

Norfolk VCSE's: Breaking Cycles of Financial Hardship

What did we learn from the Household Support Fund (HSF) Microgrants and Community Based Hardship Support Fund?



“We see some of the most vulnerable families cycling round the support services, where what they really need is a consistent approach. This builds relationships and trust and then encourages people to aspire to new opportunities/possibilities, breaking that cycle of hardship.

-Nourishing Norfolk food hub manager”

Background

The Household Support Fund, introduced in October 2021, was designed to help households most affected by the cost-of-living crisis with critical expenses such as food, fuel and energy costs. The Household Support Fund provided a fast, straightforward route for Norfolk Voluntary, Community and Social Enterprises (VCSEs) to quickly roll out immediate financial assistance with household bills and essentials to households facing hardship in their communities. Its success in delivering targeted relief laid the groundwork for the Community Based Hardship Support Fund, which was implemented in Spring 2024 to address a broader spectrum of needs in Norfolk. With grants ranging from £10,000 to £50,000, the Fund enabled VCSEs to deliver both immediate and longer-term interventions and support for those most affected by the rising cost-of-living.

Priorities for funding

The funders prioritised four categories of households identified as most at risk to target through support from VCSEs:

1. Those with children,
2. Older people,
3. Individuals with disabilities,
4. and other groups experiencing financial hardship.

Funded VCSEs delivered a range of interventions, from direct interventions with food and fuel to broader financial and employment advice aimed at building resilience against financial pressures.

Through this period of April 2024 to September 2024, almost **£1.9 million** was distributed to the VCSE sector across both funding streams.

The Impact in Numbers

Household Support Fund Microgrants:

Through Household Support Fund Microgrants of **£720,000** was distributed to **7,200 households** via **66 VCSE organisations**, providing the quick relief of £100 per household, wraparound support and signposting. The main bulk of support was distributed through food and food vouchers (81%), remaining funding went towards energy and water and wider essential support.

Community Based Hardship Support Fund:

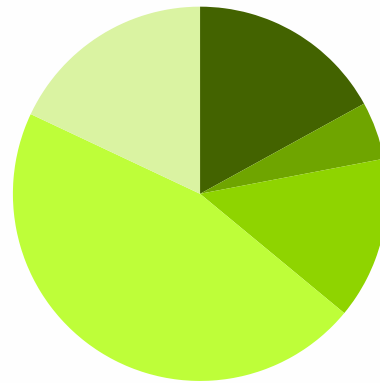
The new Community Based Hardship Support Fund (CBHSF), provided an additional **£1,177,130** of funding in the community, **across 48 Norfolk VCSE organisations**. The fund opened up the opportunity for broader support and medium and longer term benefits for households in hardship.

Households Supported through CBHSF



- Households with Children: 52%
- Households with Pensioners: 16%
- Households with a Disabled Person: 15%
- Other households: 17%

Types of Support Offered through CBHSF



- Food: 17%
- Energy and water: 5%
- Essentials linked to energy & water: 14%
- Wider essentials: 46%
- Advice services: 18%

Overall, of the 9,011 households supported **almost half of the funding went to households with children**, then the remaining funding was split fairly evenly between the other household makeups. Almost half of the £1,177,130 was distributed by VCSEs on wider essentials. This combined with the household makeup and the time of year, tells a strong story about school-readiness, as well as the support families need over the summer holidays.



Learning

The Household Support Fund had a transformative effect on individuals and communities in Norfolk. Here are some key highlights and learnings from the CBHSF round of funding:

1. IMMEDIATE CRISIS SUPPORT

The distribution of the Household Support Fund by VCSE organisations provided an immediate response to those in crisis, offering small emergency grants that had life-changing effects. These flexible and timely interventions to provide support with food, utilities, and essential costs helped households to avoid critical situations, fall into debt or become reliant on emergency provisions. This provided individuals with immediate relief and space to begin to regain control of their finances, and help to prevent further escalation of issues like unpaid bills and mounting debts. As one organisation reported:

For households that face the uncertainty of whether they will be able to afford next week's rent, food, and living costs, the provision of food and essentials has been a critical relief... Without it, many would have been forced to make difficult choices between basic essentials or risk falling into debt. By covering these immediate needs, the grant has given households breathing room to manage their budgets without the constant fear of not being able to afford daily living costs.

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And the effect was felt by individuals, such as this beneficiary:

I didn't know how I was going to cope. It made a world of difference during a really tough time.

2. THE MULTIPLIER EFFECT

The intervention of a financial crisis contribution, paired with wraparound support provided by VCSE organisations unlocked greater value for individuals, the community, and statutory services. VCSEs proved to be well-placed to deliver person-centred, holistic and thorough interventions. Their community-based approach allowed them to build trust and provide tailored support, and many VCSEs noted that the provision of direct interventions through the Fund, encouraged people to engage with services for the first time:

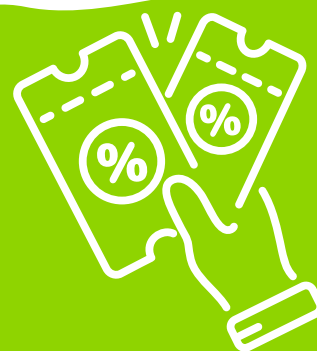
Being able to offer food vouchers for those who needed it allowed them to settle into our community hub and encouraged them to book 1:1 appointments with our staff so we could more thoroughly understand their unique circumstances, refer to our partner organisations and make them aware of the wraparound support.

Support attracted new audiences of vulnerable people who had been struggling and were not sure how to access help for families. The case study below is just one story of difference.

CASE STUDY

One Nourishing Norfolk food hub told us about how they helped someone who was struggling to gain stability in their life, and how they helped her to access essentials so she could begin to address her financial situation: **“We have a member who has eight children, seven who live with her. She struggles with severe mental health difficulties and ADHD. She gets no maintenance payments, is on universal credit, and has been sanctioned because she didn't do the right number of hours at work. Now she has been let go and isn't working. She reported that she and her children were going hungry - she had sent her children to their father's house over the summer holidays so that they could eat. Wanting to work through her many debts, we were able to offer her store credit, and purchased clothes, mattresses and a bed for her children, an oven (her hob was leaking gas and was condemned), and a fridge/freezer as hers was leaking and had black mould inside. This provided immediate relief but also allowed her to focus on the broader picture of her debt relief order.”**

This parent said: **“Thank you so much for all of this. I can't quite believe how much you've done for me. It's my son's birthday on Saturday and we can actually celebrate for the first time. It's given me some peace of mind. I've got all my debts in different folders, sorted out, and I now feel I'm in a much better place to be able to organise myself. I feel like me again.”**



Oak Grove Community Church

3. SUCCESSFUL BECAUSE THEY WERE TRUSTED

We heard from funded groups that many people didn't know where to turn for support. Charities offered that micro-level of connection in their community, to give credibility to information and referrals and were committed to understanding the wider challenges of the household, beyond the need for financial assistance. This is well demonstrated by this case study below.



CASE STUDY

Holistic support means going beyond casework and adopting a person-centred approach. One VCSE explained how with the funding, they were able to intervene to help a family in crisis and then continued to support them to get back on their feet.

“Our support teams were contacted by the [local school], who was deeply concerned about a mother... and her son, who had fled domestic abuse less than 24 hours earlier. [They] had been placed in emergency accommodation with no appliances, very limited funds, and little access to food.



When [she] visited [our charity], it was clear that she was struggling emotionally and experiencing severe stress, with growing mental health concerns. [She] had not yet separated her benefit claim from her ex-husband and was left with almost no money to cover essential needs. Through the provisions we had on hand thanks to the Community Hardship Fund, we immediately provided the family with essential household items, including a microwave, air fryer, and toaster, along with two bags filled with household essentials and frozen meals from our community fridge. [She] was also given a £100 grocery voucher through the Household Support Fund.

We continued working with [her], with ongoing support from our... teams to help her access the welfare she is entitled to, prepare budgets and slowly get back on her feet. [She] was visibly overwhelmed and relieved by the support she received and conveyed her sincere gratitude both to our support staff and the fund which made the emergency provisions possible.”

4. REMOVING ONE BARRIER LED TO REMOVING MANY MORE

Norfolk VCSEs used the funding to provide a variety of interventions to help households tackle debt. As well as providing interventions to free up cash to make payments by providing food, goods, and energy vouchers, they were able to support households with debt repayment plans and budgeting advice. All of these interventions can help to create the headspace for individuals to take further action to address their challenges. As one organisation put it:

Many individuals live with the constant worry of debt, so any relief can make a significant difference, allowing them the space to sort out their financial situations without feeling overwhelmed.

And then they were able to help people to discover the underlying causes for debt, understand the next steps, and provide practical support where needed, such as for this older lady:

We found a lady who was paying broadband 3 times through not understanding what providers were doing or what she was paying for.

But saving money on bills and household essentials is not always possible for people living on the margins with nothing left to save. In those cases, it was about exploring options for benefit uptake. The practical support provided gave individuals the skills and confidence to take the next step, as this beneficiary of the fund experienced:

If I get pension credit I will get possible reductions in rates, help with dentists and opticians and winter fuel payment so may well be more than £100 a month better off following this. We went through PSR and utility payments... I never dreamt in a million years that I would get pension credit and we may also now get help with OT, bathroom adaptations and stairlift.



5. INNOVATIVE SOLUTIONS TO AGE OLD CHALLENGES

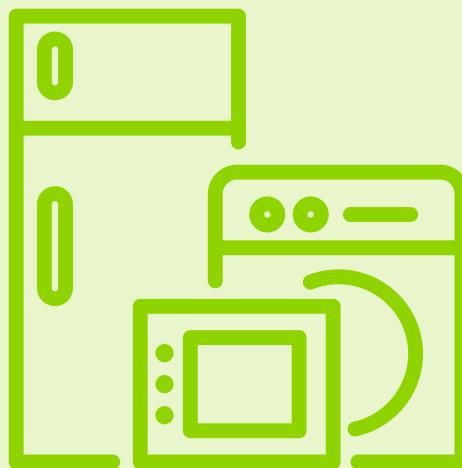
Whether it was buying appliances now to save later or finding a local solution to the best start to the school year, funded projects were not short of fantastic ideas rooted in their community to make an impact.

White goods (e.g. Refrigerators, cookers and washing machines) and electrical appliances (e.g. Air fryers, slow cookers and microwaves) were seen by local VCSEs as a critical means of breaking cycles of financial hardship. VCSEs identified three main benefits of having the right appliances:

1. Food cost savings,
2. Energy savings
3. and long-term rental to outright purchase savings.

As one beneficiary commented:

This cooker is not just an appliance! It is much more than that! It is something that will give me the ability to live more independently, be healthier, and to use the help I am receiving from CMHT (Community Mental Health Team) more effectively. Because I can now eat more regular meals, I feel better, have more energy to work longer hours, have a better daily routine and are able to take my medication regularly. Thank you, with all my heart! Your generosity really does have the ability to change lives beyond what you can imagine!



A group that benefitted from purchases like these were households who were renting their white goods. While they did not face the crisis of having no appliances, renting appliances represents a long-term expense, with the ongoing monthly costs depriving people of income that could otherwise be used elsewhere. For example, buying a Bosch fridge costs £299, and should last at least 10 years. Renting the same fridge costs around £21pcm, so over the same 10-year period will cost over £2,500. By purchasing these household items like fridges, freezers and cookers, these costs were eliminated on an ongoing basis, freeing up funds for other necessities.

VCSEs supporting families with children identified school uniforms costs as an issue and acted to provide support with these costs. Methods of providing uniforms ranged from bulk-purchasing essential unbranded items such as skirts, shirts, trousers and shoes to collaborating with local suppliers of mandatory uniform styles to secure bulk discounts on these items. Uniform, on the surface, could be seen as a short-term intervention. VCSEs, however, noted that there could be longer-lasting benefits from this action.

The big impact will be the sense of trust and support this has already created between families and schools which is even more important where some families have a sense of suspicion around "authority"... It was the most positive and productive thing we have done with families before students have started.

This VCSE also identified a particular family who they had previously struggled to engage, which had led to negative behaviours from both the child and the family within the school. Using the uniform offer, they were able to reach out and establish a more positive relationship:

Mum was quite honest with us that they would have sent him in wearing the wrong uniform and the start of the year would have been very different for that young person.



And also, it released the stress and anxiety experienced by families, having a profound effect on the lives of parents in the county, as this food hub observed:

A woman approached the shop in distress about affording school uniform for her three children. She had not eaten properly for 2 weeks trying to save money - living just on toast and that sparingly. She came to the food hub and the manager spent over an hour just listening to her and taking her through the support available. The food hub manager provided her with £150 of school uniform vouchers, and £150 school shoes vouchers. Together with access to affordable food at the food hub, this was transformational support for this family.

And activities that built skills and resilience for households, which could result in cost savings were also impactful. Some food hubs provided cookery classes to help people to make nutritious food on a budget, learning skills for life, such as this example:

Our cooking classes designed for those shopping at our social supermarket... ensured that the short term support was followed up with resourcing our community members in the long term, thus aiming to break the cycle of crisis."

Build on this learning to create community resilience

We have a network of organisations who are keen and connected in their local area, wanting to do more to support their community.

Matching this funding with other funding to do more

Since the funding ended, some organisations have applied to our other funds to continue projects which were born through Community Based Hardship Support, so we know there is a continuing appetite and demand from community groups and the people they support. In addition, we have continued to hear about issues that are prevalent in the community linked to hardship, including noticeably poor physical health due to malnutrition and restricted eating due to poverty, the rise in domestic violence and financial control, the poverty premium associated with private rental accommodation, and the impact of mental health.



Reduce pressure on statutory crisis support

Working in partnership, we would love to build on the trusted, established relationships within this proven successful model. We want to unlock more wider support for the HSF programme, and remove pressure on statutory services, through a trusted hyper-local model.

The Household Support Fund microgrants scheme, alongside the Community Based Hardship Fund has led to a step change in support for those most vulnerable in our communities. From short-term benefits to the potential for longer term change.



Short term

- Crisis support-food & fuel
- Respite- activities, days out etc.



Medium term

- Appliances and energy savings
- School uniform



Long term

- Building confidence, trust & self-esteem
- Securing benefits
- Learning- financial literacy, cooking skills etc.

Quick steps we could take together to enable further change:

- 1 Averting crisis through accessible points of relief in the community, such as community centres and food hubs
- 2 An offer for families in need around uniform provision, so each child starts the school year with their best foot forward
- 3 Capital goods purchasing over renting, for families on the margin to stop the poverty premium pushing families over the edge.
- 4 Partnership building with VCSE organisations, statutory bodies and the community, to ensure Norfolk people have the best advice and support when needed





Norfolk Community Foundation

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