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| Subject: | Household Support Fund – Second Round | Status: | For Publication | | |
| Report to: | Council | Date: | 09/06/2022 | | |
| Report of: | Head of Finance | Portfolio Holder: | Resources | | |
| Key Decision: | <input type="checkbox"/> Forward Plan <input type="checkbox"/> | General Exception <input type="checkbox"/> | Special Urgency <input type="checkbox"/> | | |
| Equality Impact Assessment: | Required: | No | Attached: | No | |
| Biodiversity Impact Assessment: | Required: | No | Attached: | No | |
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1. RECOMMENDATIONS

Council approve:

- 1.1 The suggested allocations for the Household Support Fund.
- 1.2 Following on from LCC's directive that all councils make a payment of £90 to eligible pensioners, £9,400 of the Discretionary Energy Rebate scheme funding be used to allow this Council to make a payment of £55 to eligible families.
- 1.3 That all future minor amendments to the criteria and budget be delegated to the Head of Finance in consultation with the Portfolio Holder

2. EXECUTIVE SUMMARY

- A second round of funding now totalling 320k has been made available via Lancashire County Council (LCC) to support families and individuals in hardship.
- The fund covers the period 01 April 2022 to 30 September 2022 inclusive and is aimed at supporting households in the most need, particularly those including children and pensioners who would otherwise struggled with energy bills, food and water bills.
- This report proposes making a payments to families and pensioners in receipt of Local Council Tax support as set out below, along with funding to partner organisations to enable them to support the most financially vulnerable.

3. BACKGROUND

- 3.1 A total of £9m has been allocated to LCC as part of the second round of Household Support Funding. LCC have confirmed that they are allocating £320,000 of this to Rossendale Council. LCC have instructed that whilst we can use discretion on how this is allocated to families and other vulnerable households we must make a payment of £90 to any pensioners that fall within the scope of the grant guidance. In order to be able to pay the £90 to pensioners and still make meaningful payments to other vulnerable groups this report requests the use of £9,400 of the Discretionary Energy Rebate scheme funding.

This funding covers the period 01 April 2022 to 30 September 2022 inclusive and must be spent by September 2022.

- 3.2 The guidance states authorities should develop a 'local eligibility framework and approach' which enables them to distribute grant funding that best supports households most in need. Of the overall £9m HSF funding for Lancashire, at least one third of the funding is for vulnerable households with children, one third of the funding is for pensioners. The remainder of the funding (up to one third) is available for other vulnerable households (without children or pensioners including individuals).

3.3 Due to the fact that LCC are using a significant amount of this funding to support free school meals, in order to meet the overall distribution of a third of the funding to pensioners, LCC have instructed district councils to make a payment of £90 to eligible pensioners.

4. DETAILS

4.1 A range of options for allocating the funding have been examined by officers. This exercise examined the information that the Council and its partners hold regarding financially vulnerable households in Rossendale. The most up to date and robust data set is that for those receiving Council Tax Support. Targeting those on this benefit will result in the fund being distributed proportionately across the priority groups using a method that is means tested.

4.2 It is therefore recommended that Rossendale targets the bulk of the funding at households in receipt of council tax support. This will total approximately 3,300 households, 1,250 being families and 2,050 being pensioners.

4.3 This report proposes that each of these family households is issued a post office voucher for £55 and the pensioner households receive a post office voucher for £90 which can be spent on helping with energy costs.

4.4 Although Housing Benefit and Council Tax Support provide a robust data set, it is also a blunt tool in assessing those in the community that are at crisis point financially. It is therefore recommended that an element of the funding be used to support partners which deal with those that are most financially vulnerable, namely Food Banks and Citizens Advice Crisis Support Service.

4.5 It has also been confirmed that we are able to use the fund to support Ukrainian families and hosts that have not officially been enrolled on the Homes for Ukraine scheme.

4.6 It is therefore recommended that the remaining funding be distributed:-

- £15k be ring fenced for households supporting families from Ukraine not eligible for Homes for Ukraine funding,
- £25k to be distributed to those being supported by the Citizen's Advice Crisis Support Project
- £10k for the RAFT foodbank
- £12,750 for smaller foodbanks: Crawshawbooth (£2,550), Trinity Baptist Church (£2,550), Lighthouse Project (£2,550), Rossendale Food Box project (£2,550) and Positive Start (£2,550).

4.7 The funding allows for 5% to be used to support administrating the fund. This equates to £16,000 which will be retained to ensure that the fund is administered effectively in house and to pay the cost of issuing the vouchers.

4.8 Consideration has been given to partnering with the BPRCVS to distribute the fund as was the case with round one funding. Following evaluation however, it is considered that this approach resulted in many people that were less in need receiving funding. By taking the approach outlined and delivering the funding in house, it gives greater certainty that the money is going to those most in need.

5. RISK

5.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- The key priority with this funding is ensuring that it reaches those that are most in need. Previously the distribution through the BVRCSVs was based on self-declaration, which was

open to interpretation. For this round of funding it is proposed to issue the payments by targeting people in receipt of means tested benefits in an attempt to ensure it reaches the most vulnerable. The approach outlined in this report ensures that means testing is used for the bulk of the funding distributed. By allocating an additional element to front line partners who work with the most vulnerable, we are also ensuring that extra support can be given to those most in need.

6. FINANCE

6.1 The Council will receive £320k Household Support Fund from LCC to deliver this scheme. It is estimated that the scheme outlined above will cost c£329,400. The proposal is to fund the shortfall with a contribution of £9,400 from the Discretionary Energy Rebate scheme funding, therefore there is no additional cost to the Council.

6.2 Due to the fact that the number of individuals in receipt of LCTS is constantly moving, this report also requests that any minor changes to the scheme, which may include increasing the contribution from the Discretionary Energy Rebate scheme be delegated to the Head of Finance in consultation with the Portfolio Holder.

7. LEGAL

7.1 There are no particular legal implications arising from this report however this recommendation will provide a more robust process and structure to ensure that the assistance is given to those most in need.

8. POLICY AND EQUALITIES IMPLICATIONS

8.1 None

9. REASON FOR DECISION

9.1 It is considered that given the constraints around identifying those most in need, the scheme outlined in the report provides the best balance of distributing funding rapidly to those in priority groups, whilst also ensuring that additional support is available for those most in need and in contact with food banks and the Citizens Advice.

No background papers