

Report No.
HPR2022/026

London Borough of Bromley

PART 1 - PUBLIC

Decision Maker: **EXECUTIVE**
For decision scrutiny by the Executive, Resources and Contracts Policy
Development and Scrutiny Committee

Date: 25th May 2022

Decision Type: Urgent Executive Key

Title: **BROMLEY HOUSEHOLD SUPPORT FUND**

Contact Officer: Tracey Wilson, Head of Compliance & Strategy
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Chief Officer: Sara Bowrey, Director, Housing, Planning & Regeneration

Ward: All Wards

1. REASON FOR REPORT

- 1.1 To note the Government announcement regarding the Household Support Fund (HSF) and to agree proposals for the allocation and distribution of the HSF.
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2. RECOMMENDATIONS

Executive is requested to:

- 2.1 Note that Bromley Council's allocation for the Household Support Fund (HSF) is £1,868k;
- 2.2 Approve the full utilisation of this ringfenced grant, in 2022/23, as detailed in paragraph 3.8 of this report and ;
- 2.3 Agree that any final changes are delegated to Chief Officer in consultation with the Portfolio Holders for Renewal, Recreation & Housing and Resources, Commissioning and Contracts Management

Impact on Vulnerable Adults and Children

1. Summary of Impact: Recipients of the scheme are some of the most vulnerable members of the community with high representation from particular equality groups; in particular vulnerable due to disability, mental health, pregnancy or young children and people including those leaving care.
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Corporate Policy

1. Policy Status: Existing Policy – extension of previous funding
 2. BBB Priority: Children and Young People Quality Environment Supporting Independence Healthy Bromley
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Financial

1. Cost of proposal: Estimated Cost: £1,868k
 2. Ongoing costs: Non-Recurring Cost
 3. Budget head/performance centre: Operational Housing
 4. Total current budget for this head: £7,282k
 5. Source of funding: Department for Work & Pensions
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Personnel

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable
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Procurement

1. Summary of Procurement Implications:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 10,000 beneficiaries
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 On 23 March 2022, the government announced in the Spring Statement that the Household Support Fund (HSF) would be extended from 1 April 2022 to 30 September 2022. £421 million has been made available to County Councils and Unitary Authorities in England to support those most in need to help with significantly rising living costs.
- 3.2 At least one third of the total funding must be spent on families with children and at least one third must be spent on pensioners. In terms of type of support, the expectation is that the HSF extension should be used in a similar way as the original HSF scheme, although, with a greater emphasis on supporting households with energy bills. Food and water bills also remain priorities. This covers a wide range of low income households in need including families with children of all ages, pensioners, and other low income households, particularly those who cannot increase their income through work, to prevent escalation of problems.
- 3.3 Local Authorities have discretion on exactly how this funding is used within the scope set out in the accompanying grant determination and this guidance. The expectation is that it should primarily be used to support households in the most need particularly those including children and pensioners who would otherwise struggled with energy bills, food and water bills. Energy bills may be of particular concern to low income households during the period of the scheme and Local Authorities should especially consider how they can support households with the cost of energy. It can also be used to support households with essential costs related to those items and with wider essential costs. 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.
- 3.4 Rather than focus on one specific vulnerable group, the DWP has advised that Local Authorities should use the wide range of data and sources of information at our disposal to identify and provide support to a broad cross section of vulnerable households to prevent escalation of problems. We should particularly consider how we can support low income households that cannot increase their income through work, such as pensioners, people with disabilities, unpaid carers and parents of very young children in their area. Support is not restricted to vulnerable households in receipt of benefits.
- 3.5 Authorities will be required to provide two management information (MI) returns outlining their grant spend and the volume of awards:
- an interim MI return for the period 01 April 2022 to 30 June 2022 will be due 22 July 2022
 - a final MI return for the period 01 April to 30 September 2022 will be due 21 October 2022

Grant payments will be made to authorities in arrears on receipt of a fully completed and verified MI return.

Summary of Business Case

- 3.6 The fund is large enough that all options have been incorporated or are under further discussion, and the flexibility of the scheme going forward will allow for a broad range of services and organisations to be supported.
- 3.7 The requirement to utilise the fund by the end of September 2022 and the lead-in times to set up the necessary administrative processes and delivery mechanisms means that proposals have

had to be developed at pace and brought to the first available committee for consideration and approval.

- 3.8 It is not proposed to make direct payments to the residents, as this increases the risk of fraud and also increases the risk that the payments will not be utilised for the intended purposes. Whilst the government have asked local authorities to seek to cover food and energy costs, there are unfortunately no fuel vouchers (other than for prepaid meters) and as such the Council proposes to utilise funding in supermarket vouchers, i.e. the additional savings made by the resident on food costs can be utilised by them towards their energy costs.

A summary of proposed spend is below:

Table 1

	£'000
Families eligible for free school meals during the holiday period	966
Pension Credit Caseload	616
Adult Social Care	115
Age UK	80
Contingency	56
Administration	35
Total	1,868

- 3.8 The planned spend shown in Table 1 above is within the grant allocation, so there is no risk to the Council. It is a requirement of the grant conditions to submit regular claims of any costs incurred which will be reimbursed provided they are within the permitted spend in the guidance
- 3.10 Families Eligible for free school meals; £966k has been set aside this will cover school holidays, providing support to the following;
- Eligibility Criteria
- All Pupil Premium children, namely:
 - children who claim free school meals
 - looked after or previously looked after children
 - Children eligible for the service premium, including pupils with a parent:
 - Serving in HM Forces
 - Retired on a pension from the MoD
 - Children in Need of help and protection, specifically:
 - Pupils with a Child in Need Plan
 - Pupils subject to a Child Protection Plan
 - Children Looked After
 - Care leavers
 - Pupils supported by Bromley Tackling Troubled Families
 - Privately fostered children
 - Disabled children
 - Ukrainian refugees placed in Bromley through the Family Placement or Homes for Ukraine scheme.
 - Children eligible for the 16-19 Bursary Fund, specifically
 - looked after children or care leavers
 - those in receipt of Income Support or Universal Credit
 - those receiving Disability Living Allowance or Personal Independence Payments in their own right and ESA/UC in their own right

- 3.11 Pension Credit: £616k has been set aside for households in receipt of pension credit, in order to meet the required spend of utilising 33% of the allocated funding, this will provide approximately £124.17 per individual/couple. This would assist 4964 individuals.
- 3.12 Adult Social Care: £115k has been set aside to support vulnerable people of working age, this will assist us in reaching vulnerable households that might be otherwise hard to reach
- 3.13 Age UK: £80k has been set aside to assist those that are not eligible for pension credit but may still be struggling and will need to be supported to benefit from this support via food vouchers.
- 3.14 Contingency: £56k has been set aside in order to have some ability to use the funding flexibility and to address any new or exceptional circumstances as they arise
- 3.16 Administration: £35k has been identified for administration which is less than 2% of the overall budget.

4. MARKET CONSIDERATIONS

4.1 N/A

5. SOCIAL VALUE AND LOCAL / NATIONAL PRIORITIES

5.1 The Household Support Fund will be a fundamental and practical response to the issue of significant rising living costs.

6. STAKEHOLDER ENGAGEMENT

6.1 N/A

7. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

7.1 **Estimated Value of Proposed Action: N/A**

7.2 **Other Associated Costs: N/A**

7.3 **Proposed Contract Period: N/A**

8. IMPACT ASSESSMENTS

8.1 As the fund has to be spent by September 2022 to meet immediate needs, a full means test cannot be established in the timescale. There is always a risk that help based around indicators of need doesn't reach everyone in hardship

8.2 Indicators of need follow established methodologies i.e. for free school meals (FSM). A mixed approach to the fund has been taken to capture as many households in need as possible.

9. POLICY CONSIDERATIONS

- 9.1 The key policy implications are to ensure that the funds are distributed in accordance with the funding criteria to avoid any monies being taken back or loss of funding. A clear record of both the decision making and the detail of the allocations will assist with this

10. IT AND GDPR CONSIDERATIONS

- 10.1 IT and GDPR have been considered and there is an established process within the Council and with Age UK as a trusted partner.

11. STRATEGIC PROPERTY

- 11.1 N/A

12. PROCUREMENT RULES

- 12.1 In consultation with the Head of Compliance & Strategy, there are no procurement implications.

13. FINANCIAL CONSIDERATIONS

- 13.1 As set out in the report, the Council has been allocated a total of £1,868k by the Department for Work and Pensions for the extension of the Household Support Fund. It is proposed that this amount is drawn down from the 2022/23 Central Contingency to the Operational Housing revenue budget to be allocated as outlined below:

	£'000
Families eligible for free school meals during the holiday period	966
Households in receipt of Pension Credit	616
Adult Social Care - vulnerable working age adults	115
Age UK - vulnerable adults not in receipt of Pension Credit	80
Contingency	56
Administration	35
	1,868

- 13.2 With the exception of the £35k for administration costs and £56k contingency, it is proposed that the entirety of this funding will be used to purchase supermarket vouchers which will be distributed to residents.
- 13.3 This is a ringfenced grant which the Department may withhold payment or require to be repaid if it is not utilised in accordance with the grant conditions summarised in paragraphs 3.2 to 3.5.

14. PERSONNEL CONSIDERATIONS

- 14.1 No staffing implications

15. LEGAL CONSIDERATIONS

- 15.1 The Government through a Determination cited as the 'Household Support Fund Grant Determination 2022 No 31/3096' under sections 31(3) and 31(4) of the Local Government Act 2003 have allocated to the Council a ring-fenced fund to provide a grant for the period 1st April 2022 to 30th September 2022 ,to be allocated as the Council deems necessary under a Scheme to provide support to households who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs or housing costs (in exceptional circumstances of genuine emergency)
- 15.2 The primary purpose of the grant is to provide support to the Council for expenditure lawfully incurred or to be incurred by them in accordance with the Grant Conditions to provide support to households, particularly those including children and pensioners, to help them with significantly rising living costs.
- 15.3 The Council will be awarding the grant based on discretionary allocations using the criteria and processes as identified elsewhere in this report
- 15.4 Where the Council decides to use the Grant it must comply with the grant conditions attached to the grant and ensure that recipients also comply to ensure the proper use and accounting of the grant paid.
- 15.5 The Council has the legal power to receive and distribute the grant and to make discretionary grant determinations as permitted within the grant award. In particular, the Council has power under Section 1 of the Localism Act 2011 to deliver grant funding to eligible persons as designated within the Councils Scheme
- 15.6 In exercising its discretion to formulate and adopt the Scheme, the Council must have due regard to all relevant circumstances including government guidance and local need when deciding on discretionary allocations. The Council is also subject to its fiduciary duty to ensure the adopted Scheme and monies paid from the grant represent the best use of that money to award to those deemed eligible under the Grant Conditions. The relevant Guidance issued by the Government is the 'Household Support Fund (1 April 2022 – 30 September 2022): – FINAL Guidance for County Councils and Unitary Authorities in England'.
- 15.7 The Guidance makes it clear that the Council has a general legal duty, in exercising their discretion, to have a clear rationale or documented Policy/Framework outlining their approach to allocation, including how eligibility is identified and the ways to apply for and access the payment. Accordingly, the Council must be able to demonstrate that their targeting rational is sound. It would appear from the content of the report that the proposed Scheme as set out in this report complies with legal decision-making in accordance with Administrative law.
- 15.8 The Guidance does not address specifically Subsidy Control however it is considered that the payments to individuals and households would not amount to subsidy within the meaning of the Subsidy Control Act 2022. The Guidance also recommends that Councils consider giving applicants the ability to review a decision however it is considered acceptable for such matters to be dealt with under the Councils standard complaints/grievance procedure.
- 15.9 The Government has reserved certain rights to investigate improper use and receipt of the Grant and may seek recovery. Given the nature of the payments the Council has designed the Scheme and its financial management to reduce the possibility of fraud an improper use of the grant.

- 15.10 Given that payments under the Scheme are likely to materially involve or impact on more than one Portfolio the Councils Constitution under 'Functions to be exercised by the Full Executive' provides the decision must be made by the Full Executive.
- 15.11 The report is also seeking a recommendation to delegate final decision-making to a Chief Officer in consultation with the relevant Portfolio holders. Officers should ensure that the any further decision-making is made accordance with these legal considerations.
- 15.12 Given the lateness of Government notification and timescales for spending the Grant, the Government have recognised that some councils may have difficulty in meeting their time frame for submitting a delivery programme. Notwithstanding this there may be a need for Officers to make an urgent decision to allocate grant by way of school vouchers to be made available during the half term. The Chief Executive, Leader, Deputy leader and Chairman of the PDS have been consulted explaining the pressing need. It is anticipated that it would be proper for members to retrospectively approve these actions by agreeing the recommendations to this report.
- 15.13 Under section 149 of the Equality Act 2010 the Council must have due regard to the need to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

The content of this report shows that the officers have had regard to the Equality Act 2010 which must be always kept under review.

Non-Applicable Sections:	N/A
Background Documents: (Access via Contact Officer)	N/A