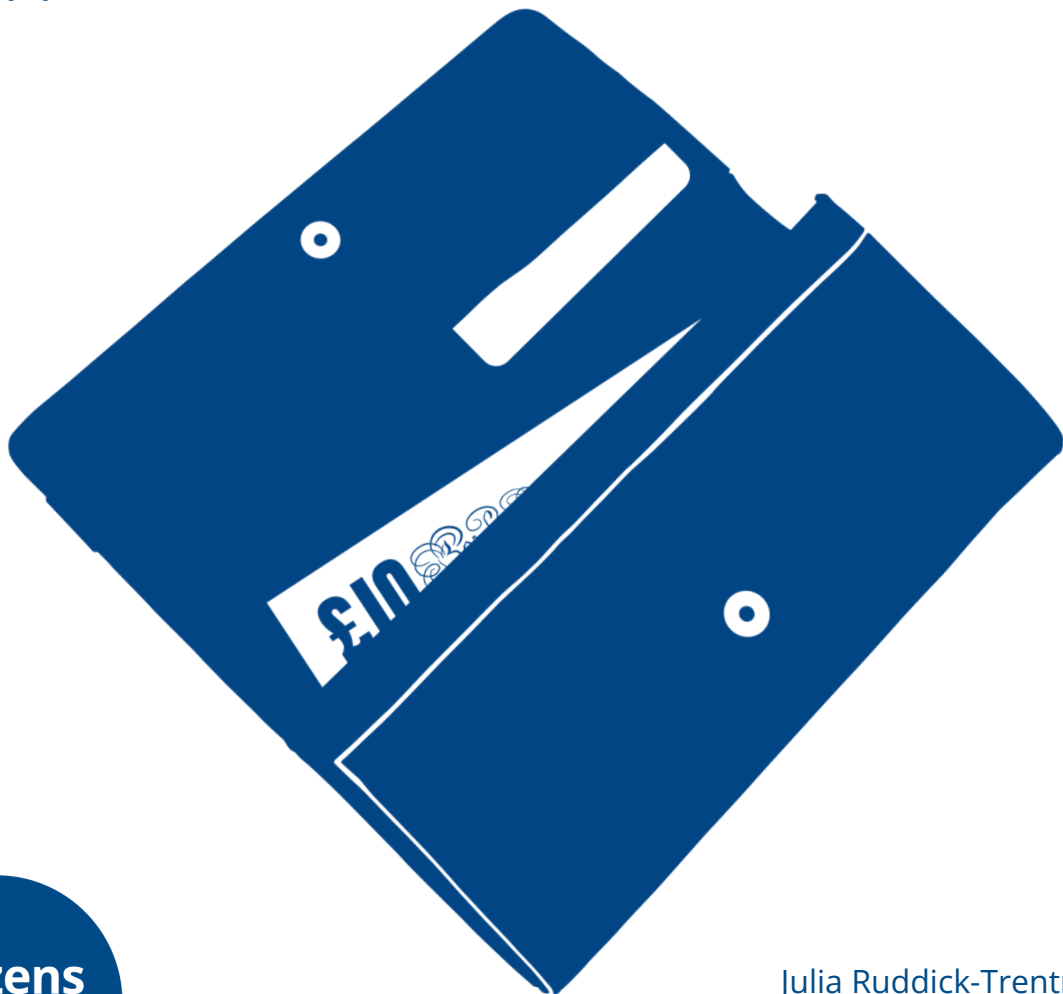


Where next for the Household Support Fund?

Why the need for crisis
support remains



**citizens
advice**

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Summary

The Household Support Fund (HSF) continues to be a vital source of support for people facing hardship who have nowhere left to turn. The fund is delivered by local authorities in England but funded by the central government, and is intended to help those who can't afford essentials like food, energy bills, and water. The HSF has existed in its current form since October 2021, and has been continually extended on a short-term basis. The most recent extension, announced 2 September 2024, means the HSF will continue for another 6 months, until at least the end of March 2025. This extension is very welcome - **98% of frontline Citizens Advice advisers said the HSF would still be needed after 30 September 2024**, when the current round of funding ends.

We are seeing record numbers of people coming to us for local welfare advice. In the first 6 months of 2024, **we had already supported over 50,000 people** with localised social welfare issues – 17,200 more people than we helped over the first 6 months of last year, and **twice as many people as in the first half of 2022**. If these numbers continue to grow at the same pace, **we can expect to help over 90,000 people with local welfare issues in 2024 - breaking last year's record, and breaking the previous year's record for the 5th year in a row.**

This growth is being driven by continuing demand for the HSF. Since the current round of funding began on 1 April 2024, we've advised over 23,000 people specifically on the HSF. The HSF is especially vital for particular groups, like households with children, disabled people, and those with long-term health conditions. **Just under half of everyone we've helped with the HSF is in a household with children, and 1 in 3 are single parents.**

Although by some measures, cost of living pressures have begun to ease over the course of 2024, record increases in the costs of essentials over the past few years have not been reversed, or matched in increases in welfare support or wages. This combination has left 5 million people, including 1.5 million children, in households with a negative budget, with more coming out than going in each month.

While long-term action must address household incomes, in the short-term, the need for some form of crisis fund remains. The HSF extension means the fund will continue to provide immediate relief this winter, but is the 5th extension in the funds' current form. The time is right to accept the ongoing need for crisis support, and to use the 6-month extension as an opportunity to review what form a permanent fund should take.

Introduction

The HSF is an emergency fund designed to support households facing financial hardship. The fund is designed to help those who can't afford essentials like food, energy bills, and water.

The HSF is funded by the central government and administered by local authorities in England. Guidance provided by the Department for Work and Pensions (DWP) sets out some parameters for the fund's administration, though local authorities can otherwise tailor how funds are used and who can apply for funding.

Local authorities can use their HSF grant allocation to:

- Fund proactive support, such as free school meal provision during school holidays.
- Issue grants to third-party organisations, such as local charities, to provide support on behalf of the local authority.
- Fund application-based support, for example cash or supermarket vouchers. Since October 2022, all local authorities have been required to provide an application-based route to accessing support.

In some areas, local Citizens Advice offices have helped deliver the HSF.

Who is eligible

In the first iteration of the HSF, 50% of each local authority's funding allocation was ring-fenced for households with children. In the second round of the HSF, only a 1/3 of the funding was unrestricted, with at least 1/3 ring-fenced for pensioners and households with children respectively. However, since October 2022 local authorities have no longer been required to target their HSFs at particular groups.

Current guidance stresses that "the Fund is intended to cover a wide range of low-income households in need, including families with children of all ages, pensioners, unpaid carers, care leavers and disabled people, larger families,

single-person households, and those struggling with one-off financial shocks or unforeseen events.”¹

Eligibility is not restricted to households in receipt of means tested benefits in DWP guidance,² and since its inception, the HSF has been intended to support those in hardship falling through the gaps in the welfare system - like Matthew* and May*.

Matthew* and May* have been waiting around 9 months for a decision on their application for Pension Credit. As a result, they have become reliant on food banks and have struggled to pay their bills. Without proof of Pension Credit entitlement, they have been unable to access utility discounts, like on their TV licence fee. They received a £500 grant from the HSF towards their energy costs.

A short-term approach

The HSF began in October 2021, growing out of the [Covid Winter Grant scheme](#) first introduced in December 2020.

Since then, the HSF has been continually extended on a short-term basis, creating uncertainty about the fund’s future both for local authorities administering the fund,³ and for those reliant on its support. Exacerbating this issue, extensions have often also been announced only shortly before the scheduled end of the fund (Table 1).

Most recently, the HSF’s extension was announced on 2 September 2024, with the fund otherwise due to end on 30 September. At the time of publication, the future of the fund past 31 March 2025 is again uncertain.

¹ DWP Guidance: [1 April 2024 to 30 September 2024: Household Support Fund guidance for county councils and unitary authorities in England](#).

² Some local authorities have chosen to use receipt of means-tested benefits as an eligibility criteria, for example [Doncaster](#) and [Bradford](#).

³ Local authorities have reported that they would need to make staff redundant if the HSF were not extended, see [LGA Household Support Fund survey report: January 2024](#).

*All names have been changed.

Table 1. HSF funding cycles and renewal announcements

Iteration	Announced / renewed	Start	End	Fund duration
HSF 1	30 Sep 2021	6 Oct 2021	31 Mar 2022	6 months
HSF 2	23 Mar 2022	1 Apr 2022	30 Sep 2022	6 months
HSF 3	26 May 2022	1 Oct 2022	31 Mar 2023	6 months
HSF 4	17 Nov 2022	1 Apr 2023	31 Mar 2024	1 year
HSF 5	6 Mar 2024	1 Apr 2024	30 Sep 2024	6 months
HSF 6	2 Sept 2024	1 Oct 2024	31 Mar 2025	6 months

Fund adequacy

Funding has been held constant in cash terms since September 2021. Every 6 months of the HSF has come with £500 million in funding, bringing the current total spent on the HSF since October 2021 to £3 billion.⁴

As need has grown throughout the cost of living crisis, against the background of soaring inflation, the real-terms value of the fund has become increasingly inadequate. People in financial crisis are missing out on support as a result. If the fund had been uprated each April in line with the Consumer Prices Index (CPI), as other benefits have been, the coming 6 month HSF would require £606 million in funding, an increase of 21%.⁵

Local HSFs have often run out months before the end of the funding cycle. In August 2024, 1 in 4 advisers said the HSF in at least one of their local authorities had already used up its funds and closed applications, with over a month of the

⁴ Though the HSF is only administered by English local authorities, total funding includes funding for the Scottish Government, Welsh Government and the Northern Ireland Executive, allocated through the [Barnett formula](#). Of the £500 million in funding for HSF 5, English Councils will receive [£421 million](#). The devolved administrations can decide how to allocate their additional funds. HSF 6 will also provide [£421 million in funding](#) for English Councils, indicating that funding will continue at the same level until March 2025.

⁵ Benefits have been uprated by 3.1%, 10.1%, and 6.7% in April [2022](#), [2023](#) and [2024](#) respectively.

funding cycle remaining. A further quarter were concerned funds would be exhausted before 30 September 2024.⁶

“When the fund runs out periodically, clients are turned down from applying. The winter months are hugely busy with clients asking for help with paying for fuel.” - Citizens Advice adviser, surveyed August 2024

Angela* is a full-time carer for her husband, who has dementia. She sought her local Citizens Advice’s support with an online HSF application, because she isn’t confident using the internet. After spending nearly half an hour completing the online form with an adviser, the webpage displayed the information that all the funds had already been allocated. Angela left her local Citizens Advice in tears, and without the financial support she needed.

Funds are being rationed by local authorities stretching too little too far. Over a third of frontline advisers said their local authorities had rationed funds since April 2024.⁷ Advisers report that local authorities are:

- Restricting who is eligible to receive the HSF
- Reducing the size of grants awarded
- Closing and re-opening applications throughout the funding cycle

Rose* is working to clear her debts and needs to keep her home warm to help manage her arthritis. She is paying off £170 of debt on her electricity bill each month, so her finances are very tight. Rose visited Citizens Advice for support after trying to access her local HSF by phone at 9am, the day applications opened. She managed to get through on the website at 10am, but was told all the funds had already been allocated. All our advisers could do was refer her to a local food bank.

⁶25% (41) of 164 local advisers surveyed 12 to 26 August 2024 said the HSF in at least one of their areas had used up its funds and closed applications. 24% (40) said they were concerned the fund would be exhausted before 30 September 2024 in at least one area they worked in.

⁷34% (56) of 164 advisers surveyed in August 2024.

Cuts to other elements of discretionary local welfare support have added to the HSF's growing inadequacy. For example, funding for Discretionary Housing Payments (DHPs)⁸ was cut by almost 30% in 2022, and then frozen. The level of support for English and Welsh councils was £180 million in 2013/14, but only £100 million in 2023/24.⁹ The HSF will have had to stretch even further, as some of those previously supported by DHPs have had to look elsewhere for urgent housing support.

*“This fund is worth [over £3m per year in my local authority], you can't just take almost £4m out of a local economy and not expect there to be an impact. Also, the crisis support fund that LAs used to have is no longer available, so **this is quite literally the only show in town**. Unless we see child poverty and destitution reducing, we cannot possibly support the withdrawal of HSF. It's become an essential element of our activity.”* - Citizens Advice adviser, surveyed August 2024

⁸ People receiving the Housing Element of Universal Credit or Housing Benefit can apply to their local authority for [Discretionary Housing Payments](#). DHPs are a source of additional financial support towards housing costs, like rent shortfalls or tenancy deposits.

⁹ See [Use of Discretionary Housing Payments Great Britain, Analysis of Mid Year Returns from Local Authorities April 2016 - September 2016](#) and [Discretionary Housing Payment government contribution for English and Welsh local authorities for financial years ending March 2024 and March 2025](#)

Depth of need

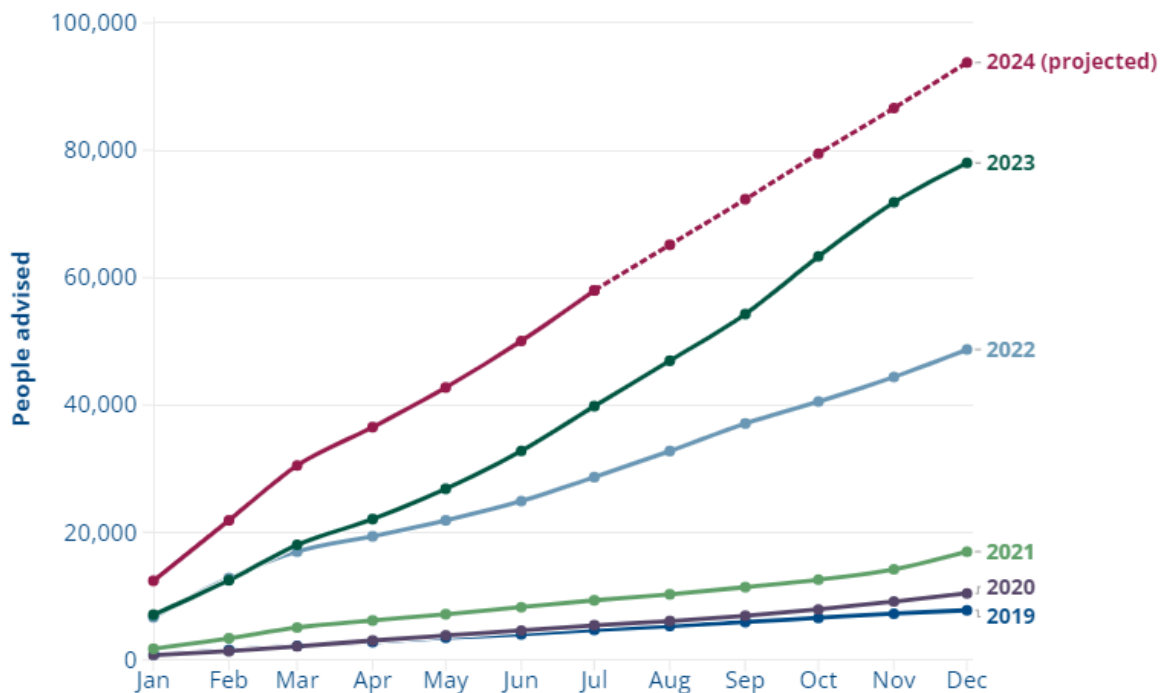
Unwelcome records

Throughout the cost of living crisis, the HSF has been a lifeline for thousands of households. Demand for local social welfare this year still significantly outstrips all previous years, as households continue to struggle to cover their essential costs or absorb financial emergencies.

In the first 6 months of 2024, we had already supported over 50,000 people with localised social welfare issues – 17,200 more people than we helped over the first 6 months of last year. This is over 50% more people than we advised on this issue in the first half of 2023, and **twice as many** people as in the first half of 2022.

Every month of 2024 to date, we have helped more people with local social welfare issues than the same month in 2023. If numbers continue to grow at the same rate, we expect to have helped over 90,000 people with local social welfare by the end of 2024 (Figure 1). This would mean yet another record setting year in terms of the people coming to us for support. These numbers are driven by demand for the HSF, which shows no signs of slowing.

Figure 1: Cumulative number of people advised on local social welfare issues



Source: Citizens Advice caseload data.

Projection calculated using the average number of new clients over May, June and July 2024.

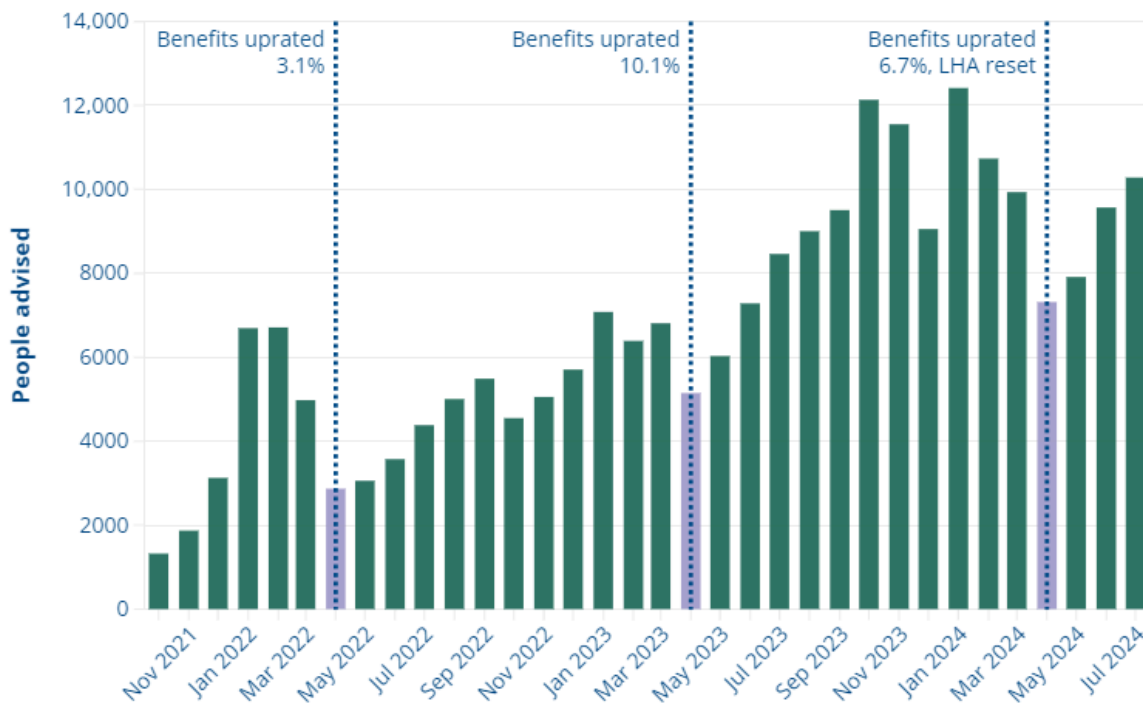


Continuing need

In April, the much-needed uprating of benefits and the re-setting of [local housing allowance](#) (LHA)¹⁰ at the 30th percentile of local rents came into effect. While these changes made a positive impact on the budgets of those we support, reflected in dips in the number of people advised on local welfare in April 2023 and 2024, our data shows that demand for this support and the HSF continues to rise (Figure 2).

¹⁰LHA is the mechanism by which Housing Benefit or Universal Credit housing element awards are calculated for private renters. If you receive income-related benefits, LHA determines how much support with rent you will receive. The calculation is based on rental costs in the area where a person lives, for the type of property (ie number of bedrooms) they need.

Figure 2: People advised on local social welfare



Source: Citizens Advice caseload data from October 2021 - July 2024



We've helped over 23,000 people with issues relating to the HSF since the 5th iteration began on 1 April 2024. Advisers report that they've seen no decline in demand.

*"We are finding that there are a **constant number of new referrals** seeking support from the fund. This has not reduced despite the fact we have supported the local community for over 2 years now." - Citizens Advice adviser, surveyed August 2024*

"We support our local authority in distributing the HSF [...] Since we've been doing this, we've seen no decline in demand. People's circumstances are not really getting any better and [the HSF] in some cases has been an absolute lifeline. Being able to distribute Aldi shopping vouchers [to people in food poverty] has been a real benefit, as they can use these to supplement items which they receive from food banks which are often dried or tinned goods." - Citizens Advice adviser, surveyed August 2024

Households in crisis

Households who need support from the HSF are by definition in a financial crisis. There is a strong link between the people who seek Citizens Advice help with the HSF and other indicators of hardship. In the past year, 90% of the people we helped with issues related to the HSF needed advice on additional issues.

“The reality for people that need to access crisis support is that they will sit without heating or hot water, or even in the darkness if they cannot access the support. [If the HSF is not extended] there will be an increase in food bank use and the trickle down effect on mental health will be serious.” - Citizens Advice adviser, surveyed August 2024

The people coming to us for advice on the HSF are **struggling to heat their homes and put food on the table**. [With the tightening of eligibility for Winter Fuel Payments in winter 2024](#), there may be additional demand for the HSF from non-qualifying pensioners struggling to afford their energy bills. In the words of one adviser:

“Fuel costs continue to be an issue [...] Loss of winter fuel allowance for pensioners will leave them with an even bigger gap to fill” - Citizens Advice adviser, surveyed August 2024.

Of those we advised on the HSF last year:¹¹

- 30,200 - 41% also needed a food bank referral
- 31,700 - 43% needed advice on accessing charitable support
- 13,000 - 18% needed a fuel voucher
- 12,000 - 16% were unable to, or were struggling to pay their energy bills.

¹¹ Citizens Advice caseload data from 01.08.2023 - 31.07.2024. Since people can be advised on multiple issues, percentages will not sum to 100% and client numbers cannot be summed across advice categories.

Sam* lives with his partner and their 9 and 18 month old children. Sam is off work waiting for a medical procedure, and has struggled to keep up with his family's rising energy costs, especially because he has £33 deducted from his Universal Credit (UC) each month to pay back the Advance Payment he received when waiting for his first UC payment. One of our local advisers helped Sam get a £105 supermarket voucher through his local HSF, so he could keep putting food on the table.

Many of those we advised were also **trying to manage existing debts:**

- 8,600 - 12% had completed a debt assessment
- 7,700 - 11% sought advice on dealing with fuel debt repayments
- 6,000 - 8% sought advice on dealing with debt repayments for council tax arrears.

Anne* works 13 hours a week, and has £4,000 of energy debts from electric and gas bills. Anne came to her local Citizens Advice for support when she had no money left to pay for food until her next paycheck, in over a week's time. Because she earns over the qualifying threshold, she can't claim UC. Anne's local Citizens Advice advised her to apply for her local HSF, to help her meet her basic needs until her next paycheck.

We know that many households in work are in a similar position to Anne*. Of all the households in a negative budget, [1 in 3 include someone who is in work](#). Over half a million working households can't afford to meet their essential needs, and more than half of these households include someone in full-time work. This is reflected in the number of working households we advise on the HSF: 20% of people advised were in work, with 13% working over 16 hours per week.¹²

¹² Of people advised on the HSF between 01.03.2023 and 31.07.2024, 9,935 of 48,616 were in work. This includes people doing casual/seasonal work, who are self-employed, employed less than 16 hours / week, employed between 16-29 hours per week, and those employed for 30 hours per week or more. In total 6,234 people were employed 16+ hours per week.

At moments of crisis, accessing **the HSF can be the difference between starting on the path towards stability, or existing problems escalating.**

Matt* is currently homeless and living with a friend. The local housing association has offered him a flat, but has asked for £310 to cover the first 4 weeks of rent. Matt doesn't have the savings to put down this deposit, and hasn't yet received help from the council. Matt received a £90 supermarket voucher through the HSF to help him as he tries to find stable housing.

In addition to helping people afford essentials, in the best cases, **the flexibility of the HSF allows it to meet specific individual needs.**

Whether support is offered in the form of cash or vouchers (for example for supermarkets), varies between local authorities. Vouchers can both be stigmatising and limit how recipients can use support. They can also pose logistical challenges and costs, such as needing to travel to a shop that accepts vouchers.

By contrast, Penny* and Phil's* stories show the value of cash support. The flexibility of the support they received through their local HSFs enabled them to tackle their individual problems, and helped address multiple problems at the same time.

Penny* was diagnosed with cancer a few years ago, and often needs to travel for health appointments, putting a strain on her finances. Penny has debts, and has also been dealing with moving into a new home. She doesn't have essentials like plates and bedding. Penny's local Citizens Advice were able to tackle these issues, using the HSF to cover a £90 Debt Relief Order fee,¹³ provide Penny with £100 in home supplies vouchers, and £450 over 3 months to help cover her health-related travel costs.

Phil* and his partner have 3 children, including a disabled daughter. He is not working at the moment due to ill-health. The HSF helped Phil to pay for train fare to London so that he could take his daughter to a specialist hospital appointment.

¹³ The £90 fee for a Debt Relief Order was [abolished from 6 April 2024](#).

Who needs the HSF?

The HSF is a particularly important source of support for marginalised groups, such as disabled people and single parent households, who are more likely to already be in financial hardship. 1 in 5 single parent households and nearly 1 in 10 households with a disabled person are in a negative budget, compared to 1 in 15 households in Britain.¹⁴

Disabled people and those with long-term health conditions

Over half of the people we helped with the HSF since April 2023 are disabled or have a long-term health condition.¹⁵

For the disabled people coming to us for help, the HSF becomes a crucial alternative source of support when [systemic problems with the disability benefits system](#) leave them unable to meet their essential costs. Navigating the disability benefits system can be complex, drawn out, and involve endless cycles of re-assessments. There are very high waiting times for Personal Independence Payment (PIP) decisions,¹⁶ and then, too often the wrong decision on claims is reached. In addition, on average, disabled people and people with long-term health conditions tend to have higher living costs and lower incomes, and so are more likely to already be experiencing financial hardship.¹⁷

¹⁴ [The National Red Index: how to turn the tide on falling living standards.](#)

¹⁵ 37,721 of 65,559 people we advised on the HSF between 01.04.2023 and 31.07.2024 were disabled or had a long-term health condition (58%). Similarly, 59% of people we advised on all benefits issues over the same period were disabled or had a long-term health condition.

¹⁶ The average waiting time for a PIP decision [peaked at 6 months in August 2021, and still stood at 14 weeks in April 2024.](#)

¹⁷ Households with at least one disabled adult or child are also estimated to need an additional £975 per month, on average, to maintain the same living standard as households where no one is disabled: [Scope \(2023\) Disability Price Tag 2023: the extra cost of disability.](#)

“Most of our clients are struggling with the cost of living and are also very unwell. The PIP application process is extremely long and many are left without adequate support for months and months. The HSF is required to support these people where unexpected and emergency situations arise that they are unable to absorb.” - Citizens Advice adviser, surveyed August 2024

Dan* is disabled, and was previously receiving Personal Independence Payment (PIP), including the enhanced rate for the mobility component. He came to his local Citizens Advice after a recent telephone re-assessment of his PIP claim concluded he no longer needed this support. As a result, his wife's Carer's Allowance is also due to stop, leaving their family with little to live on. Dan's local Citizens Advice helped him start the process of a Mandatory Reconsideration of his PIP assessment outcome. To help make up for the loss of his PIP support during this process, Dan's adviser helped him get £240 from the HSF.

Steve* has significant physical and mental health problems. Mobility limitations make it difficult for him to prepare fresh food, so his food costs are high, and he has recently had to invest in a mobility aid. He receives UC but is waiting for the additional Limited Capability for Work-Related Activity element to begin. The HSF provided Steve with a £150 food voucher.

Families and especially single parents

The HSF has been a particularly vital source of support for families with children facing hardship, who are disproportionately likely to need advice on the fund compared to those coming to us about benefits issues in general.¹⁸

1 in 3 people we've advised on the HSF since April 2023 are single parents - over 18,000 people. This group is overrepresented among those we advised on the HSF by almost 10 percentage points,¹⁹ reflecting that these households are disproportionately likely to be in financial hardship. Single parents have lower average incomes than couples with children, and are over 30% more likely to have no savings or savings below £1,500 than couple parents.²⁰

In total, just under half of everyone we helped with the HSF since April 2023 is in a household with children (26,500 people).

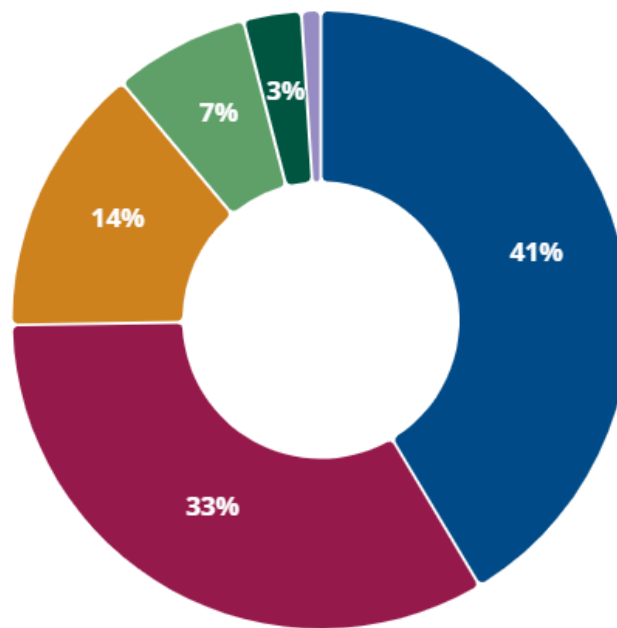
Faith* is a caring professional, working 48 hours per week. Faith's partner is the main carer for their newborn baby, and they also have a teenage son. Faith's earnings are around £1,500 per month, and after rent of around £900 there is not enough left to cover essential living costs. The HSF provided her family with a £100 food voucher and £100 energy voucher.

¹⁸ Between 01.04.2023 and 31.07.2024, 49% of those people we advised on the HSF (26,526 people) were in households with children, and 51% (27,872) were in households without. Whereas for people we advised on all benefits issues over the same period, 42% (219,277) were in households with children, and 58% (306,632) were in households without.

¹⁹ 24% (124,924) of people we advised on all benefits issues between 01.04.2023 and 31.07.2024 were single parents, compared to 33% (18,034) among those advised on the HSF.

²⁰ [Gingerbread \(2023\) Single Parents in 2023](#).

Figure 3: Household composition of people advised on the HSF



■ Single person without children ■ Single person with children ■ Couple with children
■ Couple without children ■ Other adults without children ■ Other adults with children

Source: Citizens Advice caseload data 01.04.2023 - 31.07.2024.
N = 54,398



Sarah* is a single parent, caring for 3 young children, one of whom is disabled. Sarah is also pregnant, and so has been spending more money on healthy food. As a result, she is running out of money at the end of the month, and needed a food bank voucher. Our advisers advised Sarah that she could get £200 from her local HSF to help her make ends meet until her next UC payment.

Jennifer* works part-time and is a single parent to 3 young children. She is struggling to meet her family's essential living costs, especially during the school summer holidays when free school meals are not available. The HSF helped Jennifer with food bank and fuel vouchers.

Stella* is a single parent to 4 children. She has significant mental health problems. Stella is unable to manage financially, especially during the school summer holidays. The HSF helped Stella with food bank and fuel vouchers.

It is important to note that though we discuss disabled people and families separately here, they are not discrete groups. We know that many of the people we support are disabled and in a household with children, including in single parent households. These households will be facing the combined and intersecting financial challenges of living with a disability or health condition, and of supporting a family.

Nearly 1 in 4 of the disabled people and people with long-term health conditions we've advised on the HSF are in single parent households. Likewise, almost half of the people in single parent households advised on the HSF are disabled or have long-term health conditions.²¹

²¹ Between 01.04.2023 and 31.07.2024, we advised 37,885 disabled people and people with long-term health conditions on the HSF. Of these, 8,801 were in single parent households (23%). Over the same period, we advised 18,104 single parent households on the HSF, of whom 8,801 were disabled or had a long-term health condition (49%).

Recognising the need for crisis support

A long-term requirement

While the extension of the HSF will provide thousands of households with essential support this winter, the future of the fund past March 2025 is uncertain. The **overwhelming majority of frontline advisers believe there will always be a need for a crisis fund** like the HSF within the welfare system.²² 71% of advisers said a crisis fund should help with both one-off expenses and essentials like food, energy, and water.²³ The extension of the current iteration of the HSF should be used to lay the groundwork for more permanent support.

“We see so many people who reach an unexpected bump in the road. Something happens in their life, like a sudden illness, an accident, a bereavement, that means they cannot work or support their family. [...] There are so many reasons why people are left destitute, but sadly it is not uncommon. There are a lot of people in our society who lack the support of friends and family and rely on their local authorities as the final refuge of support. If this is taken away, people will face very bleak periods ahead.” - Citizens Advice adviser, surveyed August 2024

Learning from the HSF

A locally administered crisis fund should become a long-term policy commitment, and a permanent fixture of our welfare system. In addition to providing welcome certainty to local authorities and those relying on funds like the HSF, this approach would allow for the government to establish an improved version of crisis support, implementing lessons learned from the 5 rounds of HSF funding.

Locally administered support has benefits and drawbacks. An improved crisis fund would harness the benefit of local authorities being able to tailor funding to

²² 93% (150) of 161 advisers surveyed in August 2024.

²³ 71% (115) of 162 advisers surveyed in August 2024.

best meet the needs of their community, while limiting the extent to which support becomes a postcode lottery. **Over 3 in 4 advisers felt a crisis fund would be most effectively delivered by local authorities**, and over 40% of advisers felt a fund would be most effective if each local authority had the same scheme design.²⁴

Building the most effective elements of HSF delivery into a minimum scheme design would help mitigate regional variation in support.

1. To maintain the flexibility of support

All schemes could be required to offer at least some cash support, to continue helping people like Penny* and Phil*.

Over 2 in 5 advisers felt providing cash would be the most effective form of support, either as a one-off lump sum payment, or in regular payments, for example over the course of 3-6 months.²⁵ Providing cash support would enable people to spend support however best met their needs, and would avoid the stigma and logistical challenges of using vouchers.

2. To ensure the fund can support those most in need

Anyone in financial hardship should be eligible for support. Funds shouldn't be limited to those receiving means-tested benefits, so people like Anne* can continue to access support if and when they need it.

Only 2% of advisers felt that only certain groups should be eligible for the fund. The overwhelming majority said that anyone in need should be able to access at least some crisis funding.²⁶ With other support, such as Winter Fuel Payments, becoming contingent on receiving means-tested benefits, it is important that a source of support remains available to those who do not qualify for other benefits.

²⁴ 124 of 162 advisers surveyed August 2024 (77%) responded either that a scheme would be most effectively delivered by local authorities, with each designing its own scheme (56 - 35%), or each local authority having the same scheme design (68 - 42%).

²⁵ 69 of 162 advisers surveyed August 2024 (43%). 27 (17%) responded that one-off lump sum cash support would be most effective, and 42 (26%) chose cash support in regular payments, e.g. over the course of 3-6 months. 41 (25%) and 23 (14%) responded that vouchers or support in kind respectively would be most effective.

²⁶ 3 of 162 (2%) advisers surveyed in August 2024 responded that only certain groups should be eligible for the fund. 90 (56%) responded that anyone in need should be eligible for the fund, with a further 63 (39%) responding that there should be a certain amount of funding set aside for particular groups, but anyone in need should also be able to apply for the remaining funds.

3. To help those most in need - not just those most aware

Awareness of the fund needs to become more widespread. Some local authorities proactively contact those eligible for the HSF in their area, (such as people receiving Council Tax Support), and others directly provide cash support to certain residents. However, this is not the case in all areas. Lack of awareness has been a primary barrier to accessing support throughout the fund. Previously, one of our advisers described the HSF as the “[Where’s Wally fund](#)”.

Only 1 in 8 advisers surveyed in November 2023 said that the vast majority of those coming to us for support already knew about the HSF.²⁷ To address lack of awareness in future, funds should be:

- Advertised through multiple channels, including non-digitally. Advisers said local HSFs primarily being advertised online or on social media contributed to lack of awareness, particularly among people who were digitally excluded.
- Proactively advertised to those most likely to need support through targeted communications.

4. To give everyone equal access to the fund

The fund must be accessible to people who are digitally excluded. Throughout the course of the fund, the people we support have faced digital barriers in applying for and accessing support, for example, needing to apply online or needing an email address to receive vouchers. If people who are digitally excluded can’t access the HSF, it’s not reaching everyone who needs it. People who are digitally excluded too often can only access the fund with help, like from a Citizens Advice adviser.

Jemma* can’t access the internet on her own and doesn’t have a digital device. Jemma has previously been homeless, but now lives in assisted accommodation. She’s been struggling with the rising cost of living. One of our local advisers was able to complete the online application for the HSF on Jemma’s behalf, but without this help, she would have been excluded from support.

²⁷20 of 156 (13%) advisers surveyed in November 2023 said that 70+% of clients were aware of the HSF when they contacted Citizens Advice.

Fran* is a full-time carer for her brother. She has significant physical and mental health problems and receives UC. Fran has limited literacy, and was required to provide an email address for an HSF application even though she was applying by telephone. The local Citizens Advice office provided an administrative email address for Fran to use, and she was awarded a £100 supermarket voucher.

To avoid these barriers, an improved crisis fund would require each local authority to offer non-digital application routes, and to consider the experiences of people who are digitally excluded at each stage of the fund's administration, from how the fund is advertised to how support is provided.

5. To match the depth of need

Ultimately, a crisis fund will only be as effective as it is adequately funded. Across funding rounds, the effectiveness of the HSF has been hampered by applications closing early when funds have been exhausted and by support being rationed. It is unsurprising that funding frozen since 2021 has been unable to meet rising demand: the current HSF would be worth 21% more, had it been updated in line with other benefits.

Adequate central government funding is also key to minimising regional variation in support. If central funding were better matched to the national scale of need, particular areas would be less likely to ration support or close applications early. At a minimum, crisis support funding needs to be routinely updated in line with other benefits each April, to ensure as far as possible that support is always there when it's needed.

Conclusion

With demand for local social welfare continuing to break Citizens Advice records, we know there is an urgent need for crisis support. We are on track to advise over 90,000 people on local social welfare by the end of the year. With the welcome announcement that the HSF has been extended until March 2025, we expect to support tens of thousands of people to access this support this winter.

However, in the longer-term, a permanent crisis fund needs to be established. This would allow for improved administration (without the current stop-start nature of funding) and would provide confidence to households about the support in place. The extension of the current HSF provides a crucial opportunity to start a considered approach to designing this new fund, which takes into account the many lessons learned over the course of the HSF.

All households are at risk of sudden shocks to their income, whether from an unexpected energy bill, family emergency, or the need to replace essential household items. The welfare state should return to recognising this through a permanent crisis fund, which would provide the necessary support to help people weather these financial storms.

Citizens Advice helps people find a way forward.

We provide free, confidential and independent advice to help people overcome their problems. We are a voice for our clients and consumers on the issues that matter to them.

We value diversity, champion equality, and challenge discrimination and harassment.

We're here for everyone.

citizensadvice.org.uk



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