

NORTH SOMERSET COUNCIL DECISION

**DECISION OF: ASH CARTMAN, EXECUTIVE MEMBER FOR CORPORATE SERVICES
& AMY WEBB, DIRECTOR OF CORPORATE SERVICES & S151 OFFICER**

WITH ADVICE FROM: STUART ANSTEAD (HEAD OF SUPPORT SERVICES)

DIRECTORATE: CORPORATE SERVICES



DECISION NO: CSD160 2021/2022

SUBJECT: Household Support Grant scheme 2022/23

KEY DECISION: YES – financial values are greater than £500,000

BACKGROUND:

The Government announced £500m of new funding on 31 March 2022 aimed at providing support to those most in need during the final stages of recovery, and specifically during the winter period.

£421m of the new Household Support Fund will support millions of households in England (the balance of £79m will be shared across the devolved administrations) and will be distributed by councils in England, who know their local areas best and can directly help those who need it most, including for example, through small grants to meet daily needs such as food, clothing, and utilities.

Guidance received from the Government advises that:

- An allocation of £1,307,848 will be given to North Somerset Council
- The funding covers the period 1 April 2022 to 30 September 2022
- At least 33% of the funding must be spent on families with children and a further 33% of the funding must be spent on pensioners
- It is intended to support individual vulnerable households and should be spent on the following categories;
 - Utility bills (energy and water)
 - Food
 - Essentials related to energy and water (e.g. boiler repairs, blankets and clothing, white goods, soap, sanitary products)
 - Wider essentials (e.g. phone and broadband, clothing, transport)
 - Housing (only 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)
 - Reasonable administration costs

Rather than focus on one specific vulnerable group, the guidance says authorities should use the wide range of data and sources of information at their disposal to identify and provide support to a broad cross section of vulnerable households in their area. However, support is not restricted to vulnerable households in receipt of benefits and that authorities

should also use other sources of information to identify vulnerable households, including advice from professionals who come into contact with vulnerable households such as social workers, supporting families' advisors and community groups.

Authorities have the flexibility within the scheme to identify which vulnerable households are in most need of support and apply their own discretion when identifying eligibility.

The Household Support Fund is not intended to replicate or replace Free School Meals and Authorities should avoid duplicating provision where possible. However, Authorities have discretion over how they use the funding within the grant framework and within the stipulated time. Therefore, Authorities may choose to offer awards to families in receipt of Free School Meals if they consider this to be appropriate in their area.

It should be noted that Authorities are required to make returns to DWP providing the outline scheme design, significant management information and details of the expenditure incurred to date across the defined activity classifications.

DECISION:

A) This decision seeks to establish a policy and scheme design which supports the allocation of the Household Support Grant funding (£1,307,848). It is proposed that financial support be offered to residents through the following schemes:

- 1) A fixed automatic award of £50 food voucher to all working age CTS claimants and non-non-working age claimants who have children. It is estimated that this will apply to c. 7358 accounts and would therefore cost approximately £368k
- 2) A fixed automatic award of £90 food voucher to all pensioner age CTS claimants. It is estimated that this will apply to c. 5050 accounts and would therefore cost approximately £455k
- 3) An award of £75 food voucher to each child in receipt of Free School Meals and Care Leavers, it is estimated that this would apply to 4867 individuals and would therefore cost approximately £365k
- 4) Grant payments totalling £60k to the two Foodbanks (£20k each) in North Somerset; the Salvation Army (£10k) and the Handyman Service (£10k), all of who have existing networks and processes to distribute support those in need. These organisations will be required to collect and share the required management information contained within the grant conditions
- 5) Allocate £25k of funding to those individuals who are financially vulnerable but who do not meet one of the identified categories listed above, with requests being made through an applications process
- 6) Allocate an additional £34k to the administration costs of the scheme.

B) Approval is sought to increase the council's Corporate Services income and expenditure budgets by £1,307,848 each, to reflect receipt of a new ring-fenced grant income and also provide for the creation of expenditure budgets for each of the categories as described below.

This decision will be fully supported by the Communications team who will ensure that the key messages are shared with those residents who need support.

REASONS:

This scheme has been designed to support families with children who are eligible for free school meals and also those economically vulnerable pensioners and other households with rapid financial support mechanism, whilst also giving the opportunity for others to apply for additional 'top-up' support via WPS, or through the Foodbank, Handyman Service and the Salvation Army.

OPTIONS CONSIDERED:

A range of different spending options and classifications of vulnerable households and different allocation proportions have been considered when determining the final scheme proposals; the geographical areas that they live in, as have the practical and operational ways to ensure that the funding is given as efficiently as possible, whilst recognising that over 33% of the grant must be given to families with children and a further 33% given to pensioners.

The ability to obtain and maintain detailed records has also been a key consideration, as the council will have strict reporting obligations. The council recognises that support given to Council Tax Support claimants provide the best align with the ethos of the Household Support Grant.

Research has been undertaken to understand the intensions and scheme design as provided by other local authorities.

Cash payments will be avoided wherever possible as these increase the administration efforts and attempts are being made to keep these administration costs to a minimum so that more funding can be targeted to those in need. Food vouchers can be distributed and used easily and enables residents the option of having their own money available for other priorities, such as energy bills.

FINANCIAL IMPLICATIONS:

Costs & Income

The council has been advised that it has been allocated grant income of £1,307,847.79 and so this needs to be reflected within the income budget for the 2022/23 financial year. An equal sum also needs to be reflected within the expenditure budget for the costs that will be incurred before the end of September 2022. Both of these can be completed by way of a budget virement.

The table below shows how the council anticipates that it will spend the grant allocation, consideration has clearly been given to ensuring compliance with the grant terms and conditions as well as targeting support to those most in need.

Grant Allocation

£1,307,847.79

Potential areas of spend	Award Mech	Supported Residents	% Families	% Pensioners	Value	Unit award
Foodbanks (x2)	Bulk allocation	1333	50%	25%	£40,000.00	£20,000.00
Handyman service	Bulk allocation	300	50%	25%	£10,000.00	£10,000.00
Salvation Army	Bulk allocation	300	25%	75%	£10,000.00	£10,000.00
Financially vulnerable (CTS working age)	Auto award	7358	56%	0%	£367,900.00	£50.00
Financially vulnerable (CTS pensioner)	Auto award	5050	1%	100%	£454,500.00	£90.00
Financially vulnerable (applications)	Application	250	75%	25%	£25,000.00	£100.00
Children in receipt of Free School Meals	Bulk allocation	4674	100%	0%	£350,550.00	£75.00
Care Leavers	Bulk allocation	193	16%	0%	£14,475.00	£75.00
Administration costs	Central cost	-	-	-	£34,071.00	

Expenditure will be monitored across all schemes and when funds are exhausted, the schemes will be stopped to avoid any overspend.

The administration costs of these schemes are expected to be fully covered from within the grant itself and are currently estimated to be in the region of £34k. The final value of these costs will be dependent upon how much of the grant related expenditure can be awarded automatically using information held within current systems, as opposed to establishing a detailed application process which may be more time consuming to administer.

LEGAL POWERS AND IMPLICATIONS

The powers available to the council during the coronavirus pandemic are contained within the following primary and secondary legislation:

- Coronavirus Act 2020
- Public Health (Control of Disease) Act, 1984
- The Health Protection (Coronavirus, Restrictions) (England) Regulations, 2020
- The Health Protection (Coronavirus, Restrictions) (No. 2) (England) Regulations, 2020

Additionally, the council has legal powers to deliver its obligations during a major incident as defined within the Civil Contingencies Act, 2004.

The Council must also follow its own internal regulations and processes with regards to financial matters, specifically the council's financial regulations [FR Pt 1–4.21] allow Executive Members to increase the gross revenue budget with financing from income, savings, grants or reserves, providing there is no increase in the net revenue budget, up to **£1,000,000**, with the agreement of the Section 151 Officer. Given that the grant award is £1.3m an urgent decision will be made at this point and retrospectively reported to the Executive as part of the Council's budget monitoring reporting framework.

CONSULTATION

This grant details and the proposed scheme for North Somerset Council have been shared with the Chief Executive and the relevant Directors from Corporate Leadership Team (CLT). The proposed financial allocations have been reviewed by the Director of Corporate Services, who is also the Council's Section 151 Officer.

The strategy for awarding the Household Support Grant along with details of the proposed scheme have been shared with the Executive Members through a briefing session led by the Executive Member for Corporate Services at their meeting in April 2022. Issues raised through those discussions have been incorporated into the design of the final scheme.

RISK MANAGEMENT

The economically vulnerable residents of North Somerset and wider communities face a wide variety of risks during the next year, some of which may have a financial consequence or impact. These risks have been increased because of the increased energy / fuel costs meaning that mitigation and intervention has been required.

There is a risk that parts of the proposed scheme may be over subscribed meaning that a budget overspend could potentially occur however, given that the funding stream from central government is finite, detailed monitoring will be undertaken and the schemes will be stopped by the Head of Support Services when funding has been exhausted.

CLIMATE CHANGE & ENVIRONMENTAL IMPLICATIONS

The Council faces a wide variety of climate change and environmental impacts whilst delivering its many services to residents, some of which have a direct or indirect financial impact or consequence. There are no material considerations linked to this Decision.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? Not for all items of spend.

The award of the Household Support grant do not require an equality impact assessment to be undertaken because they adhere to policies for which an equality impact assessment has already been conducted.

CORPORATE IMPLICATIONS

None

BACKGROUND PAPERS

None

SIGNATORIES:

DECISION MAKERS:

Signed: 

Title: Executive Member for Corporate Services

Date: 25 May 2022



Signed:

Title: Director of Corporate Services and S151 Officer

Date: 25 May 2022

WITH ADVICE FROM:



Signed:

Title: Head of Support Services

Date: 25 May 2022