



**Report for:
ACTION/INFORMATION**

Item Number:

Contains Confidential or Exempt Information	NO YES (Part)
Title	Covid19 Local Support grant - distribution
Responsible Officer(s)	Ross Brown
Author(s)	Joanna Pavlides
Portfolio(s)	Decent Living Incomes (Cllr Bassam Mahfouz), and Inclusive Economy (Cllr Steve Donnelly)
For Consideration By	Cabinet
Date to be Considered	14/07/21
Implementation Date if Not Called In	Exempt, pursuant to Rule 16 of the Scrutiny Procedure Rules
Affected Wards	All
Keywords/Index	Covid19, support, grants,

Purpose of Report:

To seek approval for distribution of the Covid 19 Local Support Grant under the conditions laid down by central Government and a local scheme.

Following on from the Government announcement on the extension of Covid19 Local Support scheme, this report sets out how Ealing Council will allocate and process the grant payments to vulnerable households.

The main purpose of the grant is to support vulnerable families with children and other vulnerable households through period from 21 June 2021 to 30 September 2021 and this includes families eligible for free school meals. The purpose of the grant is not to replicate free school meals arrangements but to provide wider range of support to all vulnerable households in the borough which include families entitled to free school meals.

The report sets out scheme eligibility criteria to distribute the funds to residents along with award mechanisms and application process where necessary.

Since the scheme was initially introduced in November last year, the Council have been providing support to families identified as being in need of additional financial support.

Under the previous DWP grant allocation, the Council was able to provide support to free school meals children at the rate of £15 per week during school holidays and was also able to issue one off payments to the value between £15 and £30 to families with children under 5. Additional awards were also provided under the local welfare assistance to those who required addition support within the grant funding allocation.

The current allocation of the DWP grant for Covid19 Local Support scheme does not allow the Council to provide the same level of support as provided up to 20 June 2021 without the Council topping up the allocation with its own unused Covid 19 grants to the value of circa £265, 000.

Many households' budgets in the borough continue to be affected by Covid19, either through unemployment or being furloughed with reduced incomes and this is evidenced by increases in number of people claiming Universal Credit, Council Tax Reduction and in effect, free school meals.

During summer holidays, many families will see additional pressures on their budgets due to free school meals not being provided through schools for the duration of the break or due to having additional expenses related to school uniforms in preparation for going back to schools in September.

Therefore, Covid19 Local Support grant awards will elevate some of these pressures throughout summer holidays and September.

1. Recommendations

It is recommended that Cabinet:

- 1.1 Approves the proposed distribution of the Covid19 Local Support scheme to residents who qualify for grant payments under conditions laid down by central government and local scheme guidance.
- 1.2 Authorises the Chief Finance Officer, following consultation with the Cabinet Member for Decent Living Incomes and the cabinet member for Inclusive Economy and the Director of Legal and Democratic Services, to determine and amend the award criteria as may be appropriate in response to circumstances and further guidance from central government.
- 1.3 Approves additional expenditure associated with Covid19 Local Support Grant required to support families with children eligible for free school meals where eligibility is based on low income.
- 1.4 Notes that decision to appoint a contractor to distribute Covid19 Local Support scheme through vouchers will be made by the Chief Finance Officer under his delegated powers.

2. Reason for Decision and Options Considered

- 2.1 The coronavirus (COVID-19) continues to have a significant impact on individual households and their budgets especially on lowest paid families, many being affected by unemployment or reduced income due to the pandemic. School holidays can be a particularly challenging times for these families.

- 2.2 The objective of the Covid19 Local Support Grant Scheme is to provide support to vulnerable households and families with children particularly affected by the pandemic where alternative sources of assistance may be unavailable.
- 2.3 The funding provides support with the cost of food, energy and water bills and other essential items.
- 2.4 Scheme was originally set up by the Government in November 2020 as a one off support to help vulnerable households during winter months to alleviate impact of the pandemic. Funding of £170 million was made available to Local Authorities under the COVID Winter Grant Scheme.
- 2.5 The duration of the scheme was initially set for 4 months which covered a period from 1 December 2020 to 31 March 2021. Following the initial period, there were further two extensions of the scheme, one for period covering 1 April 2021 to 16 April 2021 and for additional period between 17 April and 20 June 2021.
- 2.6 From April, the scheme has been renamed as Covid19 Local Support Grant and there have been no changes to eligibility criteria.
- 2.7 On Tuesday, 21 June, DWP announced a further extension of the scheme to run between 21 June and 30 September 2021 with additional funding being made available to all local authorities.
- 2.8 Additional allocation for Ealing under the extension of the scheme for period from 21 June to 30 September 2021 is £1,006,100.79.
- 2.9 This funding is not sufficient to issue support in line with previous awards made under the scheme up to June 2021.
- 2.10 Under previous allocations the Council was able to provide support to children eligible for free school meals at the rate of £15 per child per week. In addition, one off awards were also provided to families with children under the age of 5 in receipt of housing benefit or council tax reduction and other vulnerable households.
- 2.11 The current funding allocation does not fully cover expenditure in respect of providing support to all groups identified at the onset of the scheme as in need of additional assistance and just providing support at the rate of £15 per child per week during the summer exceeds grant allocation in its entirety.
- 2.12 Under the Covid19 Winter Support Grant and Covid19 Local Support grant, Ealing was previously awarded one off funding for each of the periods below:

Period	Grant Allocation
1/12/2020-31/03/21	£1,068,982.09

1/04/2021-16/04/2021	£371,628
17/04/2021 – 20/06/2021	£251,525
Total allocation	£1,692,135.09

- 2.13 There is no separate grant towards administration costs and some of the grant could be used towards administering the scheme as long as the cost is 'reasonable'.
- 2.14 Any unspent funds will have to be paid back to DWP.
- 2.15 The following guidelines have been issued by DWP on how the funding should be used:
- At least 80% of the total funding will 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 will 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.
- 2.16 When administering this scheme, DWP has encouraged LAs to adopt the following principles:
- use discretion on how to identify and support those most in need
 - use the funding within the time allocated 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.
- 2.17 Authorities have flexibility to deliver the support in a variety of different ways, including direct cash payments, vouchers, giving meals to those in need or boosting funding for organisations already doing so.
- 2.18 Authorities have the flexibility to identify which vulnerable households are in

most need of support and apply their own discretion when identifying eligibility.

- 2.19 Authorities must have a clear rationale or documented policy/framework outlining their approach including how they are defining eligibility and how households access the scheme.
- 2.20 DWP advised that it is possible for authorities to identify vulnerable households and make payments without going through a formal application process as long as fraud aspect is addressed.

3. Expenditure and support provided under the DWP C19 Winter Support funding/Local Support funding up to 20 June 2021

- 3.1 Between December 2020 and 20 June 2021 61,229 supermarket vouchers in total have been issued, supporting around 10,000 households in the borough. The vouchers mostly supported families in receipt of free school meals and families with children under 5 in receipt of housing benefit or council tax reduction.
- 3.2 The Council have used its database of children eligible for free school meals (where eligibility is based on low income) and housing benefit and council tax reduction data to identify families eligible for support under the scheme.
- 3.3 Breakdown of number of vouchers issued up to 20 June 2021 has been presented below:

Period	Cohort	Number of children	Number of households	Number of vouchers issued	Value of vouchers issued
December 20 – January 21 Christmas holidays	FSM	11,444	8,036	11,444	£343,440
December 20 – January 21 Christmas holidays	HB/CTR recipients with children under 5	Circa 1,574	1,574	1,574	£39,350
February half term	FSM	11,612	8,247	19,859	£422,910
February half term	HB/CTR recipients with children under 5	c 1,500	1,500	1,500	£45,000
April 21 – Easter Holidays	FSM	12,181	8,329	12,181	£365,430
April 21 – Easter Holidays	HB/CTR recipients with children under 5	c. 1,493	1,493	1,493	£29,860
May 2021 – half term	FSM	11,718	7,795	11,718	£175,770
May 2021 – half term	HB/CTR recipients with children under 5	c.1,460	1,460	1,460	£21,900
TOTAL VOUCHERS				61,229	£1,443,660

- 3.4 As part of the initial support under the scheme, in December, the Council also provided £50,000 to the local Foodbank to support vulnerable families and individuals accessing the local foodbanks. It is estimated that this has helped to support around 3,500 individuals.
- 3.5 In addition, between December and June, support has been provided to 349 vulnerable families and individuals through Local Welfare Assistance with food, utilities and living essentials. The value of support provided through LWA with the DWP funding so far is £139k.
- 3.6 Due to the fact that DWP announced the Covid 19 Winter Support scheme in November with Local Authorities being expected to start delivering the scheme in December 2020, the Council used its emergency powers to commission Hawk Incentives Limited to distribute supermarket vouchers.
- 3.7 Supermarket vouchers have been the quickest and the most cost effective way of distributing the grant funding and Hawk Incentives Limited has distributed the vouchers free of charge for the Council. There was small one off cost of personalizing a webpage and messages with Council Logo.
- 3.8 Where the child's school provided the Council with an email address, the Hawk Incentives Limited issued an email with a code which could be redeemed by the customer against a supermarket of their choice: Tesco, Aldi, Morrisons, Sainsbury's, Asda, M&S and Waitrose.
- 3.9 In small number of cases where the school or the Council did not hold a valid email address, the Council either issued the code via a text message or else issued a letter with a code and instructions on how to redeem the code.

4. Proposals for distribution of Covid19 Local Support Grant under scheme extension for period from 21 June to 30 September 2021.

- 4.1 The additional funding provided for the period from 21 June to 30 September 2021 is 1,006,100.79 with the same eligibility criteria applying.
- 4.2 As the emphasis is on supporting families with children and DWP guidance advise that at least 80% of funding should be spent on this cohort, the Council's database of children entitled to free school meals continues to be the best way to identify families in need.
- 4.3 Additional mechanisms have been put in place to also identify families with children below the compulsory school age (under the age of 5) in order to create equal opportunities for these families to access the funding. The Council have used its Council Tax Reduction database combined with Housing Benefit data to identify vulnerable families with children under the age of 5.
- 4.4 The DWP advice is also that up to 20% of the funding could be spent on

supporting other vulnerable households as identified by the local council.

4.5 A small amount of C19 Local Support funding is therefore being allocated to Local Welfare Assistance so additional support can be provided to families and individuals not already identified through Free School Meals and HB and CTR databases.

4.6 £25k has been set aside for administration costs and the administration costs will depend on the demand. Any unspent administration costs will be used to top up Local Welfare Assistance fund to maximise support for vulnerable households with or without families.

4.7 Since the DWP Covid19 Winter Support grant was introduced, the Council made awards to children eligible for free school meals (where eligibility is based on low income) at a standard amount of £15 per child per week.

4.8 However, on this occasion the DWP funding provided is not sufficient to issue support at the same level as under previous allocations and requires addition contribution from the Council's own funds.

4.9 The Council is under no obligation to top up the funding received from DWP, however, not topping up the funding would result in reduced support being provided to the vulnerable groups.

4.10 The proposal for distribution of Covid19 Local Support scheme with additional funding from the Council is therefore as follows:

4.11 **Element 1:** Targets families eligible for free school meals (FSMs) where eligibility is based on low income (excludes universal infant free school meals, which are not income related):

Supermarket vouchers will be issued to families entitled to free school meals to cover the 6-week period of summer - £15 per week per child per week (12,949 children, c 8,336 households) in one off payment.

- e.g. for families with 1 child, a payment of £90 will be received
for families with 2 children, a payment of £180 will be received

4.12 **Element 2:** Targets families with children under the age of 5:

The Council will provide support to the value of £65 to families with children under 5 as identified through Council Tax Reduction (CTR), Housing Benefit (HB) databases (circa 1,460 families). Majority of families identified in this cohort are single child families. Payments to be issued in line with payments for free school meals:

- 4.13 **Element 3:** Targeting vulnerable households without children, households who do not qualify for automatic vouchers and those who need additional support other essential items.

The Council will use £40k of the allocated funding to top up Local Welfare Assistance (LWA) funds to support other vulnerable households. This will require an individual to make an application. The support will be available to all vulnerable residents including households without children. On top of support with food, this will provide support for other essential items such as warm clothing, essential equipment, boiler service and repairs where appropriate.

- 4.14 The Council will commission a voucher provider to distribute supermarket vouchers in electronic form.
- 4.15 Where the Council does not hold the email addresses for customers, the recipients will receive a voucher via a letter.
- 4.16 It is worth mentioning that the Education Department will also be providing free school meals during the school holidays under the Holiday Activities and Food programme (HAF). Ealing provision is to provide 4 days a week of activities for 4 weeks and a daily meal will be provided to all children attending. Children between reception and year 11 entitled to free school meals are eligible for this offer.
- 4.17 Both, DfE and DWP advised that HAF and Covid 19 Local Support Grant funding should be treated as two separate streams. Therefore, participation of children in HAF will not impact on the amount of vouchers that will be distributed to the families.

5. Key Implications

- 5.1 The grant is intended to support vulnerable families with children through summer. Support, especially to families with children eligible for free school meals, should be distributed no later than during the week commencing 19 July. This will ensure families have got funds available at the start of school holidays.
- 5.2 Ealing schools play crucial role in communicating to parents availability of vouchers. In small number of cases, they have also assisted parents with voucher redemption. If the vouchers are not distributed in timely manner, the opportunity for the communication with parents and additional support with voucher redemption will be lost until children return to school in September.
- 5.3 Due to the short timescales for the implementation of the grant extension, the Council does not have time to carry out a full procurement exercise and

is required to award contract directly to a voucher provider.

6. Financial

- 6.1 Distribution of funding as per section 4 of this report requires estimated Council contribution of £265, 209 and will be allocated as table below.
- 6.2 The Council will use its unallocated Covid 19 funding to top up the C19 Local Support scheme.

	No of cases	Voucher amount	Spend
Vouchers for FSM children – eligibility based on low income	12,349	£90	£1,111,410.00
Vouchers for HB & CTR families with children under 5	1,460	£65	£94,900.00
Local Welfare Assistance			£40,000.00
Admin Costs			£25,000.00
total			£1,271,310.00
Grant Allocation			£1,006,100.79
Council's contribution (C19 funds)			£265,209.21

7. Legal

- 7.1 The COVID Local Support Grant Scheme is being classified as Local Welfare Provision (LWP).
- 7.2 The Council has signed and returned the relevant section (Annex C) of the DWP/LA Memorandum of Understanding (MoU) and has legal permission to access DWP's Searchlight portal. This portal provides information on individual citizen's entitlement to (and confirms receipt of) DWP welfare benefits. Therefore, this data can be used to help Authorities identify those families and individuals to whom to target this support.
- 7.3 The council also has the power, under section 1 of the Localism Act 2011, to do anything that individuals generally may do.
- 7.4 The council must comply with the principles set out under section 149 of the Equality Act 2010 and the Human Rights Act 1988, including the need to protect from discrimination anyone with protected characteristics (age, disability, gender reassignment, marriage and civil partnership, pregnancy

and maternity, race, religion or belief, sex, sexual orientation).

- 7.5 Where proposals will have equalities implications, an equalities analysis assessment (EAA) is required.
- 7.6 When making decisions, the council must act reasonably and rationally. It must take into account all relevant information and disregard all irrelevant information.
- 7.7 Consultation would normally be required in relation to the package of proposals within this report. However, given the unexpected and extreme urgency of the situation, it is unlikely in practice that there will be time for consultation to be carried out before implementation is required.
- 7.8 Grant payments must be paid strictly in accordance with the criteria specified by Government and the local scheme. The council will be unable to claim reimbursement for any payments made outside those criteria.

8. Value For Money

- 8.1 Whilst delivering these measures the Council will continue to operate, as it does currently, to ensure effective and efficient use of public monies. In doing so, it will ensure robust financial framework and processes are in place which allow the Council to stand up to any financial scrutiny at later date.
- 8.2 The Chief Finance Officer (section 151 officer) will ensure that accurate records are kept of the expenditure undertaken as a result of this grant scheme and will submit required management information to Government to ensure all funding spent has been claimed.

9. Sustainability Impact Appraisal

- 9.1 This report sets out measures that are focused on the vulnerable households in the borough that will support them to find a way through this pandemic.

10. Risk Management

- 10.1 It is important for the Council to ensure spending for delivering this policy is contained within budget and central Government grant provision is available for this. The proposals set out in this report look to put in place suite of financial measures which look to minimise the risk and provide swift financial support to vulnerable households.

9. Community Safety

None

10. Links to the 3 Key Priorities for the Borough

The council's administration has three key priorities for Ealing. They are:

- Good, genuinely affordable homes
- Opportunities and living incomes
- A healthy and great place

11. Equalities, Human Rights and Community Cohesion

11.1 When making decisions the Council must act reasonably and rationally. It must take into account all relevant information and disregard all irrelevant information and consult those affected, taking into account their views before final decisions are made. It must also comply with its legal duties, including those relating to equalities as referred to above.

11.2 Equality Impact Assessment has been undertaken by the Council to consider how the support the Council is providing under the scheme impacts these with characteristics protected under the Equality Act. (Appendix 2)

12. Staffing/Workforce and Accommodation implications:

12.1 In December 2020, the Council recruited additional two local welfare assistance officers in anticipation of increase in number of applications received. Their temporary contracts will be extended in line with the duration of the scheme.

13. Property and Assets

There are no property implications.

14. Any other implications:

Not applicable

15. Consultation

15.1 Consultation would normally be required in relation to the package of proposals within this report. However, given the unexpected and extreme urgency of the situation, it is unlikely in practice that there will be time for consultation to be carried out before implementation is required.

15.2 Initial consultations took place before the scheme was originally implemented in December 2020. The proposals and recommendation set

out in the main body of the report have been formed following feedback from all key stakeholders. Engagement and discussions were undertaken through the following key groups:

- Education – Assistant Director Schools P&R
- Finance Portfolio Holder, Business & Community Services Portfolio Holder, Chief Finance Officer
- Finance Department Management Team – formed of CFO, Director of Customer and Transaction Services, Assistant Directors, Commercial Hub, Strategic Finance and Technical Finance

16 Timetable for Implementation

The scheme runs between 21 June 2021 and 30 September 2021.

The vouchers to children eligible for free schools meals should be distributed no later than week commencing 19 July to make funds available to parents during school holidays.

17. Appendices

Appendix 1: Ealing C19 Local Support Grant Policy

Appendix 2: EAA

Appendix 3. DWP Draft CLSG extension guidance

18. Background Information

Central Government Scheme Guidance Notes attached in Appendix 3.

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Ross Brown	Chief Finance Officer	Continuous	Continuous	Throughout
Peter Mason	Leader of the Council	Continuous	Continuous	Throughout
Helen Harris	Director of Legal and Democratic Services	Continuous	Continuous	Throughout & Legal section

Councillor Bassam Mahfouz	Cabinet Member for Finance and Leisure	Continuous	Continuous	Throughout
Councillor Steve Donnelly	Cabinet Member for inclusive economy	Continuous	Continuous	Throughout
Alison Reynolds	Director of Customer and Transactional Services	Continuous	Continuous	Throughout
Gary Redhead	Assistant Director Schools P&R	Continuous	Continuous	Throughout

Report History

Decision type:	Urgency item?
EITHER: Key decision OR Non-key decision OR For information (delete as applicable)	Yes, pursuant to Rule 15 of the Access to Information Procedure Rules (General exception to forward plan requirements) – as the item was not on the council’s Forward Plan. Also, pursuant to Rule 16 of the Scrutiny Procedure Rules (exemption from call-in) because the decision has been exempted from the usual possibility of call-in.
Report no.:	Joanna Pavlides, Head of Financial Assessments, pavlidej@ealing.gov.uk ; 020 8825 9279