

Board/Committee:	Policy and Organisation Board
Date of meeting:	28 TH September 2022
Title:	Welfare Support-Housing Support Fund -Tranche 2-April 22 to September 22
Author:	Head of Benefits, Procurement & Insurance
Status:	For noting

Purpose

This report sets out the actions taken to award entitlements to Food Vouchers from national Government funding via a Hampshire County Council grant to Gosport residents.

Recommendation

That the Board notes the actions taken as detailed in the report and attached Briefing Note dated 27/7/22 including the urgent procurement decision made in accordance with the Contract Procedure Rules; and also notes the adjustments made to the method of distribution of the Vouchers.

1.0 Background

- 1.1** Hampshire County Council (HCC) has received grant funding from the Department of Work and Pensions in accordance with the Household Support Fund (HSF) Grant Determination 2022 No 31/3096 letter (“**the Determination**”) and supporting HSF guidance (“**the Guidance**”) to vulnerable households; especially households with children, and pensioners who are most in need and experiencing food and/or fuel poverty and where alternative sources of assistance may be unavailable.
- 1.2** The Council has received a portion of this funding for distribution to Gosport residents, this is the second tranche of HSF received by the Council. The first tranche was received and distributed for the period October 2021 to March 2022, 619 awards were made to the value of £62,308 which exhausted the funds allocated to the Council.
- 1.3** The Council has now been allocated a total of £311,359 of Tranche 2 funding to distribute to Gosport residents, the funds have two main purposes and each is ring fenced:
- 1.3.1** Firstly, there is an Exceptional Hardship element of the fund totalling £31,532.00. This is to fund exceptional housing support in cases of genuine emergency where existing housing support schemes (HB and UC housing element) do not meet the exceptional need. This is publicised via the Council website and other benefits communications and applicants should apply using the application form on the website. Referrals from other Council sections and partner organisations are also taken. The scheme requires that a claim for Discretionary Housing Payment is made prior to considering a claim for exceptional housing support and this scheme remains unchanged since the first round of HSF grants.

1.3.2 The second element to Tranche 2 is funding for food vouchers. HCC have mandated that this pot of money, £265,000 for the Council, will be spent on food vouchers for eligible households. There is also a small grant of £14,827 for administration costs of the schemes.

- 1.4** To ensure that the offer is equitable across the County and that the terms of the DWP grant are met, the value of the food voucher award has been set by HCC. For those in receipt of Pension Credit, the food voucher value is £65 per eligible pensioner and for households in receipt of Local Council Tax Support (LCTS), the food voucher value is £30 per household. Those in receipt of pension credit can receive the £30 per household as well as the £65 per individual. District and Borough councils may use their discretion in deciding whether to “push” vouchers out proactively to pensioners and eligible households or whether they wish to establish an application process for households to apply into.
- 1.5** Due to the exceptional and urgent need to distribute food vouchers promptly an urgent delegated decision was taken by the Assistant Chief Executive, Borough Treasurer and Borough Solicitor under paragraphs 3.3 and 3.4 of the Council’s Contract Procedure Rules. This rule requires that a report on the decision is brought to the next available Board.

2.0 Report

2.1 The Council is required to identify eligible pensioners within Gosport who are not known to us as LCTS recipients and this has been done using data from Local Government Inform (local.gov.uk). A total of 308 recipients have been identified who may claim a voucher of £65.00. The data does not give individual details only overall numbers and both HCC and DWP have been asked for this data but with no positive response at this point, this will continue to be requested.

2.2 Benefit Section records have been used to identify the applicants who receive pension credit and LCTS, or are working age and receive LCTS and the breakdown of applicants and costs is as follows:

LCTS Caseload by Household type	Claims		Voucher amount	
Working age with Children	1058		£30	£31,740.00
Working age – no children	1584		£30	£47,520.00
Pensioner on Pension credit	1252			
(single)	(1081)		£95	£102,695.00
(couple)	(171)	342 <i>individuals</i>	£160	£27,360.00
Pensioners on other income	767			

(Single)	(585)		£30	£17,550.00
(couple)	(182)		£30	£5460.00
Total caseload	4661			
Total spend (LCTS recipients)				£232,325.00
Pensioners identified in Gosport on Pension Credit but not on LCTS (<i>see 8 below</i>)	308		£65	£20,020.00
			Total overall spend	£252,345.00
			Funds from HCC	£265,000.00

2.3 The funding allocated by HCC assumes each pensioner in receipt of pension credit will receive £65 per person and can then receive £30 for the household due to also receiving LCTS. For non-pension credit cases, a household will receive £30 irrespective of numbers/children in the household. Although the Council is not compelled to give the extra £30 to pension credit households in addition to the £65 per individual, the modelling for the Gosport scheme has been based on this premise to ensure maximum benefit to the Gosport residents; this is the only flexibility allowed by the Council.

2.4 The Council and other Local Authorities have raised the apparent unfairness of awards between the groups but HCC have confirmed allocations are based upon these conditions and are unable to change them, this will need to be carefully managed if raised by recipients. All other Borough and District Councils are adopting this criteria.

2.5 As there is currently no way of easily identifying the pensioner cases who do not receive LCTS, the intention is to advertise the available food vouchers on our website, via all internal Council sections, partner organisations including CAB, GVA, and Age UK. A short application form will need to be completed to ensure identity and residence is verified before issue. This will be done at the same point the food vouchers to known residents are issued to prevent confusion.

Resource implications

2.6 The work on HSF sits within the Benefits Section. Tranche 1 was delivered with resource from a Team Leader within Benefits, an agency temp and a seconded officer from Housing. Currently, modelling and design work for the Discretionary Energy Rebate scheme is also being undertaken. Additional resource is needed for both the HSF and the Discretionary Energy Rebate scheme in addition to resource from the Benefits Section already allocated.

- 2.7** The Council have also been made aware of Tranche 3 of the HSF, which was announced in the last funding announcement by the Government for assistance during the cost of living crisis announcements. Initial communications suggest that a portion of these funds will by-pass HCC and be allocated directly to the Council and it has been suggested that the Council will be required to initiate and run a welfare scheme for recipients that are not entitled to the £650 cost of living payment, particularly those HB claimants who were excluded from this scheme.
- 2.8** Resource for the schemes so far has been provided with secondments from the Housing Section, but also additional assistance from other Sections including Accountancy and Council Tax, Planning and Reception and staff who have assisted with the Self Isolation Payment scheme. The provision of these various schemes, including the standard energy rebate scheme has had a “knock on” effect to the originating Sections’ workloads.
- 2.9** Both the Energy rebate and HSF funding include costs for administration and to ensure sufficient resources are in place for this continuing work a temporary Welfare Officer has been engaged using this funding for an initial period of 6 months.

Voucher procurement

- 2.10** Research was undertaken with “E-vouchers” (Wonde) a company that has provided on-line e-vouchers for both HCC and IOW during previous welfare campaigns. the Council’s likely spend on food vouchers is expected to be IRO £255,000.00.
- 2.11** Under the Public Contract Regulations 2015 (PCR 2015) the Council must consider the level of spend and the method of procurement to be used. This spend is for welfare benefits and as such falls under Regulation 5 (1) (d) and 74 (Schedule 3) of PCR 2015, the “light touch” regime. This enables a higher threshold for procurement before the full PCR 2015 requirements must be adopted. This higher threshold for light touch procurements is currently £663,540 inclusive of VAT. This therefore means we are not constrained by any required procurement process under PCR 2015 for the procurement of these vouchers.
- 2.12** For this level of procurement the Council’s CPR’s would have required a full tender. However this would have meant a delay in awarding the food vouchers and there is a risk that the time needed would exceed the cut-off date for the funds to have been spent which is 30/9/22. These funds are being targeted at the most vulnerable residents in Gosport who are likely to suffer hardship so any delay in the allocation of vouchers could also have a negative effect on these groups.
- 2.13** A waiver to the CPR’s was therefore requested as an Urgent Decision as set out in the attached Appendix 1 Briefing Note.
- 2.14** E-vouchers (Wonde) provide a fully managed service at a cost of £1.66 per voucher, this is a fairly standardised cost for this type of voucher service, and the company has been tried and tested by both HCC and IOW. The service is straight forward and enables us to provide a file of entitled residents for vouchers to be issued directly from the company to the resident. This can be funded with the administration grant. The

308 applicants who details are not held will be dealt with by application and a further file/s then dispatched to E-vouchers for processing in the same manner. The Contract is in the process of concluding the legal agreement and once signed the Vouchers can be issued extremely quickly; this is anticipated to be by mid-September.

2.15 The original intention was to issue two types of Voucher:

- A Voucher with a QR code which allows scanning with a smart phone and enables the recipient to choose a retailer and be downloaded to the phone for use.
- A “physical” voucher contained within a letter sent to residents which they can use in a supermarket which has been chosen by the Council.

However experience with the use of QR codes with the standard energy rebate scheme and feedback from colleagues at other Hampshire Authorities has shown that QR codes are causing issues with excessive numbers of queries as residents are struggling to use them. The Council will therefore be issuing “physical” vouchers to all recipients which will also prevent the purchase of alcohol and tobacco.

2.16 The Briefing Note issued to the Chief Executive, Deputy Chief Executive, Borough Treasurer and Borough Solicitor requested the following approvals;

- That the HSF Tranche 2 scheme was approved as set out within the Briefing Note and above within this report.
- That a waiver to the Council’s CPR’s is approved in accordance with para’s 3.1:-
“The Council and its Boards have power to waive any requirements within these contract procedure rules for specific projects, and any such decision may be a Key Decision.”
- That the waiver was dealt with by way of a delegated decision as per 3.3 and 3.4 of the Council’s CPR’s:
“Where an exemption is necessary because of an unforeseeable emergency (below the EU Threshold) involving immediate risk to persons, property or serious disruption to Council services, the Chief Executive, Borough Treasurer and the Borough Solicitor may approve the exemption but they must prepare a report for the next appropriate Board to support the action taken.”

All exemptions, and the reasons for them, must be recorded and shall be signed by the Chief Executive and countersigned by the Borough Treasurer and Borough Solicitor.

2.17 The briefing note further set out that these vouchers are being targeted at the most vulnerable residents in Gosport and any delay in issue could adversely affect their health. The decision being to approve the making of a direct award to E-vouchers for the sum of up to £265,000.00 will allow Gosport to allocate any unused funds if HCC amend criteria. The note confirmed that the Decision would be followed by a full report to go to the subsequent P&O Board to note the decision. Approval of the briefing note

was given on the 4th August 2022.

3.0 Risk Assessment

3.1 A full Data Protection Impact Assessment has been undertaken to mitigate the risks with the transfer of data to E-vouchers (Wonde). A data sharing agreement with control measures will be agreed before any transfer of data. All staff engaged in this work will be fully trained on procedures and Data Protection issues.

3.2 Failure to respond in a timely manner increases the risk to our residents of anxiety and stress during the cost of living crisis.

4.0 Conclusion

4.1 There have been several Government grant schemes issued by the Government in the last few months with Tranche 3 of the HSF fund already announced and further local schemes expected. The foundations for resources and the administration of the schemes have now been put in place which will assist the Council in responding to further announcements as quickly as possible. The Discretionary Energy Rebate scheme is in its final stages of design and arrangements with a further report expected to be issued to this Board as soon as possible.

4.2 The Board is requested to note the actions taken as an urgent delegated decision on the 4th August and note the amendments to administrative arrangements regarding the type of voucher to now be issued

Financial Services comments:	No further comment
Legal Services comments:	Contained within the report
Equality and Diversity:	No implications under E&D as this report is for noting
Climate Change implications:	No implications; IIA is not required since report is for noting
Crime and Disorder:	<i>N/A</i>
Service Improvement Plan implications:	<i>N/A</i>
Corporate Plan:	<i>No further comment</i>
Risk Assessment:	Included within report
Background Papers:	Data Protection Impact Assessment
Appendices:	Appendix 1- Briefing Note- Welfare Support-Housing Support Fund-Tranche 2-April 2022 to September 2022
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