

For General Release

REPORT TO:	CABINET 07 December 2022
SUBJECT:	Distribution of Household Support Fund Grant
LEAD OFFICER:	Susmita Sen, Corporate Director of Housing
CABINET MEMBER:	Cllr Hale, Deputy Mayor Cllr Cummings, Finance Cllr Gatland, Children and Young People Cllr Hopley, Health and Adult Social Care
WARDS:	All
FINANCIAL IMPACT This report concerns the distribution of £3,013,689.49. This sum is entirely grant funded by the Department of Work & Pensions (DWP) so has no direct impact on existing Council budgets.	
KEY DECISION REFERENCE NO.: 7222EM This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors	

1. RECOMMENDATIONS

The Executive Mayor in Cabinet is recommended to:

- 1.1 Accept the Department for Work and Pension Household Support Fund (HSF) allocation of £3,013,689.49 as set out in this report and make associated budget adjustments.
- 1.2 Approve the proposed allocation of the HSF in line with Appendix A to this report and the administration of the fund. This covers a local eligibility framework, an approach to enabling access to grant funding that supports households most in need, and the development of a local delivery approach.
- 1.3 Approve the proposed phased roll out approach set out in paragraph 7 of the report.

2. EXECUTIVE SUMMARY

- 2.1 There has been three Household Support Fund allocations since October 2021. Croydon fully spent the two previous grant allocations and supported 66,791 households.
- 2.2 This Household Support Fund is for **£3,013,689.49** as allocated by the Department of Work & Pensions (DWP) and covers the period 1st October 2022 to 31st March 2023. The fund is ring-fenced. However, the DWP will pay the fund in arrears upon receiving financial returns in January & April 2023.
- 2.3 To mitigate financial risks to the Council, a robust monitoring and reporting system will be put in place to ensure the right funding goes to those most in need. The Council will monitor who gets funding ensuring a robust approach to ensure the households in genuine need get the support required.
- 2.4 Service will be responsible for recording and tracking their day to day spend from the fund. This will be to allow monitoring of what the fund is being spent on (DWP return) and how much is left in each areas budget. Work will be done with individual services to establish the best practice for reporting, based on how and what they are awarding.
- 2.5 Although all services will be responsible for tracking their own spend, they will need to supply monthly spend reports to the Single Point of Contact (SPOC). The SPOC will be responsible for over-seeing and monitoring the fund and it's spend as well as completing and returning spend information.
- 2.6 To help mitigate the risk of underspend the monitoring process will also identify underspending in services that can be used and other areas.
- 2.7 The above will ensure that:
 - a) The data collected will be sufficient for the DWP MI returns to ensure the monies is paid back
 - b) There is no overspend
 - c) The fund is utilised with maximum efficiency
 - d) The Council can track and report the number of residents supported and what support they received

3. DETAIL

- 3.1 There are some changes to the criteria for this Household Support Fund:
 - Ringfenced spending for any cohort of residents has been removed.
 - A requirement for all Authorities to operate at least part of their scheme on an application basis so that residents have the opportunity to come forward to ask for support. Croydon will continue to offer this option.
 - An expectation of Authorities to particularly consider those groups who may not have benefitted from any of the recent cost of living support
- 3.2. The proposed allocation will cover the following areas:

	Estimated spend	% Of allocation
Food	£ 1,752,735.31	58%

Fuel	£557,504.14	18%
Wider Essentials not linked to food and fuel*	£369,600	12%
Housing Cost	£161,281	5%
Essentials linked to food and fuel*	£128,001.04	4%
Administration	£44,568	1%
Total	£3,013,689.49	

The remaining 1% to cover administration fees

*Full details can be found in the guidance document attached in appendix 1

- 3.3 58% of the allocation will be spent on food to support families over the school holiday. 18% is allocated to support families with fuel bills and 12% of the fund will be targeted at residents in need of wider essentials. The approach will be similar to the previous £150 rebate support with council tax bills as it will free up income that can then be used to cover utility bills.
- 3.4 There was a greater focus on supporting pensioners under the last scheme but this requirement has been removed under this scheme. This is because the government has set up a wide range of support to help with fuel and this includes a one-off £300 Pensioners Cost of Living Payment which they will receive as part of the Winter Fuel Payment. In addition, pensioners can also receive support from the Household Support Fund through the direct application process. This also applies to those over the age of 75.
- 3.5 The grant allocation proposal replicates the same approach as before which worked, ensuring the full grant allocation was spent and financially vulnerable households supported. The approach is based on having both an application process and targeted work to increase access to those who need it. The targeted approach will be based on a set eligibility criteria as well as at the discretion of the services.
- 3.6. Based on discussion with a number of services, the requirement of the fund and the previous fund, below is a summary of the proposed allocation.

Service	Support	% Of allocation
Education	£15 food voucher for families in receipt of Free Schools Meals (FSM) for 5 weeks as well as a discretionary pot to cover food for families not in receipt of FSM	53%
Discretionary Support Team	Administration of direct applications from residents.	17%
Housing	Tenants in council and temporary accommodation who pay for utilities directly to the Council through service charge. In addition, £150 will be awarded to tenants living in the wards with the highest fuel poverty in the borough.	12%
Revenues	Target households who need help with council tax bills	10%
Children Social Care	Support vulnerable families with health conditions where a warm home can contribute to improvement in their condition and those who require assistance with essential goods	2%
Regina Road Residents	Residents living in the three tower blocks on Regina Road paying high heating bills due to the type of heating systems in the properties will be supported to cover their fuel cost over the winter.	2%
Healthy Homes Team	In addition to financial support, Healthy Homes Team working with other services will develop information to help residents to be more energy efficient.	2%
Administration	Staffing cost	1%

3.7 The detail of the apportionment of the fund is as set out in Appendix A of this report.

4. HOW THE FUND IS PAID

4.1 We will be paid in arrears following the below management information (MI) returns being submitted and endorsed by our S151 officer.

- Interim MI return
 - Covering 01 September 2022 – 31 December 2022
 - Deadline: 25 January 2023
- Final MI return
 - Covering 01 September 2022 – 31 March 2023
 - Deadline: 28 April 2023

4.2 As payments are in arrears the funds will be required from the council upfront and reimbursed by Department of Work and Pensions (DWP) at a later date. This poses a financial risk to the council if the DWP do not reimburse the funds. Reimbursement is due to the DWP being satisfied with the returned MI and as stated in the guidance payment can be delayed or refused.

5. COMMUNICATION

5.1 All services receiving grant money are being met with to discuss proposal

and plan. Conversations will continue to ensure that the services are ready when the fund is made available. There will be broad communication with the voluntary and charity sector.

- 5.2 To ensure that residents are made aware of the Household Support Fund information will be sent to 3rd party organisations that engage with vulnerable residents. This will include but not limited to Job Centre Plus, Age UK, Family Justice Centre and South West London Law Centre.
- 5.3 The Croydon Council web pages has been updated with a Household Support Fund webpage with details of the fund and how to apply. Awareness will also be raised internally with communication being sent out to all front facing service about the fund and how to apply.

6. ADMINISTRATION AND TRACKING

- 6.1 The same approach as last time will be taken to administrate and track the fund.
- 6.2 Service will be responsible for recording and tracking their day to day spend from the fund. This will be to allow monitoring of what the fund is being spent on (DWP return) and how much is left in each areas budget. Work will be done with individual services to establish the best practice for tracking and reporting, based on how and what they are awarding. This may include but not limited to; getting reports being created or using existing systems that are already in place. Many services have experience in administrating the grant funding and have established auditing and reporting mechanism.
- 6.3 Although all services will be responsible for tracking their own spend, they will need to supply monthly spend reports to the SPOC. The SPOC will be responsible for over-seeing and monitoring the fund and it's spend as well as completing and returning MI.
- 6.4 Due to the delay in going live there is a risk that not all the funds will be spent by March 2023. We will be using many of the services and individuals involved in the last Household Support Fund and using their experience and knowledge to mitigate this and ensure the full allocation is spent by March 2023. To help mitigate the risk of underspend the monitoring process will also identify underspending in services that can be used in other areas. There may also be opportunities to amend the schemes by increasing the awards if take up is low. This approach has proven successful in the past and was the reason Croydon was able to spend the full allocation in a few months. Flexibility will be crucial to getting the Household Support fund spent before March 2023.

7. PROPOSED PHASED ROLL-OUT APPROACH

- 7.1 It is proposed to roll out the above proposal in two stages. The first will be to provide emergency or time sensitive support by making a total of £169,568 available immediately. Of which £125,000 will be made available to the Discretionary Support Team immediately with the agreement that they can start taking direct applications for food and fuel only. A further £44,568 to cover cost to recruit 2 Business Support Officers to support the applications process to avoid delays in recruitment.

7.2 The second phase would be to proceed with the award of the remaining funds as set out in Appendix 1 with the agreement of the Mayor.

7.3 A robust monitoring process will be in place to monitor and ensure maximum benefits to the residents and no financial risk to the council. The monitoring process will be developed and worked on with services to ensure that the correct information is being captured and reported.

8. CONSULTATION

8.1 Appendix A was drawn up in consultation with all relevant departments. It has been discussed with all Corporate Directors.

9 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

9.1 The Household Support Fund will be made available to Local Authorities with the purpose of providing targeted financial support for residents. Croydon has been awarded £3,013,689.49 to be used between 1st October 2022 and 31st March 2023. This is ring fenced grant income and there is no risk to the GF budgets of the Council.

1 Revenue and Capital consequences of report recommendations

This is ring fenced grant income and there is no risk to the GF budgets of the Council.

2 The effect of the decision

Appendix A sets out the planned areas of spend to meet the requirements of the grant.

3 Risks

Delays in implementing the framework could result in the full fund not being spent within the designated time period.

4 Options

Appendix A sets out the options for spend that meet the requirements of the grant.

5 Future savings/efficiencies

Not applicable, this is Grant income for specified usage within the current financial year.

10. LEGAL CONSIDERATIONS

10.1 Grant funding for the Household Support Fund will be paid to the Council by the Minister under Section 31 of the Local Government Act 2003. The grant may be paid on such conditions as the Minister may determine, and may include provision as to the

use of the grant, and the circumstances in which the whole or part of the grant must be repaid.

10.2 The Minister has issued Guidance entitled “Household Support Fund (1 October 2022 to 31 March 2023): final guidance for county councils and unitary authorities in England”, updated 24 October 2023. It is assumed that it will be a conditions of the grant under Section 31 that authorities should have regard to the Guidance, but in any event it is reasonable to assume an implied, if not specific duty on the Council to have regard to the Guidance. This means the Guidance must be singled out for special mention, and is a mandatorily relevant factor to which due and specific consideration must be given, to which some weight must be attached, and which must not be marginalised. This duty does not however go so far as to make the Guidance an exclusive consideration, and there is liberty to deviate from the Guidance on admissible grounds and for good, sufficient and articulated reasons.

10.3 The Council’s general power of competence, “to do anything that individuals generally may do”, in Section 1 of the Localism Act 2011 is sufficient to cover the arrangements for receiving and making payments of the grant as set out in this report.

10.4 In accordance with its general duties to act reasonably and proportionately, the Council must have a clear policy or framework outlining its general approach, including in relation to how eligibility will be defined, and how households will access the Fund, and this is set out in the Allocation Proposal in Appendix A.

Approved by Sandra Herbert, Head of Litigation & Corporate Law, on behalf of the Director of Legal Services and Monitoring Officer.

11. HUMAN RESOURCES IMPACT

There is no immediate HR impact in regard to this report. If any should arise these will be managed under the Council’s policies and procedures.

Approved by Jennifer Sankar, Head of HR Housing Directorate & SCRER Directorate, for an on behalf of, Dean Shoesmith, Chief People Officer.

12. EQUALITIES IMPACT

The Council, in carrying out their functions must give due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The supporting Equality impact assessment has addressed negative impacts with

mitigation on specific groups which will be to promote the fund to ensure residents with financial need from the protected groups can access it.

Approved by: Gavin Handford, Director of Policy, Programmes & Partnerships

13. ENVIRONMENTAL IMPACT

13.1 There is no identifiable environmental impact from this report.

13.2 Approved by Susmita Sen, Corporate Director, Housing

14. CRIME AND DISORDER REDUCTION IMPACT

15. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

15.1 The apportionment of the grant as set out in Appendix A has been subject to discussion with all relevant officers and is based on the Council's priorities, assessed demand, and our ability to distribute the grant in an effective manner.

16. OPTIONS CONSIDERED AND REJECTED

16.1 The Council could choose not to spend this grant. However, to do so would be detrimental to agreed priorities. Various distributions were considered, with the final choice being based on the criteria set out in 11.1 above.

17. DATA PROTECTION IMPLICATIONS

17.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

Data will be shared with Family Fund when the awards are made, as done under the previous Household Support Fund.

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

Yes, for previous Household Support Fund, renewed version in progress.

Approved by: Beatrice Cingtho-Taylor, Head of Temporary Accommodation

CONTACT OFFICER: Natasha Jebbison

APPENDICES TO THIS REPORT

Appendix A: Household Support Fund Proposal October 2022 – March 2023

Appendix B: Equality Analysis Form – Household Support Fund – October 2022 – March 2023

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

[For executive decision making it is a requirement that all Part A (open) reports & Part B reports (closed) must list and provide an electronic and a printed copy of all background reference.]