



Work and Pensions Committee

Oral evidence: Household Support Fund, HC 1273

Wednesday 26 April 2023

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Members present: Sir Stephen Timms (Chair); Neil Coyle; David Linden; Steve McCabe; Nigel Mills; Selaine Saxby; Sir Desmond Swayne.

Questions 1 - 89

Witnesses

I: Rachel Bull, Head of Policy and Research, Trussell Trust; Oliver Crunden, Senior Policy Researcher, Citizens Advice; Alex Clegg, Senior Policy and Data Analyst, Policy in Practice; and Dr Rita Griffiths, Research Fellow, Institute for Policy Research, University of Bath.

II: Councillor Abi Brown, Leader of Stoke-on-Trent City Council; Councillor Peter Marland, Leader of Milton Keynes City Council; Stephen McGinnes, Director of Support and Collections, London Borough of Barking and Dagenham; and Steven Edwards, Director of Support and Collections, Communities Collaboration and Resilience Lead, Devon County Council.

Examination of witnesses

Witnesses: Rachel Bull, Oliver Crunden, Alex Clegg and Dr Rita Griffiths.

Q1 **Chair:** Welcome, everybody, to this meeting of the Work and Pensions Select Committee, in which we are taking evidence about the household support fund. It is an important topic but one to which we have not paid much attention in the past. We are very grateful to the witnesses who have joined us this morning to enable us to gather evidence. Will each of the witnesses on our first panel please introduce themselves, starting with Alex Clegg?

Alex Clegg: I am Alex Clegg, senior policy and data analyst at Policy in Practice. I do a lot of work on our LIFT platform, which local authorities have been using to target the household support fund. I was involved in a project on evaluating local welfare assistance with London Councils.



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Dr Griffiths: I am Rita Griffiths, a research fellow at the Institute for Policy Research at the University of Bath. I have been working on various research projects looking at the experiences of different groups of universal credit claimants since about 2018.

Chair: Some of us were at a meeting with the Treasury Select Committee yesterday at which we heard about your work, so it is nice to see you in person today.

Rachel Bull: I am Rachel Bull, head of policy and research at the Trussell Trust, overseeing a range of policy related to food bank use. Most recently I have been involved with the APPG for ending the need for food banks, in an inquiry related to local crisis support, including cash and food solutions.

Oliver Crunden: I am Oliver Crunden, senior policy researcher at Citizens Advice.

Q2 **Chair:** Thank you all very much for being here. How effective do each of you think the household support fund has been in supporting the most vulnerable households? Do you think that, on the whole, the people who need it have known about it?

Alex Clegg: On the whole, the household support fund and similar discretionary support has been vital for struggling households, especially during this cost of living crisis. From our research, we found that a large proportion—nearly 40%—of people were saying that without such support they would not have been able to pay bills. They would have lived without essentials such as energy and heating. There are issues with the design and delivery, but overall it is massively positive. There are definitely issues with low awareness. I think councils are doing quite a lot to tackle and overcome that. There are things to address, but overall it is very positive.

Dr Griffiths: As a little bit of background to our research, in the current project we have been tracking a sample of working claimants—households where there are one or two earners. We have interviewed them every month for 12 months since March 2022 and we have been gathering information about income and expenditure. As part of that exercise, we have been asking people about other sources of income, in particular the cost of living payments and the household support fund, as well as other grants and support that they might get to help with the cost of living.

In terms of effectiveness, the cost of living payment was an automatic payment based on entitlement, and it was very efficient in getting that help to universal credit claimants very swiftly when it was needed, directly into people's bank accounts. The household support fund is very different from that in its intention. It is a discretionary fund, it is cash limited and it is intended to vary from one local authority to the other to meet local needs and priorities.



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Notwithstanding that, similarly to Alex we found that it was much less effective, even within its own terms, with very low levels of awareness among our sample in terms of knowing about it, and also fairly low levels of success—quite low numbers—among people who did know and applied. This may partly be to do with the fact that people in our sample were mainly working and they assumed they were excluded for that reason, or they were excluded for that reason. I assume we can discuss some of the issues in respect of delivery later.

Q3 Chair: Can I take it from that, Rita, that your view would be that the money should have been disbursed through the universal credit system rather than through local authorities?

Dr Griffiths: No, I wouldn't say that. There is an important function with funds like this. Discretionary funds are designed to meet emergency needs and crises, and there is a desperate need for that. Partly because it had to be delivered very quickly—particularly the early tranches—some of the discretionary elements of it were abandoned by local authorities for ease of administration. They used the benefit system as a way of passporting, so it was actually functioning as a top-up to benefits in that way, rather than being a discrete, tailor-made fund that was targeted at people who were most in need, which is what it was intended to be.

As long as those design features are there, I think the guidelines that have been issued for the fourth round of funding address some of those issues quite clearly. I think] the Government have taken on board some of the criticisms. There is always going to be a very important role to play, particularly in the current situation.

Rachel Bull: I would echo Alex's and Rita's sentiments. We welcome the principle of the scheme. It is very important that local welfare assistance schemes exist. There are always going to be people who hit financial crises, and if you can catch them, help them get back on their feet and, critically, prevent them from spiralling into a worse situation, that is the right thing to do. Clearly, there is evidence that this has, for some people, been working well and doing that job.

However, we do not think it is quite meeting its potential yet. In our most recent annual statistics, which we have published this year, we are seeing 3 million emergency parcels given out, with one million for children. That replicates a trajectory we have seen for the last five years. That is not to say that the household support fund on its own could solve all of that problem, but surely it has to be a bit of an indicator that there are still a lot of people who are reaching crisis point.

There are some pretty straightforward improvements that we think could be made to the household support fund, or future iterations of it, which we will go into, but it is critical that we recognise that it has to be a piece of a puzzle and a puzzle that works well. A social security system that enables people to afford the essentials has to be there as well. Crisis



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support is to catch the people who fall through that net, but that net needs to be solid.

On accessibility, some people have known about it and it has been beneficial to them, but we have heard stories from our food banks that that is not universal. One person had a positive experience, but she only knew about it because she was volunteering at the food bank at that time. It is very important, and one of the key recommendations of the APPG inquiry is that there are practical solutions on accessibility, that there are specific strategies on hard-to-reach groups and that there is a range of application routes—online, in person and by phone. That probably happens in some local authorities at the moment but definitely not consistently. I think what we will see over this inquiry is a real patchwork of support across the country.

Q4 Chair: I saw somewhere an estimate that 14% of the fund was disbursed in grants to food banks. Do you think that is a good thing,?

Rachel Bull: All our food banks are independent charities. I have not heard that stat. We know that some of them have received funding, but it is probably not universal. Because they are independent and they are facing unprecedented—this is such a well-used phrase at the moment—levels of need, we back them to take those grants if they need them.

However, every single one of our food banks would say they would much rather people do not have to come to them. They would much rather the social security system is working and that local welfare assistance is catching those it just misses that, therefore, people never enter their doors. Because those things are not quite working well enough together, some food banks have found that they need that additional funding to meet the levels of need.

Q5 Neil Coyle: I want to ask about whether the fund is effective or not. What has been the growth in food bank demand in the period that the fund has been run?

Rachel Bull: It is quite hard to tell, because obviously the pandemic year saw not a blip, but it continued across a trajectory. Over the last five years we have seen a 120% rise in the number of food parcels given out, and that balances out over that five-year period on an upwards trajectory.

Q6 Neil Coyle: About three-quarters of a million in the last year, is that right?

Rachel Bull: Yes, a 37% rise in the number of food parcels in the last year.

Q7 Neil Coyle: What number of those are in work? The failure to tackle low pay is contributing to that, and people in work have not been targeted in the same way for things like the household support fund. How many food bank users are working people?



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Rachel Bull: We estimate from our most recent big “Hunger in the UK” report, which is coming out later in the year, that one in five people at food banks are from working household—an astonishing figure.

Neil Coyle: Six hundred thousand people.

Oliver Crunden: I would like to echo that sentiment. It has been a welcome form of assistance, but against that principle of supporting those in need we are quite concerned about the nature of one-off payments that do not deal with the crisis, which for many people is an ongoing budgetary shortfall. For the first time on record we have seen that over half the people coming to Citizens Advice who receive universal credit and are in debt do not have enough income to cover their essential costs.

I am sure we have all heard the term but it is worth repeating. An adviser recently told me: “It’s a sticking plaster. It provides that short-term relief but does nothing to address the underlying issue. We’ve had to give out grants to the same clients in more than one tranche of funding because it doesn’t actually help them in the long run.” I think that is clear from our data. We have seen demand for local welfare assistance schemes like the household support fund rise in each round of funding, and one in two of those we have helped to access such a scheme we have also had to refer to a food bank.

We are concerned that the level of funding for the household support fund is not coming close to the scale of demand. We have seen authorities in some areas forced to ration support in various ways, which I am sure we will get into later. Many of our advisers in local offices are very positive about people’s ability to access the fund, but we know there have been certain barriers to access, whether that is people in need not meeting local eligibility criteria, challenges with vouchers and delays, or simply the fund being exhausted in advance of the end date of the funding round.

As Rita has mentioned, I am sure we will get into the improvements that have come from the lessons of delivery so far, but to step back, I think we need to recognise that the demand we have seen for the household support fund reflects some of the weaknesses in our social security system. We need to reduce the demand for it in the first place, and that involves looking at adequacy and function.

Q8 **David Linden:** We have the household support fund, cost of living payments and various things that are always announced to great fanfare. I will start with a broad question: how has the household support fund been compared to other financial support schemes such as the cost of living payment?

Alex Clegg: The cost of living payments have been comparatively broad, in that they are just a set amount that is given to households on means-tested benefits or households on disability benefits. They are not designed to cover specific circumstances. It is more a way to recognise



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that those households need a little bit more. The fund is very different from the cost of living payments and should be understood in a different way.

In terms of other discretionary support, the household support fund does have some advantages over things like local welfare assistance and discretionary housing payments. Both of those come out of council budgets. For discretionary housing payments, councils get a certain amount from the Government, but then anything on top of that comes out of council budgets. Local welfare assistance is completely funded by councils, which has meant that one in seven councils do not have any scheme whatsoever.

Councils have been grateful for the household support fund being based on local poverty levels, in respect of the amount of funding they get, and the guidance around it has meant that some of the postcode lotteries that are there with other discretionary support have been mitigated to some extent, because there are guidelines on who should get the awards and in what specific situations.

The problem with all these discretionary schemes—to echo what Rachel and Oliver said—is that the inadequacy of benefit levels means that they are not necessarily being used in singular crisis situations as they were intended. From our research into local welfare assistance, the most common cited reason for needing to access that support was just insufficient income from benefits. Twenty-four out of 36 interviewees cited that reason.

It goes hand in hand with the mainstream benefit system. If we could get to a level where the mainstream benefits are covering a decent standard of living and covering essential costs, these discretionary schemes would be freed up for tackling the crises that cannot be anticipated by the system. Coverage would need to be there in those situations. There will always be a need for that support and there are different ways to do it. I won't go into it now, but I think we will go into the delivery and the actual details later, so I will stop there.

Dr Griffiths: The cost of living payments—the national scheme—was very well communicated by the Department for Work and Pensions, so everybody in our sample knew about it. They knew when it was going to come, they knew it would be a cash payment and they were waiting for it. They had already decided what they were going to spend the money on when it arrived. They did not have to apply for it; that was the great thing about it: it just arrived. There was no administrative burden associated with it. It was an automatic entitlement.

The problem with that is that there are the trade-offs—the Treasury and Work and Pensions Committees discussed a lot of this yesterday—which are these cliff edges and the rough justice that goes along with them. There were large numbers of people who were not eligible for the cost of living payments, just because of the way in which the monthly



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assessment period works and how the entitlement was based on receipt of universal credit payment between particular dates—for example, if you have a nil payment, for totally arbitrary reasons, which often happens particularly for people who are earning.

As you know, it is an issue that has been discussed a lot. There are many people who did not qualify for it, and this is where something like another discretionary fund can work to meet that need—that gap in the social security system. I completely agree with my colleagues here about the inadequacy of benefits being a key reason for the huge demand for these discretionary funds, and the oversubscription to it as well. In fact, the household support fund was explicitly introduced just as the £20 uplift was withdrawn, and I think that connection was directly made. Similarly, the discretionary housing payments were an acknowledgment of the reduction in housing cost support through the benefit system.

There is a direct link between the reduction in the amount of cash payments that are made through the benefit system and then the need for discretionary payments but, of course, they are never going to substitute for the huge amounts that are lost as part of those reductions. Yes, it is very important to fill those gaps and limitations within the main benefit system, but benefit levels would need to increase in order to make them more discretionary and meet local need so that demand reduces.

Rachel Bull: Yes, we can see in our parcel stats that cost of living payments did have a difference. It was not huge and not long lived, but in both July and November we either see a slight dip or, in November, less of a rise than we would usually expect following those cost of living payments. That tends to only last a couple of weeks because we know that people spend it. They spend it quickly on the things that they need, and we have survey data demonstrating that overwhelmingly they spend that on bills and on food. That kind of intervention can have an impact but, as everyone has said, not unless the social security system is doing its job.

To take a step back, though, what you have alluded to is that there is a real mismatch of interventions, trying to patchwork over a social security system that is not doing that job. It can sometimes feel like they have similar purposes, but that is not helpful. I think we need to have a real clarity about what local crisis support—the household support fund—is there to do, which is to provide that intervention at the point of crisis. That is a different thing to what the cost of living payments were trying to do.

It is quite hard to compare because the strategic outcomes are not always clear. It is also hard to compare because, from a monitoring and evaluation perspective, the household support fund is quite hard to nail down. Again, one of our recommendations from the APPG inquiry was that we need to look into that.



Q9 **David Linden:** Is part of the problem here that, rather than deal with the issue of the increasing holes in the social security net, it is easier for the Government to churn out a press release saying, “We have come up with a new fund” and it is announced to great fanfare, rather than deal with the issue at source?

Rachel Bull: I think it is a strategic decision. In theory, you could have an infinite household support fund, but is that really how we want to be dealing with things? Or do we want to prevent the vast majority of people from having to get to the point where they simply cannot afford to replace their boiler or they cannot afford to pay for the repairs on their MOT?

If the vast majority of people, particularly those on universal credit, have a baseline that they can afford the essentials—perhaps they are even managing to squirrel away £5 a month into savings—they would not need it. Then it does not matter how big the pot is because it is only very few people who are getting to that point.

Q10 **David Linden:** I am going to come back to you on parcel stats in a moment, but do you have anything to add, Mr Crunden?

Oliver Crunden: Yes. First, it is important to say that this range of interventions have been extremely important. People would be in a lot worse situations without them. However, each scheme has had its issues. With the cost of living payments there is benefit in getting support to everyone efficiently and quickly, but not quite everyone. We have heard why that is the case with those cliff edges: taking on an extra shift in one month and you might be ineligible; signing up a month later than your neighbour, for example, and you miss out on £300.

The household support fund has had its own challenges as well, whether that is local eligibility criteria, or people in need missing out, but in the round we have not seen these interventions shift the dial. Particularly looking at our data, unfortunately we are breaking unwelcome records each month for crisis support. At the moment we are helping three people a minute to access things like the household support fund, food banks and other forms of charitable support, and seeing rising problems around debt as well.

Again, taking that step back and looking at how the pieces interact, it seems sensible that the centrally delivered social security system is doing the heavy lifting and ensuring that people are able to make ends meet. There is definitely a role for things like the household support fund and local welfare assistance, but we think that is mainly in terms of supporting people with one-off costs or people who might be living on a reduced income due to policies like the benefit cap, or supporting people who are living on a reduced income due to deductions and other things.

Q11 **David Linden:** Ms Bull, you mentioned parcel stats earlier—and I know they have been published this week—that suggest that in the last 12



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months 3 million food parcels have been issued. The UK is the fifth largest economy in the world; how have we ended up in a situation where one million children have been fed with a food parcel in the last year?

Rachel Bull: It is concerning and it is not what we want to see as a food bank charity. Our vision is for a world without the need for food banks. We are doing lots of research to understand the drivers, and they are complex. Our upcoming piece of research, "Hunger in the UK", will unpick them, but what is incontrovertible is that it is the social security system that is the primary driver. That was found in our "State of Hunger" research and we are seeing the same themes come through here. The vast majority of people at our food banks are in receipt of universal credit and clearly they are still having to use a food bank.

We have done some research with the Joseph Rowntree Foundation on what people need to afford the essentials. We think a single person needs at least £120. Even with the inflationary rises, the standard allowance of universal credit at the moment is only £85. There is that significant shortfall, which is why we are seeing the need at such numbers that we are.

Q12 **David Linden:** Finally, you mentioned the research. Some of my colleagues in Parliament would say that the need for people to use food banks is incredibly complex; I see it as being fairly basic: folk do not have enough money. Can you touch a little bit more on that research about the drivers for folk going to food banks, and how that correlates with people who have been sanctioned by the Department for Work and Pensions?

Rachel Bull: In our "State of Hunger" research we did see a correlation between increased use of sanctions and increased use of food banks, so that is something. As my colleague has said, sanctions is part of that, but we also see a very similar theme with deductions, people having their universal credit income reduced because they are repaying an advance that they have taken out to cover the five-week wait and many other things. We do see that that contributes to the need for food banks. However, it does not take away from the fact that that fundamental threshold of universal credit and allowances is too low in the first place.

Q13 **Chair:** Mr Crunden, can I just pick up your points? From what you are saying it seems it has been a frequent task of Citizens Advice advisers to apply on behalf of clients to the household support fund for help. In every part of the country, is there a clear process for making such applications? On the whole, are those applications successful?

Oliver Crunden: Many of our local offices have been involved as delivery partners working with their local authority. In some cases they support clients across two or three local authority areas. On the whole, they are positive about clients' ability to access the fund, but it has put a significant strain on services. Maybe that is a point we can come back to.



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On your question about whether people have been successful in the application process, this scheme has given discretion to local authorities to design the application process to suit their local area. We have seen it vary hugely across the country. In some areas the receipt of benefits is a condition for receiving or being eligible for the household support fund; in other areas it has been used as a criteria to exclude people from receiving the household support fund, particularly with the latest guidance around prioritising people who have not received the cost of living payment.

I was told recently about a family, who were subject to the benefit cap, struggling to afford to put food on the table and to make ends meet. They came into our local office and asked for assistance. We went through the process of applying for the household support fund. We found out that they were not eligible because they had received the cost of living payment. Obviously, that is in the context of local authorities rationing support because of the level of demand out there. It is difficult to give a picture of the nation as a whole, but clearly many people in need have not been able to access it.

Q14 Nigel Mills: There is nothing new under the sun, is there? I think I have been doing this for so long now that these questions go around in a circle. We have had a debate in the past about whether welfare should be cash or vouchers and we have generally chosen cash and to let people run their own affairs. Yet for this support fund the Government prefer voucher-type support to cash. Does anybody have any thoughts on whether that is a successful approach, or the right one to adopt?

Alex Clegg: From the research we did on local welfare assistance, we found that cash is usually the best method. People feel a dignity in receiving money in that way and being able to do with it what they know they need to do with it. We found that people are experts in their own needs in those situations.

There are issues with vouchers. For one, even mainstream supermarkets are seen as high cost to a lot of people in need of support. They know how to get food cheaper than that by shopping around. A lot of councils have done things like instead of vouchers they will buy white goods or specific things that have broken down, which will solve that particular need, but there are always extra things going along with that. If you cannot afford to repair an appliance in your house, you also cannot afford bills and other things that cash will help with.

Ideally, the guideline would be that cash is preferable. However, people who administer the funds and make the decisions should have discretion over individual cases where they might not think that is a good idea.

The way it is administered is important as well. If you are doing a direct bank transfer and somebody has a huge overdraft, that money is not going to help them. It helps a little bit but it is not going to help them to put food on the table that day or get the lights back on that day. There



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are ways around that. You can set up new accounts. You can do prepaid cards. You can do collections at PayPoints.

On that, one interviewee said that even in London they drove around seven places with a PayPoint logo until they got somebody to cash out their voucher, because they just didn't have cash in the till or were not able to do it. The advice around that is for councils to keep an up-to-date list of places that they know are routinely cashing these vouchers.

I think the issue is dignity of choice—treating people in the same way that universal credit treats them. When we moved to the universal credit system we implemented the system of giving people a monthly payment, as if they are in work, and let them choose what to spend their money on rather than setting aside certain benefits for certain things. It is a recognition that people on low incomes can be anyone—anybody sitting around this table. It can happen to us all and we all need money and we all know what to do when we get that money.

Dr Griffiths: I would endorse that. Most people in our research prefer cash. It gives them maximum flexibility and, as Alex said, it gives them dignity as well. Virtually all benefits are paid as cash payments. The issue for local authorities is that cash raises a whole series of issues about people having to demonstrate that they are who they say they are and that they are eligible. In our research, people were being asked to provide ID, sometimes photo ID, and having to provide evidence of need as well, by presenting bank statements and so on. Sometimes the requirements for giving cash to people present more administrative difficulties for local authorities.

By the same token, as Alex said, and it has been reported in relation to the energy support scheme, vouchers are not necessarily the answer either. They can be lost. There are technical difficulties in cashing them. No system is infallible, but on preference it would be cash, although I think very few local authorities made the household support scheme available in the form of cash. We found very few. It was nearly all vouchers and in-kind payments, and relatively small amounts as well. We are talking £40, £50 or £60 in the main.

Rachel Bull: I will try not to repeat things that others have said, other than to say that I completely agree. The primary finding from our "Cash or food?" APPG inquiry report was that cash—not 100% of the time but in more cases than not—should be the default, for the reasons mentioned.

To add to that, accessibility is a challenge, particularly in more rural areas. Having a cash solution does provide more people with more choice about what they need. It is about choice and appropriateness as well, and this links to the dignity point. Food banks are trying their absolute hardest to provide a breadth of food choices that are suitable to people's preferences and their religious and cultural needs, but they cannot do all of that. People themselves are much better placed to go out to the shop and get what they need.



We also found in a pilot that we ran with Leeds City Council that providing cash has a much better long-term impact on people's financial situation, because it allows them to deal with more of the root cause of what they are struggling with. They can pay down their debt, which prevents interest rates from piling up and a worsening of the situation. Universally, we would say that cash should be the default in this. We welcomed in the most recent iteration of the guidance a slight softening of the language in respect of the cash approach from the Government.

Oliver Crunden: To give a couple of examples of some of the barriers that people have faced with vouchers, there is often a cost to going and picking up the voucher or in redeeming the voucher. We know that one client needed a referral to a food bank because they could not afford the transport to go and access and pick up the voucher. In some instances there can be delays in processing vouchers. We have seen some people waiting two weeks if there is a backlog in applications.

To pick up on the problems redeeming them, in one instance one of our local offices had to send out an outreach team to go and convince local business owners and shop owners that the vouchers were real and not a scam. Clearly, cash overcomes those problems and it can also be used to pay down debts at risk of spiralling. There are benefits as well in terms of the dignity of cash over a voucher. We think there is quite a strong case for at least providing cash alternatives where the provision of vouchers might exclude vulnerable people from accessing support.

Q15 **Nigel Mills:** What was the problem we were trying to fix here? Was it that we thought people might go out and blow this on gambling or alcohol or other addictions?

Rachel Bull: I think that is a concern and I can understand where that might come from. We have to be led by the evidence, though, and the evidence shows us that that is not what people spend it on. People spend it on the essentials that they need.

Q16 **Nigel Mills:** It seems like a rather old-hat approach to use vouchers. You could use a preloaded debit card or something that could be used for contactless or other payments almost anywhere. It seems to be a rather—

Alex Clegg: That is done a lot with local welfare assistance. In the seven councils in London that we evaluated we found that 53% use either cash or a prepaid card, whereas 19% is vouchers, 10% is white goods and a few other things.

Q17 **Nigel Mills:** How efficient is the provision? It is scary that my council might try to send me a fridge, because I suspect it would probably end up overpaying and it would take a long time and God knows what, whereas I would probably go and buy a second-hand one from some shop round the corner at a quarter of the price or something. It just seems a very clunky way of delivering.



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Alex Clegg: I do not have data on this but, anecdotally, speaking with the local authorities that we work with, that is an inefficient way of doing it. They might have a prescription either from their own council or following the guidelines to do things like that, and I think they recognise that you can shop around and get things like that cheaper. They might have their own suppliers or things like that where they end up paying more than they could just give that household in money.

Q18 Chair: You have just given us one example of a helpful lesson that has been learned in the latest guidance, but you have indicated that there are other lessons in the latest guidance that are helpful compared with previous guidance. Can you tell us what those are? I know that the guidance has set proportions of the money that should be ringfenced to families with children and families with pensioners. What has the impact of that been? Has it been helpful?

Alex Clegg: From speaking with councils that we work with, the ringfencing has not been helpful. One thing that is brought up particularly is the ringfencing of 30% for pensioners. It has been quite problematic in areas with younger populations with different poverty profiles.

Q19 Chair: Have they not been able to spend that?

Alex Clegg: They have not been able to spend some of the 30% that is set aside for pensioners, no. When you have people in desperate situations and the money is just sitting there, it is quite frustrating for local authorities.

I think I mentioned earlier that guidelines have been largely welcomed and have done a lot to iron out those geographical differences as to who gets support, but it would be preferable if some of the prescriptions that councils have to set aside certain money for certain groups were softened to guidelines. It should be understood that councils know the poverty profiles in their area very well. They know who needs it. They use data and stuff to understand this, but most people working in councils who are administering the support have a very good sense of the people who need it in their boroughs.

Dr Griffiths: I would add that the ringfencing for families with children has worked perhaps better. In the main, local authorities have identified those families using eligibility for free school meals as the criteria, which has been good on the one hand at targeting the very lowest income families. Again, working families with earnings above the threshold but who nevertheless have a crisis—perhaps a nil payment within a month—have been excluded from that. It is good to see in the new guidelines that there is some prioritisation around people who are not eligible for the cost of living payment. That has been included this time around.

Other things are around the delivery of the scheme, better communication, better branding, and making sure that people are aware that the fund exists. In our research, most people found out about the



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household support fund through their own endeavours, either by searching online or through social media. Sometimes they were referred by the jobcentre or in relation to universal credit, because they had applied, for example, for a budgeting loan and were not eligible. How people heard about it tended to be very hit and miss.

Again, in the new guidance there is much more emphasis on better branding, using the term "household support fund" so that everybody knows that the fund exists, and making sure that people have an opportunity to apply throughout the year as well. That was another issue. In the early tranches, because demand was so high the fund was spent very quickly, so people applying later on in the financial year found that they did not get it. All these issues are addressed in the new guidance, which is good to see.

Q20 **Chair:** How was that last issue addressed?

Dr Griffiths: I think they have to make sure that a lot of the application to it is based on application processes. It is based on their own scheme design rather than passporting entitlement based on existing benefits, whether that is pension credit or entitlement for free school meals.

Q21 **Chair:** Have families with no recourse to public funds been able to access the household support fund without difficulty?

Oliver Crunden: This is something that has come up from our work and, as I said, our local offices have been acting as delivery partners. There has been, I think it is fair to say, quite a bit of confusion around this. One of our local offices sent a letter to the immigration Minister at the time to have it clarified, but many authorities are hesitant to use the funds if there is any risk that you could jeopardise someone's immigration status and claim. While there is provision for local authorities to route some of that funding through section 17 provision, we know there are barriers to applying and gaining that status. That also only applies to people with dependent children. For the 1.4 million people in the UK with no recourse to public funds, it is not possible for all those people to access this scheme, clearly. This is a crisis of rising prices that is affecting everyone and we think it is essential that that is addressed and changed.

Q22 **Chair:** Some local authorities believe that those people can access the household support fund and some local authorities believe they cannot. Is that right?

Oliver Crunden: There has been confusion around how they are able to use the household support fund. I know it has been a conversation among organisations that give advice. I think there is clarity there now, but the clarity is that not everyone is eligible to receive that funding and that clearly is a problem.

Q23 **Chair:** If there are children they are eligible, but if there are not, they are not?



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Oliver Crunden: Yes, broadly. As I said, the authority would need to route some of that funding through and identify another legal power and deliver the funding under that separate legal power. If it was given just through the household support fund as a standard mechanism, that would potentially put their immigration status at risk.

Chair: Interesting. Thank you.

Q24 **Steve McCabe:** Good morning. The earlier periods of the funding were only six months, and we have seen money clawed back and local authorities running out of money part way through the period. They were incredibly short notice periods in the early stages. I think it was six days in 2021 and eight days between the announcement and the start date in 2022. It all sounds a bit haphazard and last minute to me. What impact do you think it has had on local authorities and their delivery partners in being able to manage effectively?

Rachel Bull: Short-term pots of money are hard to plan for and to make best use of. The most recent iteration—12 months versus six—is a positive, although still not really allowing local authorities to get in the staff, the training and the expertise to make use of the data that Alex has said they have.

What we have heard from our food banks is that once that ringfencing fell away, what local authorities have had to do—because they have had so little time—was use the data that are so easily accessible to them. We hear that some local authorities are focusing on pensioners, on free school meal students, and on people in receipt of council tax credits. That might be a way of identifying some of the right people but it cannot be the way of identifying all the people who need it. If, with the full amount of time, they can do a proper diagnostic, there is a chance that they can make better use of it.

We think that one of the most fundamental things the Government can be doing to make better use of this money, but also in the wider ecosystem of local welfare assistance, is a long-term, multi-year strategy on what the purpose of this money is in the different pots, and certainty about when they are going to get the money. That would make a huge difference in its efficacy.

Q25 **Steve McCabe:** I notice that the stated aim is to tackle vulnerable households most in need of support with the crisis. Are you suggesting that it would be virtually impossible for local authorities to be sure they were identifying the right target group because of the time they had available?

Rachel Bull: What we have heard from our food banks is that there are people who are turning up at their food banks who they think would seem like obvious candidates who are not doing it. That is not to say that there are not significant numbers who are benefiting from it, but without that proper planning and that proper diagnostic, and without access to a full



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universal credit dataset, for example, from DWP, they are struggling to get to all the corners of people who need it.

Alex Clegg: The first thing to understand is that councils are very good at this, especially after covid and all the very quick responses that they had to do. They have a lot of experience. We work with councils that are using the benefits admin data to target the household support fund, among many other kinds of support. That is able to identify people who are in the most need within those datasets. Councils are well aware of the blind spots there. If people are not claiming benefits but are eligible, they would not be in those datasets—students, people with no recourse to public funds. It is important that some money is kept back to cover that.

I echo the call for ongoing ringfenced funding. Although councils are experts at this, they cannot design proper maximised service provision based on annually recurring pots. It needs to be an ongoing thing. They need to have staff who they can retain. They need to have a design of a proper data return system.

One of the real issues we saw with the local welfare assistance research was that every council collects data on their awards in completely different ways. I was doing the data analysis on that piece of research and pulling my hair out trying to match different datasets. We were trying to match the award data to ongoing benefits data so we could track claimants over time to see if there was any impact on financial resilience. That was only possible in two councils, because the rest did not have any linking reference number and things like that.

This is all stuff that could be designed in a long-term system so you could track better. You would understand if the support is getting to the right people and the impact that it is having. You could design the scheme better so that it could meet some of the barriers that currently are not being overcome.

There are also a lot of issues if the funding were to be removed. Councils have come to rely on this funding and residents have come to rely on this funding for meeting crisis needs. If it does come to an end—and we do not have any indication of when that will be—there would be a need to have some kind of ongoing crisis support to replace it. For example, where it has supported free school meal schemes in holidays, things like that suddenly being withdrawn could be quite problematic.

Dr Griffiths: I will just add that the shorter the timescale the less opportunities there are for innovation. Local authorities are very good at this. Some of the schemes that have recently appeared have allowed them to use the flexibilities and the local knowledge that they have and all their local contacts in the community to design interesting schemes—for example, giving people air fryers and combining that with healthy eating classes, looking at it in a more holistic and strategic way than just providing a piece of equipment to households.



Oliver Crunden: I want to pick up on the impact of the funding cycles. You can see those funding cycles in our data in terms of peaks and troughs. At the beginning of a funding cycle there is a trough as local authorities are setting up the scheme, and there is a peak in demand towards the end of the funding cycle as, presumably, local authorities are rushing a little bit to get the funding out the door so they are not left with an underspend that has to go back to central Government. We are hoping to see that pattern lessen with the 12-month funding cycle but clearly, as we have heard, I agree with colleagues that longer-term security is going to enable councils to provide it in a more efficient way.

Q26 **Steve McCabe:** If a local authority is required to return money, does that have any impact on the level of allocation they get next time around?

Oliver Crunden: My understanding is that you cannot carry forward funds.

Steve McCabe: No, I meant when there is a fresh round. If you have not been able to spend all your money in this round and then there is a fresh round, does that affect the level of allocation?

Oliver Crunden: I am not aware that that is the case.

Steve McCabe: Okay. I just wondered. Thank you.

Q27 **Selaine Saxby:** Good morning. We have touched on quite a bit of my subject, but to put it into one place and summarise, what have been the main barriers for people accessing the household support fund?

Dr Griffiths: Just knowing that it exists is the biggest barrier. As I said, in our research people came across it by accident out of desperation, searching online, through social media or a referral because they had approached universal credit contact centres looking for extra help. It was just a lottery as to who got to hear about it.

Q28 **Selaine Saxby:** Are there any other barriers that anyone else wants to add?

Oliver Crunden: Again, it is important to say that our advisers who have been helping people to access the fund are generally positive about people's ability to access it, but there have been a range of barriers. Some of those we have covered in terms of vouchers and digital exclusion, which can be overcome. Then there are others that are clearly more challenging to overcome, and that is the discretionary nature of the fund. You have to know about it to be able to apply for it.

It is positive to see in the new guidance that there are stipulations around advertising the fund, but it is important that that happens alongside making sure that the fund is able to support the level of demand. When I had a conversation with a local office, they mentioned that the adverts are great but people assume that it is always available and it is not. That can be very challenging if you think you will be eligible and you are



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eligible but you are not able to receive support because the money has run out.

Alex Clegg: I have a few things to add. I agree that lack of awareness is the biggest barrier, although targeting using data is helping a bit to mitigate that. There are people who do not know about the scheme but councils can see that they are struggling.

Other barriers that came up for us were internet access, which is hard to picture because it feels so readily available to us, but in times of crisis especially people might not even have their devices available to access the internet; people who do not speak English; disability or illness; and people who might struggle to access support during work hours if they are working. That is not necessarily in terms of application but help from, for example, Citizens Advice or from the local council when they might need help with applications.

We found that being able to speak to people is important, not just to fill in an application, because people's reasons for accessing this support are complex. Often they struggle to fill it in on an application and being able to talk to people is what is helpful.

Q29 **Selaine Saxby:** You have almost answered my next question, which is: are there any other particular groups who have struggled to access the fund?

Dr Griffiths: Working households and working people have struggled, not just because of the time, which is obviously important. These are separate application processes, so forms need to be filled in and information needs to be provided, along with evidence of need and income. However, most people in our research assumed that working people would not be eligible because often they are not eligible for other forms of support because of the level of earnings in the household. It is important to be clear about eligibility criteria and make sure that nobody is excluded.

Q30 **Chair:** On the awareness point, you said that the latest guidance makes it clear that local authorities should brand this as the household support fund. To begin with, was it branded in different ways in different places? Or has it generally been referred to as the household support fund from the start?

Dr Griffiths: We found a huge amount of confusion because we asked the very question of our sample: have you received money from the household support fund? Most people did not recognise the term, so often they confused different sources of help that might be delivered by the local authority—other welfare support funds—without knowing that it is coming from the household support fund. There was lots of confusion there and it was quite hard to unpick in our research whether they had actually received it from that source.

Q31 **Chair:** Does it look as though that should be clearer in future?



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Dr Griffiths: Certainly, if local authorities follow the guidelines as they are currently written, yes.

Q32 **Neil Coyle:** I almost feel that I should declare an interest, given that I think 80% of the referrals from councillors and MPs in Southwark for the fund came from my office—from my team.

This has been described as a rushed attempt to get it set up as quickly as possible to help as many people as possible. How easy has it been for councils and other organisations to successfully identify the most vulnerable households to get the household support fund?

Alex Clegg: We work with local authorities using benefits admin data. We provide analytics that will show, within that data households that are in the most financial difficulty, who are likely to have less income than their expected costs. Councils also use trigger points to identify potential moments of crisis, such as going into rent arrears or council tax arrears, moving in and out of temporary accommodation and things like that. They will often get in touch with the households and just say, “We have noticed this particular situation. Are you okay? This support is available. You might be able to apply for it.”

Of course, as we mentioned earlier, not everybody appears in that data. That covers a large proportion of benefit claimants. The data that councils have does not currently include the full range of people on universal credit. It only includes those who are currently claiming council tax support as well. Councils cannot see households that are not claiming council tax support and are just on universal credit in that way, so without that data being shared by Government there is another blind spot in being able to target households using that data.

Q33 **Neil Coyle:** Just to be clear, did the permissions that were given to councils not cover that aspect? Or did they, but councils did not know how to do it?

Alex Clegg: No, councils do not have access to that data. Councils have data on residents claiming housing benefit or council tax support. The council tax support angle covers around 30% to 50% of universal credit claimants in each borough, but there will be 50% who maybe do not have a council tax liability or do not know about claiming council tax support who are only in the universal credit data, which is not available to councils on that level.

Q34 **Neil Coyle:** Thank you. Does anyone else want to chip in on the point about whether the support reached the most vulnerable or whether it was a lottery, which I think was your word, Rita?

Dr Griffiths: I think the targeting has improved with each successive tranche that has been delivered. In the early days, for the first and second tranches, which is where most of our research was located, for the reasons already discussed the speed at which local authorities had to deliver the fund meant that a lot of the discretion and the innovation and



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the targeting was abandoned in favour of ease of delivery. They used the benefit system entitlement, in the same way as the cost of living payment does, as essentially the administrative gateway for getting money out to people. There is work by the Resolution Foundation that suggests that they virtually abandoned the principle of discretion in the first fund in order to get the money out to people quickly. I think that has changed and improved successively with each new tranche of funding.

Oliver Crunden: To give the perspective of delivery partners to complement that data-led approach, we have seen a big range of approaches taken to the identification of need. Clearly, our local offices have acted as delivery partners. We are obviously in contact with people in crisis regularly and even within the approach of working with delivery partners there has been a big range.

We know that in some areas they have taken a very strict approach to eligibility criteria, and have potentially been left with underspends and potentially left people in need who have not been able to access support. In other areas where maybe a less strict approach has been taken in determining eligibility, the fund has simply run out very quickly.

I was speaking recently to someone at one of our local offices in Newcastle who mentioned that £100,000 was administered in three and a half days, and they had a queue 100 metres out of the door. They had eligibility criteria and checks and the like in place but still they had to turn people in need away at the end of that queue at the end of the day because the fund had run out.

Q35 **Neil Coyle:** The people who were queuing who were not successful in the first round, were they held? Was there a record of them so that they could access the next wave?

Oliver Crunden: Often that has been the case, but it depends on where in the funding cycle someone is presenting in need. If that is three months in, that is a three-month wait until the next funding cycle is announced. If you are in a crisis, clearly there needs to be an alternative in place. Often that means referral to a food bank.

Q36 **Neil Coyle:** A waiting list to access crisis funding was established, in effect.

Oliver Crunden: In some areas. I spoke to another office recently and they mentioned that there was a waiting list for those who are waiting now for this next round of funding to be announced.

Q37 **Neil Coyle:** Rachel, I am conscious that you did not come in on the first question. Oliver, you mentioned that a lot of the people who Citizens Advice were seeing had other debts, including people who have faced Government deductions, which is something that the Committee has been looking at. Was there any prioritisation from Government that led to additional support and household support fund going to people the Government knew were facing deductions from what is meant to be a



minimum payment level? Or were they not seen as a priority group?

Oliver Crunden: My understanding of the guidance is that the fundamental aim is supporting those in need. In later iterations of the guidance we have seen an emphasis, which I think is right, on supporting people who missed out on the cost of living payments. As I said previously, in the context of overwhelming demand and a limited fund, some areas have taken that to mean that they are forced to exclude people who have received the cost of living payments and people receiving benefits.

We know that there have been instances where people affected by the benefit cap or deductions have not been able to access support because of that. Again, the guidance does not stipulate that people who have received the cost of living payments cannot access the household support fund, but in the context of a limited fund we have seen that happen.

Q38 **Neil Coyle:** Rachel, on this issue of data and whether the fund reached the right people, how do you feel at Trussell Trust? There is an argument that everyone who came through the food bank door should have had additional support, but there would not have been sufficient resources.

Rachel Bull: Yes. We cannot say that this support fund on its own was ever going to end the need for food banks, but the levels of need we have seen suggest that it is not having the desired effect. I don't have much more to add than what people have said.

I think that universal credit dataset could maximise some impact with that longer-term strategy, but without a social security system that supports people and prevents them from going without the essentials, we are going to keep seeing a level of need that is not going to be met without an infinite household support fund pot.

Q39 **Neil Coyle:** Are any of you aware of councils using their own vulnerability registers to prioritise people to access additional support? No. Okay. That is one for the next panel.

Dr Griffiths: I think local authorities are probably best placed to answer that in the next session.

Q40 **Neil Coyle:** It is just that that information is supposed to be held. I think there is a data gap, potentially. I am interested in your views. Is there a need to log better those who are refused? This is a point you were making previously, Rita. Is there a role for jobcentres to better log who does not access support, so that when additional support becomes available it can be prioritised? Or is that simply too much of an administrative burden?

Dr Griffiths: I think that is what they would argue, certainly. I have looked at the new guidance. I could be wrong but I think there are more attempts to try to get some better data from universal credit through to local authorities as a way of identifying people who are vulnerable.



Whether that includes people who have deductions or who have been sanctioned or refused budgeting loans, I suspect not.

Q41 **Neil Coyle:** There is another issue here. Rita, you touched on the need for something a bit more permanent, but it sounds more like this should be shifted to something like a social fund, arguably. Again, we come back to the cash or vouchers process. Should the household support fund be extended? Should it be made permanent? Alex, you touched on this earlier. Or is something wider or different necessary, equivalent to potentially—just my suggestion—a social fund?

Alex Clegg: I think it does, as we have said many times today, massively tie in with the benefit system and the low level of benefits. In terms of support for crisis situations, there is always going to be singular crisis needs, even outside of pandemics or the cost of living crisis. Even with a welfare system that was much higher and covered everybody's essential costs, there will be crisis points that long-term, ringfenced national funding and guidelines for local authorities would be very beneficial to overcome.

Dr Griffiths: One of the problems is that a lot of people are in a perpetual cycle of crises. These are not just one-off emergencies or events; they go from one month to the next, people just not having enough income. The single most useful thing that could be done to improve the effectiveness of the household support fund would be to reinstate the £20 uplift, because that would then give people a better monthly income. It would allow the household support fund to do its job, which is to tackle emergencies and crisis situations instead of trying to plug the gaps in the social security system at the moment.

Rachel Bull: Yes, I totally agree with that. We would probably say that the essentials guarantee would be a longer-term, more durable approach than the £20 uplift. You would embed in legislation a guarantee that the standard universal credit allowance is always enough to afford the essentials and for that to be reviewed regularly by an independent recommendation. With that in place, you would find that the household support fund was doing the job it was intended to do, which is supporting people at the real moment of acute crisis when an appliance breaks, when they are leaving a domestic abuse refuge—whatever it might be. It can catch that smaller number and get them back on their feet.

I agree, though, that we do need a long-term strategy for that and the household support fund is only one piece of the puzzle. There are lots of other welfare assistance pots across local authorities. We think that should all come together. There should be a multi-year commitment to funding. There should be an outcomes framework underpinning that so that local authorities are not concerned about who needs to receive things—it is a case of what the outcome needs to be and that is what they are monitored and evaluated on. That would be the biggest thing to make the difference, but without that sufficient social security system it is always going to be papering over the cracks a bit.



Oliver Crunden: We have seen huge surges in demand for crisis support and things like the household support fund. That is unlikely to go away any time soon. We do think that the fund needs to be strengthened so it is able to meet demand and authorities do not have to ration support. It should be extended along the lines that we have heard.

We know that inflation is expected to fall, but benefits will continue to lag behind prices and prices will remain high. That is because of the way that our benefit system is uprated. Families will have to wait until April 2024, if there is the next inflationary increase, to see their incomes return to the same level that they were before inflation started to shoot up in September 2021. Even then, we know that benefit levels were at historic lows and exposed people to the shocks and the consequences that we have seen recently.

There is always going to be a role for that locally delivered welfare assistance, but we think that needs to be along the lines that we have heard about—supporting with one-off costs, transitions between supported accommodation, for example—or to support people who have a reduced benefit income because of the benefit cap, two-child limits, deductions and so on. That involves looking at our security system as a whole and making sure that the centrally delivered part of it is doing the heavy lifting.

Q42 **Neil Coyle:** That is very helpful. Before I finish, on that point about the additional data requirements, DWP says that it provides specific additional universal credit in particular, but also other pension credit and other pots. It says that it has given extra information to local authorities. If there are specific data requirements to help to better target the fund that you want to suggest, it would be helpful if you could put them in writing to the Committee. That is open to everyone.

As a final point, just because that data is out today, I thank the army of volunteers that operates through Trussell Trust and all the independent food banks out there as well, given the level of demand that exists.

Rachel Bull: Thank you very much.

Chair: Thank you, everybody. That concludes our questions to the panel. Thank you for giving us very interesting information for our deliberations. We are grateful to you all.

Examination of witnesses

Witnesses: Councillor Abi Brown, Councillor Peter Marland, Stephen McGinnes and Steven Edwards.

Q43 **Chair:** A warm welcome to you all. We have three witnesses in the room with us and a fourth joining us virtually from Devon. Can I ask each of you briefly to tell us who you are, starting with Councillor Abi Brown?



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Councillor Brown: Good morning. I am Councillor Abi Brown, leader of Stoke-on-Trent City Council.

Councillor Marland: I am Councillor Pete Marland, the leader of Milton Keynes City Council.

Stephen McGinnes: Good morning. I am Stephen McGinnes, the director of support and collections for the London Borough of Barking and Dagenham.

Steven Edwards: Hello. I am Steven Edwards from the Devon County Council communities team.

Q44 **Chair:** Thank you all very much for being here. To start off, can each of you tell us how effective you think the household support fund has been in supporting the most vulnerable households? What lessons have each of your authorities learned about making best use of it?

Councillor Brown: We very much welcome the household support fund, but the point I would always want to make when I am a local authority leader here in this place is that, of course, local authorities are closest to people and we spend money very well because we know what our local residents want in those places. That would be the guiding principle that I would talk about in terms of how we have used HSF in Stoke-on-Trent, which is through utilising our relationships with local communities to understand what their need is and, therefore, to develop a scheme that reflects that.

We have quite a high level of deprivation in Stoke-on-Trent but we also know that, for example, schemes such as the holiday activities fund, which focuses on free school meals, does not necessarily touch all the young people in our city who are perhaps experiencing challenges all year round. What we have utilised is our experience of delivering schemes like the HAF, to construct a HSF scheme that also then works with other partner organisations, and trying to get into those spaces where we felt need would be most.

Our scheme provided things such as white goods and hygiene products, and also helped to create what I would call resilient communities. I want to teach somebody to fish for a lifetime. We use innovative schemes such as the Hubb project in Stoke-on-Trent. They have a project called Hubb pots where they allocate slow cookers and ingredients and recipe cards for six to 12 weeks, to help people to understand how they can better cook and provide for themselves. We have used HSF to support schemes like that moving forward.

Q45 **Chair:** If I understand it, some of the money will go direct to individuals, but in the example you just gave it is money to organisations to support individuals. Do you know what the split has been between money to individuals and money to support?



Councillor Brown: For this year—that is 2023-24; of course, we evolved our response based on our experience—Stoke-on-Trent has received £5.37 million. Our allocation split has been grant allocations to the voluntary and community sector of just over £1 million. That was around energy. In terms of allocation to VCS organisations to provide support such as that I have just described, it was just over £3 million. Then there was £155,000 for the allocation of white goods, personal care and discretionary emergency grants. We have also had a £150,000 pot that the VCS can bid into for schemes in response to what they see directly within recipients. There is then a contingency of around £850,000.

Q46 **Chair:** Is that contingency the money being given directly to individual households?

Councillor Brown: Yes, I think it is this year. In previous years we have allocated some directly, but we have reflected on whether we are best placed to do that as a local authority or whether that network of VCS organisations—everything from organisations like Beat the Cold right the way through to other organisations—are best placed, while also obviously continuing to support free school meals.

Councillor Marland: Much like Stoke-on-Trent, Milton Keynes City Council has used it as a crisis fund to help a large number of residents directly impacted by the cost-of-living crisis, but also to support partner organisations.

To directly answer your question about supporting the most vulnerable, it is about making sure that there are numerous pathways into being able to access that fund. It is about either making sure that those people are applying for it directly if necessary, or, where there are other points of contact, either through the care system, through the food banks—for instance, we support Foodbank Extra—or through the homelessness work that we already do as a city, at any point of contact, if the individual needs for the most vulnerable come up, it is about making sure that they can be directed towards not just the household support fund but the whole spectrum of support that Milton Keynes City Council and our partners offer. For instance, if somebody needs debt advice it is not just Milton Keynes Council that has to provide that debt advice. It is a Citizens Advice bureau. It is a number of other agencies.

I would caution the Committee on two things. First, there is an ever-growing focus on the most vulnerable and the definition of “the most vulnerable”. My definition of “the most vulnerable” is the people who need it most at that point in time. To many people that might be the poorest in society—the people who do not have any money. It might also mean for a local authority somebody who is now struggling with increased mortgage interest payments. The fund has allowed us to direct some of our discretionary funding as a council into other schemes to help those people so they do not then fall into the trap.



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It is about making sure we are trying to have that long-term view. Both Abi and I represent the LGA in other forums. If we were able to speak on behalf of the LGA, as chair of the resources board I would talk about making sure that any scheme has that long-term focus.

I think you heard from your previous witnesses about making sure we are not trying to fill the gaps in the welfare system. This is not a replacement for welfare. This particular scheme has to be a scheme that helps the most vulnerable and the most in need. I would caution the Committee to keep talking about the most vulnerable, and perhaps also focus on the most in need, because they can be mutually exclusive.

Q47 **Chair:** I take that point. If we look at your council's most recent household support fund allocation, roughly what proportion of it ended up in cash payments to individual households, either direct from the council or through an intermediary organisation, as opposed to grants to support other kinds of help like debt advice or others?

Councillor Marland: The 2022-23 scheme was used to fund a number of things. For instance, we gave out nearly £2 million in free school meal vouchers.

Chair: What do you mean "free school meal vouchers"?

Councillor Marland: That would be people who are eligible for free school meals. However, when they are not in school they do not receive free school meals, so we give them vouchers to pay for food during holidays and so on.

Chair: School holidays, I see.

Councillor Marland: We directly support people with further energy costs above the national assistance that the Government are giving. We have used around £620,000 for energy and water support.

Q48 **Chair:** That was cash direct to households?

Councillor Marland: That would be cash—it may not go direct to the household. For instance, because we have an in-house welfare and benefits team and we have links with Citizens Advice, sometimes we would use the cash to pay the suppliers directly. It would not go to them; it would be what we would call an in and out for them. We would directly pay E.ON or we would directly pay Anglia Water for them. It is a cash-in-kind payment.

Then there are other things that we use. For instance, we have been using some of the funds to write off council housing debt, and for people who are in rent arrears. Again, that would not be a direct cash payment to the tenant but would be a cash payment to pay off the debt for the HRA. It is, in effect, a cash payment. Arrears support totals about £60,000. In cash terms of £3.5 million, I think you would say, about £3 million has been spent directly on cash.



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Q49 **Chair:** How much was spent on grants to organisations?

Councillor Marland: We use quite a lot of our general fund to support those organisations already so it would not necessarily need to come from this fund, but we have used little bits. We have used £80,000 to fund the food bank to directly purchase food because the number of donations that the food banks are getting is going down.

Q50 **Chair:** In your case, the overwhelming majority of the fund was a financial transfer direct to households.

Councillor Marland: Yes.

Q51 **Chair:** Whereas it sounded to me as though in Stoke-on-Trent much more of it was used to support organisations that would help the households that needed it.

Councillor Brown: Yes, absolutely. Hearing Pete talk about Milton Keynes, there are some similarities. Similarly we have given out food vouchers, not only the free school meals that we talked about but food packages as well. In a comparison we have probably allocated more to organisations in terms of grants to then distribute onward than directly as Milton Keynes have.

Councillor Marland: Obviously, you want to hear from others, but Stoke-on-Trent is a very different place to Milton Keynes. We are in the south-east. We are quite affluent. We get £2 million from every extra percentage we take in council tax. We are a majority band E authority, not a majority band B authority. We already have the ability through our general fund to fund those organisations, whereas lots of other councils, particularly district councils or councils in less affluent metropolitan areas, have perhaps not had the ability to maintain that funding after 12 years of reductions in direct grant to local authorities.

Chair: A very fair point.

Stephen McGinnes: The discretionary nature of the scheme is highly valued by the council and it forms an important part of the council's wider response to the cost-of-living crisis. We look to use the fund alongside other support that is available for residents. We are looking not only to deal with the issue in crisis but to provide some kind of sustainable outcome. Looking to provide that support alongside money advice, debt advice and support for employment, to move the customer circumstances forward and put them on a more sustainable path.

In terms of the allocation of our fund, Barking and Dagenham Council receives just over £4 million. Approximately 50% of that is used for free school meals to cover the vouchers through the holiday periods, as other councils do. The bulk of the remaining funds are open for applications. The council has quite an open policy. We look very much to consider cases on their individual merits, and the individual circumstances of the individual and type of support that they need.



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The only exceptions to that, in terms of bulk funding, would be an allocation that we make to the food network within Barking and Dagenham to support local food banks, and some work that we do with a voluntary sector partner to do home energy visits for the elderly to give them energy advice and welfare support.

Chair: Of the £4 million, how much of the funding was taken up by support to organisations rather than support to—

Stephen McGinnes: A small proportion—less than £100,000.

Q52 **Chair:** Mr Edwards, what is the picture in Devon?

Steven Edwards: Most of our household support fund will go as direct financial support to households—just over 90% of it—and the rest is used to cover the administrative costs, with our partners.

As a county council we do not provide any direct support to any individuals. We work through our district councils, of which there are eight, and an array of voluntary and community sector organisations—very similar to the Milton Keynes model—and we also have other funding streams that are connected to this. We have the HAF and we also have the growing communities fund, which looks at developing the capacity and capability of the voluntary and community sector. It does not sit alone. There are other things that are supporting our voluntary and community sector and communities.

Chair: I wonder whether each of you, after the meeting, could send us the figures you have all run through for us—the total allocation for you and a breakdown of how it is being used. It is a very interesting set of figures you have run through with us.

Q53 **Nigel Mills:** I am trying to get my head around what is happening here. Do you think local welfare delivery works better than the DWP launching a national scheme? Should we be doing more of this locally or not?

Councillor Brown: Yes. We have a good relationship with DWP but, as we have all talked about collectively, we have different schemes that represent best our different areas. As Pete outlined, they are very different areas, and clearly we are much closer to the people than potentially the DWP are. We are better able to understand what the needs of our communities are, the best way to deliver them, how we are best set up to do that and how we are best able to respond to the needs of people.

Q54 **Nigel Mills:** If you had a model where you were delivering that, I might have understood. You seem to have a model where you find other organisations to deliver it for you, which is perfectly logical. Why do we not contract directly with them and not have the council involved? It seems you are acting as a middle man in moving money around.

Councillor Brown: Fundamentally, it is taxpayers' money and the Government hold us accountable for how we spend that. Perhaps I did



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not give enough reassurance in terms of the structures of governance around that. To give you an example, over winter we had a programme called “Stronger Together through Winter”, chaired by myself and a representative from the voluntary and community sector. We brought together representatives of our voluntary and community sector, some of whom operate organisations, some of whom are from the faith and community sector, from schools and other organisations to feed back to us. When we allocate that money, we also ask them to respond back with their feedback in terms of how successful they are. There is a continual test there, but also an ongoing conversation around it.

Ultimately the fundamental question is whether you believe in localism and whether you think local authorities are best placed to know their area, or whether the Government think it is best placed to know our area. I think we would settle on local authorities probably being best placed so, as I described, our system responds to what works best in my place. Something else is perhaps what works best in Pete’s place or other places.

Councillor Marland: One of the things that filled me with a sense of doom from your previous witnesses was comments like, “What we need is a national framework where councils just go out and deliver it for us.” We are not delivery agents of the Government and the more that we are turned into delivery agents of Government, you may as well just do it yourself centrally. Fundamentally, if the central system has worked then we would not have to be having this money in the first place.

I think whether you are in Barking or Dagenham, whether you are in rural areas or whether you are in more metropolitan areas like Abi and I represent, we do not just contract out, we also convene. We guide, we bring people together, and we are able to use local data and local knowledge to produce best value. That is what is important.

If we get hung up nationally on things like whether people are able to tell a national researcher whether they accessed this particular scheme or another scheme or a local discretionary scheme, we are missing the point about whether people can access a scheme in the first place. Does that beneficiary, that person who cannot pay £20 on the enforced prepay meter, care where it comes from? Not really. Do the Government want to ensure that they are getting best value? Absolutely. I think all evidence from the Treasury, from the LGA, from all research shows that for every pound that is spent locally you get more back and more benefit, and for every pound that the DWP spends you get less benefit and less back in kind. I would say that it is not just us being a delivery agent: you get better value from spending it locally as well.

Stephen McGinnes: From a Barking and Dagenham perspective, the council forms part of a much wider network. Locally there is a cost-of-living alliance, which brings together voluntary sector partners, the faith sector, a multitude of partners that come together to look at the issue



and the community response or the community support that is necessary. The council forms part of that network and the household support fund therefore forms part of that response.

That is the benefit of the local authority: that local knowledge both at a community level but also at an individual level. We have relationships with lots of the individuals who will be making applications for the household support fund, through social care, through our housing function. Lots of the individuals who will require support are already being supported by the council in another way, and we are able to flex that support and that knowledge to provide better support for individuals.

Q55 Nigel Mills: One of the questions is about how much of this you want. We could have said, "Let's not do cost of living payments of £900 to everybody on benefits. Here's a shedload of money, councils—you go and give it to people." Would you have wanted a job of that scale? You would have to go and find everybody who is entitled and given it in a reliable way.

Councillor Marland: If you want my honest answer—I cannot speak for all of us in local government—if you devolved the whole of the current budget of the DWP to local authorities, you would have lower unemployment, you would have lower skills gaps, you would have a better, more productive economy, you would have greater efficiency, and you would probably save money. You say, "Do you want all those money?", but I would say, "Yes, we would want all the money. But we want the powers to go with it as well." I guarantee you that we would do a better job than a centralised DWP.

Q56 Nigel Mills: Do you all fancy this as a new function?

Councillor Brown: Look at what happened during covid where the Government needed to very quickly disperse funds among people. Who stepped up and did it? The local authorities up and down the country, and they did it exceptionally well, without any complaint in multiple areas in a way that best represented the needs within our area. I am with Pete.

Q57 Nigel Mills: Yes, but the Government also uplifted UC by £20 a week and paid 80% of people's wages through other schemes. It was not like we said, "Here's a crisis, you guys go and fix it for us." You were effectively doing top-ups and targeted things not the heavy lifting, I could argue. I am trying to work out whether the role of local government here is—

Councillor Marland: You have touched on an important point. When I found I was coming to give evidence I spoke to our director of finance and my political adviser, who is behind me. We had all these conversations. The ultimate question was: should it continue? The answer to that is that if it does not, what was the point? What was the point in spending all that money if you have just delayed the cliff edge at some point? You may as well have not spent £100 billion on keeping the economy afloat in the past three years if you pull the plug.



It is about how we taper that support, and I think this is your fundamental question. Alternatively, if the leader of Barking and Dagenham, Darren Rodwell, was given the money or I was given the money, we could say, "I know that that employer needs x amount of skills and the college needs to deliver that," but at the moment, given the money that the DWP gets for skills, the money that comes through what was BEIS for skills, and the money that comes from the Department for Education, the college is limited in what it can deliver.

What I would want to do in the long term—you can look at some of the combined authorities that are able to do this—is rather than saying we need to give that family £50 this week and have them come back through the door in three months' time, or visiting all of you, because your postbags will be full of people coming to you, I would want to be able to upskill those people when they come into contact with us, to make sure that they do not have to come back—to make sure that they are a more productive member of society paying tax and not receiving working tax credit, rather than being a burden on the taxpayer and being a burden on my council tax.

Yes, is the answer to your question. The more you devolve the more you would get. Again, that is why I come back to cautioning the Committee around setting up frameworks and so on. You and your colleagues on the spending Committees will want to make sure you are getting best value. By giving it to local authorities or combined authorities or mayoral authorities, you are already improving on what you have.

Steven Edwards: Can I just add to that point? The role of the local authority as a co-ordinator, a gatherer and a bringer together of collaboration is important. The local responses during covid were co-ordinated by the county council, but they were co-ordinated heavily in partnership with the voluntary and community sector and other public bodies and partners. We can do that in a more responsive way collectively. It is not just us.

You also have to be mindful that the voluntary and community sector is also a victim of the cost of living and will have costs that it has to cover. They are struggling as well with gaining volunteers because of the tight labour market and people going back to work, as well because of the cost of living crisis. There are different things that need to be invested in to ensure that the local response is effective.

Q58 Chair: Can I raise a few more nuts-and-bolts questions about what happened to the household support fund in your authorities? You mentioned food voucher payments, where as I understand it you identified families in receipt of free school meals and you have made them a payment. Presumably in those cases there was not an application involved, the families did not apply—is that right? You worked out who it was and you paid them the money. Mr McGinnes, could you explain how that worked in Barking and Dagenham?



Stephen McGinnes: There is a variety of different methods. For free school meals, for example, we know who those families are so we work with local schools to provide through the school vouchers for those families for the holiday periods. No application is necessary and the awards are fairly automatic.

Q59 **Chair:** Was a voucher handed personally to the families?

Stephen McGinnes: We work with the schools. The schools make those arrangements independently—what works for that school and that local community—and then the council would fund those arrangements. We do not dictate to the school; we allow them to work out with their parent bodies what is best for them.

In terms of other provision, we do use vouchers for energy and food as part of our emergency response. If somebody is presenting at a point of crisis where, for example, the meter has run out—there is no heating, no lighting—we have emergency provision for that.

Q60 **Chair:** However, somebody would need to apply—they would have to approach you.

Stephen McGinnes: Typically they would approach us, we would want to work with that family for some time to resolve their issues but what we would do is deal with the emergency scenario and then work with them in the weeks that follow.

Outside that, with our open applications we make payments through a mix of methods. It is cash predominantly but, where the circumstances warrant it, we also purchase goods directly as well.

Q61 **Chair:** Typically would this be people seeing on the website that they can make an application and doing that?

Stephen McGinnes: It is a mix really. It is certainly available through the council's website. People can make an application by phone, or in person through the network of community hubs across the borough, as well as through many of the partner organisations across the council.

In terms of promotion, we have had lots of conversations with the voluntary sector in terms of developing the scheme and providing updates on the delivery of the scheme, and they play a vital role in terms of referring customers or residents into us.

Q62 **Chair:** On the payments to families on free school meals, did you all do that? Councillor Brown, you did that as well?

Councillor Brown: Yes, we did.

Chair: Everybody would have done that.

Councillor Marland: That would be because with HIF1 it was directed that 50% had to go to children. The money had to be spent in a very short amount of time and there was very little ability to target that. Your



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previous witnesses did say that has improved, so we will have the figures.

I have the figures on HIF1: for proactive, which means we gave it rather than application based, the proportion was 82% to 18%. In HSF3, where obviously it has become more open and more discretionary, that proportion has fallen to 73% and application-based has gone up to 27%. Also, in our case that proactive outreach takes in people who are referred. We refer people to the food bank but the food bank will refer people back to us for need, because obviously the food bank cannot pay their electricity bill for them. Again, it is about having that joint partnership approach to make sure that people and partners are able to refer back to us, other than just us referring to them.

That comes back to Nigel Mills's question about making sure that it is not just a contract but a partnership. We work together and have those local relationships such that somebody in the food bank can pick up the phone to somebody they know in the council and say, "Can you issue a voucher for this person?"

Q63 Chair: On the point about working with other organisations, Mr Edwards, you mentioned there has been quite a lot of this. Tell us a bit more about how that has worked, who you worked with and so on.

Steven Edwards: I think that is important in a rural county like Devon where networks of networks are important. We work with the voluntary and community sector—our Devon Community Foundation and Citizens Advice, as well as community energy companies—as well as with our eight district councils. Also our early-help teams are working with families who are already known to us as an authority.

It is quite a range, and I am mindful of the Care Act research that was done in 2015, where people go to local places first—they prefer friends, family, local organisations—and then move on to larger organisations like district councils and the county council for help and support. They like a range of support gateways to go to. We have tried to create a range in that regard.

We have free school meals and an application-based process for that, which allows people to qualify for the holiday vouchers to cover the holiday periods. We also have these other support gateways such as Cosy Devon, where we work to do very quick improvements to heating systems, such as thermostat controls for radiators, installation on perhaps a bare board floor and draft-exclusion measures. It is quite a range.

Q64 Chair: On the proportion that Councillor Marland told us about for the proactive versus reactive split, do you know what that has been in Devon? Do you have that to hand?

Steven Edwards: I would say we have probably done about 60% targeted and the rest proactive support. We have looked at datasets that



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we already know that our districts hold. We have targeted those we know are already vulnerable and then we have had these other gateways that have allowed people to approach for help and support.

Q65 Selaine Saxby: I am looking at access. I recognise that you are not always direct to the end recipient, but in your understanding has everyone in need of support been able to access it through the household support fund?

Councillor Brown: To the best of our ability we would say yes. I think I mentioned earlier that we convened a group over winter that operated for about six months. We met every two weeks to look at a range of data on access to particular services. Where we were able to, we established a network of warm spaces. There were 65 altogether cross the city, in some cases welcoming up to 100 people a week. I think we would say that yes, we had broadly got there, and the fact that we were continually engaging with the organisations who were delivering the HSF on our behalf meant that there was a continual dialogue around whether we were targeting the right places.

I was very clear, as leader, that we needed to test our outline hypothesis around the HSF this year to ensure that we were getting into those spaces and, as a result, adapted what we have done moving forward. I think that is the beauty of local government and the way you are able to have those up close and personal relationships with your trusted partners to understand where the need is and how it is changing.

Q66 Selaine Saxby: You were nodding along there, Steve.

Steven Edwards: Trusted partners are key because signposting on to us and us signposting back to them for people we know are in need is key in Devon. That has been very important.

Q67 Selaine Saxby: Was there anything, gentlemen, that you would like to add?

Stephen McGinnes: I totally agree with everything that has been said in terms of networks. I think there is also a role for data, and I know in the session earlier this morning there was reference to that. Certainly locally we use a whole host of data on social care, council tax and housing to build up a picture of vulnerability so that we can target support to those residents we think need the help the most. The household support fund is a natural part of that, in addition to, as I said earlier, money and debt advice and that wider range of services.

Councillor Marland: I am always a bit of a realist on this, so I would say no, although not through want of trying. This is not a new problem. You will know when the winter fuel allowance was introduced, or all sorts of benefits, there will always be people entitled to help who just go, "Oh no, actually I do not want it," or "There is somebody else more worthy of that support than me."



As a council, am I confident that anybody who would need help could apply through the pathways or advertising and be able to at least get an answer as to whether they qualify for help. That would be a yes. There will always be a cohort of people that either do not want to apply through pride or through a little bit of misplaced sense of being not entitled or willing to get that help. There will always be those people, whether in the context of this fund or a range of benefits or help that is available to them. There is a wider piece of work that we all need to do about making sure that people can get what they are entitled to, no matter what it is, even down to pension credits and things like that.

Q68 Selaine Saxby: Are you aware of any barriers that have made it difficult for some people to access the household support fund? How have you, as an authority, responded?

Councillor Brown: Certainly in an area like Stoke-on-Trent with quite high levels of deprivation, we are very conscious of people unable to potentially access things that we have online. We invested a significant amount of money into having a wide-ranging advertising campaign. It is similar to Pete talking about promoting the opportunities to engage, and also the fact that we were not necessarily the only front door as a council. There were lots of front doors.

We have a network of 65 welcoming spaces, and we are also advocating an approach called community lounges. Particularly what we see in Stoke-on-Trent is that for older people they are less likely to march up to a social worker and say, "Please help me," but then far more likely to go to an event where perhaps they are playing bingo or doing some other activity where there happens to be a health and social care professional who they will then ask for support. We are very much advocating that approach.

Where is somewhere in the community that you could go for a cup of tea, to charge a phone, to get warm, to get some advice, and it not be onerous and feel like there is a big flashing light around you that says, "Look, this person needs some help"? For us, that is certainly one way of addressing those challenges in a city where there are always potentially issues around digital poverty, particularly among older people, as well as accessibility. We have a linear city and although we are relatively small, levels of public transport are quite low and people struggle to get around as a result.

Having that wider network and using those trusted partners has meant that we have been able to get into lots of places that potentially as the council you are not able to, but you are using your relationships to offer up all the signposts.

Q69 Selaine Saxby: Steven?

Steven Edwards: We have worked closely with the Community Foundation for our county. They are highly respected within the voluntary



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and community sector as a source of help and support and financial support to the voluntary and community sector. They have worked very closely with groups that might support Asian, black and minority ethnic groups, Gypsies and Travellers, people with physical disabilities and long-term health conditions. We are able to work with those organisations that are already working with those groups and know those groups better than we do, so that we can get that resource and help and support to them. Again, the network of networks is key.

Q70 Selaine Saxby: Sorry, coming from North Devon I have local knowledge, but I have never heard of the Community Foundation. I am in the same county.

Steven Edwards: Devon Community Foundation.

Selaine Saxby: Perhaps you could send me some information on them; I have never heard of them.

Steven Edwards: I will do.

Q71 Selaine Saxby: How did you reach up to the very top of the county? With rurality as a factor in a county the size of Devon, and also with such poor broadband, did none of those factors impact on people in rural parts of the county being able to access this?

Steven Edwards: Our district partners have networks of networks locally so we work closely with, for instance, North Devon Council, who would have a network of voluntary and community sector organisations already working and supporting local communities that can make referrals on to the district council and vice versa.

Also, there is a network of Citizens Advice officers and outreach surgeries across the county. Likewise, they would have had connections with Devon Community Foundation and those groups that we were working with to support Gypsies and Travellers, homeless people, people with physical disability. Devon Community Foundation is very well-known within the voluntary and community sector and it is highly regarded as a supporter of the sector.

Q72 Selaine Saxby: Gentlemen, is there anything you would like to add?

Stephen McGinnes: I would confirm what others have said. For us access is all around community connections. Barking and Dagenham is a very diverse borough and the voluntary sector and connections that we make with different faith groups reflects that diversity and creates the opportunity for those conversations.

Councillor Marland: With my LGA hat on again, it is important to have multiple access points. I think you have just made a great point. We can talk all we like in my office about how fantastic it is that we have a relationship with the food bank or this community organisation, but somebody who is 24 and living on an estate in the middle of Milton Keynes will access or try to access funding by googling "Milton Keynes



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financial help”, so it is about trying to make sure that you are top on a search engine. If you are an older person who goes to Age UK each week, that will be the point of access, but what about the older person whose services have been cut?

What the LGA research has found is that where there are more embedded practices within local authorities and councils of already existing discretionary financial help, those councils have performed better. That is because they have existing networks already in place and those multiple channels already in place. Some councils have had to rebuild those networks with this funding, and this funding does not allow them to do that because of all the other issues that we have in local government around funding.

I would say the answer to your question is definitely that you need to have lots of channels—you need to be able to reach as many people as possible—but that spectrum has been narrowed where local authorities have had to cut some of that support over the past 10 years. They are trying to rebuild it now because we have, before covid, been in a period of relative economic stability and councils have taken decisions about being able to empty the bins tomorrow, and now we are back in a period of economic uncertainty but we still have to empty the bins tomorrow.

Q73 Neil Coyle: I think you have all touched on this issue, but how effectively do you think DWP supported your authorities, or the LGA and authorities collectively, where you have that role in the delivery of the household support fund?

Councillor Brown: I think we would say broadly that they have been helpful within the parameters that are there. Certainly from our point of view, and you have heard examples of what I am doing or Pete is doing, and what is happening in other councils, there is definitely the flexibility there to do things, but we would welcome additional freedoms around how we can spend Government grants to address local needs.

Councillor Marland: I think it is improved. The first tranche was extremely ringfenced: “You will do this and you will be a passport agency for the Government.” The more those ringfences have been taken down, the more we have been able to broaden that out.

The one area where we would probably need or like a bit more support in Milton Keynes is around the ability to spend a bit more money on preventing homelessness and rent arrears, particularly in the private sector. We have over 800 families in temporary accommodation in Milton Keynes. It is my third biggest bill now, being able to prevent homelessness by using funding for rents. Because there are still some caps and some limits on what you can do, we have not been able to spend quite enough of that money.

Q74 Neil Coyle: Following up on that, is that you wanting to spend the money on the temporary accommodation costs rather than for the individuals?



Councillor Marland: What I would want is, where people have rent arrears—built-up rent arrears in private rented accommodation—the ability to use the funding in a managed and proper way, not just say, “Here is your past month’s rent. Go and build up another debt.”

Then that comes on to the broader question of being longer term: because we are only getting it year to year we cannot go out and contract a three-year contract with the Citizens Advice bureau to provide finance training for people and that sort of thing. We cannot take on staff on long contracts because we do not know whether we are going to have the funding next year.

It mixes in with that border piece, but I would like to be able to spend more money on more things. There is always going to be a finite pot of money but even just fewer ringfences would be better.

Stephen McGinnes: The only thing I would add is about the timing of announcements. For the last iteration of the household support fund we did get more notice, but prior to that, and perhaps kind of understandably because of the whole covid situation, announcements were often late, leaving very little time for planning and implementation.

Going forward, obviously we have the next 12 months of the scheme, but we would like an early decision on the future so that we can plan resources, systems and everything else that is necessary to make a success of it.

Steven Edwards: The DWP staff we have always found very helpful and responsive. Their workshops have been very useful. It is not always in their gift when we give them lots of feedback to respond to that feedback. The relationship has improved. Again, timing is crucial. We need an indication of whether this is going to be a longer-term thing or not because then we can be more creative in what we are planning with our partners. Also, how will that fit in with the wider universal system? Are we having that? If so, we need that to be more robust and have a more local, welfare assistance crisis fund. Perhaps the alternative is to devolve it to us locally. At the moment, however, we are neither one nor the other with the household support. It is an in-between.

Q75 **Neil Coyle:** Just to come back to that earlier point, I am very happy to see greater devolution. Abi, did you want to come in on this point as well?

Councillor Brown: I would support what has been said. The clarity of knowing the direction of travel would be very helpful.

Q76 **Neil Coyle:** On the data issue, there was a suggestion in the previous panel that there was not sufficient universal credit data, potentially, for local authorities to reach some people. Did you feel you had enough data shared by DWP? Do you have access to what you would want to see? Or are there gaps?



Councillor Brown: Wearing my LGA hat, I would say that this is potentially a space that we would be interested in, in connection with the discussion around Oflog—the Office for Local Government. Certainly from an LGA point of view, the Government has huge amounts of data from us as local authorities on every aspect and gamut of what we do every day, but a relatively small trickle of information comes back.

Certain partners, such as DWP, work incredibly closely with us, but we do not necessarily know how much money they spend within our areas and how that money is spent, so anything that helps us to work better with Government is always welcome. With my LGA hat on, I would certainly press that that is a very important area for us to be collaborating on: understanding what Government money is being centrally spent in our area, not just Government understanding what we spend ourselves.

Councillor Marland: I have two slightly distinct points. The tone of the previous witnesses was that that data for universal credit would effectively be used by local authorities—it seems like passport money to people on universal credit—which goes back to your question, Chair, about that original scheme of the councils passporting money out to people who are already in a certain level of financial situations.

Just because you are on universal credit does not always mean that you are in financial crisis. A financial crisis can arise because your fridge breaks down or because somebody falls down the stairs and is not able to go to their zero-hours contract job for two weeks. It does not necessarily follow that you are on universal credit and, therefore, you automatically should get some of this funding. I would like access to that data. I would like that data so as to be able to reach out to those people, but I don't think it should be our target pool if the local authority does not necessarily think that all those people are the right target pool.

Q77 **Neil Coyle:** It may not be possible to quantify this, but what proportion of the distribution went to people who you as individual local authorities identified, rather than those who were prioritised by the data that DWP was giving?

Councillor Brown: We were allocating money to people who would not necessarily have been flagged. For example, within Stoke-on-Trent—ad I think this has already been touched on—we operated quite an unusual system for free school meals. We said to schools, “Who are you concerned about?”—not just the children who were receiving free school meals, because there is a huge difference between describing people as vulnerable and those who are in need of support. As a city, we are very conscious of that and the local discretion about how we do that is important.

If we were to stick closely to the guidance, we would have supported far fewer people, but the reality, as Pete described, is that “crisis” can be used in multiple different ways and scenarios. Is that not the beauty of the HSF—that you can reflect on that from a local scenario around what



the crisis might be on a smaller scale within Stoke-on-Trent, from the individual right the way up to bigger things? We will all have differences within our local circumstances that will exacerbate issues for individuals.

Q78 Neil Coyle: Did any of you use your vulnerability registers to target the fund?

Stephen McGinnes: When you say “vulnerability register”—

Neil Coyle: Your registers of vulnerable people.

Stephen McGinnes: We used local authority data to identify vulnerability, yes. We have a method of enriching the picture of households and their vulnerabilities from social care and a whole host, so it was a data-led approach, yes.

Councillor Marland: That links back to your question about how people access the fund. It probably goes back to how you work as a local authority. In Milton Keynes, we have continued over the past eight years to have quite a strong preventive offer as a local authority. When you talk about a vulnerability register, I would just see that as the cohort of people who social services are working with. The number of points of contact and organisations that those people come into contact with should be flagging those individuals, not just to this fund but for any level of issue or crisis that might end with them becoming homeless.

My big thing as a local authority leader, as it is in lots of local authorities, is cost and crisis prevention rather than mitigation when people get into crisis. I know Stoke-on-Trent does a lot of this work already. You are asking, “Did you use this register to give people this money?”, but I would hope that if you were asking a good local authority, the question would be reversed to, “Were the people working with that cohort flagged up to get that money to them?” So it is the other way round.

Q79 Neil Coyle: There was a question about the monitoring requirements. DWP requires information on delivery plans and salaries and all the rest of it. What feedback did you get on that? Did DWP at any point ask any local authority that you are aware of, or your own local authorities, to retarget distribution towards specific groups or to work better with GPs who were meant to have been partners in this, which no one has touched on yet? What feedback did you get from DWP about all the information you were providing?

Steven Edwards: We often get a phone call from DWP asking us to discuss our management information return with them, which we do. Other than that, that is the extent of it.

We do provide quite a lot of data other than the management information return—a delivery plan and a delivery record—and that is very onerous and resource hungry and I am not sure how it is used and how meaningful it is. I would urge my DWP colleagues to have a conversation with us, at local authority level, to discuss that.



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Q80 **Neil Coyle:** Interesting; thank you. Are there any other comments on that?

Stephen McGinnes: We have a similar experience. We have had those kinds of conversations. We have not been asked to make any changes and I take that as a positive—that we have a sound delivery plan.

Q81 **Steve McCabe:** I see that the Department has told us it is planning to conduct an evaluation of the effectiveness of the fund. How do you think it should be evaluated?

Councillor Brown: That is a difficult question, isn't it? I guess probably picking up some of the things we have talked about—which groups we are able to support and maybe some of the innovation that has come forward as a result of that.

It is interesting to hear colleagues' comments about vulnerability. One of the groups that we have been clear to support is care leavers. We have a significant number of children within our care as a local authority, and as a result, unsurprisingly, a large number of care leavers within the city. These are the sorts of areas that we would want to support and also do the sort of cost-prevention work that Pete talks about. For me, it is certainly more qualitative than quantitative as we have possibly discussed.

Q82 **Steve McCabe:** We heard earlier that not all local authorities collect common data or have the same collection methods or collect the same information. Two of you, Councillors Brown and Marland, have referred to your LGA roles. Has the LGA done any work or had any thought about giving guidance on how you might be more helpful if you had a common system for collecting information?

Councillor Marland: I chair the resources board and Abi chairs the innovation and improvement board. They are interlinked. To your first question, I would always say light-touch, mainly because we are held—

Steve McCabe: Light touch evaluation? What does that mean?

Councillor Marland: Mainly because we are held to a ridiculously high standard when it comes to evaluation. I would not want to direct finite resources into collecting data sets so that somebody could evaluate whether me, in Milton Keynes, preventing someone from homelessness is a good spend of a Treasury pound or not, as opposed to my council tax and the people of Milton Keynes' tax money.

On common data sets, I think it is always helpful to have common data sets but the question should always go back to, "To what end?" If the end is just to have a common data set so somebody can sit in Whitehall and see what is happening across the whole piece, I would ask, "Why does that person need to know that?"

Q83 **Steve McCabe:** Do local authorities need to know that? Is it useful to you



to know and to be able to compare yourself with other authorities?

Councillor Marland: I come back to the role of Oflog and what Oflog needs to do. I think there is probably a willingness to standardise data. For instance, we are looking at standardising data and how we report reserves at the moment in councils, because we all report our reserves in slightly different ways.

Having a common data set is something that we can take back and talk about. I think having a mandated data set would be a different road and something that I would caution against, because it just adds cost and complexity to a system without a common goal or knowing how it would ultimately benefit the people who need our help. That would be my question.

Q84 **Steve McCabe:** The reason I am asking is that I think that the stated key objective of the household support fund—"to provide crisis support to vulnerable households in most need of support to help with significantly rising living costs"—is fascinating and I would be fascinated to know how you evaluate that and how you know that you have met that key objective. I was curious when listening to you saying earlier that you would be the best people to do this, and that we could cut the DWP out altogether. I just assumed, since you were the best people to do this in your minds, that you would have thought about how you could meet this key objective and demonstrate that you were absolutely meeting it. That is why I am pressing you on it.

Councillor Marland: Am I demonstrating to you that I have met that objective? Am I demonstrating to the Treasury that I have met that objective?

Steve McCabe: I would hope you are demonstrating it to everybody.

Councillor Marland: Or am I demonstrating it to the taxpayers of Milton Keynes or Stoke-on-Trent that we have met that objective? I would say that local government is more trusted than central Government.

Q85 **Steve McCabe:** I am not talking about your general view of local government. I am just asking about this. If you were taking on responsibility for such a huge fund with such key objectives, I just wonder how you would go about evaluating it and what we could learn from you. That is all I am trying to establish.

Councillor Marland: I agree. What you have read out there about the objectives of the fund is qualitative and I suppose the fundamental question is whether you would want a report to be qualitative or quantitative, or both. That is where the role of Oflog will be important. That is where ultimately the roles of Treasury and the Committee will be important, because without a common objective you cannot report to it.

Maybe I am reading a bit much into your question but the whole title is a little bit woolly, isn't it? It is basically, "help vulnerable people", but what



is a vulnerable person? What is a person most in need? I think that is best defined at a local level. If you are defining it at a local level, it can only be subjectively held to account at a local level. This is a bigger question of how you hold devolution's feet to the fire in terms of scrutiny.

Councillor Brown: I think you should not underestimate the huge amounts of data that central Government takes from local government as it is. On the data sets that already exist, we have LG Inform. I will give you an example. I was sent the headline data for my own local authority. It was 60 pages, just for Stoke-on-Trent City Council, of every metric that you could get that my council is already submitting to Government. It is not special information. It is already out there and I can compare myself with Pete's council immediately. There is a huge amount of information that local authorities are sending in all the time on every service that we are providing.

What Pete talks about—how do you compare?—it is really hard within the context of one fund. I can tell you now that over the course of the last 12 months, we have homelessness reduced in Stoke-on-Trent and levels of council tax and rental arrears decrease. I would like to say that some of that is attributable to the HSF. It could also be attributable to the fact that I am the portfolio holder for homelessness, am particularly interested in it, and I have done a lot of work in that area. We have been incredibly successful as a local authority in accessing funds to address it and we have some innovative schemes that have been identified nationally.

As a local authority, it is hard to point to HSF being the primary driver of the reduction in rough sleeping versus rough sleeping having a high profile because the leader of the council is the portfolio holder, and versus bringing in significant quantities of cash and working innovatively with partners. If we could get down to that level—I don't know, perhaps if the Government just gave us one big slug of cash rather than multiple funds to allocate across all sorts of things—we would be able to answer the question a little bit better. As local authorities, however, we work within the parameters we have.

Steve McCabe: I should leave it there.

Q86 **Chair:** Thank you. A final point from me. You have all told us that you have made payments to families in receipt of free school meals, and I want to ask a bit more about that. You have the data about who those families are. You have worked out how much you were going to spend. Was it what they would have received? How much was sent to each family in receipt of free school meals to cover them?

Stephen McGinnes: In cash values?

Chair: Yes, to cover them for the holidays.

Stephen McGinnes: I think it averaged something like £110.



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Chair: So £110 over the course of a year.

Stephen McGinnes: Yes, per child.

Q87 **Chair:** Was that thought to be roughly the value of their free school meals if they had been at school?

Councillor Marland: It was about £15 a week.

Chair: £15 a week.

Stephen McGinnes: Yes.

Q88 **Chair:** Interesting. I was very interested, Councillor Marland, in your point that to begin with it was 80% for which you worked it out and sent them the money, and only 20% was in response to applications. As things progressed, it was 70% versus 30%, I think. Mr Edwards, you said that in North Devon, 60% was the council working out who was to get money and sending it to them as opposed to 40%, I think, in response to applications. Barking and Dagenham, Stoke-on-Trent, do you happen to have that figure of the split between those two?

Councillor Brown: I certainly don't. I think as we indicated when we started, we have allocated a significant amount of our cash through other organisations, some of which has then been allocated to individuals, through vulnerabilities, but others through bidding in and also the universal provision of services.

Stephen McGinnes: I would need to check the figures. As I said earlier, the schools take responsibility for the administration of the vouchers and the council funds it.

Q89 **Chair:** Understood. You have all kindly said that you will send us the breakdowns. If you happen to be able to include the breakdown between the amount that was paid out on your assessments as opposed to on applications coming in from families, that would be useful.

Councillor Marland: There was a reason for that. Due to the unique way in which our financial system works in this country, councils are rung up on a Monday morning and told, "You have £2 million to spend by Wednesday afternoon," and in those sorts of circumstances you have to use different sorts of registers. Again, I make the point that I think one of your previous witnesses made: there have been significant changes as the scheme matures. It is moving towards more of what Steve McCabe was talking about—people in need and vulnerable people. We are able to think about that more and to reflect on that more, as opposed to, "Here's a block of people; let's get the cash out the door."

Chair: It has been extremely interesting. We are very grateful to all of you. Thank you very much indeed for joining us, and for joining us online in Mr Edwards' case. That concludes our questions to you and concludes our meeting.