

NORTH SOMERSET COUNCIL DECISION

DECISION OF: MIKE BELL, 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: CSD128 2023/2024

SUBJECT: Household Support Grant Scheme 5 2024/25

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

BACKGROUND:

The Government announced as part of the 2024 spring budget a £500m of new funding aimed at providing several support measures to provide help with global inflationary challenges and the significantly rising cost of living.

£500m of the new Household Support Fund will support millions of households in England and will be distributed by councils in England, that 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 £1,307,847.79 will be given to North Somerset Council
- The funding covers the period 1 April 2024 to 30 September 2024 (Six months only)
- It is intended to support individual vulnerable households and should be spent on the following categories;
 - Energy and water
 - Food
 - Essentials linked 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 costs (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)
 - Sustainable support
 - Advice services
 - 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 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 (£1,307,847.79). It is proposed that financial support be offered to residents through the following schemes:

- 1) A fixed automatic award of £50 food voucher (distributed in June 2024) to all working age CTS claimants and all pensioner age CTS claimants. It is estimated that this will apply to c. 11,764 accounts and would therefore cost approximately £588k.
- 2) An award of a £50 food voucher to each child in receipt of Free School Meals and Care Leavers (distributed in June), it is estimated that this would apply to 5,200 individuals and would therefore cost approximately £260k.
- 3) Grant allocations totalling £70k to be made to; - the Handy Person Service (£10k), Salvation Army (£5k), Fuel Bank (£15k), the CAB Fuel Support (£15k) and an extension of the FirstSteps Scheme via CAB (£30k), all of which have existing networks and processes to distribute support to those in need. These organisations will be required to collect and share the required management information contained within the grant conditions. A further £5k will be allocated to the administration of these schemes for the 'CAB' & the 'For All Healthy Living Company'.
- 4) Allocate £40k of funding to those individuals who are financially vulnerable but who do not meet one of the identified categories listed above (this will target 'Just about Managing' residents as per the guidance), with requests being made through an application process.
- 5) Allocate £40k of funding to support applications for sustainable items such as white goods, bedding, etc with requests being made through an extension to the existing Welfare Support Scheme.
- 6) Allocate an additional £102k to the internal administration costs of the scheme.

B) Approval is sought to increase the council's Corporate Services income and expenditure budgets by £1,307,847.79 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.

The grant terms and conditions given by the Department of Work and Pensions (DWP) to the council will also apply to any external organisations who has been selected to distribute funding on the council's behalf. The two main conditions are;

- Any funds that are not fully spent by 30 September 2024 will be required to be returned to the council,
- All funds spent must be supported by detailed records that are subject to review and inspection by the auditors, which will enable the council to submit the required management information back to the DWP.

REASONS:

This scheme has been designed to support economically vulnerable households with a rapid financial support mechanism for:

- families with children
- pensioners
- children who are eligible for free school meals
- others to apply for financial support via the Welfare Provision Scheme, and
- through third-party organisations such as the Fuel bank, Handy person Service, Citizens Advice and the Salvation Army

OPTIONS CONSIDERED:

A range of different spending options and classifications of vulnerable households and different allocations 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.

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 provides a strong alignment with the ethos of the Household Support Grant.

Research has been undertaken to understand the intentions 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 provided to those in need. Food vouchers can be distributed, easily used 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 2024/25 financial year

as the notification came after the budget was approved in February 2024. An equal sum also needs to be reflected within the expenditure budget for the costs that will be incurred before the end of September 2024. Both can be completed by way of a budget virement using cost centre **FRD224**.

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.

Potential areas of spend	Award Type	Sustainable	Award Mech	New Volumes	Unit Award	New Total
Earning Disregard (CTS)	Food voucher	No	Bulk Allocation	1108	Vary	£103,220.00
FirstSteps extension - Advice (Liberata)	Cash	Yes	Advice Service	300	£100	£30,000.00
FirstSteps extension - Advice (CAB)	Cash	Yes	Advice Service	300	£100	£30,000.00
Handyvan service	Cash	Yes	Bulk Allocation	100	£100	£10,000.00
Salvation Army (energy)	Cash	No	Bulk Allocation	100	£50	£5,000.00
Fuel Banks (HLC)	Cash	No	Bulk Allocation	300	£50	£15,000.00
Fuel Banks (HLC) Administration	Admin	No	Bulk Allocation			£2,500.00
CAB Fuel Bank Scheme	Cash	No	Bulk Allocation	300	£50	£15,000.00
CAB Fuel Bank Scheme Administration	Admin	No	Bulk Allocation			£2,500.00
Financially vulnerable (CTS working age household)	Food voucher	No	Auto award	11764	£50	£588,200.00
Financially vulnerable (CTS pensioner household)	Food voucher	No	Auto award			

Children in receipt of Free School Meals	Food voucher	No	Auto award	5200	£50	£260,000.00
Housing Benefit claimants not CTS	Food voucher	No	Auto award	1000	£50	£50,000.00
SMI / Court of protection	Food voucher	No	Auto award	36	£50	£1,800.00
Care Leavers	Food voucher	No	Auto award	237	£50	£11,850.00
WPS - Sustainable items white goods, bedding, etc	Goods	Yes	Bulk Allocation	160	£250	£40,000.00
Unknown financially vulnerable (Applications)	Food voucher	No	Application	765	£50	£40,000.00
Administration costs (schools)	Admin	No	Central cost			£22,000.00
Administration costs (corporate)	Admin	No	Central cost			£80,000.00
TOTALS				19962		£1,307,070.00

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

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 £102k. 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 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 generated through consultation with the external partners - Cost of Living working group and have been shared with the Leader of the Council through a briefing session in April 2024. 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 six-month period, 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 have been required.

There is a risk that parts of the proposed scheme may be oversubscribed 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 does 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:

Mike Bell

Signed:

Title: Mike Bell, Executive Member for Corporate Services

Date: 26 June 2024

Amy Webb

Signed:

Title: Amy Webb, Director of Corporate Services and S151 Officer

Date: 26 June 2024

WITH ADVICE FROM:

Stuart Anstead

Signed:

Title: Stuart Anstead, Head of Support Services

Date: 26 June 2024