



DELEGATED DECISION

Covid CMT

22 April 2021

Covid Winter Grant Scheme/Covid Local Support Grant

Report of Paul Darby, Corporate Director of Resources (interim)

Councillor Angela Surtees, Cabinet Portfolio Holder for Social Inclusion

Electoral division(s) affected:

Countywide

Purpose of the Report

1. To provide an update on the administration of the Covid Local Support Grant (formerly the Covid Winter Support Grant) scheme and highlight the recent additional funding and scheme extension to 20 June 2021.
2. To consider and agree proposals for the allocation of the funding.

Executive summary

3. At its meeting on 8 December 2020, CMT approved a scheme for the administration of Durham's Covid Winter Support Fund, following a Government announcement on 8 November 2020 that additional funding and support would be made available to Local Authorities to support vulnerable households during the winter period.
4. The Department of Work and Pensions (DWP) are responsible for overseeing the administration of this support, with a stated aim of giving vulnerable households peace of mind over the Winter months during the pandemic by helping those who need it to have food on the table and other essentials, so every child will be warm and well-fed this winter.
5. The total amount allocated to this scheme nationally was £170 million and is in addition to the wider support package for disadvantaged families and children, which includes:

- expansion of the Department for Education's Holiday Activities and Food programme to cover all Local Authorities, providing funding for Easter, Summer and Christmas holidays in 2021;
 - increasing the value of the Department for Health and Social Care's Healthy Start vouchers from £3.10 to £4.25 from April 2021; and
 - £16m to fund local charities through well-established networks and provide immediate support to front-line food aid charities
6. The Council were initially allocated £1,872,512.86 to administer the scheme in Durham; with funding being received in 3 tranches. The funding was to be used from December 2020 up to the end of March 2021 to meet immediate needs and help those struggling to afford food and utility bills (heating, cooking, lighting) and water for household purposes (including drinking, washing, cooking, central heating, sewerage and sanitary purposes), or other related essentials.
7. On 22 February 2021, the government [announced](#) that as part of its COVID roadmap, the COVID Winter Grant (CWG) Scheme would be extended to 16 April 2021, providing an additional £59.1 million of extra targeted financial support for those in need during the pandemic. Durham will receive £650,974 in two tranches 75% of the additional allocation in April 2021 and the remaining 25% will be paid on the completion of the final management information (MI) report.
8. On 14 April 2021, the DWP announced further funding of £40m would be provided; to cover the period 17 April to 20 June 2021. The end date ties in with the Government's road map for the lifting of restrictions. Durham has been allocated £440,591 to administer the scheme which has been renamed the COVID Local Support Grant (CLSG). We will receive the funding in July 2021 following the completion of the final Management Information return. This brings the total allocation of funding to the scheme to £2,964,077.86.
9. The DWP confirmed that the new funding is a separate allocation and we are not permitted to carry over any funding from the previous allocation – this must be spent by 16 April 2021.
10. The criteria for use of the funding hasn't changed from the previous schemes. Each Local Authority is required to develop a "local eligibility framework and approach" and adhere to the following expectations:
- at least 80% of the total funding to be ring-fenced to support households with children, with up to 20% of the total funding to other households experiencing, or at risk of experiencing, poverty during the pandemic. This may include households not currently in receipt of DWP welfare benefits.

- at least 80% of the total funding to be ring-fenced to provide support with food, energy and water bills for household purposes (including drinking, washing, cooking, central heating, and sanitary purposes) and sewerage, or other essentials. Within this condition there is flexibility about the proportion of support allocated to food and to bills.
 - up to 20% of the total funding can be used to provide support with other essentials clearly linked to the scheme conditions (including sanitary products, warm clothing, soap, blankets; boiler service/repair; purchase of equipment including fridges, freezers, ovens, etc.), in recognition that a range of costs may arise which directly affect a household's ability to afford or access food, energy and water.
11. The funding cannot be used to cover payment of rent or other housing costs because these are not directly related to food or utility bills and other benefits and support is available to cover these costs. Nor is it intended to be used for the provision of general advice on managing debt and/or financial hardship.
 12. This report sets out the Councils approach to utilising this funding, progress to date ensuring the full amount of grant is expended in line with the grant conditions. Consideration has also been taken of the approach across the LA7 regional councils. The proposals in terms of utilising this grant complement the actions and investment being implemented through the Poverty Action Plan and investment in other wider anti-poverty and the Welfare Assistance Scheme.
 13. It is important to point out that the administration of these schemes has put additional pressure on the Transactional Services teams within Resources and on colleagues in Children's and Young People's Services; at a time when workload is high anyway due to the pandemic. Schools have also expressed their concerns at being asked to deliver the scheme whilst handling the challenges faced by the impact of the pandemic.

Recommendation(s)

14. It is recommended that :
 - i) Corporate Management Team note the spend in relation to the commitments previously agreed.

- ii) A further food voucher award is given to eligible households in the lead up to the scheme closing date of 20 June 21, in line with previous payments to 0 to 19 year olds and administered by schools, FE Colleges, health visitors and the Early Years Team;
- iii) Expenditure of this Grant continues to be monitored and the Corporate Director of Resources (interim) is given delegated authority to agree additional allocations of the CWG as appropriate to ensure that the funding is fully utilised by 20 June 2021.

Background

15. During the October half term 2020, on the back of the Government withdrawing the national school holiday voucher scheme, the council provided Free School Meal eligible families with a cash out voucher to the value of £15 per free school meal eligible child on an application based scheme that was targeted. 10,418 children were supported, with expenditure totalling £156,270 being met from the Council's own resources.
16. On 8 November 2020, following significant pressure over the withdrawal of the previous voucher scheme the Government announced that there would be funding in the form of a grant scheme that will apply from 1 December 2020 to 31 March 2021 and be administered by local authorities. The grant funding is provided by the Department of Work and Pensions and the Government have stated that the aim was to give vulnerable households peace of mind in the run up to Christmas and over the winter months during the pandemic by helping those who need it to have food on the table and other essentials, so every child will be warm and well-fed this winter.
17. The funding was to be used from December 2020 up to the end of March 2021 to meet immediate needs and help those who are struggling to afford food and utility bills (heating, cooking, lighting) and water for household purposes (including drinking, washing, cooking, central heating, sewerage and sanitary purposes), or other related essentials
18. Each Local Authority was expected to develop a “local eligibility framework and approach” for delivery of the funding. The guidance sets out the following expectations:
 - at least 80% of the total funding to be ring-fenced to support households with children, with up to 20% of the total funding to other households experiencing, or at risk of experiencing, poverty during the pandemic. This may include households not currently in receipt of DWP welfare benefits.
 - at least 80% of the total funding to be ring-fenced to provide support with food, energy and water bills for household purposes (including drinking, washing, cooking, central heating, and sanitary purposes) and sewerage, or other essentials. Within this condition there is flexibility about the proportion of support allocated to food and to bills.
 - up to 20% of the total funding can be used to provide support with other essentials clearly linked to the scheme conditions (including sanitary products, warm clothing, soap, blankets; boiler service/repair; purchase of equipment including fridges, freezers,

ovens, etc.), in recognition that a range of costs may arise which directly affect a household's ability to afford or access food, energy and water.

19. On 22 February 2021, the government announced that as part of its COVID roadmap, the COVID Winter Grant (CWG) Scheme was extended to the 16 April 2021, providing an additional £59.1 million of extra targeted financial support for those in need during the pandemic.
20. The DWP guidance on this funding stream does enable 100% of the monies to be spent on Vulnerable families with children – this is the approach that most of the regional councils have taken. It is worth considering that a significant amount of funding and resource has already been made available to provide support to households since March 2020, in terms of the Community Hub, AAP support and through the Welfare Assistance Scheme.
21. The funding period was then extended to 16 April 2021; although funding was already being provided by the Department of Education as part of the holiday activities with food programme to ensure children on Free School Meals (FSM) have access to food over the Easter, summer and Christmas holidays for 2021.
22. The funding cannot be used to cover payment of rent or other housing costs because these are not directly related to food or utility bills. It also cannot be used for the provision of general advice on managing debt and/or financial hardship either.
23. The aim of the scheme is to provide direct assistance to vulnerable households and families with children particularly affected by the pandemic. This will include families who normally have access to Free School Meals during term time.
24. Councils have been given the discretion to deliver the scheme through whichever payment method they deem appropriate – cash, vouchers or grants for example – it can also be used to provide funding to partner organisations – with the proviso that specified Management Information is collected and reported. It is expected that appropriate checks and controls are put into place to minimise fraud and risks around the grants being used for other purposes.
25. Councils are encouraged to work together with other local authorities to provide support and ensure the funding meets its objectives.

Eligibility Framework and Demand

26. It is up to us to determine eligibility in our area and target support where we think it's needed – but it must be used to cover children at risk of going hungry in the first instance.
27. The definition of a child is any person:
 - who will be under the age of 19 as at 16 April 2021; or
 - a person aged 19 or over in respect of whom a child-related benefit (for example, Child Benefit) is paid or free school meals are provided; or
 - Where an eligible child is living on his or her own, in which case they should be treated as a 'household'

CMT previously agreed that the support should be aimed at households with FSM eligible children and young people – to provide access to food over the Christmas and for the February half term and Easter holiday periods. The scheme would also cover the 0 to 19 age range, with the 0 to 2 vouchers being administered by Health Visitors identifying eligible households.

28. Those identified as eligible would be provided with a voucher worth £20 per child per week – (x2 weeks at Christmas/Easter and x1 week in the February half term). The intention was that £15 would support food provision and an additional £5 to lift the pressure on other household bills such as for energy and utilities.
29. The Family Fund provided vouchers directly to the schools and FE colleges – which are redeemable at Tesco's, Sainsbury, Morrisons and Asda Supermarkets. Vouchers were administered in a timely way in advance of the Christmas break, February Half term, and Easter break.
30. Targeted additional support had already been provided to Durham's Care Leavers over the Christmas period through the enhancements made to the Welfare assistance Scheme.

DCC Winter Grant scheme: Phase 1

31. With support identified for 0 to 2 yr olds; Early Years Providers; Educational providers and FE colleges, a total of 25,905 vouchers were ordered and sent to Health Visitors/Early Years providers/schools and colleges for direct distribution. For this phase, 21,118 (82%) have been redeemed at a cost of £847,027.
32. It would appear that the reasons for non-redemption include parents changing their mobile phone; schools having the wrong e mail contact

details for parents, with the main area being families with children aged 0-2; initially 1500 vouchers were requested for this cohort; however, a large number were not initially distributed.

33. £21,000 of the funding was provided to Feeding Families to pay for Christmas Hampers supplied to 295 of our county's most vulnerable families, identified through our One Point Teams.

Phase 2 roll out

34. Following several lessons learned sessions and actions to improve the process, the next phase of rollout, for support aimed at the February half term holiday was implemented, with 24,933 vouchers distributed and 19,859 (80%) redeemed.
35. Upon receipt, the parents had two months in which to redeem the voucher and once activated a further year to spend the voucher.
36. The exercise was repeated for the Easter holidays with 24,055 distributed and 16,886 (70%) redeemed as of 13/4/21. The suppliers of the vouchers have been changed by the Family Fund to Blackhawk which now allows parents three months in which to redeem the vouchers.
37. As previously agreed, an application process was set up to support a fund of £100,000 within CYPS for professionals working with the One Point Team to support vulnerable households with children. Given there was some residual funding left in the previous scheme, the Corporate Director of Finance, utilised delegated authority previously granted by CMT and in consultation with the Portfolio Holder for Social Inclusion, to approve an additional amount of £70,000 to be awarded to supplement this scheme.
38. A further £100,000 had also been allocated to support vulnerable households without children identified by Social Care Professionals within Adults and Health Services; to be administered through Social Care Direct.
39. £100,000 was allocated to East Durham Trust and the Durham foodbank to support work on fuel poverty. They were using this funding to target support to those they identify as in fuel poverty through community engagement.
40. The government announced that as part of its COVID roadmap, the COVID Winter Grant (CWG) Scheme was to be extended to the 16 April 2021, providing the Council with an extra £650,974.
41. There was a further extension to phases 1 and 2 of the distribution of e vouchers to the parents of children eligible for free school meals. Those

families identified as eligible have been provided with a voucher worth £40 per child, in line with previous payments.

42. The Council distributed 24,055 vouchers to the value of £962,240. Based on past experience of both Christmas and February half term it is anticipated that there will be an 80% redemption rate to the value of £769,792.
43. The e vouchers were distributed to parents by 16th April 2021 allowing them an additional three months to redeem the voucher and once activated a further year to spend the voucher.
44. A total of 11 schools used the Wonde system which identifies which children are entitled to Free School Meals, calculates the number of vouchers required and provides a full audit trail. It will be an interesting exercise to provide a comparison with the redemption rate using e vouchers. The schools will then invoice the Council for their expenditure.
45. Following a discussion with key services, the scheme funding was also used to support 273 Young people leaving care and 600 kinship carers in scenarios where grandparents have parental responsibility for grandchildren with £80 food vouchers at a total cost of £69,840.

Financial Implications

46. The revised funding and spend commitments up to 16 April 2021 are provided below:

Scheme strand	Funding
Funding to AHS to support vulnerable households	7,354
Funding to CYPS to support vulnerable households	87,188
AHS food vouchers	9,500
DCP admin costs	5,000
Feeding Families	21,000
Family Fund payments x2	2,588,820
Family Fund unredeemed vouchers (TBC)	-300,615

Family Fund unredeemed vouchers (Easter - TBC)	-112,841
Durham Christian Partnership	20,658
East Durham Trust	10,000
Additional transaction costs (Xmas FSM exercise)	32,382
Additional transaction costs (Easter FSM exercise)	32,000
Transaction costs @ £2 per voucher + VAT	1,200
Funding to CYPS to support vulnerable households (additional)	52,000
CYPS Funding (young people leaving care / kinship carers)	69,840
Total Expenditure	2,523,486
Net Position	0

COVID Local Support Grant (CLSG)

47. On 14 April 2021, we were advised that the Government had extended the COVID grant support to vulnerable families; the new scheme would run from 17 April 2021 to 20 June 2021, with a further £40 million of support. Durham will receive £440,591 payment as part of the CLSG in July 2021 following the completion of the final Management Information report. This brings the total allocation of funding to the scheme to £2,964,077.86 .
48. A separate Management Information (MI) return will be required for the CLSG for the period 17 April 2021 to 20 June 2021 to capture the total spend and the volume of awards. Authorities are asked to provide the DWP with details of their plans for spend by 14 May 2021.
49. The DWP are planning to provide Authorities with information relating to Universal Credit claims with limited capability for work or, earnings below the free school meals and free prescription thresholds in the area in May. They will confirm this nearer the time as the information may be useful in identifying vulnerable families impacted by the pandemic.

50. The same eligibility criteria and principles apply to the new scheme; although none of the previous funding can be carried forward to support the new arrangements.
51. Following discussions with colleagues in Education; it is proposed that a further voucher scheme is administered; so that FSM eligible households are provided with a food voucher worth £20 per child, to be distributed by health visitors; schools, and FE colleges.
52. The DWP advise that funds should be spent or committed before 20 June 2021.
53. Based on previous take-up of the schemes, the cost of this provision would be approximately £423,514; with the transaction costs and possibly higher take up/increased eligibility for FSM; this would achieve the funding spend.

Poverty Action Plan

54. It is important that full consideration is given to this support in line with the other support mechanisms that the Council has put in place for vulnerable households during the period of the Covid Pandemic.
55. Measures in the Poverty Action Plan have included support for those on low incomes with access to holistic advice and guidance, enhancements to the Council's Welfare Assistance Scheme, additional support for the Foodbanks; investments made into the AAP's for a range of initiatives to support local communities; enhanced Council tax Hardship payments; a grant for return to school costs and investment to support rollout of The Bread and Butter Thing which provides easy access to the redistribution of surplus food within local areas of disadvantage.
56. The focus for the allocation of this funding for families with children is supported in terms of the information from a report by the Child Poverty Action Group in August 2020 which noted that a survey of families with children eligible for free school meals had found nearly nine in 10 respondents were reporting spending substantially more than before on food, electricity and other essentials – usually due to being at home much more and also due to increased food costs.
57. Work will continue to be done by the Poverty Action Steering Group and the Advice in County Durham Partnership to understand the impact of the additional provision which has been put into place – and to use emerging intelligence from within the Council and through external partners, to review the Poverty Action Plan and put in place actions for continuing to support vulnerable households as the full impact of the economic situation unwinds.

58. The outcomes from the scheme will be reported into the Poverty Action Steering Group alongside the other support mechanisms in place in line with the Poverty Action Plan.
59. Work will continue with colleagues across the region through the LA7 to understand the impact of the funding on vulnerable households and to maintain a consistent approach.

Background papers

- DWP: <https://www.gov.uk/government/publications/covid-winter-grant-scheme>

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Appendix 1: Implications

Legal

Section 1 of the Localism Act 2011 provides Local Authorities with the powers to make payments to vulnerable households

The Council will be responsible for delivering the grant funding to eligible households utilising government grant provided to it under section 31 of the Local Government Act 2003.

Finance

Grant funding totalling £1,872,512.86 will be received from the DWP in 3 tranches: 50% on 30 November 2020; a further 25% at the end of February 2021 (provided we have spent at least 20% of the overall allocation in December) and the remaining 25% in April / May 2021 (based on a final expenditure and outcomes return).

The COVID Winter Grant (CWG) Scheme was extended to the 16 April 2021, providing an additional £650,974 in two tranches 75% of the additional allocation in April 2021 and the remaining 25% will be paid on the completion of the final management information (MI) report.

On 14 April 2021 the Government extended the COVID grant support to vulnerable families to continue until 20 June 2021, with a further £40 million of support. Durham will receive £440,591 payment as part of the COVID Local Support Grant in July 2021 following the completion of the final Management Information report. This brings the total allocation of funding to the scheme to £2,964,077.86

Consultation

The Portfolio Holders for Social Inclusion and Children and Young People's Services were consulted on the contents of this report. The proposals are consistent with the approach agreed across the LA7 group of North East Councils – covering the Combined Authority areas of NECA and NTCA.

Equality and Diversity / Public Sector Equality Duty

The Equality Act 2010 aims to advance equality of opportunity and provide protection from discrimination for people based on their 'protected characteristics'. We are legally required under the public sector equality duty (PSED) to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;

- advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and
- foster good relations between those who share a relevant protected characteristic and those who do not.

The proposed scheme for use of the Covid Winter Funding is predominately targeted towards children and young people under the age of 19. This is positive in terms of age (younger) and for people with young families (working age ranges) where women are most likely to be disproportionately impacted by the effects of poverty. The impact will be monitored going forward with emerging evidence used to review the Poverty Action Plan to allow for continuing targeted support for vulnerable households as the full impact of the economic situation unwinds.

Human Rights

None

Climate Change

None

Crime and Disorder

None

Staffing

Accommodation

None

Risk

Through regional working a consistent approach and set of guiding principles has been agreed across the LA7 group of North East Councils – covering the Combined Authority areas of NECA and NTCA. This report is consistent with those regionally agreed principles.

In developing the Councils local policy, the focus has been on following the Government guidance.

The amount of support provided will be carefully monitored to ensure that this funding is utilised.

Procurement

None