

# EXECUTIVE BOARD DECISION



**REPORT OF:** Executive Member for Finance and Governance

**LEAD OFFICER:** Director of Finance

**DATE:** 14<sup>th</sup> April 2022

**PORTFOLIOS AFFECTED:** All

**WARDS AFFECTED:** All

**KEY DECISION:** Y

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**TITLE OF REPORT:** Household Support Fund Round 2

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## 1. PURPOSE

1.1 The purpose of this report is to seek agreement from the Executive Board to the proposed distribution of the Household Support Fund (HSF2) Round 2.

## 2. RECOMMENDATIONS

2.1 It is recommended that the Executive Board agree to the distribution of the Household Support Fund Round 2 as set out in the report.

## 3. BACKGROUND

3.1 At the beginning of October 2021, the Government announced that a new HSF worth over £500m would be made available to Upper Tier Local Authorities to support those households most in need over the winter period to March 2022.

3.2 Details of the grant allocations and supporting information on how the grant should be used were released to Councils on 7<sup>th</sup> October 2021 and a report on this matter was considered by the Executive in November 2022 where the distribution of the fund was agreed. Blackburn with Darwen Council received £1.619m and at the closure of the Scheme on 31<sup>st</sup> March 2022, all of the funding had been used as planned.

3.3 As part of the recent Spring Statement 2022, the Government announced an extension to the HSF by providing a further £500m for the Scheme as part of a package of measures to support those affected by the rising cost of living. The Council's share of this additional funding is £1.619m and the grant funding must be used by 30<sup>th</sup> September 2022 (although, as with Round 1, there is an implicit acknowledgement from DWP that funds committed by that date can be defrayed after the end of the financial year should that be necessary).

#### **4. RATIONALE**

- 4.1 The distribution of the Household Support Fund is intended to provide much needed support to those households most in need.

#### **5. KEY ISSUES**

- 5.1 Guidance on the use of the Housing Support Fund Round 2 was with the grant allocations on 1<sup>st</sup> April 2022. The original objective of the Fund was to provide support to vulnerable households in most need of support over the winter period as the economy recovers. In doing so, Councils were required to develop a 'local eligibility framework and approach' to enable the distribution that ensures at least 50% of the funding is for vulnerable households with children. The remainder of the funding was available for vulnerable households without children (including individuals).
- 5.2 For Round 2, there has been a change in how the fund is to be targeted. At least one third of the total funding will be ring-fenced to support households with children, at least one third of the total funding will be ring fenced to support pensioners with up to one third of the total funding to other households genuinely in need of support. This may include households not currently in receipt of DWP welfare benefits.
- 5.3 Within the context of this overriding objective, when administering the Scheme, Councils are encouraged to adopt the following principles (which are broadly similar to those that applied to Round 1):
- use discretion on how to identify and support those most in need, taking into account a wide range of information;
  - use the funding from 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2022 to meet immediate needs and help those who are struggling to afford energy, food and water bills, and other related essentials. It can also be used to support households who are struggling to afford wider essentials;
  - in exceptional cases of genuine emergency, it can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need;
  - this includes payments made, or committed to, by the Authority or any person acting on behalf of the Authority, from 1<sup>st</sup> April 2022 to 30<sup>th</sup> September 2022. For example, this would allow any vouchers issued before the end of the funding period to be redeemed in October 2022. All authorities are encouraged to ensure that any vouchers issued are redeemed before the end of the scheme, or shortly thereafter, or consider recycling unused vouchers;
  - Councils have the flexibility to work with multiple organisations to provide a local delivery network that supports vulnerable households with a broad range of support;
  - Council can claim for reasonable administrative costs incurred in administering the Scheme;

- 5.4 In relation to the use of the fund for housing costs, Councils must establish whether other forms of support are available to the household, such as Discretionary Housing Payments (DHP). In this respect, however, it is worthwhile noting that the Council's allocation of DHP funding for 2022/23 has been reduced by 30% when compared to 2021/22 (the Council will receive £321k for DHPs in 2022/23, a reduction of £98k when compared to 2021/22). It is expected that this may result in more claims for support to the HSF Round 2 than would have been the case otherwise.
- 5.5 The Council has a demonstrable track record of developing and implementing welfare support schemes and the delivery of Round 1 of the HSF is an illustration of this. Around 15,000 residents have been supported through a range of measures including, for example, support with energy bills, Council Tax, provision of food and, as part of the wraparound service, advice and guidance in areas such as debt management.
- 5.6 Building on the frameworks that have been used for both the delivery of HSF Round 1 but recognising that the rising costs of energy is likely to be the most acute pressure faced by local residents over the next six months, it is proposed to use the HSF in the following way:-

<b>Area of Support</b>	<b>£m</b>
Support for Energy Bills	1.118
Crisis Food Providers	0.150
Housing Need Community Care Grant	0.025
White Goods Provision	0.150
Contributions to Voluntary, Community and Faith Sector (BwDHL, Age UK and BwD Carers)	0.030
Community Centres	0.070
Costs of Administering the Scheme	0.076
<b>Total Household Support Fund Round 2</b>	<b>1.619</b>

- 5.7 Again, as with HSF Round 1, by taking this whole systems, partnership and strength based approach with the HSF2, the Council will have the opportunity to reach some of the most vulnerable households in the community thereby complying with the objectives of the Scheme.
- 5.8 As ever with these types of grant allocations, the Council is required to provide the DWP with statements on the use of the grant and arrangements are in place to satisfy this requirement.

## **6. POLICY IMPLICATIONS**

6.1 There are no policy implications arising directly from this report.

## **7. FINANCIAL IMPLICATIONS**

7.1 The Council will receive a grant of £1.619m from the Household Support Fund. Details of the proposed distribution of the funding are as set out in the report.

## **8. LEGAL IMPLICATIONS**

8.1 Although there are no legal implications arising directly from the contents of this report, there will need to be adequate systems in place to record decision making and allocations to ensure that funds are distributed in accordance with the funding criteria to avoid any claw back.

## **9. RESOURCE IMPLICATIONS**

9.1 There are no other resources implications arising from the contents of this report.

## **10. EQUALITY AND HEALTH IMPLICATIONS**

10.1 There are no equality and health implications arising from the contents of this report.

## **11. CONSULTATIONS**

11.1 None arising from the contents of this report.

## **12. STATEMENT OF COMPLIANCE**

12.1 The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and equality analysis and impact assessment have previously been considered for the Scheme. The recommendations reflect the core principles of good governance as they are set out in the Council's Code of Corporate Governance.

<b>VERSION:</b>	1
<b>CONTACT OFFICER:</b>	Beth Wolfenden – Public Health Specialist
<b>DATE:</b>	6 <sup>th</sup> April 2022
<b>BACKGROUND PAPERS:</b>	None