

Community Wellbeing & Housing Committee



Date of meeting – 17th January 2023

Title	Household Support Fund Phase 3 (HSF)
Purpose of the report	To make a decision
Report Author	Stephen Mortimer-Cleevely
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>Not 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. The Spelthorne Borough Council allocation is £244,000. • 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 to consider excluding certain groups to target and maximise the impact of HSF phase 3. • That in the event of any funds being unallocated in the “General Allocation Pot” as at the end of March that the decision as to how to apply those funds through working with the Disabled Facilities Grants (DFG) team identifying children with disabilities and those using extensive motorised equipment will be made by the Deputy Chief Executive in consultation with the Chair and Vice Chair of the Committee. • Agree that this becomes, subject to any new national criteria, the ongoing approach for the HSF when it extends to phases 4 and beyond from April 2023 • Accept that the amounts used here, with the exception of the total HSF Phase 3 award are based on best estimates of number of applicants in phases 1 and 2.

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
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1. Key issues

- 1.1 The Government has 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 to 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 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 was 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 had agreed to aim to pay £100 per household with pensioners. Spelthorne successfully distributed just under a 100 % of the phase 2 allocation.
- 1.4 The allocation for phase 3 is £244,000 and in this round of funding there has been additional emphasis on ensuring those with a disability receive support alongside those in receipt of funding in phases 1 and 2. The Housing benefits team have already spent some significant time analysing the applications for phase 2, demonstrating that a significant number of applications are in receipt of a disability related benefit.
- 1.5 Spelthorne has approximately 1,600 households with pensioners claiming Local Council Tax Support so this would essentially allocate a significant proportion of HSF phase 3 funds for pensioners if all took up the option to apply for phase 3 funding. The Council is asked to consider whether for this phase pensioners including those in receipt of local council tax support are excluded.
- 1.6 As there is specific guidance in relation to improve the impact for families with disabilities the Council is asked to consider 'ring fencing' a proportion of the fund. The suggested amount being £25,000, (roughly 10% of the total allocation) that can be directed with the support of the children's locality team (SCC), for those children and families that have been identified as having high energy costs for both heating and equipment usage. Those families currently identified, 25 in number, could receive support somewhere in the region of £1000 per family. To be clear, these are families who have children with

potential life limiting conditions and require hoists, lifts and other powered equipment and need to heat their homes continuously.

“Authorities should also consider providing support to disabled people in their area. Disabled people in particular may be facing acute challenges due to the disproportionate impact that rising costs bring for the additional services they need in order to manage their conditions, remain independent and avoid becoming socially isolated. For example, some disabled people may have increased utility bills due to the usage of equipment, aids or adaptations associated with their disability. They may also have additional heating, water or transport costs. Authorities are therefore encouraged to explore ways in which this group may be supported and must record the total value of awards granted to disabled people” Household Support Fund October – March Final Guidance

- 1.7 The Council could pay the remainder, minus administration fees, (in the region of £200,000) for households. We propose allocating based on the successful applications from households we received in phase 2 (we received 1600 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 second phase of the scheme. We envisage this would be in the region of 150 new claims.

This is similar the approach we used in Phase 2 but relies on the Council having bank account details obtained via an online form which would potentially reduce take up.

2. Options analysis and proposal

- 2.1 If the Council adopt the approach of excluding pensioners in receipt of Local Council Tax support, then each eligible working age household would be in receipt of somewhere in the region of **£116**. (based on 1750 applications). Included in this option is a top slice of £25,000 for families with disabled children.
- 2.2 If the Council adopt the approach of including pensioners in receipt of Local Council Tax support, then each eligible household is likely to receive somewhere in the region of **£62**. (based on 3,300 applicants). Included in this option is a top slice for £25,000 for families with disabled children.
- 2.3 If the Council adopt the approach of excluding pensioners in receipt of Local Council Tax support, then each eligible working age household would be in receipt of somewhere in the region of **£131** (based on 1750 applications). This option precludes any ‘ring fenced’ support for disabled children.
- 2.4 If the Council adopt the approach of including pensioners in receipt of Local Council Tax support, then each eligible household is likely to receive somewhere in the region of **£69.50** (based on 3,300 applicants). This option precludes any ‘ring fenced’ support for disabled children.
- 2.5 Do nothing, this would require funds are returned to Surrey County Council and jeopardise any future award phases.

3. Financial implications

- 3.1 Spelthorne's combined funded budget for this scheme is £244,000. The proposed approach to distribution would minimise administration and resourcing pressures. We have assumed in our calculations an administration budget of £14,400 based on previous phase administration, which is deducted from the overall award. There is no expectation from central government for the authority to spend more than its allocated budget

4. Other considerations

All funding needs to be allocated to residents by the 31st of March 2023 for phase 3, so the scheme needs to be completed promptly.

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 are risks in relation to staff capacity in Housing Benefits, IT and Finance but if options are agreed, the same funding and administrative principles can be applied for potential future phases.

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 households as soon as possible.

Background papers: There are none.

Appendices:

Appendix A - <https://www.gov.uk/government/publications/household-support-fund-guidance-for-local-councils/household-support-fund-final-guidance-for-county-councils-and-unitary-authorities-in-england#introduction>