

| Report for: | Cabinet |
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| Date of Meeting: | 18 November 2921 |
| Subject: | Household Support Fund |
| Key Decision: | Yes as it effects the whole Borough |
| Responsible Officer: | Charlie Stewart - Corporate Director, Resources |
| Portfolio Holder: | Cllr Natasha Proctor – Deputy Leader and Portfolio Holder for Finance & Resources |
| Exempt: | No |
| Decision subject to Call-in: | No - (waiver requested as allocation of funding is urgent to support vulnerable people as winter approaches, and only limited time is available to ensure all the fund is spent) |
| Wards affected: | All |
| Enclosures: | Appendix 1 - Household Support Fund Policy;  Equality Impact Assessment |

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| Section 1 – Summary and Recommendations |
| The Government announced in early October that a new Household Support Fund (HSF) grant would be made available to Councils to support those most in need this winter.  At least 50% of the total funding must be spent on families with children. In terms of type of support, the expectation is that the Household Support Fund should primarily be used to support households in the most need with food, energy and water bills. It can also be used to support households with essential costs related to those items and with wider essential costs. Administration costs may be charged against the grant.  Harrow Council will receive a total grant of £1,476,707.18 which must be spent by 31 March 2022.  Authorities were asked to have arrangements in place as quickly as possible to support vulnerable households throughout the grant period and our outline plan was submitted to the Department of Work and Pensions (DWP) on the 29th October as they requested. As winter would soon be upon us and costs of living are rising swiftly, quickly getting arrangements in place is important for Harrow’s most vulnerable. Therefore this paper has been tabled urgently for the November Cabinet and a call-in waiver is requested.  The paper proposes how Harrow Council would spend the indicative Household Support Fund before 31 March 2022. Although it is expected that the grant allocation from DWP and plan would not change, if it does then it is proposed that changes to the scheme are agreed by the Corporate Director – Resources in consultation with the Cabinet Member for Finance & Resources. Additionally, if one part of the framework underspends, it is proposed that the funding be used to extend the support offered in another part of the framework and that delegation is made to the Corporate Director – Resources in consultation with the Cabinet Member for Finance & Resources to make these amendments. Recommendations: Cabinet is requested to:   1. Approve the allocation of the Household Support Fund as set out in this report and specifically the Council Tax Support (CTS) and Emergency Accommodation (EA) options as follows:    1. For CTS, the Working Age housholds option at £40 to be paid in one installment .    2. For EA, the Household with Children option at £36 per month for the time of the grant. 2. Approve the Household Support Fund Policy (set out at Appendix 1); 3. Delegate to the Corporate Director – Resources in consultation with the Cabinet Member for Finance & Resources the authority to make minor changes to the scheme and to manage the small reserve of £32,399.78; 4. Approve the purchase of vouchers for elements identified in this report relating to Council Tax Support, Emergency Accommodation and the Emergency Support Scheme, through a compliant procurement route; and 5. Delegate to the Corporate Director Resources in consultation with the Cabinet Member for Finance & Resources to firstly, finalise and make decisions on any issues pertaining to the HSF and secondly, delegate the authority to make the award of contract for the purchase of the vouchers that the Council will directly administer.  Reason: (for recommendations) The recommendations in this report meet thie criteria for the grant as set out by DWP. Those criteria provide broad discretion with a focus for 50% of the scheme on families with children. The Council have considered from the limited data available where best to focus the funding. The proposals provides a balance of a spectrum of support together with focus so that the funding is not spread too thinly. The proposal eligibility criteria cover the following:   * Free school meals and Council tax support which have historically been found to provide effective support to vulnerable families; * Harrow’s Community Hub support. This is a joint venture with the community and voluntary sector, which has shown to be effective in providing essential food support quickly to vulnerable residents; * Emergency accommodation and general support is considered essential to help stop vulnerable people spiraling into acute difficulties following a critical one-off event; and * Administration support which includes enlisting the aid of Citizens Advice Harrow (CAH) to act as the main referral route into the emergency support scheme. CAH know the history of the household and can screen clients for eligibility before referring on to the Council. |

## Section 2 – Report

### Introductory paragraph

Harrow has been allocated a grant of £1,476,707.18 from the Department of Work and Pensions (DWP) to deliver a Household Support Fund, and the Council was required to provide a plan to DWP by the 29th October. The expectation is that the grant level and the plan as submitted will not change. However, if it does this would either be reported at the Cabinet meeting or it is proposed that delegation to make changes to the proposed scheme is granted to the Corporate Director – Resources in consultation with the Cabinet Member for Finance and Resources.

The grant has to be spent by 31st March 2022 and time is short to ensure it is distributed as quickly as possible. As winter would soon be upon us and costs of living are rising swiftly, quickly getting arrangements in place is important for Harrow’s most vulnerable. Therefore this paper has been produced urgently for the November Cabinet.

DWP have provided the following guidance which sets the framework within which the fund must be delivered.The Council has discretion on the local Household Support Fund scheme with some fixed elements set by DWP:

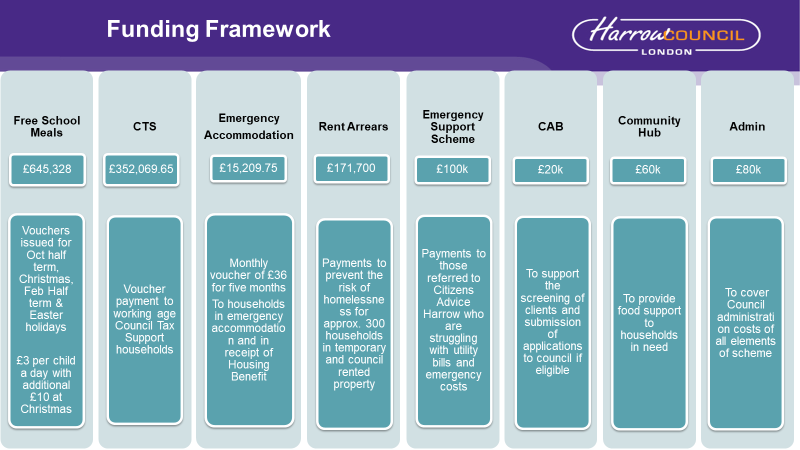
* It should primarily be used for vulnerable households most in need with food, energy fuel and water bills.
* It may also be used for other essential costs and in exceptional circumstances, it can be used to support housing costs or for financial advice
* DWP have urged Councils to include a claim based element to their scheme to act as a safety net for anyone with an immediate need who is not captured by other elements of the scheme
* It must not duplicate existing provision
* 50% of the funding must be allocated to households with children
* The Council must have spent all of the funding by 31 March 2022
* Any unspent funding must be returned to DWP
* Funding is ring-fenced for the purpose of the Household Support Fund
* Reasonable admin costs can be taken from the funding pot
* Funding cannot be used for mortgage costs or for advice services such as debt advice.

### Options considered

The recommendations seek to maximise the impact of this funding for households most in need in the Borough. Different options of either spreading the funds more thinly to a greater number of households or giving a higher value award to less households were considered. The recommended scheme provides a balance of these approaches. It also seeks to use proven methods of delivering focused funding to vulnerable families and residents such as Free School Meals and Council Tax Support.

The Council’s options were also limited by the available data, for example information for Universal Credit recipients is not available to permit a bulk mailshot.

Set out below is the recommended split of funding across different streams. The value of spending for each may alter depending on caseloads at the point data is extracted through the period the scheme is running. The intention is to ensure all funding is spent by 31 March 2022 with the allocations spread largely as below.



More detail about each of these elements is set out below. If these allocations are agreed, then there is a reserve of £32,399.78 which would be held to see how spend progresses and then allocated within the framework as appropriate. It is proposed that authority to allocate it within the framework is delegate to the Corporate Director – Resources in consultation with the Cabinet Member for Finance & Resources .

Households may qualify for multiple payments under different elements of the scheme. There is no restriction on the number of awards a household could receive, but consideration would be given to the level of assistance already received and whether any further award(s) would make a material difference to the household.

Free School Meals

Under the Covid Local Support Grant the Council has provided free school meals (FSM) to households during the holidays from October 2020 through to Summer 2021. This has been found to be effective as schools already have voucher systems set up for those parents with children on free school meals so the Council funding schools to make this offer to parents is a very efficient and effective way of giving financial support for families who’s children qualify for free school meals. While the Household Support Fund is a new initiative, the Council is seeking to continue to deliver this support from October half-term through to the Easter holidays.

An award of £3/day per child is proposed to be issued via schools, with an additional £10 at Christmas. Any surplus funds not committed to be spent by 31 March 2022 across the whole scheme would then be used to top up the Easter holiday free school meal award to ensure the grant is fully spent. If the funding for the Easter holidays is paid before 31 March 2022, recipients of vouchers can have a period of time to spend the money in April 2022, which is consistent with the grant condiations for the Council to have spent the funds by the 31st march 2022.

Council Tax Support

It is proposed to support households who are in receipt of Council Tax Support. Due to the Covid-19 pandemic the number of households on Council Tax Support increased by 19% since April 2020, or 36% for working age. Receipt of Council Tax Support is an indicator of low income and these households are therefore likely to be experiencing financial hardship as the cost of living increases, particularly for those may have higher outgoings as they were employed prior to Covid. These households are also known to have the pressure of paying Councli Tax in addition to other household expenses. The options set out in the table below were considered. The table shows the range of values that could be awarded depending how many households are in the cohort.

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| --- | --- | --- |
| **Cohort** | **Number of CTS households** | **Value of monthly allocation per household based on circa £500k allocation** |
| All CTS households | 13,398 | £7.50 |
| Of which Working age | 8,661 | £8.00 |
| Of which Household with children | 5,030 | £20.00 |

Pensioners were not considered for an award as a separate cohort as they already receive the Winter Fuel Payment. A disproportionately high number of working age are also new Council Tax Support claimants due to Covid and therefore are more likely to have greater financial pressures as their outgoings have previously been dependent upon them being in employment and not needing to rely on Benefits.

The working age option is recommended as it is a balance between giving a higher value award to fewer households or a lower value award to more households. It also balances with the proposal below to provide Emergency Accommodation support to households with children which is more focused.

Last year’s Christmas’ FSM allowance included a £10 Christmas addition. It is proposed to repeat this approach in this framework to ensure that the focus of the funding is on low income households with children. To cater for this cost within the funding allocation, the Council Tax Support element will be a one off payment of £40 (equivalent of £8 per month). However, such a one-off payment would benefit households as it provides an immediate larger sum than the alternative of a monthly payment.

A one off payment, rather than five monthly instalments which was originally considered, also reduces the postage costs which means more of the total funding can be given to residents, and is anticipated to be of greater impact to the recipients than if the payment was made in instalments.

Vouchers would be posted to recipients and could be redeemed in supermarkets. This would assist households with their food shopping if they are struggling to afford food or would free up money that would otherwise have been spent on food for use on other essentials such as energy fuel (gas/electric) or water.

Emergency Accommodation

Households with children in emergency accommodation and in receipt of Housing Benefit are proposed to be given an award of £36 a month. As per the table below, the option to give a lower value award to all households in Emergency Accommodation and on Housing Benefit was considered, but it is recommended to give a higher rate to households with children to make a material difference to these households.

The awards will be issued as a voucher once a month for five months, November 2021 to March 2022. As with the Council Tax Support allocation, the voucher can be redeemed at supermarkets and will assist with food and potentially free up money for the household to use for other essential items.

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| --- | --- | --- |
| **Cohort** | **Number of Emergency Accommodation households in receipt of Housing Benefit** | **Value of monthly allocation per household** |
| All EA households | 149 | £20.00 |
| Household with children | 83 | £36.00 |

The number of households is based on the Housing Benefit caseload as of October 2021. This would fluctuate at the point each monthly award is issued. While the intention is to keep the award at £36 a month, the final payment in March may differ depending on the level of remaining funding available.

Rent Arrears

As per DWP guidance, in exceptional circumstances the Household Support Fund can be used for household costs including rent arrears. All other options for support must have been exhausted before an award from the Household Support Fund can be considered, for example Benefits or Discretionary Housing Payments. Awards must not be made for housing support on an ongoing basis or to support unsustainable tenancies. Cases would therefore be considered on an individual basis to understand the long-term impact of clearing all or some of the arrears.

It is proposed that the following funding would be allocated to a total of 281 households to assist with rent arrears:

* 77 households currently at risk of homelessness from temporary accommodation
  + Average cost of £1,700 per household.
  + Total £130,900
* 204 households at risk of homelessness from council rented accommodation
  + Average cost of £200 per household.
  + Total of £40,800

This would therefore be a total of £171,700 for this part of the scheme.

Emergency Support Scheme

DWP require Household Support Fund schemes to have an element that residents can access via an application process. The intention is to be a safety net for vulnerable households in need who either haven’t received assistance through other elements of the scheme or who still can’t afford essential items after receiving assistance.

Food, gas, electricity and water would be prioritised by the proposed Emergency Support Scheme, particularly where there is good reason why the household is unable to receive assistance with food from the Community Hub. The scheme would also consider applications for items associated with these essential items such as boiler repair. To maximise the impact of the fund for as many residents as possible, awards would only be made where there is no alternative provision available for the required item. Applications for items such as clothing, school uniform and furniture or white goods would also be considered.

The type of things a successful applicant would need to demonstrate are:

* why the item they are applying for is deemed to be essential;
* how an award would make a material difference to the household, for example there is no gain in arrears of a gas bill being cleared if they would immediately start to accumulate again; and
* what their financial situation is to show why they are unable to afford to purchase it themselves

As funds are limited, a decision to make an award would also take into account how else the funding could be used, for example a payment of £500 to one household for new furniture or five £100 payments to five households for gas credit on key meter.

A procedure will be developed to set out the criteria for the Emergency Relief Scheme to ensure consistency in approach. It is proposed that Citizens Advice Harrow (CAH) triage potential applicants and support them in submitting an application. Applications will then be reviewed by the Benefits service prior to a decision on whether or not the application is successful. Successful applications will also be approved by a Senior Officer before an award is issued. Both the Benefits Service and CAH propose to use a small pool of staff to process the applications which will also ensure a higher level of consistency.

Across all elements of the Household Support Fund, residents would be advised on what advice is available in the borough to assist them to be financially stable, for example referrals to SHINE to assist with energy efficiency.

Awards would be made through the most appropriate of the following channels:

* Instant Issue Payment card – with ATM service if appropriate;
* BACS;
* Provision of item such as furniture/white goods; or
* Direct payment to third party such as to gas provider for arrears payment.

Citizens Advice Harrow

It is proposed that Citizens Advice Harrow (CAH) triage applicants to the Emergency Support Scheme and where appropriate assist residents in completing applications for referral to the Council’s Benefits Service. CAH are well placed to receive referrals and to know who from their own client base could potentially qualify for a payment.

CAH are also delivering a debt advice service which can take referrals from the scheme to give longer term assistance to residents applying to the scheme. Furthermore, they hold a wealth of information about other funding available to residents which would ensure that not only can residents access as much assistance as they may be entitled to, but also that the Emergency Support Scheme funding would have greater impact as it would only be used where no other provision is available.

The Council’s Benefits service would make the final decision on all applications and issue awards. CAH and the Benefits service already have a good working relationship, which would assist in the quick set up of this new process.

Community Hub

It is proposed that as the Community Hub are already in receipt of additional monies from the Council, having been extended until the 30th September 2022, that £60,000 of the Household Support Fund is used to free up that sum of the the originally agreed funding from other Council budgets, which will help the Council manage other pressures. This provision has been found to be very effective in providing food and other support to a wide range of vulnerable residents.

As well as being a priority item in the DWP Household Support Fund guidance, it is known that food is frequently what households present as not being able to afford as they have used money on other essential items. It is also proposed that where a household may have a different need, provision of food may free up money to be used by the household on other items.

Administration

DWP have allowed Councils to use a reasonable amount of the Household Support Fund to pay for administration of the scheme. It is proposed that the Council retain £80k of the funding for the following admin roles and £20k be paid to Citizens Advice Harrow for their administration:

* Team Leader in Benefits Service
* Senior Assessment Officer
* Housing Support for rent arrears
* Business Support to administer vouchers

**Ward Councillors’ comments**

#### Not Applicable

#### Performance Issues

Each of the strands of support will be monitored and pulled together into a report that will be considered monthly by the Council’s Covid Silver Group, which is chaired by the Corporate Director – Resources.

#### Environmental Implications

There are none.

#### Data Protection Implications

### A data protection impact assessment has been completed and as agreement to share any personal data is already sort from residents by CAH and our systems are already data compliant, then there are not considered to be any key data protection risks.

### Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below. **N/A**

The following key risks should be taken into account when agreeing the recommendations in this report:

| **Risk Description** | **Mitigations** | **RAG Status** |
| --- | --- | --- |
| Risk of more applicants being in the system resulting in overspend | * FSM – £80k had previously been committed to FSM from the public health reserve. This pot will be retained to cover any FSM overspend due to an increase in the number of children receiving FSM over the course of the HSF scheme * Emergency Accommodation – this is a relatively low number of households so low financial impact if number rises * Council Tax Support – is a one off payment so no risk in respect of a rising caseload * Other elements of the scheme – funding is limited to the amount allocated so any increase in demand will not be met * The proposal includes a reserve of £32,399.78 which will be used to top up any elements where demand is higher than forecast | Amber |
| Risk of funding not being spent | * Most elements of the scheme are proactive issue of awards so do not need to be claimed by residents which reduces the risk of underspend * Publicity will be undertaken to raise awareness, in particular with partners who are well placed to signpost residents to access the scheme * Any unspent funds will be used to increase the FSM allocation for the Easter holidays | Green |
| Full funding not received as a result of DWP determining that spend was not eligible  (DWP funding will be made in arrears in two instalments following MI returns from the LA. The first is an interim payment in Feb/Mar 2022 and the second a final payment in May/June 2022. The second will be dependent on DWP being satisfied that the LA’s MI submission evidences eligible spend within the scheme) | * Harrow’s approach takes full account of DWP guidance on spend to ensure its scheme is within the framework * The scheme proposal has been submitted to DWP in advance of the scheme launching. Further MI will be submitted to DWP regarding actual spend in Jan 2022. Any feedback from DWP in response to either of these submissions will be considered and implemented as appropriate to ensure the scheme remains compliant * There is flexibility within the scheme to adapt it should it be necessary to make changes to the allocation of funding across the different elements once DWP feedback | Amber |
| The focus of funding is inappropriate and options limited as it is based on limited data. | * Regular review of allocations and spend to ensure update is appropriate. * Level of funding allocated to different strands of the scheme can be adjusted to ensure scheme remains within funding allocation | Green |
| Funds duplicate existing provision | * Regular review of allocations against outcomes predicted from other grants to ensure there is no or limited overlap. | Green |
| 50% of the funding is not allocated to households with children | * The value of spend on households with children who qualify for FSM, are working age in receipt of Council Tax Support and Emergency Accommodation households on Housing Benefit is expected to be at least £865,000. 50% of the grant is £738,353.59. The risk of not meeting the 50% target for spend on households with children is therefore low. However, this will be monitored through the running of the scheme and spending of funds on rent arrears and from the Emergency Support Scheme will be directed to children if the target is at risk of not being met | Green |
| Inconsitent decisions being made on support provided via Emergency Support Scheme | * Criteria set out in procedure will give a framework to CAH and LBH Benefits Service to increase consistency in decision making * Small pool of decision- makers both in CAH and LBH Benefits Service will provide greater consistency * Applications to be approved by a Senior Officer to the original decision maker which will further ensure that decisions are within the criteria | Amber |
| The scheme will have an adverse impact of people of a pensionable age | * Mitigations are detailed in the attached EIA | Amber |

### Procurement Implications

The Council has already entered into arrangements to support the Community Hub which has had procurement sign off, so as the arrangement here is to utilise £60,000 of the Household Support Grant to substitute already agreed expenditure, there are no further procurement implications for this spend.

For Citizens Advice, as our commissioned generalist information and advice provider they are the natural partner to support the screening of those individuals and families who would qualify for our emergency support scheme or who have rent arrears. Therefore, as Citizens Advice are the only organisation that could holisticially offer this service to Harrow residents the £20,000 spend to support their contribution to the Household Support Fund can be delivered through a variation of the existing contract to incorporate the new scope.

The Council will purchase vouchers for elements identified in this report relating to Council Tax Support, Emergency Accommodation and the Emergency Support Scheme, using a compliant procurement route.

### Legal Implications

### The DWP has provided funding to local authorities under s.31 of the Local Government Act 2003. The DWP has issued guidance on the administration of the scheme, which has been considered in formulating the Council’s policy. There are also requirements in relation to information sharing and submitting monitoring returns on use of the funds. The policy contains provisions in relation to combatting fraud to ensure that monies can be recovered and action taken if any applications are submitted on a fraudulent basis.

The guidance explains that: *“the funding is intended to benefit households most in need of support with food, energy bills, related essentials, wider essentials and (exceptionally) housing costs as the economy recovers this winter. The funds should not be used for any economic undertaking.*

*Whichever way you use the funding, including where you work in partnership with others, you should consider all Subsidy rules (previously state aid) issues. Check whether the ‘de minimis’ regulation exception applies. You should also follow government procurement procedures where relevant.”*

### Financial Implications

The eligibility criteria and associated framework outlined in this paper is in line with the grant determination letter and guidance from DWP.

The grant allocation is considered that it is unlikely to change. If it does then the scheme will need to be altered to fit within the final allocation. Recommendations on how this will be done are indicated in the paper.

### Equalities implications / Public Sector Equality Duty

Decision makers should have due regard to the public sector equality duty in

making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the

need to:

* Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
* Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
* Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
* Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  + remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
  + take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
* Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
* The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons’ disabilities.
* Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  + Tackle prejudice, and
  + Promote understanding.

Compliance with the duties in this section may involve treating some persons

more favourably than others; but that is not to be taken as permitting conduct

that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

* Age
* Disability
* Gender reassignment
* Pregnancy and maternity
* Race,
* Religion or belief
* Sex
* Sexual orientation
* Marriage and Civil partnership

An equality impact assessment (EQIA) has been undertaken for this proposal the EQIA concludes that:

* There will be a positive impact on those working age benefits recipients, and within those families with children;
* There will be a positive impact on those residents of working age who have a disability and are in receipt of Council Tax Support;
* There is likely to be a positive impact on pregnancy and maternity
* There will be a positive impact on those residents of working age who are of a Black and Multi Ethnic heritage; and
* There will be a positive impact on women.

The appended Equality Impact Assessment highlights the following adverse implication:

* There will be an adverse impact on those people of pensionable age

Mitigations are set out in the Equality Impact Assessment.

### Council Priorities

The decision has a direct bearing on the Council’s commitment to tackling poverty and inequality and addressing health and social care inequality as it supports the most vulnerable in the Borough with critical funding to support them over the winter months. Through these financial payments their health will be supported through helping ensure they continue to have a place to live and have support towards other costs such as food and heating.

## Section 3 - Statutory Officer Clearance

**Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 10/11/2021**

**Statutory Officer: Jessica Farmer**

Signed on behalf of the Monitoring Officer

**Date:** **10/11/2021**

**Chief Officer: Charlie Stewart**

Signed by the Corporate Director

**Date:** **10/11/2021**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 10/11/2021**

**Head of Internal Audit: Susan Dixson**

Signed by the Head of Internal Audit

## Date: 10/11/2021

## Mandatory Checks

### Ward Councillors notified: NO, as it impacts on all Wards

### EqIA carried out: YES

### EqIA cleared by: Head of Equality, Diversity and Inclusion (EDI)

## Section 4 - Contact Details and Background Papers

**Contact:** Alex Dewsnap – Director of Strategy and Partnerships, [alex.dewsnap@harrow.gov.uk](mailto:alex.dewsnap@harrow.gov.uk)

**Background Papers: None**

Call-in waived by the Chair of Overview and Scrutiny Committee

**YES**