

Community Wellbeing & Housing Committee



Date of meeting – 14th June 2022

Title	Household Support Fund Phase 2
Purpose of the report	To make a decision
Report Author	Terry Collier
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>Note applicable</i>
Corporate Priority	Community and Service Delivery
Recommendations	<p>Committee is asked to:</p> <ul style="list-style-type: none"> • To note the allocation Spelthorne received from Surrey County Council and the proposed allocation basis are both in line with national parameters and a Surrey wide agreed approach. • Have the scheme open to individual applications for people who are not just in receipt of council tax support but receive an income based DWP benefit • Agree the proposed payment option for pensioner households or a combination of bank transfers for those households we have bank account details and posting out cheques for those we do not have details for. • That in the event of any funds being unallocated in the “General Allocation Pot” as at the end of August that the decision as to how to apply those funds through voluntary sector partners will be made by the Deputy Chief Executive in consultation with the Chair and Vice Chair of the Committee
Reason for Recommendation	Due to the financial hardship to our residents that this scheme is intended to help with; it is important that the Committee is aware of the support being provided to our residents

1. Key issues

- 1.1 As part of the measures introduced by the Chancellor in his Budget statement the Government extended the national Household Support Fund scheme by a further £500m to help households struggling with the increase in energy bills, price of food and essentials. The Government allocated funding to upper local authorities, i.e. Surrey County Council to agree with lower tier councils a basis for apportionment across the districts and boroughs and a methodology for getting funds local residents in need
- 1.2 In phase 1 which had to be distributed between November 2021 and 31 March 2022 Spelthorne received an allocation of £345k which we fully applied (after taking into account a £14.4k administration set aside to cover resourcing costs). For phase 1 the Government put a particular emphasis on supporting households with children with at least 50% of the funds required to go to such households. In phase 2 the Government has shifted the emphasis towards supporting households with pensioners with at least a third of the funds to go to such households.
- 1.3 For Phase 2 Spelthorne has been allocated by Surrey County Council a total pot of £265,313 - £182,866 to be distributed to pensioner households and £82,447 for a general pot to provide support for working age households. Collectively the Surrey Councils have agreed to aim to pay £100 per household with pensioners.

2. Options analysis and proposal

- 2.1 In phase 1 the demographic with the lowest take up was households with pensioners. The Surrey Councils mindful of this has spent a considerable amount of time discussing options such as whether to have an online application process as was the case for phase 1 and then secondly how to get the funds to the eligible households. For the later issue there are three options. On the first issue there is general agreement it is better to identify eligible households on basis of benefits data and automatically make awards rather than inviting applications. Spelthorne has approximately 1,600 households with pensioners claiming Local Council Tax Support so this would essentially allocate the vast majority of the funds for pensioners.
- 2.2 Payment option 1: Bank transfer – this is the approach we used in Phase 1 but relies on the Council having bank account details of the households and obtaining those details for households whose details we do not have we would have to ask households to provide details via a form which would reduce take up.
- 2.3 Payment option 2: Post Office vouchers – Surrey County Council are offering districts and boroughs to make use of Post Office vouchers. We have confirmed that we would not be breaching GDPR requirements if we shared relevant personal data to facilitate this. However, this option would still require the households to get to Post Offices to present and cash in the vouchers which we believe would diminish take up. Also there is a potential charge for vouchers that are not used.

- 2.4 Payment option 3: Combination of bank transfers for those we have details and posting out cheques for those we do not have details. The older demographic are still familiar with cheques, and in contrast to Post Office vouchers there are more options for cashing them. No personal data would need to be shared with a third party
- 2.5 For the £82k pot for working age households we propose allocating on the basis of the successful applications from non-pensioner households we received in phase 1 (we received 1,380 applications) while also accepting new claims from residents who would now qualify due to a change in income circumstances or have recently moved into the borough and were not entitled to claim during the first phase of the scheme. Any unspent funds could then be distributed in a similar basis to phase 1 through food banks and voluntary sector partners

3. Financial implications

- 3.1 3.1 Spelthorne's combined funded budget for this scheme is £265,313. The proposed approach to distribution would minimise administration and resourcing pressures. There is no expectation from central government for the authority to spend more than its allocated budget

4. Other considerations

- 4.1 All funding needs to be allocated to residents by the 30th September 2022 for phase 2, so the scheme needs to be completed promptly. Note however a further £500m phase 3 extension has been announced as part of the Government latest fuel price impact support measures.

5. Risk Considerations

The proposed approach will minimise the risk of not maximising take up and of not getting this much needed support out as quickly as possible. There is a risk that some cheques may remain uncashed at the end of phase 2 period, we have discussed reconciliation arrangements with Surrey County Council.

6. Equality and Diversity

- 6.1 All options are solely based on the financial situation of households.

7. Sustainability/Climate Change Implications

- 7.1 This scheme will help residents in financial difficulty.

8. Timetable for implementation

- 8.1 We are looking to make the payments to pensioner households as soon as possible. This would be the same for working age claimants. We will agree a distribution schedule for the food banks and charities if appropriate.

Background papers: There are none.

Appendices:

Appendix A - Central government Household Support Fund Guidance