

May 2023

The last twelve months have placed considerable pressure on household budgets across the UK, but for millions of disabled people this pressure has been higher than most. The cost-of-living crisis has forced thousands of disabled households to choose between heating and eating. Economic inactivity due to long-term illness or disability has risen to the highest level since records began. The Government has responded to these pressures by introducing a range of measures to help with the rising bills, but the mostly universal nature of this support has failed to consider the fact that life costs more if you're disabled.

The **£2.5bn Household Support Fund**, allocated to local authorities and devolved Governments to distribute in line with local need, was presented as a mechanism to assist those who might otherwise 'fall through the cracks' of the government's cost of living support measures. The fund has the opportunity to support disabled people and mitigate some of the disproportionate impact of the cost of living crisis, but new research shows that disabled people are still falling through the cracks. A Freedom of Information exercise by Leonard Cheshire on distribution of the Household Support Fund in England has shown that **only 9% of spending has been going to households with a disabled person**. Meanwhile only 17% of all local authorities had ringfenced any amount to ensure it was spent on helping disabled people who need financial support.

£1bn of funding remains to be spent by April 2024, meaning there is still a chance to ensure much more of this reaches disabled people in need. Leonard Cheshire is calling on Government and local authorities to support disabled people facing higher bills and costs – both this year and in the long-term.

1. Life costs more if you're disabled

"It's very difficult to keep up with the higher cost of living. We can only have the heating on for 3 days out of 5 and we're having beans on toast for Sunday roast."

Brian (name changed), Salisbury

Times are tough for everyone as the cost of living crisis bites, putting pressure on all households, but many disabled households are feeling this more than most. Statistics from the Office for National Statistics (ONS) reveal that more than half (56%) of disabled people are struggling to afford their energy bills and 1 in 3 (38%) are finding it difficult to afford their rent or mortgage payments.¹

We know that, as standard, disabled people face additional costs. Scope research shows that disabled households face average extra costs of £975 every month, or £12,000 a year². One third of disabled people are estimated to live in poverty³, and only 52% of disabled people are in work⁴. This means that many disabled people simply do not have access to additional

¹ ONS (Feb 2023) ['Impact of increased cost of living on adults across Great Britain'](#) dataset September 2022 to January 2023

² Scope (2023) ['Disability Price Tag'](#)

³ Joseph Rowntree Foundation (2022) ['UK Poverty 2022'](#) report

⁴ House of Commons Library (2021) ['Disabled people in employment'](#)

income to pay for the rising cost of living. ONS data shows that 41% of disabled people would be unable to pay an unexpected, but necessary, expense of £850, compared to 26% non-disabled people.⁵ The effects of the cost of living crisis on disabled people are being felt across four main areas: heating and energy, eating, transport, and mental health.

Disabled people often have higher energy costs due to the need to charge specialist equipment like wheelchairs, mobility scooters and ventilators. Many others need to continuously keep the heating on to help to manage the pain caused from specific health conditions like arthritis or neuropathy caused by diabetes. Disabled people whose conditions mean they use a lot of energy face annual bills £1000 higher than average.⁶

According to the charity the Trussell Trust, 62% of working age people referred to their food banks in early 2020 were disabled.⁷

“The only support we have is from my brother and a couple of friends. And we have received the cost of living payments but they have just been swallowed up by higher prices on everything.”

Kate (name changed)

Inflationary costs are still considerably higher than they were twelve months ago for disabled people. The current financial support provided by the Government is inadequate, and at current levels, risks leaving millions of disabled people out in the cold. Thankfully since April benefits have risen in line with inflation. Yet research by the Joseph Rowntree Foundation and Trussell Trust shows benefits are still failing to provide a safety net to protect people from going without essentials⁸. Whilst those on means-tested benefits are receiving a series of further cost of living payments up to £900 in 2023/4, those on disability benefits are due to receive just £150 in targeted support. The Energy Bill Support Scheme has now ended, and thousands of disabled people are no longer eligible for the Warm Home Discount. While the Energy Price Guarantee remains, the Treasury-led Review of the Energy Bill Relief Scheme has yet to publish its findings on how support can be more focused on ‘those most in need’.

In England, however, there is still opportunity over the coming year for disabled people to have some of this shortfall met and access a vital lifeline via the locally distributed Household Support Fund – if it is distributed more effectively.

2. The Household Support Fund

First announced as part of the Autumn Budget in September 2021, the Household Support Fund provided £421m of funding to be delivered by English local authorities, while devolved administrations received £79m. The funding ran from 1st October 2021 to 31st March 2022, with the aim of providing financial support to help households through the Winter and last stages of recovery from the pandemic, following the discontinuation of the £20 weekly uplift to Universal Credit.

Within England, local authorities were chosen as the best distributor of this funding due to their greater knowledge and awareness of need and vulnerability on the ground, as well as their ability to administer small cash-based grants, vouchers or purchases to those in need of support compared to central Government departments. The initial guidance stipulated that at least 50% be spent on households with children, and for the focus to be on supporting with food and bills rather than housing costs, but beyond that local authorities were allowed a high

⁵ ONS (Feb 2023) [‘Impact of increased cost of living on adults across Great Britain’](#) dataset September 2022 to January 2023

⁶ Leonard Cheshire calculations based on Ofgem’s Typical Domestic Consumption Values (TDCVs).

⁷ Trussell Trust (2021) [‘State of Hunger’](#) report

⁸ Joseph Rowntree Foundation & Trussell Trust (Feb 2023) [‘Guarantee Our Essentials’](#)

degree of discretion in how this funding was used to deliver support. The subsequent evaluation indicated that 80% of the total spend (£336m) went to households with children, but with some degree of variation in the channels through which it reached them, and all other households supported.⁹

By March 2022, however the country was heading into a full-blown cost of living crisis, meaning alongside a wider package of support to help with rising energy bills, the Household Support Fund was extended to September 2022. Then Chancellor, Rishi Sunak, noted that the universal nature of the Government's support package meant *"there may be some people who fall between the cracks. So, to support them, we will extend the Household Support Fund by half a billion pounds."*¹⁰ However, the guidance for the second tranche made no mention of the disabled people who may be among that group, and local authorities were required to allocate at least 33% each of their total spend to pensioner households and households with children.

In the leadup to the Autumn Statement Leonard Cheshire consistently emphasised the need for more targeted support for disabled people. Rather than designing and delivering a package that would make up the shortfall disabled people were facing, the Household Support Fund was extended until March 2024, taking its total cost to £2.5bn. The current chancellor, Jeremy Hunt, again promised it would help *"Local Authorities to assist those who might otherwise fall through the cracks."*¹¹

For this third tranche of the Household Support Fund, the Department for Work and Pensions guidance explicitly mentioned disabled people for the first time, encouraging local authorities to consider the *"disproportionate impact that rising costs bring for the additional services they need in order to manage their conditions, remain independent and avoid becoming socially isolated."*¹² As the Household Support Fund is now a key part in the Government's cost of living response, Leonard Cheshire undertook a Freedom of Information exercise to analyse whether this money was reaching disabled people and what decisions were being made by local authorities with this funding when it came to helping support disabled people in their area.

3. Still falling through the cracks

In December 2022, Leonard Cheshire sent Freedom of Information requests to all 152 English local authorities who were administering the third tranche of the Fund asking details about how the fund was operating and to what extent funding was reaching disabled people. The period these requests for information covered was from 1st October to 31st December, the first half of the tranche for which all authorities were required to submit Management Information to the Department for Work and Pensions in order to receive payment in arrears for their allocated spend.

In total we received responses from 120 local authorities (**79%**) with information in response to our request, two further local authorities responded but said they were still collating their internal data and would be unable to provide any further information as a result. From the responses, however, it is clear that far from ensuring disabled people are prevented from falling through the cracks, the Fund risks replicating the Government's core support schemes, with funding that is failing to reach disabled people who are struggling financially and facing mounting bills.

⁹ Department for Work and Pensions (2022) ['Household Support Fund management information: 6 October 2021 to 31 March 2022'](#)

¹⁰ HM Treasury (2022a). [Cost of Living Support. Statement by the Chancellor of the Exchequer on Cost of Living Support](#)

¹¹ HM Treasury (2022b). [The Autumn Statement 2022 speech](#)

¹² Department for Work and Pensions (2022) ['1 October 2022 to 31 March 2023: Household Support Fund guidance for county councils and unitary authorities in England'](#)

Among all local authorities who responded, **£133m** of their total funding had been spent, but only **£11.5m** had been targeted towards households that contained a disabled person. This means that by the halfway point of the third tranche of funding, only **9%** of the money that had been spent reached disabled people in their area struggling with the cost-of-living crisis.

Not all of the **£11.5m** went to disabled households directly, either in the form of cash transfer, voucher, or purchase of items. From the **95 local authorities** who could provide this information, data showed that **85% went direct to disabled households**, while the other **15%** was used to help fund other local services & organisations working to support disabled people struggling with the cost-of-living crisis in their area.

10 local authorities stated in their responses that by the halfway point of the third tranche of funding they had not delivered any financial support to help disabled people in their area with the cost-of-living crisis. Four of these did however confirm that targeted support would be reaching disabled people during the second half of this tranche of funding, with the total amounts earmarked to spend ranging from **4%** to **41%** of their total allocation.

Unlike the previous two tranches of the Fund, local authorities were not required to ring-fence any of their spending in this tranche for specific cohorts. This still left local authorities free to carry out any ring-fencing of their own based on the socio-demographic profile of their area and local need across groups, but our responses show that just **17% of local authorities** had allocated a specific amount of their funding to be spent on disabled people.

Top five Local Authorities	% of spend towards disabled people
Royal Borough of Kensington and Chelsea	39%
Brent Council	35%
Manchester City Council	31%
Shropshire Council	27%
Liverpool City Council	26%

Table 1. Top 5 local authorities based on percentage of Household Support Fund spend on disabled people from 31 October to 31 December 2022

Some local authorities chose to provide support directly to certain targeted groups, while others chose to open an application process and make awards based on need. We asked all local authorities what steps they were taking to ensure that their applications were accessible and inclusive for all disabled people, but worryingly many had not taken any. In practice this often resulted in information and application forms only available in a single format online, without any additional channels to access, or support to complete, the process; although some local authorities had clearly worked on accessibility, offering a range of channels to submit an application, and offering a staff member to call and support anyone completing their form. Some local authorities worked with local voluntary sector partners to provide such support.

“I am completely unaware of the Household Support Fund, and this has never been discussed with me by anyone from my local authority. So I'm not entirely sure what additional support is out there. I would plead with the Government to support disabled people like me with energy bills so that we can live normally. I'm paying £300-400 a month”

Karren (name changed), Cheshire

4. Doing more to target and support disabled people

Nearly half of all people in poverty in the UK are either disabled themselves or live with someone who is disabled, yet our research shows that only one in ten low-income households that received support through the Fund contain a disabled person.¹³ Despite the high rates of disability poverty and the detrimental impact the cost of living crisis is having on many disabled people, it took far too long for the Department for Work and Pensions' guidance to first make reference to disabled people and require local authorities to report on their spend towards disabled people. This left £1bn spent with no sense of whether it helped shield disabled people from the worst impacts of rising energy bills and wider inflationary costs.

The Fund has been renewed and is set to run until March 2024, meaning there is still an opportunity for much more of the £1bn left to reach disabled people who can urgently benefit from this financial support. To do so, there needs to be greater direction and support from the Government to local authorities. Discretion is in the hands of local authorities when it comes to policy decisions of which groups and cohorts receive funding, but the Government can provide much more assistance and support on how to identify and reach disabled people who may need financial support.

Local authorities are encouraged to use data from the Department for Work and Pensions when identifying those to support, but this alone may not prove sufficient to target disabled people who are struggling with the cost of living. Unfortunately, disability data is poor across a range of important policy areas, but this should not stop creative thinking on how to align data sources to improve targeting. For example, local authorities could be supported to consider and combine data on the energy efficiency of their housing stock, the number of homes with adaptations in their area and social care funding information to identify disabled people most in need of financial support.

The example of Wiltshire County Council (below) shows how a local authority has approached developing and evolving its support over time, trying best to maximise awards and ensure they reach disabled people who may most need financial assistance. Through greater engagement, the Government could draw out and share positive examples where local authorities have successfully delivered a high percentage of their funding to disabled people, such as those already identified in this briefing.

Case Study: Wiltshire County Council

Wiltshire, in South West England, had the sixth highest percentage spend on disabled people (**26%**) during the first half of tranche three.

Wiltshire received **£2.7m**, which it chose to target directly at residents in need, rather than running an administratively costly application process. While not having a central data team that could do a deep dive into assessing local need, they used what data was available to them to divide low-income households into a range of cohorts to be targeted and they spread the funding as widely as possible across these groups.

Across all tranches, if a household was identified as receiving any disability benefit, they were sent a cheque. Council tax reduction data was also used to identify an additional 1,000 households with an adaptable home who could benefit from further support. The value of these cheques ranged from £76-£140.

For the fourth tranche of funding, the council is aiming to take learnings from the Fund's operation to date while encouraging innovation. They plan to take the administration away from solely the Revenue and Benefits team, accepting bids across teams for funding for

¹³ Social Market Foundation (2021) ['Time to Think Again. Disability benefits and support after Covid-19'](#)

specific cohorts, and aiming to line up data it has used to date with further healthcare data to allow the next funding to be both more targeted and generous.

5. Stretched too thin

It is important to recognise the context in which local authorities are administering this funding to residents of their community. Almost nine in ten councils are facing budget deficits this financial year and are increasingly having to do more with less to support those most in need of support.¹⁴ It shouldn't be the case that different cohorts are being pitted against each other as local authorities face difficult decisions about who should receive any support through the Fund. At its current levels the Fund is stretched thinly too often across those in need. A more generous Fund would allow for more significant payments to be made to households in need of support.

As an example, to date, households in receipt of Free School Meals have received the most support, with 80% and 55% of funding in the first and second tranches reaching them.¹⁵¹⁶ In many cases this has involved local authorities providing Free School Meal support during the school holidays, stretching funding to fill gaps left in existing Government policy.

The Work and Pensions Committee heard from witnesses in April that the Fund is being used to plug gaps in the social security system.¹⁷ This coincides with calls from a wide coalition of organisations for social security reform so that benefits meet the costs of essentials.¹⁸ Such reform would allow locally administered discretionary welfare funds, like the Household Support Fund or future iterations, to more purposefully be used for emergencies and crisis situations.

6. Lessons learned

Going forward, every effort should be made to learn from what worked across local authorities for the duration of the Fund. This would help to inform the Government's future approach to local welfare assistance schemes and support local authorities to learn from best practice in distribution.

The Work and Pensions Committee heard from local authority witnesses, voluntary organisations, and researchers, that locally administered emergency funds are an important lifeline and of the importance of local distribution. Research in 2021 by End Furniture Poverty found that less than one in five local authorities operated their own local welfare assistance scheme, yet in response to the pandemic and the cost-of-living crisis, local welfare spending increased by 221% as local authorities administered their share of the Household Support Fund and Covid related grants.¹⁹²⁰ This has left many local authorities having to rapidly adjust to providing support to residents struggling financially in their area, resulting in a variety of approaches to targeting those in need.

Partly due to their introduction during emergency periods, these recent funds have been overburdened, at times when payments in the social security system have often not stretched

¹⁴ Guardian (2022) [‘UK councils slashing services to meet £3.2bn budget shortfall’](#)

¹⁵ Department for Work and Pensions (2022) [‘Household Support Fund management information: 6 October 2021 to 31 March 2022’](#)

¹⁶ Department for Work and Pensions (2023) [‘Household Support Fund 2 management information for 1 April to 30 September 2022’](#)

¹⁷ Work and Pensions Committee: [Oral evidence: Household Support Fund, HC 1273, 26 April 2023](#)

¹⁸ Joseph Rowntree Foundation (19 April 2023) [‘More than 90 charities unite’](#)

¹⁹ End Furniture Poverty (2022). [‘The State of Crisis Support’](#)

²⁰ Resolution Foundation (2022). [‘Sticking plasters. An assessment of discretionary welfare support’](#)

far enough. If locally distributed discretionary welfare schemes are to play an increasing role in the country's response to sudden shocks and crises, then the Government needs to offer better oversight, strategic direction of what the outcomes of their use must be, and to take a more long-term approach. In the initial tranches of the Fund, local authorities were given very little lead time to design their distribution, and allocations had to be spent within six months. The latest 2023/24 tranche of the Fund is now allocated on a 12-month basis which is an improvement. Government guidance has also improved since the first tranche of the Fund was released and local authorities are starting to adapt and learn lessons from earlier tranches. Qualitative best practice and outcomes data should be collated and published to understand what works, and a longer-term approach should be taken to enable local authorities to plan sustainable discretionary welfare programmes integrated across council services.

As a pointer towards what they could and should look like, research from Child Poverty Action Group (CPAG) has highlighted that schemes of this nature could take three key payment approaches to help people with: **1. One-off costs** that are difficult to save up for when consistently on low incomes like repairing white goods, **2. Transitional costs** due to a life shock or transition like relationship breakdown or homelessness **3. Emergency costs** due to a crisis like the onset or worsening of a health condition or disability.²¹

Ultimately, even with the remainder of the Fund to be allocated, the total financial support package to date has failed to address the scale of the cost-of-living crisis for disabled people. Emergency funding delivered by local authorities can only go so far in ensuring disabled people are able to manage financially, and need to sit alongside more robust, centralised, targeted support for disabled people.

7. Leonard Cheshire's recommendations

For Government

1. A long-term funding settlement for locally administered discretionary welfare funds

The government should commit to a long-term funding settlement to ensure local authorities can sustainably provide local welfare assistance. If local authorities are no longer constrained by the short-term nature of funding available, they can move away from reactive short-term programmes and design longer-term local welfare provision that is well-targeted and integrated with local services.

2. Improved monitoring and greater support to Local Authorities

Overall discretion of these emergency funds and autonomy over their delivery should rest with local authorities, but Government needs to play a stronger role in enabling strategic targeting and effective delivery. Analysis of the mandatory local authority reporting of HSF spend to the Department for Work and Pensions must translate into improved guidance. Government should also work towards agreement with local authorities on a shared outcomes framework for what all future local welfare assistance programmes should aim for.

3. Ensure benefits meet the cost of essentials

Working-age benefits are currently insufficient to cover the essentials of everyday living, and the inadequacy of their levels needs to be addressed. The government should commit to an 'Essentials Guarantee' to ensure benefits provide at least enough to afford the essentials we all need, such as food, household bills and travel costs, and recognise the extra costs of disability. In addition, to protect disabled people on benefits from erosion of their incomes in times of high inflation, rates should also be reviewed by the Secretary of State on a quarterly

²¹ CPAG (2023). ['You have to take it back to the bricks'. Reforming emergency support to reduce the need for foodbanks](#)

basis with interim uprating taking place, if necessary, using lump sum payments to overcome any technical delays in increases reaching claimants.

4. Targeted financial support to help disabled people

Cost of Living payments should be reviewed to ensure they are adequate for disabled people. One-off disability payments (£150) to date have not corresponded with real need or the extra cost of disability. A targeted financial package for disabled people should take into account the higher costs that many face and continue to struggle with during the cost of living crisis.

5. Introduce an energy social tariff to protect disabled people

The Government needs to work with Ofgem and energy companies to create a social energy tariff for disabled people with high energy usage due to their disability. This will be vital to protect many disabled people worst impacted by the cost-of-living crisis from current and future energy costs. The social tariff should also be offered to people using pre-payment meters.

For Local Authorities

6. Encourage innovation and work across teams to target disabled people

Most local authorities told us their Benefits and Revenues teams handled the administration of the scheme. Where possible local authorities should encourage joint working and creative ways of identifying disabled people in their area who are in need of support. This could be through improved data-matching, working with local partners and establishing strong community referral pathways to make sure disabled people in need are most effectively targeted. There must be a focus on impact measurement in order to learn from and demonstrate the case for longer-term investment in locally administered discretionary welfare funds.

7. Proactive and accessible communication

Disabled people have told us throughout the cost-of-living crisis the uncertainty around the availability of financial support from the Government left them anxious and distressed. Local authorities should work to alleviate this when it comes to the Household Support Fund as a vital local safety net. Decisions on who is eligible for financial support should be communicated in a timely and ongoing manner and in a clear and easy to understand format. There should be multiple points of access to the Fund, across public facing local authority teams, via trusted local partners and via strong and varied accessible communication channels.

8. Accessible applications

Where local authorities are delivering part of their funding on an application basis, they should ensure the process is accessible, available in a variety of formats, and doesn't cause further stress for disabled people. Written, online, telephone and in-person applications should be available, and where possible disabled people could avail of support via trusted partners to help fill out an application. Forms should also allow space for describing what may be a complex situation and explaining why support is being requested. Transparency on criteria and feedback on decisions should also be provided in accessible formats.

For more information on this briefing please contact campaigning@leonardcheshire.org