



EXECUTIVE BOARD DECISION

REPORT OF:	Executive Member for Finance and Governance
LEAD OFFICERS:	Director of Finance
DATE:	Thursday, 11 August 2022

PORTFOLIO/S AFFECTED:	Finance and Governance
WARD/S AFFECTED:	(All Wards);
KEY DECISION:	Y

SUBJECT: Household Support Fund Round 3

1. EXECUTIVE SUMMARY

- 1.1 In May 2022, the Government announced an extension to the Household Support Fund (HSF) from 1st October 2022 to support communities who are struggling due to the cost of living crisis. This was announced as part of wider support package to residents.
- 1.2 The Council has successfully delivered the HSF since October 2021 in partnership with a range of voluntary, community and faith sector organisations who work together to provide a strength based approach to supporting our residents.
- 1.3 This reports seeks to gain ongoing support for the delivery of the HSF grant programme as described in the body of the report.

2. RECOMMENDATIONS

That the Executive Board:

- 2.1 Agree to the distribution of the Household Support Fund Round 3 as set out in the report and subject to confirmation of the grant funding.
- 2.2 Give delegated authority to the Director of Finance, in consultation with the Executive Member for Finance and Governance, to amend the grant criteria should that be considered necessary given guidance from Government and local circumstances.

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 7th 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 31st 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 30th September 2022.

3.4 As part of the Chancellors' Cost of Living statement on 26th May 2022, the government announced a further extension to the HSF from 1st October 2022. This grant funding must be used by 31st March 2023 and the Council is expected to receive a further £1.619m as part of the £500m scheme.

4. KEY ISSUES & RISKS

4.1 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. It has been recognised that further support is required to support communities as the cost of living crisis begins to impact further beyond recovery from the pandemic.

4.2 Councils have been required to develop a 'local eligibility framework and approach' to enable the distribution of the grant funding. In HSF1 at least 50% of the funding was for vulnerable households with children. The remainder of the funding was available for vulnerable households without children (including individuals).

4.3 For Round 2, there was a change in how the fund should be targeted. At least one third of the total funding is ring-fenced to support households with children, at least one third of the total funding is 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.

4.4 Guidance on the use of the Housing Support Fund Round 3 has not yet been issued by the Department of Work and Pensions. Whilst there may be some amendments to the eligibility criteria for HSF3, it is unlikely there will be any other significant changes to the grant conditions. When administering the Scheme during the first two rounds, Councils have been encouraged to adopt the following principles:

- use discretion on how to identify and support those most in need, taking into account a wide range of information;
- use the funding from 1st October 2022 to 31st March 2023 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 1st October 2022 to 31st March 2023. For example, this would allow any vouchers issued before the end of the funding period to be redeemed in April 2023. 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;

4.5 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 3 than would have been the case otherwise.

4.6 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. Over 24,000 households 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.

4.7 Based on the criteria and funding allocation for Round 3 remaining broadly the same as Rounds 1 and 2 and building on the frameworks that have been used for delivery to date and also recognising that the rising costs of energy will continue 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:-

Area of Support	£m
Support for Energy Bills	1.024
Food Partnership - including crisis, food larder and community centre support	0.250
Housing Need Community Care Grant	0.025
White Goods Provision	0.150
Contributions to Voluntary, Community and Faith Sector (BwD Homestart, Age UK and BwD Carers)	0.030
Costs of Administering the Scheme	0.140
Total Household Support Fund	1.619

4.8 Again, as with HSF Round 1 and 2, by taking this whole systems, partnership and strength based approach with the HSF3, 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.

4.9 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.

4.10 The delivery of the HSF will continue alongside other support including developing employability skills, debt, benefit and housing advice and mental health and wellbeing advice and support alongside supporting food larders as part of a plan for sustainability beyond the HSF grant.

5. POLICY IMPLICATIONS

There are no policy implications arising directly from this report.

6. FINANCIAL IMPLICATIONS

The Council is expected to 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.

7. LEGAL IMPLICATIONS

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.

8. RESOURCE IMPLICATIONS

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

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

None arising from the contents of this report.

11. STATEMENT OF COMPLIANCE

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 an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	1
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CONTACT OFFICER:	Dean Langton, Beth Wolfenden
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DATE:	11 August 2022
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BACKGROUND PAPER:	
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