support and offer a proportion of the grant to cover their administration costs, but it is recognised that the current challenging climate puts pressure on their services to an extent that may limit their involvement. We will, however, continue to engage with them on the distribution of the HSF to ensure their valued insight into the needs of our community are taken in to account and to engage them as delivery partners wherever practicable.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1 Previous tranches of the Household Support Fund have been well received by the community and the VCS that are well positioned to deliver responsive support. We have reports and case studies to show the difference this and similar schemes have made to many households and individuals in North East Lincolnshire. A full evaluation report for HSF 5 and 6 is currently being prepared by DWP and will be publicised following our final return.
- 4.2 The objectives for Tranche 7 still includes a focus on a crisis response, with an emphasis on prevention, while encouraging legacy interventions that go beyond the lifespan of the programme. This comes at a time when the cost of living and high energy costs continue to exert pressure on many households in our community, and not just those who are out of work or have recourse to benefits. These limited funds must take us through to the end of March 2026, and carefully managed and targeted to only those most in need or at risk. To manage reputational risk a communications plan will be developed to support the project and keep our community and VCS partners informed and engaged.

### **5. FINANCIAL CONSIDERATIONS**

The grant is 100% funded by the DWP and ring fenced to the delivery of the Household Support Fund.

### **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

Proposals for allocation of the grant will strongly support the welfare of children and young people living in households in need of urgent financial support.

## **7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS**

Provision of energy efficiency measures in households across the borough will be of some benefit to the environment and contribute to the Council's commitment to reduce carbon emissions.

## **8. CONSULTATION WITH SCRUTINY**

The development of HSF 7 is included on the Communities Scrutiny work plan.

## **9. FINANCIAL IMPLICATIONS**

As outlined above, the proposed spend is to be 100% funded from the Household Support Fund which is an external grant and this report outlines how the spend is to be prioritised to achieve the best outcomes for the community.

## **10. LEGAL IMPLICATIONS**

- 10.1 Immediate legal implications arising will be around the terms and conditions of the external grant funding and the completion of funding agreements and ancillary documentation. Legal Services will support this process, ensuring the interests of the Council are protected.
- 10.2 As individual projects arise throughout the delivery phase Legal Services and the procurement team will support where necessary.
- 10.3 The delegations sought are appropriate to an exercise of this nature.

## **11. HUMAN RESOURCES IMPLICATIONS**

There are no direct HR implications.

## **12. WARD IMPLICATIONS**

Application to the fund is open to households in all wards.

## **13. BACKGROUND PAPERS**

DWP guidance on this iteration of the fund is published on gov.uk: [Household Support Fund: guidance for local councils - GOV.UK](#)

## **14. CONTACT OFFICER(S)**

Katie Brown, Director of Adults, Housing and Communities.

**COUNCILLOR RON SHEPHERD**

**PORTFOLIO HOLDER FOR SAFER AND STRONGER  
COMMUNITIES**

**Appendix 1**

Area of funding	Planned activities	Indicative spend
Administration costs (inc. staffing)	<ul style="list-style-type: none"> <li>Internal coordination and panel costs</li> <li>Referral Partners</li> <li>All pay (costs of issuing vouchers)</li> <li>Marketing and events</li> </ul>	£116,968
Energy and water	<p>We will continue with our current referral process so that front line service delivery organisations in the public and voluntary sector can refer households in need for support with utility bills and, in exceptional circumstances, for housing costs. To include provision for emergency white goods.</p> <p>Direct payments Children/older people/ people with disabilities/carers for children and young people and foster carers.</p>	£469,500
Wider essentials	Specific grants to VCSE organisations to include energy support and wider essentials.	£61,000.64
Food	<p>Responding to Food Forum insight and North East Lincolnshire Food Poverty Assessment, we will support local food providers to continue to provide emergency food and wider household essentials for those in need.</p> <p>We will provide £15 per week per child eligible for Free School Meals for targeted school holiday periods.</p>	£889,500
Advice services	Specific grants to VCSE organisations to deliver information, advice and guidance, as well as wider community-led preventative measures.	£1,122,894
Skills	Building on the success of earlier activity, community organisations will be supported to provide courses to promote cooking skills and healthy affordable food.	£39,000
Other (Contingency)	Allocation to resource an immediate response during programme delivery. DWP guidance supports this approach and will require quarterly updates.	£50,000
<b>TOTAL:</b>		<b>£2,748,862.64</b>